



LEGISLATIVE TASK FORCE ON GOVERNMENT EFFICIENCY

Wednesday, March 25, 2026
Harvest Room, State Capitol
Bismarck, North Dakota

Representative Nathan Toman, Chairman, called the meeting to order at 10:00 a.m.

Members present: Representatives Nathan Toman, Glenn Bosch, Robin Weisz; Senators Kyle Davison, Kathy Hogan, Chuck Walen; Citizen Members Alan S. Dohrmann, Joshua C. Gallion, Joe Morrisette

Member absent: Citizen Member Jonathan Casper

Others present: See [Appendix A](#)

It was moved by Representative Weisz, seconded by Senator Walen, and carried on a voice vote that the minutes of the December 3, 2025, meeting be approved as distributed.

STATUTE REVISION PROPOSALS SURVEY

Mr. Levi Kinnischtzke, Senior Fiscal Analyst, Legislative Council, presented a memorandum entitled [Statute Revisions Proposals Survey](#).

Office of Management and Budget

Ms. Sherry Neas, Director, Shared Services Division, Office of Management and Budget, presented information ([Appendix B](#)) regarding potential statute revision proposals for consideration during the 2027 legislative session. She noted:

- The Office of Management and Budget (OMB) identified three areas to improve government services and realize state government efficiencies through proposed statutory changes, including proposals related to concessions; prequalification of architects, engineers, construction, and surveying services; and the publication of legal notices.
- When a state agency considers bids for concession services, North Dakota Century Code Chapter 48-09 requires the agency to consider the highest responsible bidder, but does not specify the maximum contract period or frequency of rebidding concessions. The Office of Management and Budget recommends amending Chapter 48-09 to allow for bids to be awarded based on the best value after considering the evaluation criteria and to increase the statutory threshold for soliciting bids from \$25,000 to \$50,000.
- Four state agencies have statutory authority to use prequalified contractors, including the Department of Transportation, the State Water Commission, the Adjutant General, the and Department of Health and Human Services. The Office of Management and Budget recommends amending Chapter 54-44.7 to provide all agencies and political subdivisions may use prequalified contractors and that standardized templates be developed to facilitate uniformity in solicitation, evaluation, and award of prequalified consultants.
- The publication of legal notices can be a significant cost for government entities. The Office of Management and Budget recommends OMB, the Secretary of State, the North Dakota University System, political subdivisions, the North Dakota Newspaper Association, and industry

representatives collaborate to modernize the legal notice process and information technology (IT) systems that support the delivery of legal notices to the public.

It was moved by Senator Hogan, seconded by Senator Walen, and carried on a roll call vote that the Legislative Council staff collaborate with OMB to draft legislation to address statute revision proposals submitted by OMB for consideration at a future meeting. Representatives Toman, Bosch, and Weisz; Senators Davison, Hogan, and Walen; and Citizen Members Dohrmann, Gallion, and Morrissette voted "aye." No negative votes were cast.

University of North Dakota

Mr. Brian Larson, Director of Construction Management, University of North Dakota, presented information ([Appendix C](#)) regarding potential statute revision proposals for consideration during the 2027 legislative session. He noted:

- The University of North Dakota (UND) identified 19 areas to improve government services and realize state government efficiencies through proposed statutory changes, including proposals related to state surplus property, the selection process for construction managers, contracts limiting liability to the state, procurement procedures, and the publication of advertisements for bids.
- Section 48-01.2-05 requires the contents for advertisement of bids be accompanied by a separate envelope containing the contractor's license and bid security. The University of North Dakota recommends bid requirements be submitted electronically to reduce cost and increase efficiencies.
- UND recommends revising the definition of "construction" in Section 48-01.2-01 to exclude routine operation and maintenance work, which will reduce construction costs by approximately 7 to 10 percent due to fewer design requirements.
- UND recommends increasing the threshold for direct negotiation with a design firm from \$35,000 per project and \$70,000 annually to \$50,000 per project and \$100,000 annually.
- UND recommends repealing Sections 48-01.2-20(5)(e), 48-01.2-20(5)(g), and 54-44.7-03(5)(d) related to contents of advertisements and procurement procedures.
- UND recommends amending Section 15-10-12.1 to increase the threshold for legislative authorization for new higher education buildings, campus improvements, or building maintenance from \$700,000 to \$2 million.

It was moved by Senator Davison, seconded by Senator Walen, and carried on a roll call vote that the Legislative Council staff collaborate with UND to draft legislation to address statute revision proposals submitted by UND for consideration at a future meeting. Representatives Toman, Bosch, and Weisz; Senators Davison, Hogan, and Walen; and Citizen Members Dohrmann, Gallion, and Morrissette voted "aye." No negative votes were cast.

