For its report, the North Dakota Department of Human Services states:

1. The proposed amendments to N.D. Admin. Code chapter 75-02-10 and creation of N.D. Admin. Code chapter 75-03-24 are the result of statutory changes made by the Legislative Assembly in 2011 Senate Bill No. 2077.

2. These rules are not related to changes in a federal statute or regulation.

3. The Department of Human Services uses direct and electronic mail as the preferred ways of notifying interested persons of proposed rulemaking. The Department uses a basic mailing list for each rulemaking project that includes the county social service board directors, the regional human service centers, Legal Services offices in North Dakota, all persons who have asked to be on the basic list, and internal circulation within the Department. Additionally, the Department constructs relevant mailing lists for specific rulemaking. The Department also places public announcements in all county newspapers advising generally of the content of the rulemaking, of over 50 locations throughout the state where the proposed
rulemaking documents may be reviewed, and stating the location, date, and time of the public hearing.

The Department conducts public hearings on all substantive rule-making. Oral comments are recorded. Oral comments, as well as any written comments that have been received, are summarized and presented to the Department's executive director, together with any response to the comments that may seem appropriate and a re-drafted rule incorporating any changes occasioned by the comments.

4. A public hearing on the proposed rules was held in Bismarck on December 29, 2011. The record was held open until 5:00 p.m. on January 9, 2012, to allow written comments to be submitted. A summary of the comments received is attached to this report.

5. The cost of giving public notice, holding a hearing, and the cost (not including staff time) of developing and adopting the rules was $2,039.17.

6. The proposed rules amend chapter 75-02-10 and create chapter 75-03-24. The following specific changes are made:

   **Section 75-02-10-01.** Section 75-02-10-01 is amended to identify that definitions found in North Dakota Century Code chapter 50-24.5 apply to chapter 75-02-10 and to remove duplicate definitions.

   **Section 75-02-10-02.** Section 75-02-10-02 is amended to identify benefits available for recipients of aid to vulnerable aged, blind, and disabled individuals.

   **Section 75-02-10-06.1.** Section 75-02-10-06.1 relating to adaptive assessment services is repealed.
Chapter 75-03-24. Chapter 75-03-24 is created to establish a separate set of rules applicable to the Expanded Service Payments to the Elderly and Disabled program and includes definitions, eligibility criteria, authorization of services, application, duty to establish eligibility, services covered, residency, and appeals.

7. No written requests for regulatory analysis have been filed by the Governor or by any agency. The proposed amendments are not expected to have an impact on the regulated community in excess of $50,000. A regulatory analysis for each chapter was prepared and is attached to this report.

8. A small entity regulatory analysis and small entity economic impact statement were prepared for each chapter and are attached to this report.

9. These rules are not expected to have a fiscal impact on state revenues and expenditures, including on any funds controlled by the Department.

10. A constitutional takings assessment was prepared and is attached to this report.

11. These rules were not adopted as emergency (interim final) rules.

Prepared by:

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