

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2001

2001 SENATE APPROPRIATIONS

SB 2001

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2001

Senate Appropriations Committee

☐ Conference Committee

Hearing Date January 22, 2001

| Tape Number | Side A | Side B | Meter # |
|---|--------|--------|------------|
| Tape #1 | x | | 0.0 - 50.6 |
| | | | |
| | | | |
| Committee Clerk Signature <i>James R. Pritchard</i> | | | |

Minutes:

Senator Nething opened the hearing on SB2001.

Senator Gary Nelson, District 22, and Senate Majority Leader and Legislative Council Chairman, testified in support of SB2001. He believes this to be a good, efficient bill. Hopes this will enable the assembly to keep good workers, enable us to keep numbers at the level of most effect -- there were 136 part time employees in 1993; and 84 in 1999. This year it could be less than 84. The bill room and telephone room have been privatized; technology has enabled us to take a reduction in numbers -- but this is a good/ efficient budget. Senator Gary Nelson introduced John D. Olsrud, Director of the North Dakota Legislative Council and Jim Smith, Legislative Council analyst, who would provide details and answer any questions the Committee might have.

Senator Nething: SB2175: Directly to Senate Appropriations Committee?

Senator Gary Nelson: Yes.

Senator Nething: HB1197 concerned the mileage reimbursement rate? Where is it?

Jim Smith, Legislative Council Analyst: Believe it was passed out of House Appropriations last week.

Senator Nething: We'll hold on the budget approval until it catches up with us. See full package.

Senator Tallackson: Number of days used in the budget?

Senator Gary Nelson: 77 days in budget. 77 has been used since 1993' it's simply a point on based numbers); could go under or over that figure.

Senator Tomac: Redistricting session built in -- or will it be next session?

Senator Gary Nelson: Don't know at this point -- in 1990 it took us 5 days for redistricting session.

Senator Tomac: Believe it might be in December?

Senato: Gary Nelson: No decision --- if we leave here after 72 days --- this is a figure only, not a number set in stone -- we have 5 more; we could recess and reconvene in October -- or could call a special session.

John D. Olsrud, Director ,North Dakota Legislative Council presented neutral testimony on SB2001 (a copy of his testimony is attached).

SB2175 dollars here in SB2001.

Senator Holmberg: Has Chuck Parscard's position been filled?

John D. Olsrud: Not filled; if this bill is approved; we will have one new position and one unfilled.

Senator Heitkamp: With the expansion of technology --isn't is possible to hand each of us a disk-- we insert it -- and we have all the information?

John Q. Olsrud: Not sure what's all in the individual binder -- if we provided disks -- perhaps some could be done -- specifics I'm not sure about; many authors for each document. To do a new program would be expensive; not sure how practical it would be -- or cost benefit.

Senator Heitkamp: As individuals testify -- they could supply disks, then we could access the information through the computer at home -- having it all in one place? Thus utilizing investment to the most?

John D. Olsrud: Beyond my expertise --- but to incorporate all the different software packages would require technology changes -- can't promise that if they send it in via their computer system that we will have the ability to use/convert it to our use.

Senator Nething: Understand that the people want information; always a need for dual track; don't think we can get away from it.

Senator Heitkamp: Could minimize paper copies?

Senator Nething: Practically speaking -- could be lots of dollars involved.

Senator Heitkamp: Technology is there.

Senator Tomac: Are we not using major software? Matter explored? Why didn't we pick the most commonly used one? Could explore to reduce cost -- check what systems those of us have on our home computers. Why can't I access the e-mail sent to my senate address through my home system? Spend 3 thousand dollars on my home setup -- should have 2 thousand in lap top -- so one shop involved?

John D. Olsrud: Not a simple answer -- but the fiscal system uses the lotus system -- fiscal staff uses the lotus system to tie in intricate system -- it would be costly/delays involved. Wish it could be simple, but it's not.

Senator Robinson: Reflect more on statement about existing computers? Not all bought at the same time? Will you be doing that prior to next session?

John D. Olsrud: Lots of things to complete --including the testing of programs; hope to have when session begins in 2002. But, we do not have over night service when we place orders --- We have been buying/doing things in piece meal fashion ---that's why not all computers work at the same speed as others -- hope we can replace all at one time, all to be uniform.

Senator Thane: Where do old computers go?

John D. Olsrud: Computers, by state law, must be made available for other state agencies. Some state agencies have a limited need for the respective unit(s). Originally the purchase price was \$7000 (we purchased 4 at that time); new ones are somewhat cheaper now --- when one of the four original ones was stolen -- we were told the value was \$150 -- depreciation is fast. Old units are always useful for someone.

Senator Heitkamp: Mileage? Can't a spot be picked -- use government rate -- when gas price goes up or down, mileage rate could be flexible? Why is mileage rate set in stone?

John D. Olsrud: Rate is set by state law; any senator could submit a bill for change.

Senator Heitkamp: IRS sets a rate that can be flexible.

Senator Gary Nelson: Believe this is done to comply with the agencies as they prepare their budgets -- we felt that if a flexible rate was given due to escalated gas prices -- establish bench mark? Agency budgets could be put in jeopardy.

Senator Nething: This happened in the motor pool -- deficiency request has now been put in.

Senator Tallackson: Minnesota has 2 committees working on redistricting (one appointed by the governor and one by the legislature) -- considered this here in ND?

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Senate Appropriations Committee

Bill/Resolution Number SB2001

Hearing Date January 2, 2001

Senator Gary Nelson: Minnesota can do as they wish -- but it is my concern that this done by the legislative body. This is not an executive function; although they have the authority to sign or not sign. Redistricting is the responsibility of the legislature.

Senator Nething: The suggestion/proposal was rejected by the Commission.

Senator Tallackson: Perhaps explained by the unusual governor in Minnesota.

Senator Andrist: The administrative code could be put on with same program as the century code already in place? Wouldn't another/new program be costly?

John D. Olsrud: There is some difference -- but as a lay man perspective -- it does sound as though it could be done.

Senator Nething: Senator Andrist -- would you like a review done by the legislative council staff?

Senator Andrist: Believe that would have already been investigated -- so no request at this time.

No additional testimony; hearing closed by Senator Nething.

February 8, 2001

SB2001 (Tape 1, Side A, meter 30.9 - 35.2)

Senator Gary Nelson, District 22, Cass County, and Chairman of the Legislative Council, presented an amendment (10355.0101, copy attached). Senator Nelson explained the amendment; its purpose; adding the statement *and the chairman of the legislative council, (if the chairman is not a majority or minority leader* following the word senate on the third to the last line, page 1.

Senator Tallackson moved the amendment; Senator Bowman seconded the motion. Motion carried by voice vote.

No additional discussion and no action taken at this time. Senator Nething indicated SB2001, SB2175, and SB2176 will be addressed for action next week by the full committee.

February 15, 2001 Full Committee Action: (Tape 1, Side A, Meter No. First of 4 bill actions from 0.0-54.1)

Senator Nething reopened the hearing on SB2001.

The amendments (10355.0101) had been adopted February 8th.

Senator Solberg moved a DO PASS AS AMENDED; Senator Holmberg seconded. Roll Call votes: 14 yes, 0 no, 0 absent and not voting.

Senator Tallackson accepted the floor assignment.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2001

Page 1, line 2, after the semicolon insert "to amend and reenact section 54-03-20 of the North Dakota Century Code, relating to legislative compensation;"

Page 2, after line 10, insert:

"SECTION 3. AMENDMENT. Section 54-03-20 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly. Each member of the legislative assembly of the state of North Dakota is entitled to receive as compensation for services the sum of one hundred eleven dollars for each calendar day during any organizational, special, or regular legislative session. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed a maximum of six hundred fifty dollars per calendar month for lodging in state, at the rates and in the manner provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed six hundred fifty dollars per month. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.

A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session must be included as a calendar day during a legislative session for the purposes of this section.

In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement

provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.

Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)]."

Renumber accordingly

Date:

15
2-7-01

Roll Call Vote #:

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2001

Senate Appropriations

Committee

☐ Subcommittee on _____

or

☐ Conference Committee

Legislative Council Amendment Number

10355.0101 Adopt 2-13

Action Taken

As per amendment

Motion Made By

Senator

Solberg

Seconded

By

Senator

Holmberg

| Senators | Yes | No | Senators | Yes | No |
|----------------------------|-----|----|----------|-----|----|
| Dave Nething, Chairman | ✓ | | | | |
| Ken Solberg, Vice-Chairman | ✓ | | | | |
| Randy A. Schobinger | ✓ | | | | |
| Elroy N. Lindaas | ✓ | | | | |
| Harvey Tallackson | ✓ | | | | |
| Larry J. Robinson | ✓ | | | | |
| Steven W. Tomac | ✓ | | | | |
| Joel C. Heitkamp | ✓ | | | | |
| Tony Grindberg | ✓ | | | | |
| Russell T. Thane | ✓ | | | | |
| Ed Kringstad | ✓ | | | | |
| Ray Holmberg | ✓ | | | | |
| Bill Bowman | ✓ | | | | |
| John M. Andrist | ✓ | | | | |

Total Yes

14

No

0

Absent

0

Floor Assignment

Senator

Tallackson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2001: Appropriations Committee (Sen. Nething, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2001 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to amend and reenact section 54-03-20 of the North Dakota Century Code, relating to legislative compensation;"

Page 2, after line 10, insert:

"SECTION 3. AMENDMENT. Section 54-03-20 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

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A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session must be included as a calendar day during a legislative session for the purposes of this section.

In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.

REPORT OF STANDING COMMITTEE (410)
February 15, 2001 3:46 p.m.

Module No: SR-28-3580
Carrier: Tallackson
Insert LC: 10355.0101 Title: .0200

Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(l)]."

Renumber accordingly

2001 HOUSE APPROPRIATIONS

SB 2001

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2001

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date February 28, 2001

| Tape Number | Side A | Side B | Meter # |
|--|----------|--------|---------|
| 02-28-01 tape #1 | 0 - 6144 | | |
| | | | |
| | | | |
| Committee Clerk Signature <i>Wesley Belter</i> | | | |

Minutes:

The committee was called to order, and opened the hearing on SB 2001, the budget for the Legislative Assembly and the Legislative Council.

Senator Gary Nelson: Appears in support of the bill, as chairman of the Legislative Council. John Olsrud and Jim Smith from Legislative Council will give particulars of the bill. This bill is in relatively good shape, have accounted for the right number of days of session, and for a probable reapportioning session. The Legislative Assembly has privatized a number of functions, and reduced the number of employees, and has worked out well generally. The Legislative Council budget is based on a good staff, who does a great deal of work for the assembly well. There is one amendment that was put on the bill, and he explained that.

Rep. Wes Belter: Supports the bill. Is very proud of the Legislative Council and the whole staff.

John Olsrud, Director, North Dakota Legislative Council: Hand prepared written testimony, and read from it.

Rep. Carlisle: If the raise goes through, can a person chose not to take the raise. Could it be stated that if you didn't vote for the raise, you wouldn't get it.

John Olsrud: That question came up in the Senate. There is not a short answer. The department has received two attorney opinions, the earliest saying that would be an unethical practice, to take less of a salary than that provided. The primary reason has to do with wealthy people using this as a campaign weapon. There is also a practical problem with the bookkeeping system if everyone wanted a different salary. The statement that one wouldn't get the raise if they didn't vote for it would be simpler because there would be a record, but there would still be problems. Legally you could do some things, but there are always equality issues.

Rep. Koppelman: Are there not ethical or legal issues with that?

John Olsrud: Will provide the subcommittee with both Attorney General opinions. Each situation may be different, and could reach ethical concerns.

Rep. Glassheim: Wants to verify that the \$250,344 is for which biennium?

John Olsrud: The \$250,000 is for the coming biennium, the reactivity is a little bit less, and does not appear in the budget, but believes the funds can be found in the existing budget. HE continued with his prepared testimony.

Rep. Carlisle: What type of rotation are we on in legislative assembly, like replacing 2, years, 4 years? What is the price you are looking at this time?

John Olsrud: This is all changing, but its about 4 years. The average is about 4 years, and the technology is improving and each time we purchase the cost has gone down. We can get this detail to you.

