

**CHAPTER 50-01.1**  
**MULTICOUNTY SOCIAL SERVICE DISTRICTS**

**50-01.1-01. Definitions.**

As used in this chapter, unless the context or subject matter otherwise requires:

1. "Department" means the department of human services.
2. "Host county" means the county within the human service zone in which the human service zone administrative office is located and in which the human service zone team members are employed.
3. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.
4. "Human service zone director" means a human service zone team member who oversees the human service zone's operation and budget and serves as presiding officer of the human service zone board.
5. "Human service zone team member" means a county employee who is responsible for administering or delivering human services under the direction of the human service zone director.
6. "Human services" means:
  - a. A service or assistance provided to an individual or an individual's family in need of services or assistance, including child welfare services, locally administered economic assistance programs, medical service programs, and aging service programs, to assist the individual or the individual's family in achieving and maintaining basic self-sufficiency, including physical health, mental health, education, welfare, food and nutrition, and housing.
  - b. A service or assistance provided, administered, or supervised by the department in accordance with chapter 50-06.
  - c. Licensing duties as administered or supervised by the department or delegated by the department to a human service zone.
7. "Indirect costs" means salaries, benefits, and operating costs incurred in providing those goods and services to support human services that are generally available for the common benefit of multiple county agencies. These costs include legal representation; facilities and related costs, such as utilities and maintenance; administrative support including payroll, accounting, banking, and coordination; information technology support and equipment; and miscellaneous goods and services, such as transportation, supplies, insurance coverage, phone, and mail services.
8. "Locally administered economic assistance programs" means those primary economic assistance programs that need to be accessible to all citizens of the state through a human service zone office and include:
  - a. Temporary assistance for needy families;
  - b. Employment and training programs;
  - c. Child care assistance programs;
  - d. Medical assistance, including early periodic screening, diagnosis, and treatment;
  - e. Supplemental nutrition assistance programs, including employment and training programs;
  - f. Refugee assistance programs;
  - g. Basic care services;
  - h. Energy assistance programs; and
  - i. Information and referral.

**50-01.1-02. Creation of human service zones.**

1. In order to provide optimum service, reduce program costs, and benefit recipients of human services within this state, counties shall combine and consolidate their county agencies into human service zones in the manner provided in this chapter.

2. Human service zones succeed to all the powers and duties enumerated for county agencies and shall perform all the functions and responsibilities assigned to county agencies by this title. When consistent with this chapter, all provisions relating to county agencies contained in this title apply to and govern human service zones.
3. Counties shall identify other counties with which to enter a human service zone agreement, and together the board of county commissioners shall file with the department a written agreement to create a human service zone no later than December 1, 2019. The agreement must identify the proposed counties of the human service zone, host county, identify the human service zone board members, and agree to seek approval from the department regarding hiring or dismissal of county social services or human service zone employees. The department shall review and approve all agreements in accordance with section 50-01.1-03. The department may modify the agreements as specified in section 50-01.1-03 or if some of the counties are not included in a human service zone. If counties do not submit an agreement, the department shall create the human service zone. The board of county commissioners shall submit a plan as prescribed in section 50-01.1-04 by June 1, 2020. The department shall approve the plan in accordance with section 50-01.1-04 by January 1, 2021. The board of county commissioners shall provide quarterly updates as requested by the department to the department after the agreement is approved until the plan is submitted as requested.
4. The agreement and proposed plan must be approved or disapproved by the department in accordance with section 50-01.1-03.
5. A county with a population exceeding sixty thousand individuals according to the 2010 United States census may submit an agreement and proposed plan to operate as a single human service zone or to consolidate with other counties into a human service zone.
6. Counties shall consider leveraging existing cooperative agreements between county agencies and shall consider how to collaborate to best meet local need, promote efficiency, service delivery, and ensure quality service.
7. Counties' plan must allow nonresidents of the participating counties of a human service zone to access human services.
8. Counties' plan must continue to provide funding for indirect costs associated with the service delivery of human services pursuant to chapter 50-35.
9. Counties' plan must set forth that the human service zone director may hire and impose disciplinary actions on a human service zone team member. The counties' plan must specify any role transitions for human service zone team members as well as the procedures for team member grievances, appeals, and disciplinary actions. The counties' plan must also permit the department authority to reduce full-time equivalent positions in combination with a transfer of the positions or a human service zone team member's separation from employment. The component of the plan developed under this subsection must be consistent with merit system requirements, chapter 54-44.3 and corresponding rules, and the template developed by the department for the human service zone plans under section 50-06-01.4.
10. The counties' plan must specify that reductions in access points may only be made with agreement of the human service zone board, the county commissions of affected counties, and the department.
11. The counties' plan must include information regarding the human service zone's liability coverage for the human service zone board, human service zone director, human service zone team members, human service zone property, and any unique contractual relationships with the state, other human service zones, or other entities.
12. Counties' plan must include a statement of agreement between the human service zone and the department allowing for review of proposed transfers of staff from the human service zone to the department, from the department to the human service zone, or among other human service zones. Approval by human service zone board or the county commissions is not required.

