

**2021 HOUSE INDUSTRY, BUSINESS AND LABOR**

**HCR 3013**

# 2021 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee  
Room JW327C, State Capitol

HCR 3013  
2/2/2021

**Legislative Management to consider studying issues related to employment restrictions in public assistance programs.**

**(3:26) Chairman Lefor** - called the hearing to order.

<b>Representatives</b>	<b>Attendance</b>
Chairman Lefor	P
Vice Chairman Keiser	P
Rep Hagert	P
Rep Jim Kasper	P
Rep Scott Louser	P
Rep Nehring	P
Rep O'Brien	P
Rep Ostlie	P
Rep Ruby	P
Rep Schauer	P
Rep Stemen	P
Rep Thomas	P
Rep Adams	P
Rep P Anderson	P

## **Discussion Topics:**

- Pay & work shortages
- Work hour disincentive

**Rep Cory** - District 42. Attachment #4982.

**Michelle Gee** - ND Dept. of Human Services. Attachment #4983.

**Chairman Lefor** - closes the hearing.

**Vice Chairman Keiser** - moved a Do Pass & placed on the consent calendar.

**Rep D Ruby** – second

<b>Representatives</b>	<b>Vote</b>
Chairman Lefor	Y
Vice Chairman Keiser	Y
Rep Hagert	Y
Rep Jim Kasper	Y
Rep Scott Louser	Y
Rep Nehring	Y
Rep O'Brien	Y
Rep Ostlie	Y
Rep Ruby	Y
Rep Schauer	Y
Rep Stemen	Y
Rep Thomas	Y
Rep Adams	Y
Rep P Anderson	Y

Vote roll call taken Motion carried. 14-0-0

**Rep P Anderson** - is the carrier.

(3:39) End time

*Ellen LeTang, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**HCR 3013: Industry, Business and Labor Committee (Rep. Lefor, Chairman)**  
recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (14  
YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3013 was placed on the Tenth  
order on the calendar.

Mr. Chairman members of the Industry Business and Labor committee,

My name is Claire Cory and I represent District 42, Grand Forks.

The purpose of this bill is to study the issue of pay and worker shortages in North Dakota.

Somebody may be on a public assistance program be it for housing or fuel assistance programs, maybe it's just general welfare whatever it may be. They are getting to a point where they are at an income threshold where they can't work anymore hours or make any more money because their public assistance would be taken away.

- We don't want to harbor a disincentive to work in this state.
  - People may want to work more hours but because of the way our programs work it's creating a disincentive for people to take more responsibility.

Can this study create a better environment that allows more responsibility?

This bill has been introduced a few times in a few different variations but to my knowledge has yet to be picked for a study.

Thank you and I will stand for any questions.

Claire Cory  
District 42

**Testimony**  
**House Concurrent Resolution No. 3013**  
**Department of Human Services**  
**House Industry, Business and Labor**  
**Representative Mike Lefor, Chairman**  
February 2, 2021

Chairman Lefor and members of the committee, I am Michele Gee, Director of the Economic Assistance Division for the Department of Human Services (Department). I am here today to provide information on the Economic Assistance Programs administered by the Department. The Economic Assistance Division is responsible for the administration of the Child Care Assistance Program (CCAP), Temporary Assistance for Needy Families (TANF) Program, Low Income Home Energy Assistance Program (LIHEAP), and the Supplemental Nutrition Assistance Program (SNAP).

The Child Care Assistance Program helps pay a portion of the cost of child care for working families or families in training or education programs. Eligible families can earn up to 60% of state median income. Upon 12-month review for continuation of benefits, families remain eligible with income up to 85% of state median income. This is a federal requirement referred to as a graduated phase-out. This requirement helps families with increased income transition from receiving benefits to becoming self-sufficient. During SFY 2020, the Program:

- Served an average of 2,780 children per month.
- Provided \$15.6 million in support of North Dakota families.
- Provided an average payment of \$466 per child per month.

The Low Income Home Energy Assistance Program helps households with home heating costs by paying a portion of their heating bills, and by improving their home's overall energy efficiency. The program serves families with income up to 60% of state median income which is the federal maximum for the program. During the 2020 heating season (October 1, 2019 – May 30, 2020), the Program:

- Served an average of 12,785 households.

- Provided \$12 million in support to North Dakota households.
- Provided an average payment of \$930 per household during the heating season.

The TANF program assists needy families with children who are deprived of parental support or care. This means a parent is absent due to divorce, separation, or death; or one or both parents are disabled.

Based on federal regulations, the adult receiving a TANF benefit must participate in a work activity of 20 hours a week if the youngest child is under 6 years of age or 30 hours a week if the oldest child is over 6 years of age. However, due to the national pandemic, the mandatory work activity hours are currently being waived.