Rep. Skarphol: In regard to legislative days, and if we need to call a special session and the governor would not call one, what would happen? Is it a federal mandate? Did our appropriations committee coming in early have any effect on legislative days?

John Olsrud: Would assume someone in the state could bring a federal action, or in state court under the constitution. The state constitution talks about it, but it would also be a matter of federal civil right, but that is not his area of expertise. Legislators have the ability to call themselves back in session to use any of the 80 days left. You cannot go beyond the 80 days, and then the legislature is beholden to the executive branch, and the governor would have to call a special session. No, a committee could meet at anytime, but only if either house is in session, it becomes a legislative day for both.

Chairman Byerly: Could you repeat the amounts in the budget for computers for legislators, is that a complete replacement.

John Olsrud: Believes that is for all legislators and select legislative staff.

Jim Smith, LC: States that it is for all legislators and some additional PC's for leadership and steno, and some printers.

John Olsrud: continues with prepared testimony on page 2..

Rep. Skarphol: Under reduced information technology related funding you have a decrease of \$376,000. That's unusual to have a decrease. Are the costs being transferred somewhere else.

Allen, LC staff: Last session we had funds to rewrite the budget status system, and that is not included in the new budget. There also is a reduction in the bill preparation system that was there last time but not in this time. There were a number of projects completed that we are not asking for again. We are planning to do two systems this time, that aren't as costly as last time.

John Olsrud: continuing with prepared testimony on page 2. He explains the requests for FTE's, and what they are for.

Rep. Koppelman: What is the difference between SB 2175 and SB 2176?

John Olsrud: One is for legislative assembly and one is for legislative council, pay during session, and pay during interim.

Rep. Skarphol: Clarifying the correct bill number.

John Olsrud: continuing with prepared testimony, pages 2 and 3.

Rep. Glassheim: We have been seeing the growth of the IT department, and is unsure if the legislative assembly has competent staff on what they do and don't need. Do we as the legislative assembly need to hire someone to work for us on this issue? He's uncomfortable with the topic of technology and does not feel personally represented in this area to make informed decisions.

John Olsrud: They had tried to do something like that some years ago, but found out that technology changes so fast, that they cannot hire someone to do as good a job as they could in hiring an industry expert.

Rep. Skarphol: To follow up on Rep. Glassheim's question, we have charged you with doing a WC study and to hire an industry expert. With that in mind, and the computer area, how do you proceed in picking an expert, to give an objective analysis?

John Olsrud: Experience has been that most of the time they can find consulting firms who specialize in a certain field. There are some fields that they do have problems finding experts. We have had competitive bidding and the legislators have met and picked the consultants. These consultants also have their reputation to protect. They do seem to be very reliable.

Rep. Koppelman: Has a similar questions. We've had consultants do interim studies, but have we ever had one working during the session, like in the area of Rep. Glassheim's question regarding technology?

John Olsrud: In the IT field we had in the past retained one person/firm to consult ongoing. There is a technology committee that could be utilized for this purpose.

Rep. Carlisle: Questions the computer rotation and replacement. Requests the detail. Also asks about the carryover authority.

Jim Smith, LC: Answers that the amounts in the budget include laptops, PC's, desktops, printers, and servers. As to the carryover authority, he would have to check on it and get back to the committee.

Rep. Glassheim: Wants to know more about the carryover authority.

Jim Smith: During the last session, authority was given to allow the legislative assembly and legislative council to carry over some money, and not be returned to the general fund. The bill before you does not provide for that this biennium.

Rep. Glassheim: What happens to the money?

Jim Smith: The legislative assembly carryover is what was used for the new voting and sound system in the chambers. That took about half the money. The chair lift in the Bryhild Haugland room was replaced. The legislative council carryover has for the most part not been used. There was some minor renovation to the front office.

Rep. Carlisle: This is general fund dollars you have in the bank right now, right. You could have already bought the computers with that money right?

Jim Smith: Right. Any money left depends on the legislature.

Rep. Glassheim: Is privatization actually saving money?

Page 6

Government Operations Division

Bill/Resolution Number SB 2001

Hearing Date February 28, 2001

John Olsrud: We have made reports on this to the legislative management committee during the interim. There has been a substantial savings. When the legislative assembly was hiring employees, we had way too many employees. Privatization made easy improvements. We don't have competition however, and costs will probably remain the same.

Rep. Carlisle: Should have some track records by now.

John Olsrud: We do.

The chairman closed the hearing on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2001

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 9, 2001

| Tape Number | Side A | Side B | Meter # |
|--|--------|-------------|---------|
| 03-09-01 tape #1 | | 1180 - 4431 | |
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| Committee Clerk Signature <i>Kathleen Hall</i> | | | |

Minutes:

The committee was called to order, and opened committee work on SB 2001.

Chairman Byerly: The legislative assembly portion of the bill, there is almost half a million dollars in there that deals with replacing every laptop. Rep. Carlisle did get a report that talks about the numbers of machines and the costs they are using on those machines.

Rep. Skarphol: Asks Jim Smith a question: When we get on the floor and plug in their computers and get on line, slowly. Could this money be better spent getting the system to move faster.

Jim Smith, LC: Part of the problem is the computers themselves.

Rep. Skarphol: That's not what the computer people are telling me. If we replace the computers but don't fix the problems, we haven't gained anything. I really would like to have this looked at.

Chairman Byerly: Gives some personal knowledge of computers and computer systems to the committee. He explains that when everyone on the floor hits enter, all the requests go to the server to process. It does take some time to process all those requests. They are already running as fast as they can. It's like Rep. Skarphol's analogy, like a funnel hole only so big. A faster laptop will not fix this.

Rep. Carlisle: When John Olsrud was here, if you noticed on their carryover on the budget of \$880,000, that's general fund dollars. If we bought every computer they would still have some left.

Jim Smith: The \$880,000 from the legislative assembly, some of that will be used, since the budget was submitted. That is not to be used for the redistricting expenses.

Rep. Carlisle: Reminds the committee that the prices of computers have been in range of different prices, and they should be careful of this.

Chairman Byerly: Says to be careful and read the pink sheets closely. The carryover doesn't always exist. That's what they started the biennium with, that money's been used for the sound system, the new board, etc. Some of that has been spent. This carryover is not to be used for the laptops, that they are budgeted for in this budget. For faster response time on the floor, shut everything else down.

Rep. Glassheim: What will be improved by having new computers?

Chairman Byerly: Two things, first is commonality, everyone would have the same thing. Second, that they would be newer.

(Some discussion as to what needs to be done with the computers that may not ever be changed).

Jim Smith, LC: HE says the reason they use Lotus Notes is because of all the off-site computers they have. That system was the only one that would accommodate this event.

Rep. Glassheim: If we get new computers would we get new software too?

Chairman Byerly: Remember that the staff has a comfort zone with Lotus Notes. Change is hard. In the legislative end of this budget that's really all we have to work on. WE can't argue about the number of days they predict we will meet, and we need the additional money for the mileage of we pass that bill.

Rep. Glassheim: Are you considering taking back the carryover in the two parts of the budget?

Rep. Skarphol: Comments that the Legislative Council needs some discretionary money, for consultants for interim committee's etc.

Chairman Byerly: On the Legislative Council budget, the other half, there is also carryover money there. This covers interim travel, another computer person, and more computers. Other than salary and wages, the only other real increase is the computers.

Rep. Carlisle: Notes the costs of the retroactive pay raise.

Chairman Byerly: We can't resolve that until the other bills pass or fail.

Rep. Skarphol: Actually, on the legislative council half, they removed 4 positions.

Chairman Byerly: That was 4 years ago, we set up a staff of chief information officer type person, that could do some auditing for some purposes. Remember John Olsrud testified that we could never find a person that fit the bill. That's why those positions have gone away.

Rep. Glassheim: He states again that he really sees a need for a person to work for the legislature to guide them in the computer area. He doesn't care how much it costs. We have lawyers and accountant's, and he thinks it is needed that they have someone working for them.

Chairman Byerly: Goes back to John Olsrud's testimony, and they have tried to go with an Information Technology committee, who has the ability to bring in consultants.

Rep. Carlisle: Comments about the repairs of the building and the stairs in the chambers that need to be made handicapped accessible.

Jim Smith, LC: Says that that was done by the management committee.

(Chairman/Rep. Timm was present in the room and was on the management committee. He discussed this need and other remodeling needs with the committee. They discussed what else was on the calendar, and the possibility of passing this bill to the full committee to be heard at the same time as the retroactive pay rise bill).

Rep. Glassheim: Would like to have someone come in and explain why the new computers are necessary, if the committee is going to cut that part of the budget and find them unnecessary.

(The committee explains the computer request and thoughts with Chairman/Rep. Timm).
The chairman closed the hearing on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2001

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 13, 2001

| Tape Number | Side A | Side B | Meter # |
|---------------------------|----------|-------------|---------|
| 03-13-01 tape #1 | 0 - 3112 | 1850 - 5488 | |
| | | | |
| | | | |
| Committee Clerk Signature | | | |

Minutes:

The committee was called to order, and opened committee work on SB 2001.

Chairman Byerly: We had some questions regarding Legislative Council's budget, relating to the computer purchases and work in this budget. John Olsrud and Mary Ann Trauger are here to talk about it.

John Olsrud, Director, Legislative Council: First, he addressed the previous question from the committee as to the ability to opt to take a lower salary. He had told the committee that he would get attorney general opinions to them, and he handed these out at this time. He spent some time explaining the attorney general's opinions.

(The committee had some general questions regarding this issue, the ethics relating to accepting a lesser pay).

Chairman Byerly: If the bills pass regarding the retroactive pay raises, is there enough money in the budget set aside for that?

John Olsrud: We never know for sure, and the big uncertainty is how long each session is going to run. We do believe the budget should be able to absorb everything that will happen.

Rep. Glassheim: Verifying that there are leftover funds from this current biennium's budget to cover the retroactive increases.

Mary Ann Trauger: She was here to address the reasons why there is a need for all new computers for the legislators, what is causing the current problems, and what would and would not fix the current problems. The computers the legislators have now are not all the same, and this causes some problems. They would like to have all the computers the same for training and troubleshooting problems. Newer computers would probably not make them run faster on the floor, because of the two servers covering both the House and Senate. Everyone is trying to access the same information at the same time. There also was some discussion as to software being used, and new software contemplated to be used, either coming bundled in the computers, or bundled in the budget request. There also was discussion as to when the purchases would be made, and what would be done with the old computers.

Afternoon session:

(The committee discussed the computer purchase requests in the budget, and as a group searched on-line for prices. It was decided that the prices should be less for a large group purchase as contemplated by the Legislative Council that they found on-line for single purchases).

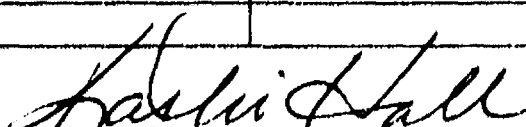
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2001

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 15, 2001

| Tape Number | Side A | Side B | Meter # |
|---|-------------|----------|---------|
| 03-15-01 tape #1 | 5030 - 6220 | 0 - 2206 | |
| | | | |
| | | | |
| Committee Clerk Signature  | | | |

Minutes:

The committee was called to order, and opened committee work on SB 2001, Legislative Council and Legislative Assembly.

Rep. Carlisle: Reminds the committee of previous work done when the prices of computers were looked up on the internet, for single purchases.

Chairman Byerly: Talking about decreasing the equipment line items. The prices we saw were for quantity one pricing, if you go out and buy 150 laptops, you will get better than quantity one pricing. Historically the turnback of both divisions of the bill are significant, so there is room in the budget if it's really needed.

(Committee discussed the prices found, and the calculations necessary to make the amendment adjustment).

Rep. Carlisle: Moves to amend to reduce equipment line items. Seconded by Rep. Koppelman.

Vote on Motion to amend : 6 yes, 0 no, 1 absent and not voting (Rep. Skarphol)

Rep. Glassheim: Are we going to do anything with the turnback or carryover?

Chairman Byerly: Some of that money in legislative assembly is to be used for payraise retro activity. They have already spent some of that money on chambers updates. Asks Jim Smith of LC what the current balances are.

Allen, LC: The assembly has \$500,000 left, and the council has about \$650,000.