13. Counties' plan must include a description of all unique locally provided programs and services that the counties are proposing to continue to provide within the human service zone and to be funded under this plan.
14. Counties' agreement and plan must set forth the membership of the human service zone board of a human service zone. The human service zone board may not consist of more than fifteen members, as determined by the boards of county commissioners.

**50-01.1-02.1. Financial incentives for creation of multicounty social service districts.  
(Repealed effective January 1, 2020)**

The state department, within the limits of legislative appropriations and in accordance with rules adopted by the state department, shall provide financial incentives for the creation of multicounty social service districts pursuant to plans approved as provided in section 50-01.1-03. The incentives may be based upon achieved economies of scale, adherence to caseload standards for economic assistance and social service functions, reduced administrative costs, specialized qualifications of staff, and quality of services provided. Financial incentives are limited to a six-year period and must be phased out during the last three years of the period. The incentives may be extended beyond the six-year period, at the discretion of the state department, to promote appropriate expansion of established districts. In addition, the state department shall pay for the costs incurred by counties in the development of multicounty social service districts, including related travel and materials costs. The state department shall make the payments in reimbursement of the relevant costs upon approval of applications that comply with requirements established by rules adopted by the state department.

**50-01.1-03. Manner of determination.**

1. In determining whether the creation of a human service zone should be approved or established, the department shall refer to, among other pertinent factors, the following:
  - a. Whether the affected county agencies are able to supply an adequate level and quality of social and economic assistance services.
  - b. The number and qualifications of staff personnel serving the affected county agencies.
  - c. The ratio of the number of cases handled by the affected county agencies to the number of their staff personnel.
  - d. The geographical area and population served by the affected county agencies.
  - e. The distance of recipients from the affected county agencies.
  - f. The benefits that would be realized from the creation of the human service zone in terms of lower costs, increased availability of services, new services, and improvement of services.
  - g. The amount of current and future access points for individuals to apply for and receive services within a human service zone.
  - h. The existing pattern of the counties trade area and any regional pattern established by the department.
  - i. Whether the county has a population exceeding sixty thousand individuals according to the 2010 United States census to operate as a single human service zone and whether it is in the best interest of the neighboring counties.
  - j. The maximum number of human service zones created may not exceed nineteen.
  - k. Whether the human service zone director can adequately supervise the activities and operations of the human service zone.
  - l. Whether the human service zone board is constituted of individuals that represent the population of the human service zone.
  - m. Other good cause.
2. The department has final approval of a human service zone. The department may establish or modify a human service zone based on the criteria set forth in subsection 1. All human service zones must be initially approved or established by

January 1, 2020, and may be modified thereafter through a process developed by the department.