During SFY 2020, the program served an average of 945 families per month, providing an average benefit of \$297 per family. Of those served:

- 81% served were children
- 52% of ND TANF cases are child-only cases (children in the care of a non-legally responsible caretaker)

The Supplemental Nutrition Assistance Program provides benefits to supplement the food budget of lower-income families so they can purchase healthy food and move towards self-sufficiency. The federal maximum income eligibility limit is set at 200% of the federal poverty level (equivalent to 60% of the state median income).

Per federal regulations, adults without dependent children must work at least 20 hours or more a week to maintain continuous eligibility or they may only receive SNAP benefits for 3 months in a 3-year period, unless they are exempt.

Adults exempt from work requirements include individuals:

- Individuals who are employed and working at least 30 hours weekly or receiving weekly earnings at least equal to the federal minimum wage multiplied by 30 hours,
- Under 18 or 50 years of age or older,
- Responsible for the care of a child or incapacitated household member,

- Participating in TANF JOBS,
- Who are medically certified as physically or mentally unable to work,
- Who are pregnant.

The mandatory work requirement for SNAP is currently being waived due to the national pandemic.

During SFY 2020, the program:

- Served an average of 48,323 individuals or 23,178 households per month.
- Provided \$78 million in support to households.
- Provided an average payment of \$280 per month.

In addition to testimony, I have included a handout which provides more information about the Economic Assistance Programs and State Median Income Levels.

This concludes my testimony and would be happy to answer any questions.



**2021 SENATE INDUSTRY, BUSINESS AND LABOR**

**HCR 3013**

# 2021 SENATE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Fort Union Room, State Capitol

HCR 3013  
3/10/2021

related to employment restrictions in public assistance programs
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**Chair Klein** opened the hearing at 2:28 p.m. All members were present. Senators Klein, Larsen, Burckhard, Vedaa, Kreun, and Marcellais.

### Discussion Topics:

- Low Income Whole Energy Assistance Program

**Representative Claire Cory** introduced the bill and submitted testimony #8642 [14:28].

**Michele Gee, ND Department of Human Services** testified neutral and submitted testimony #8502 and 8503 [14:35].

**Senator Kreun** moved a DO PASS [15:02].

**Senator Burckhard** seconded the motion [15:04].

[15:04]

Senators	Vote
Senator Jerry Klein	Y
Senator Doug Larsen	Y
Senator Randy A. Burckhard	Y
Senator Curt Kreun	Y
Senator Richard Marcellais	Y
Senator Shawn Vedaa	Y

**Motion passed: 6-0-0**

**Senator Kreun** will carry the bill

**Chair Klein** closed the hearing at 3:05 p.m.

*Isabella Grotberg, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**HCR 3013: Industry, Business and Labor Committee (Sen. Klein, Chairman)**  
recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR  
3013 was placed on the Fourteenth order on the calendar.

**Testimony — HCR 3013**  
**March 10, 2021 — Senate Industry, Business, and Labor Committee**

Chairman Klein and members of the Senate Industry Business and Labor Committee:

For the record, my name is Claire Cory and I represent District 42 in Grand Forks, North Dakota. My little district alone has a handful of businesses including RDO, hotels, restaurants such as Red Pepper, banks, and the two newest are Below Zero Nutrition and Cole Paper. I figured there isn't a better time to study employment restrictions in public assistance programs with the new changes in federal benefits and new to our state, CARES act benefits.

The goal of this bill is to study the challenges for business development regarding pay and worker shortages in North Dakota. To study if workforce shortage issues can be resolved by allowing employees to work additional hours. To study if public assistance programs restrict eligibility based on total number of hours worked. To study employment and benefits impacted due to COVID-19. And to study if, working more hours, while allowing employees to stay on benefits, will help businesses in their development.

What happens is somebody may be on a public assistance program be it for housing or fuel assistance maybe it's just general welfare whatever it may be and they are getting to a point where they are at an income threshold where they can't work any more hours or make anymore money because they'd get their public assistance taken away. These employees want to work more hours or they should be working more hours but because of the way our programs work its creating a disincentive for people to take more responsibility. Or perhaps it's creating a scenario where people want more responsibility but they can't because of what the programs are doing.

Some of you may have seen this bill before as it has been introduced in similar forms in previous sessions. It is pertinent to keep an eye on this issue no matter how often we've looked at it. As we saw an increase of public assistance programs during the pandemic it is an appropriate time for this study to discover the effects on businesses but also on employees.

I urge you to vote for a do pass to create a better work environment for North Dakota employers and employees. And I will answer any questions you may have.