(The committee and Jim Smith, LC, has some discussion on what this money is to be used for, the number of days scheduled for the session and retro activity, reapportioning session, etc. Chairman Timm, present and addresses some plans for assembly turnback and chamber upgrades, and management committee plans. Rep. Glassheim asks why they had so much left over money. The money for the present biennium will carry forward. All other bienniums will not.)

Rep. Glassheim: Wants to take back some of the money that was carried over from two sessions ago. If we don't end the carryover authority it will continue to be carried over.

Chairman Byerly: Will get that back at the end of this session.

Rep. Glassheim: I don't think so. Moves to take \$250,000 of the turnback in Legislative Assembly, and \$400,000 of turnback in Legislative Council. Seconded by Rep. Huether.

(Motion is to take 1997-1999 turnback money and put it back into the general fund. In 1999 they were authorized to not turnback \$1.2 million, carried forward from 1997. There was a plan for spending those funds. Rep. Glassheim says if we do not amend, they will continue to carry forward and not turn back those funds).

Rep. Timm: There was a purpose for that back in 1997 and 1999. The management committee was having problems authorizing new projects because they didn't have any money.

The emergency commission and budget section were the only other options. Reminded the committee of what new projects were done with that money. The Legislative Council money is used somewhat for interim needs.

Rep. Koppelman: Rep. Timm explained okay for him. He agrees with Rep. Glassheim as to the basics of his motion.

Chairman Byerly: The chambers really did need some upgrading, and the improvements were long overdue. Also agrees with where Rep. Glassheim is coming from on his motion but will oppose it.

Rep. Glassheim: Says they demand much more from the agencies appearing with budgets. He would be more comfortable leaving the money there if there were a plan. But there isn't one.

Vote on Rep. Glassheim's proposed amendment: 1 yes, 5 no, 1 absent and not voting.
Motion fails.

Rep. Koppelman: Moves DO PASS AS AMENDED. Seconded by Rep. Carlisle.
Vote on Do Pass as Amended : 6 yes, 0 no, 1 absent and not voting (Rep. Skarphol). Motion passes.

Allen, LC: Responded to a question from Rep. Koppelman earlier in the week regarding software purchases, paid for by ITD.

Rep. Glassheim is assigned to carry this bill to the full committee.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2001

House Appropriations Committee

☐ Conference Committee

Hearing Date March 28, 2001

| Tape Number | Side A | Side B | Meter # |
|---|-------------|--------|---------|
| 03-28-01 tape #1 | 2160 - 3538 | | |
| | | | |
| | | | |
| Committee Clerk Signature <i>Kelli Hall</i> | | | |

Minutes:

The committee was called to order, and opened committee work on SB 2001.

Rep. Glassheim: This is the funding for the Legislative Assembly and Legislative Council. Went through the amendment. Explained what items were included, which were changed. Did explain the decrease for computer purchases, and some of the other changes in the budget.

Rep. Glassheim: Moves to adopt the amendment. Seconded by Rep. Thoreson.

Rep. Gulleason: Sees on the bottom of the pink sheet, where there is reference to HB 1328, and where the money for the \$500,000 portion of the crop harmonization committee. Now that that has been changed to a board appointed by the governor, would those dollars be reflected in this budget?

Rep. Skarphol: That money is not in this budget, it has been removed. It is now in HB 1328. It is not doubled up.

Rep. Delzer: The telephone in the legislative assembly, does that cover the phone bill for the computers during the interim, and is that why that is going up? What is different this time to increase that.

Rep. Glassheim: Yes, believes the ITD charges for telephone would be in there.

Rep. Delzer: Are they doing anything different with the servers?

Rep. Byerly: It is the intent of the legislative council that all the systems for the legislators will be replaced in the biennium with newer, faster machines. The servers are going to be upgraded to faster machines. In there they are also going to do some work on the software, where the bottleneck is.

Voice vote adopts the amendment.

Rep. Glassheim: Moves DO PASS AS AMENDED. Seconded by Rep. Byerly.

Rep. Skarphol: Just for your information, the legislative council is going to use Windows 2000 on the laptops.

Rep. Delzer: Did you ask if there was any study done as to the cost of legislators having compared to going back to bill books?

Rep. Byerly: For better or for worse, we are on the track of technology. Some of us think there are advantages in having bill books, but if you think back to the number of employees that it takes to support bill books, the computer system has that old system beat.

Rep. Gulleason: Has a comment on this, that the computers are only an advantage of about 20% while on the floor of the assembly, but the real advantage is when they are not in session, and can use and access that information at home.

Vote on Do Pass as Amended : 17 yes, 1 no, 3 absent and not voting.

Rep. Glassheim is assigned to carry this bill to the floor.

March 15, 2001

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 15, replace "450,800" with "350,800"

Page 1, line 17, replace "9,170,163" with "9,070,163"

Page 1, line 22, replace "183,300" with "148,300"

Page 2, line 1, replace "7,208,402" with "7,173,402"

Page 2, line 2, replace "16,378,565" with "16,243,565"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2001 - Summary of House Action

| | EXECUTIVE BUDGET | SENATE VERSION | HOUSE CHANGES | HOUSE VERSION |
|-----------------------|---------------------|-------------------|------------------|------------------|
| Legislative Assembly | | | | |
| Total all funds | \$9,170,163 | \$9,170,163 | (\$100,000) | \$9,070,163 |
| Less estimated income | | | | |
| General fund | \$9,170,163 | \$9,170,163 | (\$100,000) | \$9,070,163 |
| Legislative Council | | | | |
| Total all funds | \$7,208,402 | \$7,208,402 | (\$35,000) | \$7,173,402 |
| Less estimated income | | | | |
| General fund | \$7,208,402 | \$7,208,402 | (\$35,000) | \$7,173,402 |
| Bill Total | | | | |
| Total all funds | \$16,378,565 | \$16,378,565 | (\$135,000) | \$16,243,565 |
| Less estimated income | | | | |
| General fund | \$16,378,565 | \$16,378,565 | (\$135,000) | \$16,243,565 |

Senate Bill No. 2001 - Legislative Assembly - House Action

| | EXECUTIVE BUDGET | SENATE VERSION | HOUSE CHANGES | HOUSE VERSION |
|--|---------------------|-------------------|------------------|------------------|
| Salaries and wages | \$5,566,499 | \$5,566,499 | | \$5,566,499 |
| Operating expenses | 2,987,567 | 2,987,567 | | 2,987,567 |
| Equipment | 450,800 | 450,800 | (\$100,000) | 350,800 |
| National Conference of State Legislatures | 185,297 | 185,297 | | 185,297 |
| Total all funds | \$9,170,163 | \$9,170,163 | (\$100,000) | \$9,070,163 |
| Less estimated income | | | | |
| General fund | \$9,170,163 | \$9,170,163 | (\$100,000) | \$9,070,163 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

Dept. 150 - Legislative Assembly - Detail of House Changes

| | REDUCE EQUIPMENT | TOTAL HOUSE CHANGES |
|--|---------------------|------------------------|
| Salaries and wages | | |
| Operating expenses | | |
| Equipment | (\$100,000) | (\$100,000) |
| National Conference of State Legislatures | | |
| Total all funds | (\$100,000) | (\$100,000) |
| Less estimated income | | |
| General fund | (\$100,000) | (\$100,000) |
| FTE | 0.00 | 0.00 |

Senate Bill No. 2001 - Legislative Council - House Action

| | EXECUTIVE BUDGET | SENATE VERSION | HOUSE CHANGES | HOUSE VERSION |
|-----------------------------------|---------------------|-------------------|------------------|------------------|
| Salaries and wages | \$4,594,446 | \$4,594,446 | | \$4,594,446 |
| Operating expenses | 2,190,656 | 2,190,656 | | 2,190,656 |
| Equipment | 183,300 | 183,300 | (\$35,000) | 148,300 |
| Information technology program | 240,000 | 240,000 | | 240,000 |
| Total all funds | \$7,208,402 | \$7,208,402 | (\$35,000) | \$7,173,402 |
| Less estimated income | | | | |
| General fund | \$7,208,402 | \$7,208,402 | (\$35,000) | \$7,173,402 |
| FTE | 33.00 | 33.00 | 0.00 | 33.00 |

Dept. 150 - Legislative Council - Detail of House Changes

| | REDUCE EQUIPMENT | TOTAL HOUSE CHANGES |
|-----------------------------------|---------------------|------------------------|
| Salaries and wages | | |
| Operating expenses | | |
| Equipment | (\$35,000) | (\$35,000) |
| Information technology program | | |
| Total all funds | (\$35,000) | (\$35,000) |
| Less estimated income | | |
| General fund | (\$35,000) | (\$35,000) |
| FTE | 0.00 | 0.00 |

Date: 5/5
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 58 2001

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~Government Operations~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number 10355.0201

Action Taken to amend equip. line items

Motion Made By Rep. Carlisle Seconded By Rep. Kappelman

[illegible]

Total (Yes) 6 No 0

Absent _____

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3-15-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2001

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~Appropriations~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken amend carryover authority

Motion Made By Rep. Glassheim Seconded By Rep. Huether

| Representatives | Yes | No | Representatives | Yes | No |
|-----------------------------------|-----|----|----------------------|-----|----|
| Rep. Rex R. Byerly - Chairman | | ✓ | Rep. Eliot Glassheim | ✓ | |
| Rep. Ron Carlisle - Vice Chairman | | ✓ | Rep. Robert Huether | | ✓ |
| Rep. Kim Koppelman | | ✓ | | | |
| Rep. Bob Skarphol | | | | | |
| Rep. Blair Thoreson | | ✓ | | | |
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Total (Yes) 1 No 5

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

fails

Date: 3-15-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2001

House Appropriations - Government Operations Division Committee

☐ Subcommittee on ~~Appropriations~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number 10355.0201

Action Taken Do Pass As Amended.

Motion Made By Rep. Koppelman Seconded By Rep. Carlisle

| Representatives | Yes | No | Representatives | Yes | No |
|-----------------------------------|-----|----|----------------------|-----|----|
| Rep. Rex R. Byerly - Chairman | ✓ | | Rep. Eliot Glassheim | ✓ | |
| Rep. Ron Carlisle - Vice Chairman | ✓ | | Rep. Robert Huether | ✓ | |
| Rep. Kim Koppelman | ✓ | | | | |
| Rep. Bob Skarphol | | | | | |
| Rep. Blair Thoreson | ✓ | | | | |
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Total (Yes) 6 No 0

Absent 1

Floor Assignment Rep. Glassheim

If the vote is on an amendment, briefly indicate intent:

Date: 3-28-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2001

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number

10355.0201

Action Taken

to adopt amendments

Motion Made By

Rep. Glassheim

Seconded
By

Rep. Thoreson

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------|-----|----|-----------------|-----|----|
| Timm - Chairman | | | | | |
| Wald - Vice Chairman | | | | | |
| Rep - Aarsvold | | | Rep - Koppelman | | |
| Rep - Boehm | | | Rep - Martinson | | |
| Rep - Byerly | | | Rep - Monson | | |
| Rep - Carlisle | | | Rep - Skarphol | | |
| Rep - Delzer | | | Rep - Svedjan | | |
| Rep - Glassheim | | | Rep - Thoreson | | |
| Rep - Gulleson | | | Rep - Warner | | |
| Rep - Huether | | | Rep - Wentz | | |
| Rep - Kempenich | | | | | |
| Rep - Kerzman | | | | | |
| Rep - Kliniske | | | | | |

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

passed

Date: 3-28-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2001

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 10335.0201

Action Taken Do PASS As Amended.

Motion Made By Rep Glassheim Seconded By Rep. Byerly

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------|-----|----|-----------------|-----|----|
| Timm - Chairman | ✓ | | | | |
| Wald - Vice Chairman | ✓ | | | | |
| Rep - Aarsvold | ✓ | | Rep - Koppelman | ✓ | |
| Rep - Boehm | ✓ | | Rep - Martinson | | |
| Rep - Byerly | ✓ | | Rep - Monson | ✓ | |
| Rep - Carlisle | ✓ | | Rep - Skarphol | ✓ | |
| Rep - Delzer | | ✓ | Rep - Svedjan | | |
| Rep - Glassheim | ✓ | | Rep - Thoreson | ✓ | |
| Rep - Gulleason | ✓ | | Rep - Warner | | |
| Rep - Huether | ✓ | | Rep - Wentz | ✓ | |
| Rep - Kempenich | ✓ | | | | |
| Rep - Kerzman | ✓ | | | | |
| Rep - Kliniske | ✓ | | | | |

Total (Yes) 17 No 1

Absent 3

Floor Assignment Rep Glassheim

If the vote is on an amendment, briefly indicate intent:

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHNSON, CHIEF CLERK)
MR. PRESIDENT: The House has amended and subsequently passed: SB 2038, SB 2117,
SB 2244, SB 2345.