**50-01.1-04. Plan - Financing - Human service zone board. (Effective through December 31, 2019)**

1. A plan for the creation of a human service zone must describe the method of operation of the human service zone office, its administration, its location and the location of any ancillary offices, the disbursements from public funds, and the accountability for funds and manner of reporting receipts and disbursements. The plan must provide for the distribution of property owned by each of the county agencies affected by the consolidation and for the method of resolution of any disagreement between the boards of county commissioners involved in the human service zone or between the governing board and one or more boards of county commissioners. The plan must also require the participating counties to participate in the indirect cost allocation plan. The plan, once approved, may be continued for a definite term or until rescinded, terminated, or modified by the department through a process developed by the department.
2. The governing board of the multicounty social service district annually shall prepare a proposed budget for the district at the time and in the manner in which a county budget is adopted and shall submit the proposed budget to the board of county commissioners of each county in the district for approval. The amount budgeted and approved must be sufficient to defray the anticipated expenses of administration and the delivery of social and economic assistance services, exclusive of grants, and must be prorated among the counties based on an agreed-to cost distribution formula that takes into consideration such factors as caseload, population, taxable valuation, and geographical area of the respective counties comprising the district. Within ten days following approval of the proposed budget by the boards of county commissioners, the governing board of the district shall certify the budget to the respective county auditors of the counties in the district, and this amount must be included in the levies of the counties. Each board of county commissioners also shall budget and approve amounts sufficient to defray that county's anticipated costs of county general assistance and that county's share of grants as provided under this title. The amounts budgeted and approved by the several boards of county commissioners must be periodically deposited with the treasurer of the county in which the district office is located, as requested by the treasurer, and must be placed in a special multicounty social service district fund. The governing board, or its president and secretary when authorized by the governing board, shall audit all claims against the fund. The governing board at its regularly scheduled meeting shall approve or ratify all claims against the fund. The county treasurer shall pay approved or ratified claims from the fund. Unexpended funds remaining at the end of a fiscal year may be carried over to the next fiscal year.
3. The governing board of a multicounty social service district consists of not more than fifteen members, as determined by the plan. The plan must establish a method of determining the number of members that will be appointed by each county within the multicounty social service district. The method may consider the ratio that each county's population bears to the total population of the multicounty social service district, the ratio of current social service caseload, or other equitable factors; provided, that each county included in the district must be represented by at least one board member. The board of county commissioners of each county within the multicounty social service district shall make the appointments to the governing board. Members must be appointed for a term of three years or until a successor has been appointed and qualifies. The members appointed to the initial governing board of a multicounty district, however, must be appointed to staggered terms determined according to the plan approved pursuant to section 50-01.1-03. Each member of the governing board shall qualify by taking the oath prescribed for civil officers and by filing the oath with the county auditor of the county of residence. Each sex must be fairly

represented on the board, and each county must be represented on the board by at least one county commissioner of that county. Members shall elect from the governing board a president, a secretary, and other officers as the board determines necessary.

4. The appointing authority shall establish the rate of compensation for members of the governing board and actual expenses incurred by members may be reimbursed at the official reimbursement rates of the appointing authority.

**Plan - Financing - Human service zone board. (Effective after December 31, 2019)**

1. A plan for the creation of a human service zone must describe the method of operation of the human service zone office, its administration, its location and the location of any ancillary offices, the disbursements from public funds, and the accountability for funds and manner of reporting receipts and disbursements. The plan must provide for the distribution of property owned by each of the county agencies affected by the consolidation and for the method of resolution of any disagreement between the boards of county commissioners involved in the human service zone or between the governing board and one or more boards of county commissioners. The plan must also require the participating counties to participate in the indirect cost allocation plan. The plan, once approved, may be continued for a definite term or until rescinded, terminated, or modified by the department through a process developed by the department.
2. The human service zone director shall prepare a proposed budget for the human service zone at the time and in the manner as requested by the department and shall submit the department-approved proposed budget to the board of county commissioners of each county in the human service zone for review. The board of county commissioners may not take any action to amend or modify the amount approved by the department. The board of county commissioners may make recommendations to the human service zone director and the department to amend or modify the amount proposed or budgeted. The amount budgeted must be sufficient to defray the anticipated expenses of administration and the delivery of human services. Within ten days following review of the proposed budget by the boards of county commissioners, the human service zone director shall certify the budget to the respective county auditors of the counties in the district. Each board of county commissioners also shall budget and approve amounts sufficient to defray that county's anticipated indirect costs of the human service zone. The amounts budgeted, reviewed, and approved by the several boards of county commissioners or the department, or both must be periodically deposited with the treasurer of the host county in which the human service zone office is located and must be placed in a special human service zone human services fund. The human service zone's income must be deposited into the human service zone human services fund by the treasurer of the host county. The human service zone board shall establish procedures for the review and approval of all claims against the human service zone human services fund. The human service zone director or designee shall approve or ratify all claims against the human service zone human services fund. The county treasurer of the host county, shall pay approved or ratified claims from the human service zone human services fund. Unexpended human service zone human services funds remaining at the end of a fiscal year may be carried over to the next fiscal year. The department may recalculate and adjust each human service zone's formula payment biannually based on pertinent factors, which include actual expenditures over the prior or current payment period, current costs, offered services, need, income, performance of duties directed or assigned and supervised by the department, and caseload.

**50-01.1-05. Duties of human service zone. (Effective after December 31, 2019)**

The human service zone shall, under the direction and supervision of the department, unless otherwise directed or determined by the department:

1. Supervise and direct all human services activities conducted by the human service zone, including general assistance or other public assistance.