Claire Cory—District 42

# Policy Brief

## Economic Assistance Division

**NORTH  
Dakota** | Human Services  
Be Legendary.™



On average **83,332** North Dakotans access public assistance each month.



**73,262** people in **34,795** households receive  
**Supplemental Nutrition Assistance Program (SNAP).**



**4,946** people in **2,960** households receive  
**Child Care Assistance Program (CCAP).**



**12,785** households served last heating season through  
**Low Income Heating and Energy Assistance Program (LIHEAP).**



**5,124** people in **1,981** households receive  
**Temporary Assistance for Needy Families (TANF).**

Many federal assistance programs are designed to help individuals and families who earn less than **60% of State median income (SMI).**

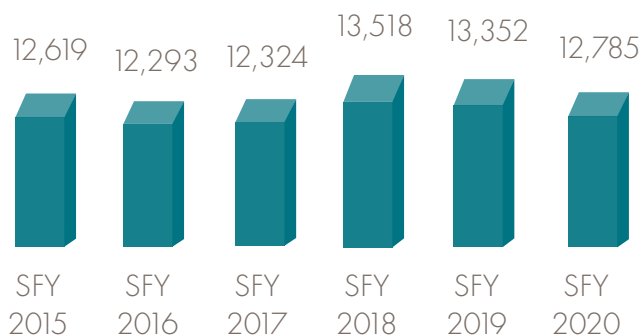
Household Size	Annual Income	Hourly Wage
1	\$31,440	\$15.12
2	\$41,124	\$19.77
3	\$50,796	\$24.42
4	\$60,468	\$29.07
5	\$70,140	\$33.72
6	\$79,824	\$38.38
7	\$81,636	\$39.25
8	\$83,448	\$40.12

Less than \$12 / hr	\$12 - \$20 / hour	\$20 - \$28 / hour	\$28 - \$35 / hour
Waiter/Waitress	Pharmacy tech	Carpenter	School counselor
Child care worker	Home health	Loan processor	Rotary drill oper.
Dishwasher	PT assistant	Legal secretary	HR specialist
Bartender	Hair stylist	Correctional officers	Accountant
Cafeteria worker	Retail	Auto service tech	Real Estate Sales
Short order cook	Farmworker	Surgical tech	PR specialist
Cashiers	Restaurant cook	Roofer	Counselor
Clerical assistant	Data entry	Lic. Practical Nurse	Registered Nurse
Personal care aide	EMTs & paramedics	Dental assistant	Computer network specialist
	Carpet installers	Firefighter	Construction supervisor
	Maintenance workers	Surgical assistant	Dental hygienist
	Nursing assistant	Clergy	Architecture occ
	Laborer	Social worker	Speech pathologist
	Substitute teacher	Police	
	Office/accounting clerk	Hotel manager	
	Light truck driver	Roustabout	
	Extraction helper	Heavy truck driver	

# Low Income Home Energy Assistance Program

LIHEAP helps households with home heating costs by paying a portion of their heating bills, and with improving their home's overall energy efficiency.

Average Households served per Heating Season (Oct-May)



## SFY 2020

**\$12 million**

Support to households

**\$930**

Average payment per household per heating season

**12,785**

Households served last heating season

# Supplemental Nutrition Assistance Program

Provides nutrition benefits to supplement the food budget of lower income families so they can purchase healthy food and move towards self-sufficiency

## SFY 2020

**\$78 million**

Support to households

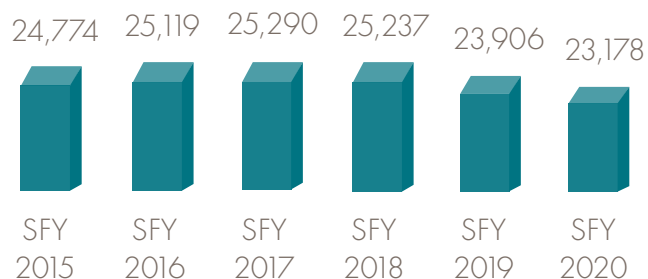
**\$280**

Average payment per household per month

**48,323**

Average number of individuals in served in 23,178 households

Average Households served per month



## COVID-19

## Pandemic LIHEAP (P-LIHEAP)

- Provided one-time help with the cost of electric utility bills for qualifying households.
- Payments were issued directly to participants' electric utility providers.
- Assistance available to households eligible in 2019-20 heating season.
- Assisted 6,500 households as of 12-31-20.

## COVID-19

## Pandemic EBT (P-EBT)

- Issued SNAP benefits to children eligible for free or reduced-price school meals who did not receive those meals due to school closure.
- Delivered info to families in partnership with DPI.
- Approximately 36,750 children received \$9.5 million in SNAP benefits due to COVID school closure March-May 2020.