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHNSON, CHIEF CLERK)
MR. PRESIDENT: The House has voted to pass: SCR 4038.

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHNSON, CHIEF CLERK)
MR. PRESIDENT: The House has amended and subsequently voted: SB 2208, SB 2414.

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHNSON, CHIEF CLERK)
SER. PRESENT: The House has concurred in the Senate amendments and subsequently passed: HB 1105, HB 1270, HCR 3034, and HCR 3068.

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHNSON, CHIEF CLERK)
MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1457 and the Speaker has appointed as a conference committee to act with a like committee from the Senate.

HIS 1467: Papp, Rudy; Severson, Lorraine

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHNSON, CHIEF CLERK)
MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1141, HB 1107, HB 1261, HB 1267, HB 1269, HB 1365, HB 1416, and HB 1455 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HS 1141: Papa. R. Kalcich; Haas; Hameon
 HS 1187: Papa. Tamm; Wied; Huebner
 HS 1281: Papa. Huesman; Rudy; Schmidt
 HS 1287: Papa. Dekker; Kotschman; Mahoney
 HS 1289: Papa. Rummelstadt; Dekker; S. Kalcich
 HS 1286: Papa. Weiss; Gahin; Sandvig
 HS 1416: Papa. Kotschman; Grand; Mahoney
 HS 1466: Papa. Dekker; Dewitt; Edzie

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate does not concur in the _____ as amendments to SB 2118, SB 2181, SB 2385, and SB 2455 and the President has appointed as a conference committee to act with a like committee from the House on:

226 2118: Sens. Dever; Tredeath; Lyon
226 2181: Sens. Stanekham; Warbur; Kroplin
226 2265: Sens. Tredeath; Dever; C. Nelson
226 2465: Sens. Warbur; Christmann; Kroplin

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
224. SPEAKER: The President has appointed as a conference committee to act with a floor committee from the House on:

HB 1089: Sene, Wierdner, Kriebach; C. Nelson
HB 1118: Sene, Dever, Kitzer, C. Nelson
HB 1184: Sene, Starekjan, Treubert; O'Connor

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The President has appointed as a conference committee to act with a House committee from the House on:

HHS 1226: Sens. Klein; Espagard; D. Matthews
HHS 1283: Sens. Cook; Patrol; O'Connell

MESSAGE TO THE SENATE FROM THE HOUSE (MARK L. JOHANSON, CHIEF CLERK)
MR. PRESIDENT: The Speaker has appointed as a conference committee to act with a like committee from the Senate on:

98 2201: Paps. Plummerfeldt, Brekke; Wernick
98 2226: Paps. Klemm; Kingsbury; Mathoney

REPORT OF CONFERENCE COMMITTEE

HD 1226, as engrossed: Your conference committee (Sens. Kucin, Enggaard, D. Matheson and Reps. DeFea, Porter, Matsakis) recommends that the **SENATE RECSIDE** turn the Senate amendments on HJ pages 611-612 and pages HD 1226 on the Senate side.

Exposed 1B 1226 was placed on the Seventh order of basement on the exterior.

REPORT OF STANDING COMMITTEE

SB 2001, as referenced: Appropriations Committee (page 1) Item, Community resources AMENDMENTS AS FOLLOWS and when so amended, reworded SO THAT (17 YEARS, 1 MAY, 3 ABSENT AND NOT VOTING). Engrossed SB 2001 was placed on the Sixth order on the calendar.

Page 1, line 15, replace "450,000" with "350,000"

Page 1, line 17, replace "9,170,163" with "9,070,163"

Page 1, line 22, replace "183,300" with "148,300"

Page 2, line 1, replace "7.208.402" with "7.173.402"

Page 2, line 2, replace "16,378,565" with "16,243,565"

Remember accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2001 - Summary of House Action

| | ENGINEERING BUDGET | SENATE VERSION | HOUSE VERSION | HOUSE VERSION |
|------------------------------|-----------------------|-------------------|------------------|------------------|
| Legislative Assembly | | | | |
| Total all funds | \$7,124,492 | \$8,124,492 | \$7,964,692 | \$8,248,492 |
| Less administrative expenses | | | | \$694,692 |
| Operating budget | \$7,124,492 | \$8,124,492 | \$7,964,692 | \$7,553,800 |
| Legislative Council | | | | |
| Total all funds | \$7,286,492 | \$7,286,492 | \$7,286,492 | \$7,174,492 |
| Less administrative expenses | | | | \$68,000 |
| Operating budget | \$7,286,492 | \$7,286,492 | \$7,286,492 | \$7,174,492 |
| Not Total | | | | |
| Total all funds | \$14,410,984 | \$15,410,984 | \$15,251,184 | \$15,423,984 |
| Less administrative expenses | | | | \$762,692 |
| Operating budget | \$14,410,984 | \$15,410,984 | \$14,488,492 | \$14,661,292 |

Secrets Bill No. 2001 - Legislative Assembly - House Action

| | DISCOUNT PROJECT | REPAIR PROJECT | HOUSE OVERSEES | HOUSE REPAIR |
|-----------------------------------|---------------------|-------------------|-------------------|-----------------|
| Salaries and wages | \$1,500,000 | \$1,500,000 | | \$1,500,000 |
| Construction materials | 2,000,000 | 2,000,000 | | 2,000,000 |
| Equipment | 400,000 | 400,000 | 6,000,000 | 2,000,000 |
| Transportation | 100,000 | 100,000 | | 100,000 |
| Unforeseen Contingencies in Ghana | 300,000 | | | 300,000 |
| Expenses | | | | |
| Total of loans | \$4,170,000 | \$4,170,000 | \$6,000,000 | \$4,170,000 |
| 1,400,000,000 cedis | | | | |
| Cumulative total | \$4,170,000 | \$4,170,000 | \$6,000,000 | \$4,170,000 |
| OTE | 6.62 | 6.62 | 6.62 | 6.62 |

Dept. 150 - Legislature Assembly - Dept of House Clerks

| REDUCE EQUIPMENT | | TOTAL HOUSE OWNERS | |
|------------------------|-----------|-----------------------|--|
| Customer and Supply | \$700,000 | \$700,000 | |
| Operating expense | | | |
| Equipment | | | |
| Material | | | |
| Transportation | | | |
| Total of above | \$700,000 | \$700,000 | |
| Less operating expense | | | |
| Current load | \$700,000 | \$700,000 | |
| FTE | 2.50 | 2.50 | |

| EXPENSE SUBJECT | SENATE VERSION | HOUSE CHANGES | HOUSE VERSION |
|------------------------|-------------------|------------------|------------------|
| Salaries and wages | \$4,304,000 | | \$4,304,000 |
| Operating expenses | 2,100,000 | | 2,100,000 |
| Capital equipment | 100,000 | | 100,000 |
| Information technology | 240,000 | | 240,000 |
| Interest | | | |
| Total all items | \$7,284,000 | | \$7,284,000 |
| Less estimated savings | | | |
| Grand total | \$7,284,000 | | \$7,284,000 |
| FTE | 31.00 | 0.00 | 31.00 |

Draft 100 - Legislative Council - Detail of House Changes

| REDUCE EQUIPMENT | TOTAL HOUSE CHANGES |
|------------------------|------------------------|
| Salaries and wages | |
| Operating expenses | |
| Capital equipment | |
| Information technology | |
| Interest | |
| Total all items | |
| Less estimated savings | |
| Grand total | |
| FTE | |

REPORT OF STANDING COMMITTEE

SB 2005: Appropriations Committee (Rep. Timm, Chairman) recommends DO PASS (17 YEAS, 2 NAYS, 2 ABSENT AND NOT VOTING). SB 2005 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2006: Appropriations Committee (Rep. Timm, Chairman) recommends DO PASS (20 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2006 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2010, as engrossed: Appropriations Committee (Rep. Timm, Chairman) recommends DO PASS (16 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2010 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2033, as reengrossed: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (13 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Reengrossed SB 2033 was placed on the Sixth order on the calendar.

Page 1, line 4, remove "and"

Page 1, line 6, after "use" insert "; and to provide for an application date"

Page 3, line 9, after "57-38" insert "and includes a partnership, subsection S, corporation, limited partnership, limited liability company, or any other partnership entity"

Page 6, line 24, after "investment" insert "if the cost of a new business purchase or expansion of an existing business, incurred as a zone project, exceeds seventy-five thousand dollars, and the business is located in a city with a population of not more than two thousand five hundred, an individual investor may, in lieu of the exemption provided in subsection 2, elect to have an income tax exemption of up to two thousand dollars of personal income tax liability as determined under section 57-38-29 or 57-38-30.3. The election must be made on the taxpayer's zone project application. The election is irrevocable and binding for the duration of the exemptions provided in subsection 2 or 3. If no election is made on the zone project application, the taxpayer is only eligible for the exemption provided in subsection 2" and remove the overstrike over the period

Page 6, line 25, remove the overstrike over "4."

Page 7, line 7, replace "on improvements made" with "inhabited"

Page 7, line 23, after "year" insert ", up to a maximum of two hundred fifty thousand dollars"

Page 7, line 25, remove "up to a maximum of two hundred fifty thousand dollars"

Page 8, line 11, after "also" insert "and to make investments in businesses within a city's zone"

Page 8, line 12, overstrike "zone"

Page 8, line 13, overstrike ", including projects"

Page 8, after line 17, insert:

"3. A minimum land ownership that is established by a city may provide financing to businesses within the city's zone and may provide financing to zone-sponsored projects throughout the state."

Page 8, line 18, remove the overstrike over "4." and remove "3."

Page 8, line 19, after the period insert "An exemption under this section may be denied through to any shareholder, partner, and owner of the partnership based on whether it is a pass-through entity for tax purposes."

Page 8, line 25, remove the overstrike over "6." and remove "4."

Page 9, line 1, remove the overstrike over "6." and remove "5."

Page 9, line 4, remove the overstrike over "7." and remove "6."

Page 9, line 11, remove the overstrike over "8." and remove "7."

Page 9, line 14, remove the overstrike over "9." and remove "8."

Page 9, line 22, remove the overstrike over "10." and remove "9."

Page 10, after line 26, insert:

"SECTION 12. APPLICATION. Sections 4 and 5 of this Act apply to zone projects approved after December 31, 1999, and section 6 of this Act applies to zone projects approved after July 31, 2001."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2080, as engrossed: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2080 was placed on the Sixth order on the calendar.

Page 1, line 11, after the semicolon insert "to direct the securities commissioner to review policies and procedures regarding financing for North Dakota companies and to report to the legislative council."

Page 22, after line 2, insert:

"SECTION 15. SECURITIES COMMISSIONER REVIEW OF POLICIES AND PROCEDURES. During the 2001-02 session, the securities commissioner shall conduct a review of policies and procedures relating to access to capital for North Dakota companies, with the goal of increasing North Dakota companies' access to capital investment. Before August 1, 2002, the securities commissioner shall report the commissioner's findings and any recommendations to the legislative council."

Page 22, line 3, replace "Section" with "Sections 6 and" and replace "s" with "are"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2124, as engrossed: Appropriations Committee (Rep. Timm, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS

2001 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2001

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2001

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 12, 2001

| Tape Number | Side A | Side B | Meter # |
|--|--------|--------|-----------|
| Tape #2 | x | | 0.0 - 9.8 |
| | | | |
| | | | |
| Committee Clerk Signature <i>Donnie Dietrich</i> | | | |

Minutes:

Senator Nething, Conference Committee Chair (SB2001 - Legislative Branch) opened the meeting at 10:00 am on Thursday, April 12th, in the Harvest Room.