Department of Public Instruction

Ms. Ann Ellefson, Interim Assistant Superintendent of Academic Support, Department of Public Instruction, presented information ([Appendix D](#)) regarding potential statute revision proposals for consideration during the 2027 legislative session. She noted:

- The Department of Public Instruction issues teacher credentials and the Education Standards and Practices Board (ESPB) issues teacher's licenses. The department and ESPB recommend transferring the authority to issue teacher credentials under Section 15.1-02-16 to ESPB.
- The Department of Public Instruction recommends repealing Section 15.1-19-11 related to school safety patrols.
- Technical changes and statutory clarifications should be considered in Sections 15.1-06-08, 15.1-06-08.1, 15.1-06-08.2, and 15.1-32-26 related to rules for school accreditation, the Innovative Education Program, and dyslexia screening and intervention.

Center for Distance Education

Dr. Alyssa Martin, Director, Center for Distance Education, presented information ([Appendix E](#)) regarding potential statute revision proposals for consideration during the 2027 legislative session. She noted:

- Statutory areas noted by the Center for Distance Education (CDE) which could be amended to realize efficiencies are related to procurement, contracts, public-facing ceremonies, personnel records, and technology and asset management.
- CDE recommends allowing agencies to retain documentation internally when procurement, audit, and postreview requirements are met.
- CDE recommends amending Section 54-06-21 to recognize electronic personnel file management rather than only paper-based files and to allow the implementation of personnel requirements through North Dakota Administrative Code.

In response to a question from a task force member, Dr. Martin noted CDE will collaborate with OMB to address the statutory topics proposed by CDE.

State Auditor

Mr. Joshua C. Gallion, State Auditor, presented information regarding potential statute revision proposals for consideration during the 2027 legislative session. He noted:

- Section 54-10-14 provides for the State Auditor to audit political subdivisions once every 2 years; however, the section is not clear if certain political subdivisions are required to be audited. The State Auditor recommends amending this section to clarify which entities are required to be audited.
- Other areas for potential efficiency improvements include adding staff in the State Auditor's office to focus on data analytics, providing funding to the State Auditor's office to contract with a security vendor to provide cybersecurity services and training to political subdivisions, removing the requirement for the State Auditor's office to use the Information Technology Department's (ITD) desktop support services, and to allow political subdivisions to use the state's enterprise resource planning system, ConnectND, so all state and local government agencies are on the same accounting software.

OTHER PRESENTATIONS

Judicial Branch

Ms. Sally Holewa, State Court Administrator, Supreme Court, presented information ([Appendix F](#)) regarding suggestions to improve agency services, increase agency operations and efficiencies, and realize any budget saving opportunities. She noted:

- The Supreme Court has not identified any statutory changes that would provide significant time or funding savings; however, there is an opportunity to re-evaluate the clerk of court operations process to improve efficiencies by transferring 63 full-time equivalent (FTE) positions from counties to the judicial branch at a cost of approximately \$9 million per biennium.
- The benefits of transferring the FTE positions to state employment include allowing the court system to gain control over the cost of services, gaining flexibility over workload distribution, increasing staff competence, providing consistency in processes and procedures, ensuring statewide compliance with court rules and policies, providing accountability for work product and customer service, providing meaningful court services during employee absences, and building capacity to add new services.

In response to a question from a task force member, Ms. Holewa noted the Supreme Court collaborates with juvenile tribal courts but usually has limited interaction with the tribal court system.

Governor's Office

Mr. Alan S. Dohrmann, Chief Operating Officer, Governor's office, presented information ([Appendix G](#)) regarding potential plans for state government IT process changes and improvements. He noted:

- ITD establishes IT service fees in the spring of even-numbered years, which will be effective beginning at 1 year and ending 3 years after the rates are established, which causes operational challenges for ITD.
- To alleviate ratesetting concerns and reduce the need for state agencies to reconcile ITD invoices for IT services provided, a solution could be to increase ITD's General Fund appropriation for certain programs and administrative costs. The billing process also is being reviewed for simplification and automation.
- The Legislative Assembly approves more large IT projects than can be completed by ITD and state agencies in a biennium. Agencies do not always budget for ITD's administrative costs billed to the IT project, and because agencies lack IT resources after the IT unification initiative was authorized during the 2019-21, 2021-23, and 2023-25 bienniums, there is a need for a more comprehensive statewide IT plan.
- ITD should monitor IT projects being discussed and approved in bills during the legislative session, similar to how OMB monitors budget changes for each agency.
- ITD's appropriation bill should be one of the last bills approved during a legislative session to allow for ITD's appropriation to be adjusted based on IT projects and services approved in other bills for the upcoming biennium.
- The IT unification initiative may need to be adjusted so some agencies employ IT FTE positions again.
- There has been discussion regarding a potential recommendation to combine OMB and ITD into an Office of Management, Budget, and Technology.

Mr. Morrissette noted OMB will be requiring state agencies to provide program metric expectations for new or expanded programs when submitting budget requests for the 2027-29 biennium.

COMMENTS BY INTERESTED PERSONS

Ms. Cecile Wehrman, Executive Director, North Dakota Newspaper Association, presented information ([Appendix H](#)) on newspapers and digital information available in the state.

No further business appearing, Chairman Toman adjourned the meeting at 3:17 p.m.

Levi Kinnischtzke
Senior Fiscal Analyst

ATTACH:8