2. Supervise and administer human services in the human service zone which are financed in whole or in part with funds allocated or distributed by the department.
3. Aid and assist in every reasonable way to efficiently coordinate and conduct human services activities within the human service zone by private as well as public organizations.
4. Subject to subsection 16 of section 50-06-05.1, administer the supplemental nutrition assistance program in the human service zone in conformity with the Food Stamp Act of 1964, and enter an agreement for administering the supplemental nutrition assistance program with the department.
5. Subject to subsection 18 of section 50-06-05.1, administer the home energy assistance program in the human service zone and enter an agreement for administering the home energy assistance program with the department.
6. Charge and collect fees and expenses for services provided by the human service zone's staff in accordance with policies and fee schedules adopted by the department.
7. Supervise and administer designated child welfare services.
8. Supervise and administer human services.
9. Supervise and administer replacement programs with substantially similar goals, benefits, or objectives.
10. If applicable, supervise and administer experimental, pilot, statewide, regional, or transitional programs under the director of the department and with the goals of enhancing quality, effectiveness, and efficiency of programs and services.
11. Cooperate with the department or other human service zones in revising human service zone operations to reflect department guidelines or best practices that may be based on recommendations from experimental or pilot programs.
12. Cooperate with any other human service zone to assure the conduct of initial and ongoing human services with respect to any applicant or eligible beneficiary who is physically present in a human service zone other than the human service zone of which the applicant or eligible beneficiary is a resident.
13. Employ a human service zone director who shall serve as the presiding officer of the human service zone board.
14. Collaborate with the department and other human service zones to ensure the provision of quality, effective, and efficient human services to the citizens of North Dakota.

**50-01.1-06. Human service zone directors. (Effective after December 31, 2019)**

Human service zone directors:

1. Must be employees of the human service zone and located within the human service zone, unless serving more than one human service zone.
2. Shall serve as the presiding officer of the human service zone board.
3. May serve one or more human service zones.
4. May hire, take disciplinary actions, and direct the work of a human service zone team member in accordance with the department's policies. The human service zone director has discretion to hire or separate from employment a human service zone team member, on behalf of the human service zone board, subject to the allotted number of approved and funded staff positions by the department.
5. Shall notify the department and appropriate host county staff, as directed by the county commissioners, regarding the hiring, dismissal, demotion, suspension without pay, forced relocation within the human service zone, reduction-in-force, or reprisal of a human service zone team member.
6. May notify county commissioners, the human service zone board, or other appropriate county staff regarding transfers of staff between the county and the department.
7. Shall establish, as agreed upon by the department, equitable compensation and salary increases for all human service zone team members within established appropriation.
8. Shall develop a budget for the human service zone in partnership with the department and other human service zone directors to ensure the administration of human services.

9. May serve as a designee of the department to supervise department employees assigned to or located within the human service zone.
10. Are the custodian designees of the executive director of the department for any child in the custody of the department.

**50-01.1-07. Human service zone and department may contract. (Effective after December 31, 2019)**

A human service zone and department may contract with another human service zone or any other public or private person to discharge any of its duties or exercise any of its powers to administer human services.

**50-01.1-08. Standards of administration - Action upon failure to administer. (Effective after December 31, 2019)**

1. The department shall adopt standards for administration for human services and shall provide training for the implementation of those standards. Each human service zone shall provide for administration of human services that meet those standards.
2. The department shall develop a system of progressive discipline to address performance issues within the human service zone. The system shall reserve the most serious actions for severe or chronic failure to meet the standards adopted under subsection 1.
3. The department shall provide ongoing performance notifications to the human service zone board and human service zone director related to the overall compliance with the standards of administration.
4. If a human service zone fails to provide for administration of human services that meet the standards adopted under subsection 1, the department may take any of the following actions:
  - a. Provide training to the persons responsible for administration.
  - b. Require the human service zone to prepare and implement a corrective action plan.
  - c. Terminate or modify a human service zone, agreement, or plan which may include requiring the reconstituting of the human service zone board or rehiring of a human service zone director as part of a new or modified agreement or plan.
  - d. Recalculate and adjust the human service zone's formula payments.
  - e. Recommend disciplinary action to the human service zone director or the human service zone board.

**50-01.1-09. Human service zone director hiring. (Effective after December 31, 2019)**

The department must be an active participant in the hiring process of the human service zone director and shall designate at least two individuals to participate on the interview panel. The department shall approve or disapprove of the recommendation for the human service zone director from the human service zone board and interview panel before the human service zone board takes action to hire the human service zone director.