Roll Call: Senator Nething, Chair; Senator Kringstad; Senator Lindaas; Representative Byerly, Representative Skarphol; and Representative Glasshelm present.

Representative Byerly reviewed the House amendments (10355.0201), per Senator Nething's request. He distributed a hand out (a copy is attached), regarding the purchase of computer equipment. He went through the document -- verified that information had been received from Mary Ann Trauter, Legislative Council, regarding the equipment that would be necessary for the next legislative session -- along with the update for the Legislative Council Office. Received the bid items and specs -- then went to price open market -- using high end machines (IBM considered the best, Toshiba second) --- quantity one pricing. Adjustments made to reflect in budget.

Page 2

Senate Appropriations Committee

Bill/Resolution Number SB2001

Hearing Date April 12, 2001

Senator Lindaas: Number of laptops goes from 150 down to 23? Perhaps more explanation?

Representative Byerly: 150 are for Legislative Assembly (legislators) and those in support of legislators; 23 are under the Legislative Council; 2 separate items. The first part is for Legislative Assembly; 150 legislators and support staff; 18 staff -- desk force and majority and minority personnel; 8 printers shared on the floor; 20 printers for committee rooms etc.

Under the second set of numbers -- Legislative Council: 23 staff members; 15 staff upstairs; 4 using bill drafting and on the floor; and 20 low end laser printers for committee rooms etc.

Representative Glassheim: To further explain: 150 went from \$2,267 to \$1,750 per price --- savings of \$500 per laptop --- and on and on.

Senator Nething: A hypothetical question: should the redistricting result in 53 and 106 for a total of 159 legislators --- and everybody takes a computer -- is there enough flexibility dollar wise?

Representative Byerly: Yes, we used the quantity 1 price --- so additional dollars are there. When purchasing in volume, price per unit will be less.

Senator Lindaas: Will the software be a factor?

Representative Byerly: When one buys the machine -- it is bundled with software -- windows also lotus notes are part of the package in IBM product. If Toshiba is purchased there would be a need to purchase the lotus note package, and would be additional cost there.

Senator Lindaas moved that THE SENATE ACCEDE TO THE HOUSE AMENDMENTS (on SJ pages 1066-1067. Senator Kringstad seconded the motion. Roll Call Vote: 6 yes; 0 no; 0 absent and not voting.

Conference Committee adjourned by Senator Nething.

Date: 4-12-01

Roll Call Vote #: 1

2001 CONFERENCE COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2001

CONFERENCE COMMITTEE-Legislative Branch

Legislative Council Amendment Number _____

☐ recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1066 - 1067

☐ having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

Action Taken _____

Motion Made By
Senator/Representative Lindaas

Seconded By
Senator/Representative Kringstad

| Senators | Yes | No | Representative | Yes | No |
|-------------------|-----|----|--------------------------|-----|----|
| Senator Nething | ✓ | | Representative Byerly | ✓ | |
| Senator Kringstad | ✓ | | Representative Skarphol | ✓ | |
| Senator Lindaas | ✓ | | Representative Glassheim | ✓ | |
| | | | | | |
| | | | | | |
| | | | | | |

Total

Yes

6

No

0

Absent

0

Insert LC: .

REPORT OF CONFERENCE COMMITTEE

SB 2001, as engrossed: Your conference committee (Sens. Nething, Kringstad, Lindaas and Reps. Byerly, Skarphol, Glassheim) recommends that the **SENATE ACCEDE** to the House amendments on SJ pages 1066-1067

Engrossed SB 2001 was placed on the Seventh order of business on the calendar.

2001 TESTIMONY

SB 2001

**Department 160 - Legislative Council
Senate Bill No. 2001**

| | FTE Positions | General Fund | Other Funds | Total |
|--------------------------------------|---------------|------------------------|-------------|------------------------|
| 2001-03 Schafer Executive Budget | 33.00 | \$7,208,402 | \$0 | \$7,208,402 |
| 1999-2001 Legislative Appropriations | 36.00 | 6,679,184 ¹ | 165,000 | 6,844,184 ¹ |
| Increase (Decrease) | (3.00) | \$529,218 | (\$165,000) | \$364,218 |

| | | | | |
|---------------------------------------|-------|-------------|-----|-------------|
| 2001-03 Hoeven Executive Budget | 33.00 | \$7,208,402 | | \$7,208,402 |
| Hoeven Increase (Decrease) to Schafer | 0.00 | \$0 | \$0 | \$0 |

¹ The 1999-2001 appropriation amounts include \$1,068 from the general fund for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000. The 1999-2001 appropriation amounts do not include \$880,610 of carryover authority.

Major Schafer Recommendations Affecting Legislative Council 2001-03 Budget

| | General Fund | Other Funds | Total |
|--|--------------|-------------|-------------|
| 1. Adds funding for increasing interim legislative per diem by \$25 per day, from \$75 to \$100 pursuant to the Legislative Compensation Commission recommendation (Senate Bill No. 2176). | \$138,146 | | \$138,146 |
| 2. Adds funding for increasing mileage reimbursement by \$.06 per mile, from \$.25 to \$.31 pursuant to the Legislative Compensation Commission recommendation (House Bill No. 1197). | \$53,232 | | \$53,232 |
| 3. Adds 1 FTE computer services position (\$104,267) and related operating (\$8,000). | \$112,267 | | \$112,267 |
| 4. Adds funding for replacing information technology equipment. | \$169,300 | | \$169,300 |
| 5. Removes 4 unfilled FTE technology positions and reduces technology services funding to \$240,000. | (\$242,930) | | (\$242,930) |
| 6. Eliminates funding for the Crop Harmonization Committee as a special line item. | (\$15,000) | (\$165,000) | (\$180,000) |

**Major Hoeven Recommendations Affecting Legislative Council 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

The Hoeven executive budget recommendation does not change the Schafer executive budget for the Legislative Council.

Major Legislation Affecting the Legislative Council

Senate Bill No. 2043 requires the Legislative Council's Information Technology Committee to review the cost-benefit of select University System technology projects.

Senate Bill No. 2176 increases from \$75 to \$100 per day the amount of compensation paid for each day spent in attendance at sessions of the Legislative Council and its committees.

House Bill No. 1197 increases the state mileage reimbursement rate from 25 cents to 31 cents per mile.

Department 168 - Legislative Council
Senate Bill No. 2001

| | FTE Positions | General Fund | Other Funds | Total |
|--------------------------------------|---------------|------------------------|-------------|------------------------|
| 2001-03 Schafer Executive Budget | 33.00 | \$7,208,402 | \$0 | \$7,208,402 |
| 1999-2001 Legislative Appropriations | 36.00 | 6,679,184 ¹ | 165,000 | 6,844,184 ¹ |
| Increase (Decrease) | (3.00) | \$529,218 | (\$165,000) | \$364,218 |

| | | | | |
|---------------------------------------|-------|-------------|-----|-------------|
| 2001-03 Hoeven Executive Budget | 33.00 | \$7,208,402 | | \$7,208,402 |
| Hoeven Increase (Decrease) to Schafer | 0.00 | \$0 | \$0 | \$0 |

¹ The 1999-2001 appropriation amounts include \$1,068 from the general fund for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000. The 1999-2001 appropriation amounts do not include \$880,610 of carryover authority.

Major Schafer Recommendations Affecting Legislative Council 2001-03 Budget

| | General Fund | Other Funds | Total |
|--|--------------|-------------|-------------|
| 1. Adds funding for increasing interim legislative per diem by \$25 per day, from \$75 to \$100 pursuant to the Legislative Compensation Commission recommendation (Senate Bill No. 2176). | \$138,146 | | \$138,146 |
| 2. Adds funding for increasing mileage reimbursement by \$.06 per mile, from \$.25 to \$.31 pursuant to the Legislative Compensation Commission recommendation (House Bill No. 1197). | \$53,232 | | \$53,232 |
| 3. Adds 1 FTE computer services position (\$104,267) and related operating (\$8,000). | \$112,267 | | \$112,267 |
| 4. Adds funding for replacing information technology equipment. | \$169,300 | | \$169,300 |
| 5. Removes 4 unfilled FTE technology positions and reduces technology services funding to \$240,000. | (\$242,939) | | (\$242,939) |
| 6. Eliminates funding for the Crop Harmonization Committee as a special line item. | (\$15,000) | (\$165,000) | (\$180,000) |

Major Hoeven Recommendations Affecting Legislative Council 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)

The Hoeven executive budget recommendation does not change the Schafer executive budget for the Legislative Council.

Major Legislation Affecting the Legislative Council

Senate Bill No. 2043 requires the Legislative Council's Information Technology Committee to review the cost-benefit of select University System technology projects. (Passed Senate)

Senate Bill No. 2176 increases from \$75 to \$100 per day the amount of compensation paid for each day spent in attendance at sessions of the Legislative Council and its committees. (Passed Senate)

House Bill No. 1197 increases the state mileage reimbursement rate from 25 cents to 31 cents per mile. (Passed House)

House Bill No. 1328 appropriates \$500,000, of which \$300,000 is from the environment and rangeland protection fund, to the Legislative Council for Crop Harmonization Committee expenses and for providing grants to address crop protection product registration and labeling issues. (Passed House)

House Bill No. 1407 provides that a legislative measure mandating health insurance coverage may not be acted on unless accompanied by a cost-benefit analysis prepared by the Legislative Council. The bill also provides for a Legislative Council study of existing mandated health insurance coverages.

House Bill No. 1419 appropriates \$150,000 from the workers' compensation fund to the Legislative Council for conducting a workers' compensation study. (Passed House)

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Funding Summary**

| | Executive Budget | Senate Changes | Senate Version |
|---|-----------------------------|---------------------------|---------------------------|
| Legislative Assembly | | | |
| Salaries and wages | \$5,566,499 | | \$5,566,499 |
| Operating expenses | 2,987,567 | | 2,987,567 |
| Equipment | 450,800 | | 450,800 |
| National conference of state legislature | 165,297 | | 165,297 |
| Total all funds | <u>\$9,170,163</u> | <u>\$0</u> | <u>\$9,170,163</u> |
| Less estimated income | 0 | 0 | 0 |
| General fund | <u>\$9,170,163</u> | <u>\$0</u> | <u>\$9,170,163</u> |
| FTE | 0.00 | 0.00 | 0.00 |
| Legislative Council | | | |
| Salaries and wages | \$4,594,446 | | \$4,594,446 |
| Operating expenses | 2,190,656 | | 2,190,656 |
| Equipment | 183,300 | | 183,300 |
| Information technology program | 240,000 | | 240,000 |
| Total all funds | <u>\$7,208,402</u> | <u>\$0</u> | <u>\$7,208,402</u> |
| Less estimated income | 0 | 0 | 0 |
| General fund | <u>\$7,208,402</u> | <u>\$0</u> | <u>\$7,208,402</u> |
| FTE | 33.00 | 0.00 | 33.00 |
| Bill Total | | | |
| Total all funds | <u>\$16,378,565</u> | <u>\$0</u> | <u>\$16,378,565</u> |
| Less estimated income | 0 | 0 | 0 |
| General fund | <u>\$16,378,565</u> | <u>\$0</u> | <u>\$16,378,565</u> |
| FTE | 33.00 | 0.00 | 33.00 |

Senate Bill No. 2001 - Legislative Assembly - Senate Action

The Senate did not change the funding included in the executive recommendation for the Legislative Assembly.

The Senate added a section providing that the chairman of the Legislative Council, if not a majority or minority leader, be paid an additional \$250 per month of compensation, the same as the majority and minority leaders.

Senate Bill No. 2001 - Legislative Council - Senate Action

The Senate did not change the executive recommendation for the Legislative Council.

**Department 160 - Legislative Assembly
Senate Bill No. 2001**

| | FTE Positions | General Fund | Other Funds | Total |
|--------------------------------------|---------------|--------------|-------------|-------------|
| 2001-03 Schafer Executive Budget | | \$9,170,163 | | \$9,170,163 |
| 1999-2001 Legislative Appropriations | | 8,320,216 | | 8,320,216 |
| Increase (Decrease) | 0.00 | \$849,947 | \$0 | \$849,947 |

| | | | | |
|---------------------------------------|------|-------------|-----|-------------|
| 2001-03 Hoeven Executive Budget | | \$9,170,163 | | \$9,170,163 |
| Hoeven Increase (Decrease) to Schafer | 0.00 | \$0 | \$0 | \$0 |

The 1999-2001 appropriation amounts do not include \$1,194,252 of additional spending authority resulting from carryover funds.

