

**Testimony**  
**Senate Bill 2167 – Department of Human Services**  
**Senate Human Services Committee**  
**Senator Judy Lee, Chairman**  
**January 15, 2007**

Chairman Lee, members of the Senate Human Services Committee, I am Barbara Fischer, Assistant Director, Budget and Operations, for the Medical Services Division, of the Department of Human Services.

This bill will allow a continuation of a waiver of the licensing requirements when an entity sells or transfers an existing licensed assisted living facility to a new party. In essence, it extends “grandfather” provisions for a second time when a change of ownership occurs. Without the exception, grandfather provisions are not applicable to new licensees and new owners have to meet the licensing requirements in effect at the time of purchase.

The licensure requirements under NDCC 50-32-01 and 50-32-02 that would be waived are:

- A living unit must contain a sleeping area, a lockable entry, and a private bath with toilet, sink, and tub or shower
- No more than 2 people may occupy one bedroom of a living unit

I would like to suggest amendments to the language in subsection 2.

- The word “possesses” on line 12 should be changed to possessed, since licenses are valid only for one year and licenses

issued prior to those with an effective date of January 1, 2007 are no longer valid.

- To ensure that the same grandfather provisions provided to the existing owner are the provisions applicable to the new owner line 14 should read "allow a continuance of the exception to the licensure requirements provided in subsection 1 for the new owner. The"

I would be happy to answer any questions you may have.