



North Dakota Legislative Council

Prepared for Senator Hogan
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BACKGROUND ON THE CHILDREN'S SERVICES COORDINATING COMMITTEE

Requested by Senator Kathy Hogan on behalf of the Children's Cabinet, this memorandum provides background information on the Children's Services Coordinating Committee (CSCC), including the legislative history and funding structure of the committee.

EXECUTIVE SUMMARY

The CSCC operated from 1987 to 2005, with a primary focus on coordinating services for children and adolescents experiencing, or at risk of experiencing, adverse factors such as medical disabilities, mental and behavioral health challenges, homelessness, and poverty. Coordinating activities undertaken by the CSCC included:

- Identifying statewide barriers to child well-being and related service gaps.
- Organizing regional and tribal CSCCs.
- Working with service providers and state agencies to facilitate communication, form prevention and early intervention strategies, and create regionalized community development plans.
- Funding service and program initiatives to meet community needs.

From its inception to its termination, the CSCC's membership included leadership from state agencies that provided services to children and families. This diverse membership facilitated a collaborative approach to recommending legislative action, developing policies, and establishing statewide definitions.

As noted in the 1996 performance audit conducted by the State Auditor's office, the primary focus of the CSCC was on prevention and early intervention to strengthen a family's capacity to parent children. The audit identified inefficiencies and inconsistencies related to the committee's organization and procedures based on legislative intent. The CSCC and the Legislative Assembly took steps to resolve the concerns raised in the audit, including concerns related to delivery of services, misclassification of funds, and other procedural operations.

The CSCC discontinued operations in 2005 after a federal policy change eliminated the committee's primary funding source and no additional funds were allocated by the Legislative Assembly.

LEGISLATIVE HISTORY AND KEY DATES

Establishment

Senate Bill No. 2039 (1987) established the CSCC as a temporary committee tasked with developing a plan for a coordinated delivery of services to children and adolescents. The bill authorized the committee to apply for and accept grants to fund planning programs for services for children and adolescents. Created in collaboration with stakeholders across the public and private sectors, the plan submitted by the committee in 1988 identified:

- The seven components of North Dakota's child-centered, community-based system of care, which included mental health, social services, education, health, vocational services, recreation, and operational services.

- Interim accomplishments of the CSCC, such as policy development, new initiatives, and obtained funds.
- Recommendations related to interagency coordination and the continuum of care for children and adolescents at risk.
- Legislative recommendations for the next biennium, including continuation of the CSCC and establishment of regional CSCCs.

Reauthorization

House Bill No. 1077 (1989) reauthorized the CSCC as a permanent committee tasked with planning and coordinating the delivery of services to children and adolescents at risk. The bill authorized the committee to oversee interagency or intergovernmental projects and programs for children, as well as projects and programs involving public and private sector entities. The committee was permitted to charter public corporations to implement programs for at-risk and in-need children and adolescents. In addition to the \$2,650,000 appropriated in the bill, the CSCC was authorized to accept funds and in-kind support from external sources for deposit in the newly created Children's Services Coordinating Committee Fund. The bill directed the State Treasurer to invest money from the fund in an interest-bearing account to generate revenue.

Evolution

Introduced in 1993, a refinancing strategy allowed local organizations to claim federal reimbursement for services provided to eligible children under three federal programs: Title IV-A - Aid to Families with Dependent Children, Title IV-E - Foster Care, and Title XIX - Medicaid. As the state administrator of these programs, the Department of Human Services submitted claims to the federal government, received reimbursement payments, and retained a percentage of reimbursement dollars to cover operating costs. The department also leveraged the state CSCC as a contracted agent, which allowed the CSCC to serve as the primary facilitator between participating entities and the department.

Senate Bill No. 2016 (1993) articulated legislative intent for the establishment of regional CSCCs, and for regional CSCCs to consider region-specific service needs and revenue generation in their planning efforts. Eight regional and four tribal committees were organized during the 1993-94 interim, and within 3 years were recruiting local organizations to participate in the refinancing process.

House Bill No. 1016 (1995) stated planning, not service delivery, was the intended function of regional and tribal CSCCs. The bill also directed the State Auditor to conduct a performance review of the state, regional, and tribal CSCCs. The performance audit conducted during the 1995-96 interim identified 39 recommendations for improvements to operational efficiency and legislative compliance. A key finding indicated the Legislative Assembly's intent for regional and tribal CSCCs to not directly provide services and programs was inconsistent with the Legislative Assembly's authorization of CSCC designated organizations to implement programs. The Legislative Assembly resolved this inconsistency with Senate Bill No. 2014 (1997). This bill:

- Revoked the state CSCC's permission to oversee "interagency or intergovernmental projects and programs for children, or projects and programs that require the participation of both governmental and private entities."
- Revoked the state CSCC's authority to charter public corporations, or designate regional and tribal CSCCs, to implement programs.
- Formally codified regional and tribal CSCCs and directed them to recruit local organizations to participate in the refinancing system.

The bill also repealed the CSCC's special fund and, citing the relatively high administrative expenses as compared to income of certain regional and tribal CSCCs, directed the state CSCC to develop a plan to reduce the administrative costs of the regional and tribal CSCCs through consolidation efforts. However, consolidation was not required after the CSCC concluded it would be unworkable in the committee's 1998 consolidation report.

In 1999, a followup performance audit conducted by the State Auditor noted "nineteen recommendations were determined to be fully implemented, thirteen were determined to be partially implemented, one was determined to be not implemented, and six were determined to be no longer applicable." House Bill No. 1014 (1999) capped the CSCC's allowable unobligated fund balance.

Discontinuation

A federal policy change in 2002 substantially reduced the amount of refinancing funds available to the CSCC for the 2003-05 biennium. The 2005 Legislative Assembly did not allocate additional funds for the CSCC's continuance; however, under Senate Bill No. 2297, the Legislative Assembly permitted the state, regional, and tribal CSCCs to receive funds, services, or other assistance from any source through 2007. Although the State Auditor noted CSCC operations were discontinued as of June 30, 2005, the state, regional, and tribal CSCCs remained statutorily authorized for the next 12 years. During this time, regional and tribal committees continued to function informally until their reserve funds were expended. North Dakota Century Code Chapter 54-56 was repealed in 2017 by Senate Bill No. 2032, and the Children's Cabinet, a body with a similar model and goals, was established in 2019.