Major Schafer Recommendations Affecting Legislative Assembly 2001-03 Budget

| | General Fund | Other Funds | Total |
|---|--------------|-------------|-------------|
| 1. Adds funding to increase legislative session pay from \$111 to \$125 per day as recommended by the Legislative Compensation Commission (Senate Bill No. 2175). | \$250,344 | | \$250,344 |
| 2. Adds funding for a special legislative session to address redistricting. | \$154,264 | | \$154,264 |
| 3. Reduces information technology-related funding. | (\$376,435) | | (\$376,435) |
| 4. Adds funding for replacing personal computers for legislators and session staff. | \$435,800 | | \$435,800 |
| 5. Adds funding for increasing mileage reimbursement by \$.06 per mile, from \$.25 to \$.31 pursuant to the Legislative Compensation Commission recommendation (House Bill No. 1197). | \$48,731 | | \$48,731 |

**Major Hoeven Recommendations Affecting Legislative Assembly 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

The Hoeven executive budget recommendation does not change the Schafer executive budget for the Legislative Assembly.

Major Legislation Affecting the Legislative Assembly

Senate Bill No. 2048 allows legislators to receive legislative session pay for attending legislative committee meetings between the organizational and the regular session as authorized by legislative rule.

Senate Bill No. 2175 increases legislators' compensation by \$14 per calendar day, from \$111 to \$125 per day during legislative sessions.

House Bill No. 1197 increases the state mileage reimbursement rate from 25 to 31 cents per mile.

Department 150 - Legislative Assembly
Senate Bill No. 2001

| | FTE Positions | General Fund | Other Funds | Total |
|--------------------------------------|---------------|--------------|-------------|------------------------|
| 2001-03 Schafer Executive Budget | | \$9,170,163 | | \$9,170,163 |
| 1999-2001 Legislative Appropriations | | 8,320,216 | | 8,320,216 ¹ |
| Increase (Decrease) | 0.00 | \$849,947 | \$0 | \$849,947 |

| | | | | |
|---------------------------------------|------|-------------|-----|-------------|
| 2001-03 Hoeven Executive Budget | | \$9,170,163 | | \$9,170,163 |
| Hoeven Increase (Decrease) to Schafer | 0.00 | \$0 | \$0 | \$0 |

¹ The 1999-2001 appropriation amounts do not include \$1,194,252 of additional spending authority resulting from carryover funds.

Major Schafer Recommendations Affecting Legislative Assembly 2001-03 Budget

| | General Fund | Other Funds | Total |
|---|--------------|-------------|-------------|
| 1. Adds funding to increase legislative session pay from \$111 to \$125 per day as recommended by the Legislative Compensation Commission (Senate Bill No. 2175). | \$250,344 | | \$250,344 |
| 2. Adds funding for a special legislative session to address redistricting. | \$154,264 | | \$154,264 |
| 3. Reduces information technology-related funding. | (\$376,435) | | (\$376,435) |
| 4. Adds funding for replacing personal computers for legislators and session staff. | \$435,800 | | \$435,800 |
| 5. Adds funding for increasing mileage reimbursement by \$.06 per mile, from \$.25 to \$.31 pursuant to the Legislative Compensation Commission recommendation (House Bill No. 1197). | \$48,731 | | \$48,731 |

Major Hoeven Recommendations Affecting Legislative Assembly 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)

The Hoeven executive budget recommendation does not change the Schafer executive budget for the Legislative Assembly.

Major Legislation Affecting the Legislative Assembly

Senate Bill No. 2048 allows legislators to receive legislative session pay for attending legislative committee meetings between the organizational and the regular session as authorized by legislative rule. (Passed both chambers)

Senate Bill No. 2175 increases legislators' compensation by \$14 per calendar day, from \$111 to \$125 per day during legislative sessions, effective January 1, 2001. (Passed Senate)

House Bill No. 1197 increases the state mileage reimbursement rate from 25 to 31 cents per mile. (Passed House)

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Funding Summary**

| | Executive Budget | Senate Changes | Senate Version |
|---|-----------------------------|---------------------------|---------------------------|
| Legislative Assembly | | | |
| Salaries and wages | \$5,566,499 | | \$5,566,499 |
| Operating expenses | 2,987,567 | | 2,987,567 |
| Equipment | 450,800 | | 450,800 |
| National conference of state legislature | 165,297 | | 165,297 |
| Total all funds | <u>\$9,170,163</u> | <u>\$0</u> | <u>\$9,170,163</u> |
| Less estimated income | 0 | 0 | 0 |
| General fund | <u>\$9,170,163</u> | <u>\$0</u> | <u>\$9,170,163</u> |
| FTE | 0.00 | 0.00 | 0.00 |
| Legislative Council | | | |
| Salaries and wages | \$4,594,446 | | \$4,594,446 |
| Operating expenses | 2,190,656 | | 2,190,656 |
| Equipment | 183,300 | | 183,300 |
| Information technology program | 240,000 | | 240,000 |
| Total all funds | <u>\$7,208,402</u> | <u>\$0</u> | <u>\$7,208,402</u> |
| Less estimated income | 0 | 0 | 0 |
| General fund | <u>\$7,208,402</u> | <u>\$0</u> | <u>\$7,208,402</u> |
| FTE | 33.00 | 0.00 | 33.00 |
| Bill Total | | | |
| Total all funds | <u>\$16,378,565</u> | <u>\$0</u> | <u>\$16,378,565</u> |
| Less estimated income | 0 | 0 | 0 |
| General fund | <u>\$16,378,565</u> | <u>\$0</u> | <u>\$16,378,565</u> |
| FTE | 33.00 | 0.00 | 33.00 |

Senate Bill No. 2001 - Legislative Assembly - Senate Action

The Senate did not change the funding included in the executive recommendation for the Legislative Assembly.

The Senate added a section providing that the chairman of the Legislative Council, if not a majority or minority leader, be paid an additional \$250 per month of compensation, the same as the majority and minority leaders.

Senate Bill No. 2001 - Legislative Council - Senate Action

The Senate did not change the executive recommendation for the Legislative Council.

January 22, 2001

STATEMENT OF JOHN D. OLSRUD, DIRECTOR, NORTH DAKOTA LEGISLATIVE COUNCIL, REGARDING SENATE BILL NO. 2001, JANUARY 22, 2001

Mr. Chairman and members of the Senate Appropriations Committee.

I am here this morning appearing on Senate Bill No. 2001 on behalf of the members of the Legislative Assembly and the members of the Legislative Council to explain the budget requests for the Legislative Assembly and the Legislative Council for the 2001-03 biennium.

LEGISLATIVE ASSEMBLY

Subdivision 1 of the bill contains the 2001-03 biennium appropriation for the Legislative Assembly of \$9,170,163 from the general fund. This amount is \$849,947 more than the 1999-2001 appropriation of \$8,320,216. The amount requested is considered necessary for a special session to address redistricting, the organizational session, and a 77-legislative-day (108-calendar-day) regular 2003 legislative session. The following schedule presents the number of legislative days for previous sessions:

| Legislative Session | Legislative Days |
|---------------------|------------------|
| 1999 | 71 |
| 1997 | 66 |
| 1995 | 67 |
| 1993 | 77 |
| 1991 | 68 |

The 1999 Legislative Assembly provided funding for an estimated 77-legislative-day 2001 legislative session.

Salaries and Wages

The salaries and wages line item of approximately \$5.6 million includes funding for:

- Legislative employees' pay for the 2003 legislative session based on the same number of employees employed for the 1999 legislative session of 84.
- Legislators' salary policy of \$125 per day for a 77-legislative-day regular session (108 calendar days) based on the Legislative Compensation Commission recommendation to increase legislators' compensation by \$14 per calendar day (Senate Bill No. 2175). An additional \$250,344 is included to provide for this increase.
- Additional compensation of \$10 per calendar day is provided for the legislative leaders and \$5 per calendar day for chairmen of the

standing committees and assistant legislative leaders.

- Legislators' monthly compensation of \$250 per month and the additional \$250 per month provided to the House and Senate majority and minority leaders.
- Health insurance coverage for 124 legislators. Currently, 131 legislators receive health insurance coverage.
- Legislator's salary funding and legislative employees' pay for a five-legislative-day (seven-calendar-day) special legislative session to address redistricting.

Operating Expenses

The operating expenses line item of approximately \$3 million includes funding for:

- Legislators' travel costs for 16 trips at 31 cents per mile during the regular session and one trip for the organizational session. The 31 cents per mile is based on the Legislative Compensation Commission recommendation to increase mileage reimbursement by six cents per mile (House Bill No. 1197). An additional \$48,731 is included to provide for this increase.
- Lodging costs of \$650 per month for 135 legislators for four months.
- Data processing costs of approximately \$1.1 million for operating and maintaining current legislative computer systems. Funding of \$317,100 is included for rewriting various legislative session computer systems.
- Telephone, telecommunications, and networking charges of \$542,081.
- Professional services of \$100,000 includes funding for the privatization of legislative secretarial services (\$40,000) and bill and journal room operations (\$45,000).

Equipment

The equipment line item of approximately \$451,000 includes \$435,800 to replace legislators' personal computers and select computer equipment for legislative session staff.

National Conference of State Legislatures

The National Conference of State Legislatures line item of \$165,297 is an increase of \$7,184 from the 1999-2001 budget of \$158,113. This represents North Dakota's contribution to NCSL and the amount is based on NCSL's estimate of North Dakota's share of the NCSL budget for fiscal years 2002 and 2003.

LEGISLATIVE COUNCIL

Subdivision 2 of Senate Bill No. 2001 contains the 2001-03 appropriation for the Legislative Council of \$7,208,402 from the general fund, which is \$384,218 more than the 1999-2001 general fund appropriation of \$6,844,184.

The Legislative Council is requesting 33 FTE positions, three fewer positions than authorized for the 1999-2001 biennium. Four FTE positions in the information technology program which are not filled are being removed and one FTE computer services position is being added.

Salaries and Wages

The salaries and wages line item of approximately \$4.6 million includes funding for:

- Thirty-three FTE positions, one FTE more than the level authorized for the 1999-2001 biennium. A new computer services position is being requested to provide computer support services for legislative computer systems.
- The line item includes \$182,515 from the general fund for the Governor's recommended salary and fringe benefits adjustment.
- Temporary employees' pay during the 2003 legislative session.
- Legislators' per diem for meetings during the interim of \$506,759, \$161,583 more than the 1999-2001 per diem budgeted amount of \$345,176. This request is based on the same number of committees (24) appointed during the 1999-2000 interim and assumes an 87.5 percent attendance rate at committee meetings. Changes that contribute to the increase include:

The legislative per diem increase for attending Interim Legislative Council meetings of \$25 per day, from \$75 to \$100 as recommended by the Legislative Compensation Commission (Senate Bill No. 2176) - \$138,146.

The CSG Midwestern Legislative Conference planned for Fargo in 2002 - \$41,714.

Operating Expenses

The operating expenses line item of approximately \$2.2 million includes funding for:

- Legislators' travel expenses relating to meetings during the interim of \$834,967, \$148,868 more than the 1999-2001 budget of \$686,099. The funding request is based on the same number of committees (24) appointed during the 1999-2000 interim and assumes an 87.5 percent attendance rate at committee meetings. Changes that contribute to the increase include:

The mileage reimbursement increase of six cents (from 25 to 31 cents) recommended by the Legislative Compensation Committee (House Bill No. 1197) - \$53,232.

The lodging increase of \$3 per night (from \$39 to \$42 per night) approved by the 1999 Legislative Assembly - \$10,199.

The CSG Midwestern Legislative Conference planned for Fargo in 2002 - \$54,471.