## SNAP Emergency Assistance

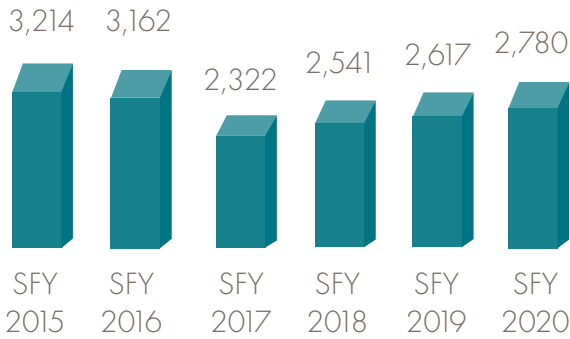
- Provides the maximum SNAP benefit to all SNAP eligible household starting in March 2020.
- An average of 15,000 households receive \$2.6 million in additional benefits per month.
- Optional program benefit is authorized each month by USDA FNS.



# Child Care Assistance Program

CCAP helps pay a portion of the cost of childcare for working families or families in training or education programs.

## Average number of children served per month



### Parents in workforce

73% of the 44,237 North Dakota households who have children younger than age 5 likely have at least some need for child care as all available parents are in the workforce

### 1 in 10 eligible children

26,000 ND children age 13 or younger live in households where parent earnings are less than 200% of the federal poverty level. 2,780 children (11% of potentially eligible) are currently served by CCAP in our state.

### 7% receive CCAP

1,500+ approved child care providers are licensed to serve 40,769 children each year. In 2020, an average of 2,780 of those licensed slots served children who received assistance

### SFY 2020

**\$15.6 million**

Support to families

**\$466**

Average payment per child per month

**2,780**

Average number of children served per month

### COVID-19

### COVID-19 Childcare Assistance

- Allowed for more than 40 absence hours per month due to illness, quarantine and provider closures.
- Allowed families to maintain eligibility as they were seeking employment (both at application and re-review).
- Extended payment request deadlines and aligned with Child Care Emergency Operating Grant (CEOG).

## Temporary Assistance for Needy Families

TANF provides assistance to needy families with children who are deprived of parental support or care. Which means that a parent is absent due to divorce, separation, death or one or both parents are aged or disabled.

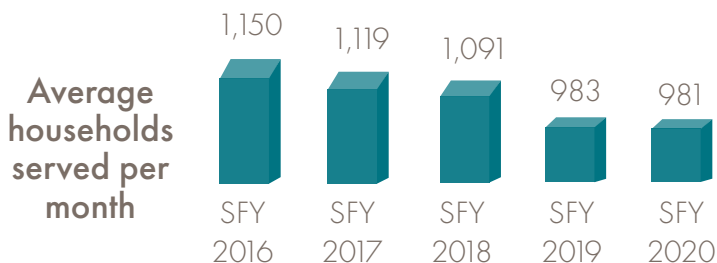
### SFY 2020

**81%** Of beneficiaries are children

**\$297** Average benefit per family per month

**945** Average number of families served per month

**52%** Of ND TANF cases are child only cases (children in the care of a non-legally responsible caretaker)



### TANF Funded Programs

#### Alternatives to Abortion

Reimbursements to organizations that deliver alternative services and education to the public.

#### Crossroads

Case management and support service payments to qualified teen parents who are pursuing an education.

#### Kinship Care

Alternative to foster care for children living with a relative and in the care, custody and control of a Human Service Zone, Division of Juvenile Services, or a tribal agency within ND.

#### Parental Responsibility Initiative for the Development of Employment (PRIDE)

Case management and support service payments to address nonpayment of child support by noncustodial parents.

**Testimony**  
**House Concurrent Resolution No. 3013**  
**Department of Human Services**  
**Senate Industry, Business and Labor Committee**  
**Senator Jerry Klein, Chairman**  
March 10, 2021

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- Provided an average payment of \$930 per household during the heating season.

The TANF program assists needy families with children who are deprived of parental support or care. This means a parent is absent due to divorce, separation, or death; or one or both parents are disabled. The eligibility income level was increased during the 2015 legislative session and is at 35% of the federal poverty level.

Based on federal regulations, the adult receiving a TANF benefit must participate in a work activity of 20 hours a week if the youngest child is under 6 years of age or 30 hours a week if the oldest child is over 6 years of age. However, due to the national pandemic, the mandatory work activity hours are currently being waived. During SFY 2020, the program served an average of 945 families per month, providing an average benefit of \$297 per family. Of those served:

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- Who are medically certified as physically or mentally unable to work,

- Who are pregnant.

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