- Data processing costs of \$356,550, \$275,685 less than the 1999-2001 budget of \$632,235. Data processing costs included in the 2001-03 request relate primarily to maintenance of current systems and to central processing unit (CPU) charges from the Information Technology Department.
- Information technology consulting totals \$415,000, \$203,700 more than the 1999-2001 budget and includes funding for consultants to assist with rewriting the Administrative Code system and for coordinating software upgrades and the compatibility of various legislative computer systems.
- Professional services of \$145,000 is \$500 less than the 1999-2001 budget. Major professional services include contracting for the Legislative Council audit (\$5,000) and the State Auditor's office audit (\$10,000), and consulting services to assist with interim committee studies when required (\$130,000).
- Other operating expenses changes are based on the Office of Management and Budget's guidelines as they are applicable and anticipated needs in other areas.

Equipment

The equipment line item of \$183,300 is \$163,300 more than the 1999-2001 budget and includes \$169,300 for replacing computer equipment in the Legislative Council office.

Information Technology

The information technology line item of \$240,000 is \$242,939 less than the 1999-2001 budget of \$482,939. Four unfilled FTE positions originally authorized by the 1997 Legislative Assembly are

being removed. The \$240,000 remaining is the amount considered necessary for the Legislative Council (Information Technology Committee) to contract for consulting services to meet its information technology requirements for the 2001-03 biennium.

Crop Harmonization Committee

The Crop Harmonization Committee was a special line item added by the 1999 Legislative Assembly to provide for the interim Crop Harmonization Committee that was responsible for studying crop protection

product registration and labeling. For the 1999-2001 biennium, the funding in this special line item included \$15,000 from the general fund, \$15,000 from the minor use pesticide fund, and \$150,000 of other funds from donations. The request continues funding of \$10,000 from the general fund for a crop harmonization or similar committee during the 2001-02 interim but eliminates it as a special line item and removes the special funds from the minor use pesticide fund and from donations.

I will be happy to attempt to answer any questions.

February 28, 2001

2-2801
SB2001

STATEMENT OF JOHN D. OLSRUD, DIRECTOR, NORTH DAKOTA LEGISLATIVE COUNCIL, REGARDING SENATE BILL NO. 2001, FEBRUARY 28, 2001

Mr. Chairman and members of the House Appropriations Committee - Government Operations section.

I am here this morning appearing on Senate Bill No. 2001 on behalf of the members of the Legislative Assembly and the members of the Legislative Council to explain the budget requests for the Legislative Assembly and the Legislative Council for the 2001-03 biennium.

LEGISLATIVE ASSEMBLY

Subdivision 1 of the bill contains the 2001-03 biennium appropriation for the Legislative Assembly of \$9,170,163 from the general fund. This amount is \$849,947 more than the 1999-2001 appropriation of \$8,320,216. The amount requested is considered necessary for a special session to address redistricting, the organizational session, and a 77-legislative-day (108-calendar-day) regular 2003 legislative session. The following schedule presents the number of legislative days for previous sessions:

| Legislative Session | Legislative Days |
|---------------------|------------------|
| 1999 | 71 |
| 1997 | 66 |
| 1995 | 67 |
| 1993 | 77 |
| 1991 | 68 |

The 1999 Legislative Assembly provided funding for an estimated 77-legislative-day 2001 legislative session.

Salaries and Wages

The salaries and wages line item of approximately \$5.6 million includes funding for:

- Legislative employees' pay for the 2003 legislative session based on the same number of employees employed for the 1999 legislative session of 84.
- Legislators' salary policy of \$125 per day for a 77-legislative-day regular session (108 calendar days) based on the Legislative Compensation Commission recommendation to increase legislators' compensation by \$14 per calendar day (Senate Bill No. 2175). An additional \$250,344 is included to provide for this increase for the 2001-03 biennium. The Senate amended Senate Bill No. 2175 to be effective January 1, 2001, which will cost an

additional \$239,867 for the 1999-2001 biennium. Depending on the length of the 57th Legislative Assembly and related costs, it appears that the appropriation for the 1999-2001 biennium should be sufficient to accommodate the additional cost.

- Additional compensation of \$10 per calendar day is provided for the legislative leaders and \$5 per calendar day for chairmen of the standing committees and assistant legislative leaders. As amended by the Senate, the Legislative Council chairman, if not a leader in either chamber, would also receive an additional \$250 per month.
- Legislators' monthly compensation of \$250 per month and the additional \$250 per month provided to the House and Senate majority and minority leaders. As amended by the Senate, the Legislative Council chairman, if not a leader in either chamber, would also receive an additional \$250 per month.
- Health insurance coverage for 124 legislators. Currently, 132 legislators receive health insurance coverage.
- Legislators' salary funding and legislative employees' pay for a five-legislative-day (seven-calendar-day) special legislative session to address redistricting.

Operating Expenses

The operating expenses line item of approximately \$3 million includes funding for:

- Legislators' travel costs for 16 trips at 31 cents per mile during the regular session and one trip for the organizational session. The 31 cents per mile is based on the Legislative Compensation Commission recommendation to increase mileage reimbursement by six cents per mile (House Bill No. 1197). An additional \$48,731 is included to provide for this increase.
- Lodging costs of \$650 per month for 135 legislators for four months.
- Data processing costs of approximately \$1.1 million for operating and maintaining current legislative computer systems. Funding of \$317,100 is included for rewriting various legislative session computer systems.

- Telephone, telecommunications, and networking charges of \$542,081.
- Professional services of \$100,000 includes funding for the privatization of legislative secretarial services (\$40,000) and bill and journal room operations (\$45,000).

Equipment

The equipment line item of approximately \$451,000 includes \$435,800 to replace legislators' personal computers and select computer equipment for legislative session staff.

National Conference of State Legislatures

The National Conference of State Legislatures line item of \$165,297 is an increase of \$7,184 from the 1999-2001 budget of \$158,113. This represents North Dakota's contribution to NCSL and the amount is based on NCSL's estimate of North Dakota's share of the NCSL budget for fiscal years 2002 and 2003.

LEGISLATIVE COUNCIL

Subdivision 2 of Senate Bill No. 2001 contains the 2001-03 appropriation for the Legislative Council of \$7,208,402 from the general fund, which is \$364,218 more than the 1999-2001 general fund appropriation of \$6,844,184.

The Legislative Council is requesting 33 FTE positions, three fewer positions than authorized for the 1999-2001 biennium. Four FTE positions in the information technology program which are not filled are being removed and one FTE computer services position is being added.

Salaries and Wages

The salaries and wages line item of approximately \$4.6 million includes funding for:

- Thirty-three FTE positions, one FTE more than the level authorized for the 1999-2001 biennium. A new computer services position is being requested to provide computer support services for legislative computer systems.
- The line item includes \$182,515 from the general fund for the Governor's recommended salary and fringe benefits adjustment.
- Temporary employees' pay during the 2003 legislative session.
- Legislators' per diem for meetings during the interim of \$506,759, \$161,583 more than the 1999-2001 per diem budgeted amount of \$345,176. This request is based on the same number of committees (24) appointed during the 1999-2000 interim and assumes an 87.5 percent attendance rate at committee meetings. Changes that contribute to the increase include:

The legislative per diem increase for attending interim Legislative Council meetings of \$25 per day, from \$75 to \$100 as recommended by the Legislative Compensation Commission (Senate Bill No. 2176) - \$138,146.

The CSG Midwestern Legislative Conference planned for Fargo in 2002 - \$41,714.

Operating Expenses

The operating expenses line item of approximately \$2.2 million includes funding for:

- Legislators' travel expenses relating to meetings during the interim of \$834,967, \$148,868 more than the 1999-2001 budget of \$686,099. The funding request is based on the same number of committees (24) appointed during the 1999-2000 interim and assumes an 87.5 percent attendance rate at committee meetings. Changes that contribute to the increase include:

The mileage reimbursement increase of six cents (from 25 to 31 cents) recommended by the Legislative Compensation Committee (House Bill No. 1197) - \$53,232.

The lodging increase of \$3 per night (from \$39 to \$42 per night) approved by the 1999 Legislative Assembly - \$10,199.

The CSG Midwestern Legislative Conference planned for Fargo in 2002 - \$54,471.

- Data processing costs of \$356,550, \$275,685 less than the 1999-2001 budget of \$632,235. Data processing costs included in the 2001-03 request relate primarily to maintenance of current systems and to central processing unit (CPU) charges from the Information Technology Department.
- Information technology consulting totals \$415,000, \$203,700 more than the 1999-2001 budget and includes funding for consultants to assist with rewriting the Administrative Code system and for coordinating software upgrades and the compatibility of various legislative computer systems.
- Professional services of \$145,000 is \$500 less than the 1999-2001 budget. Major professional services include contracting for the Legislative Council audit (\$5,000) and the State Auditor's office audit (\$10,000), and consulting services to assist with interim committee studies when required (\$130,000).
- Other operating expenses changes are based on the Office of Management and

Budget's guidelines as they are applicable and anticipated needs in other areas.

Equipment

The equipment line item of \$183,300 is \$163,300 more than the 1999-2001 budget and includes \$169,300 for replacing computer equipment in the Legislative Council office.

Information Technology

The information technology line item of \$240,000 is \$242,939 less than the 1999-2001 budget of \$482,939. Four unfilled FTE positions originally authorized by the 1997 Legislative Assembly are being removed. The \$240,000 remaining is the amount considered necessary for the Legislative Council (Information Technology Committee) to contract for consulting services to meet its information technology requirements for the 2001-03 biennium.

Crop Harmonization Committee

The Crop Harmonization Committee was a special line item added by the 1999 Legislative Assembly to provide for the Interim Crop Harmonization Committee that was responsible for studying crop protection product registration and labeling. For the 1999-2001 biennium, the funding in this special line item included \$15,000 from the general fund, \$15,000 from the minor use pesticide fund, and \$150,000 of other funds from donations. The request continues funding of \$10,080 from the general fund for a crop harmonization or similar committee during the 2001-02 interim

but eliminates it as a special line item and removes the special funds from the minor use pesticide fund and from donations.

House Bill No. 1328 appropriates \$500,000, of which \$300,000 is from the environment and range-land protection fund and \$200,000 is from grants and donations to the Legislative Council for Crop Harmonization Committee expenses and for providing grants to address crop protection product registration and labeling issues.

OTHER BILLS

Other bills affecting the Legislative Council include:

- House Bill No. 1407 provides that a legislative measure mandating health insurance coverage may not be acted on unless accompanied by a cost-benefit analysis prepared by the Legislative Council. Funding is not included in Senate Bill No. 2001 for this analysis. The bill also provides for a Legislative Council study of existing mandated health insurance coverages.
- House Bill No. 1419 appropriates \$150,000 from the workers' compensation fund to the Legislative Council for conducting a workers' compensation study.
- Senate Bill No. 2297 increases state lodging reimbursement from \$42 to \$45 per night plus tax. The increased cost related to this bill of \$10,200 is not included in Senate Bill No. 2001.

I will be happy to attempt to answer any questions.

STATE OF NORTH DAKOTA
ATTORNEY GENERAL'S OPINION 82-54

Date issued: July 2, 1982
Requested by: Richard A. Elkin, President
Public Service Commission

- QUESTIONS PRESENTED -

I.

Whether Chapter 16.1-10 of the North Dakota Century Code applies to an elected public official who is a candidate for office and who offers to return or returns all or any part of the salary for the office held.

II.

Whether any law applies to an elected public official who is not a candidate for office and who offers to return or returns all or any part of the salary for the office held.

- ATTORNEY GENERAL'S OPINION -

I.

It is my opinion that Chapter 16.1-10, N.D.C.C., applies to an elected public official who is a candidate for office and who offers to return or returns all or any part of the salary for that office.

II.

It is my further opinion that there is law that applies to an elected public official who is a state or judicial officer and who is not a candidate for public office and who offers to return or returns all or any part of the salary for that office.

- ANALYSIS -

I.

The actions of elected public officials who are candidates for office are controlled by our Corrupt Practices Act, Chapter 16.1-10, N.D.C.C. Pursuant to Section 16.1-10-01, N.D.C.C., a person is guilty of a corrupt practice if he violates any of the provisions

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of Section 12.1-14-03, N.D.C.C. Under Section 12.1-14-03(2), N.D.C.C., a person is guilty of a class A misdemeanor if, in connection with any election, he "offers, gives, or agrees to give a thing of pecuniary value to another as consideration for the recipient's voting. . . ." For an incumbent candidate for public office to turn back any part of his salary or to offer to turn back any part of his salary constitutes a thing of pecuniary value which constitutes consideration in the form of reducing the burden on the public treasury and thereby the burden on the taxpayers in exchange for the votes of those taxpayers.

It is important to note at the outset that this opinion is on abstract questions of law, and that the question of guilt or innocence is a question of fact which can only be determined by the trier of fact based on the particular facts in each case.

In the only North Dakota case on point, Diehl v. Totten, 155 N.W. 74 (N.D. 1915), our Supreme Court held that "the corrupt practices act should be liberally construed with a view to its enforcement for the public interest and the purity of elections." 155 N.W. 74, 77. In this case, our Supreme Court upheld the removal from office of the appellant judge who while campaigning for office stated in a political advertisement that he would turn back to the county treasury all of his salary above the amount of \$1,500 per year. The Court put it quite clearly:

While the amount involved is small, to approve it would utterly defeat the purposes of the corrupt practices act. If appellant offered his services to the county for \$300 per year less than the legal salary, another person might offer to do the work for \$1000 below the salary, and there would, in truth, be nothing to prevent some rich aspirant from offering to donate to the county treasurer huge sums of money and performing the services gratis. That this would be an evil is too plain for argument, and that such conduct was in the contemplation of the corrupt practices act is also plain. 155 N.W. 74, 77.

In that same political advertisement the appellant judge made the following statement:

In the situation existing in our county to-day, the first duty is to cut down expenses and save the people's money. All unnecessary expenditures should be stopped and rigid economy should be the watchword all along the line. The present heavy load upon the tax-burdened people of this county should be lightened and the public welfare made the first consideration. 155 N.W. 74, 74.

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Following a liberal construction of our Corrupt Practices Act, it is my opinion that Chapter 16.1-10, N.D.C.C., applies to an elected public official who is seeking office and who returns or offers to return part or all of his salary.

There are, however, significant First Amendment considerations. The United States Supreme Court has recently considered the First Amendment implications of the Kentucky Corrupt Practices Act in Brown v. Hartlage, 102 S. Ct. 1523 (1982). As a candidate for county commissioner Brown, in a televised press conference, stated that as a county commissioner he would lower his salary. Four days after the press conference when he learned that this commitment arguably violated the Kentucky Corrupt Practices Act, he renounced it. After he was elected his opponent, Hartlage, sought to have the election declared void and Brown's office of county commissioner declared vacant for an alleged violation of the Kentucky Corrupt Practices Act. That statute prohibited a candidate from promising a thing of value either directly or indirectly to any person in consideration for that person's vote and support. The Kentucky Court of Appeals ultimately determined that Brown had violated the law.

That decision, however, was reversed by the U. S. Supreme Court. In doing so, the Supreme Court acknowledged the interest of the state while noting the First Amendment protections:

"States have a legitimate interest in preserving the integrity of their electoral processes. . . . But when a State seeks to uphold that interest by restricting speech, the limitations on state authority imposed by the First Amendment are manifestly implicated. . . . The free exchange of ideas provides special vitality to the process traditionally at the heart of the American constitutional democracy -- the political campaign. . . . The political candidate does not lose the protection of the First Amendment when he declares himself for public office." 102 S. Ct. 1523, 1528, 1529.

The Supreme Court found that:

(the) State may surely prohibit a candidate from buying votes. No body politic worthy of being called a democracy entrusts the selection of leaders to a process of auction or barter. And as a State may prohibit the giving of money or other things of value to a voter in exchange for his support, it may also declare unlawful an agreement embodying the intention to make such an exchange." 102 S. Ct. 1523, 1529.

The Court further noted that:

It is thus plain that some kinds of promises made by a candidate to voters, and some kinds of promises elicited by voters from candidates, may be declared illegal without constitutional difficulty. But it is equally plain that there are constitutional limits on the State's power to prohibit candidates from making promises in the course of an election campaign." 102 S. Ct. 1523, 1530. (Emphasis contained in the opinion.)

The Court noted that some promises are appropriate and are necessary in an election process to help enhance the accountability of government officials to the people they represent. The Supreme Court found that there was no constitutional basis upon which Brown's promise could be considered a bribe. His promise was not an offer to return part of his salary unilaterally, but rather it was one to exercise the fiscal powers of the government office he sought.

Before any implicit monetary benefit to the individual taxpayer might have been realized, public officials -- among them, of course, Brown himself -- would have had to approve that benefit in accordance with the good faith exercise of their public duties. . . . Brown's statement can only be construed as an expression of his intention to exercise public power in a manner that he believed might be acceptable to some class of citizens Brown's promise to reduce his salary cannot be deemed beyond the reach of the First Amendment, or considered as inviting the kind of corrupt arrangement the appearance of which a State may have a compelling interest in avoiding. 102 S. Ct. 1523, 1531.

The Court in its conclusion took particular note of Brown's conduct and sought to limit the effects of its decision.

There has been no showing in this case that petitioner made the disputed statement other than in good faith and without knowledge of its falsity, or that he made the statement with reckless disregard whether it was false or not. Moreover, petitioner retracted the statement promptly after discovering that it might have been false. Under these circumstances, nullifying petitioner's election victory was inconsistent with the atmosphere of robust political debate protected by the First Amendment. 102 S. Ct. 1523, 1533. (Emphasis supplied.)

An offer to return one's salary is altogether different from exercising the power held by a member of a legislative body to vote in such a way as to fulfill a promise made regarding salaries. Necessarily, a judge or any member of the Judicial Branch of government cannot make such a promise because it cannot be fulfilled. Neither can a member of the Executive Branch of government except insofar as that person can recommend to the Legislature that a particular action be taken with respect to salaries. Only members of a legislative body can legitimately make that promise with an expectation of fulfilling it. The prohibited conduct is not the exercise of a legislative power; rather it is the offer to give a thing of value in order to induce the voters to elect the person making the offer. Insofar as our Corrupt Practices Act prohibits that form of conduct, it is not a violation of an individual's right of free speech under the First Amendment and is consistent with the decision of the Supreme Court in Brown v. Hartlage, supra.

Our North Dakota Supreme Court has also considered the First Amendment implications of a North Dakota Corrupt Practices Act. In State v. North Dakota Education Association, 262 N.W.2d 731 (N.D. 1978), our Court considered our previous Corrupt Practices Act then found in Chapter 16-20, N.D.C.C., finding that one provision thereof, specifically Section 16-20-17.1, N.D.C.C., requiring a disclosure on political advertisements was unconstitutional being in violation of the First Amendment. While that issue is not the same as in the present case, the Court did take note of the First Amendment implications of the former Corrupt Practices Act. Our current Corrupt Practices Act is found in Chapter 16.1-10, N.D.C.C. Since the issue is not the same, this North Dakota case is not instructive on this particular point other than for the fact that our Supreme Court has indeed recognized that there are circumstances in which the First Amendment guarantees must override even well-motivated statutes. Clearly, First Amendment considerations play an important part in the consideration of corrupt practice allegations. To the extent possible, however, our statutes will be construed so as to harmonize their provisions with the Constitution to the end that they may be sustained. Additionally, enactments by the Legislature are presumed to be constitutional. Walker v. Omdahl, 242 N.W.2d 649 (N.D. 1976).

II.

Elected public officials who offer to turn back or who actually turn back a part of their salary, expenses, or unvouchered expenses appropriated to them by the Legislature when those officials may not currently be candidates for public office or may not have announced their intentions to seek reelection are not subject to Sections 16.1-10-01(1) and 16.1-10-01(2) of the Corrupt Practices Act. The Corrupt Practices Act, Chapter 16.1-10, N.D.C.C., and our election provisions in the criminal code found in Chapter

12.1-14, N.D.C.C., both deal with conduct that constitutes a corrupt practice during the course of elections. Necessarily the action of an elected public official under these circumstances could hardly be construed to be in violation, beyond a reasonable doubt, of the provisions of either of these two chapters which pertain to conduct during the course of an election contest.

Our Corrupt Practices Act, however, identifies conduct which is deemed by our society to be corrupt. Such conduct during the course of an election will subject the person engaged in that corrupt conduct to the sanctions of our Corrupt Practices Act. Although the conduct is only subject to sanctions under this law during the course of an election contest, it is arguably nonetheless corrupt in a non-election context.

Article XI, Section 10 of the North Dakota Constitution provides that "The governor and other state and judicial officers. . . shall be liable to impeachment for. . . corrupt conduct. . . ." The public in this constitutional provision is holding elected public officials to high ethical standards of conduct. Furthermore, as to elected public officials who are judges, the Code of Judicial Conduct further restricts the conduct of a judge. Under Canon 2 a judge must avoid the appearance of judicial impropriety. Under Canon 7 a judge must refrain from political activity inappropriate to judicial office.

It may be argued that once elected, a public official may agree to serve in office for less than the full salary, expenses or unvouchered expenses set by law. While this view is apparently accepted in at least one jurisdiction, see, e.g., Gamble v. City of Sacramento, 110 P.2d 530 (CA. 1941), the majority of the courts which have been presented with the question have determined that an agreement by a public official to serve in office for less than the full compensation set by law is void as being against public policy. See, e.g., Brown v. Department of Military Affairs, 191 N.W.2d 347 (Mich. 1971); Grace v. County of Douglas, 134 N.W.2d 818 (Neb. 1965). See also Annot. 160 A.L.R. 490 (1946).

In Brown v. Department of Military Affairs, *supra*, the Supreme Court of Michigan held that Brown, who was an officer in the Department of Military Affairs, was entitled to have received the full salary set by law for his office which was greater than a new pay system implemented by the Quartermaster General to pay officers at a lesser rate of pay. The Supreme Court agreed with the trial court and the court of appeals in their conclusion that "the action of the quartermaster and the state military board in promulgating a different pay scale than that established by statute, was unauthorized and illegal." 191 N.W.2d 347, 350. The Michigan Supreme Court found such an arrangement void as against public policy.

Salaries of public officers which are established by law are not determined by contract or agreement between the parties. The public employer cannot pay more than the law allows. The public employee cannot accept less.

A waiver of statutory salary by a public officer is void as against public policy. . . .(T)here can be no waiver of statutory compensation by a public employee or officer. 191 N.W.2d 347, 350, 351. (Citations omitted.)

The North Dakota Supreme Court has also taken the position public policy considerations require that public officials be paid the full amount of the salary set by law. In Ness v. City of Fargo, 251 N.W. 843 (N.D. 1933), the Court held that:

The salary of a public official is an incident to the office, and the legal right to receive or enforce payment thereof goes with the legal title to the office. 251 N.W. 843, 844.

The Court also noted that:

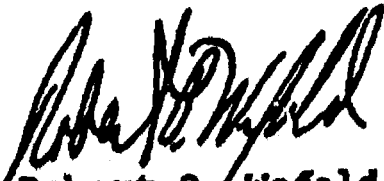
Public policy means the public good. It is "that principle of the law which holds that no subject or citizen can lawfully do that which has a tendency to be injurious to the public, or against the public good." . . . It is difficult to see where any public good can be subserved by the denial to a public officer of the right to that compensation which the law says he is legally entitled to receive. . . . 251 N.W. 843, 845.

It should be noted that all of these cases dealt with suits by public officials to recover the money they claimed was due and not with allegations of corrupt conduct. From these cases it appears that a public officer who might accept a level of compensation less than that set by law could later successfully maintain a claim for back payment of the full amount of the compensation set by law. A contingent liability of the government for the full amount of the compensation unpaid would continue until the statute of limitations had run. In view of this public policy and following a liberal interpretation of our laws provided for in Diehl v. Totten, supra, it is my opinion that there is law that applies to an elected public official who is a state or judicial officer and who is not a candidate for public office who offers to return or returns all or any part of the salary for that office.

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July 2, 1982
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- EFFECT -

This opinion is issued pursuant to Section 54-12-01, N.D.C.C. It governs the actions of public officials until such time as the questions presented are decided by the courts.



Robert O. Wefald
Attorney General

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Revised March 15, 2001

2001-03 LEGISLATIVE BRANCH BUDGET - COMPUTER EQUIPMENT

| Quantity | Description | Unit Price | General Fund Request |
|---|-------------------------------------|------------|------------------------------|
| Legislative Assembly | | | |
| 150 | Midrange laptop personal computers | \$2,267 | \$340,000 |
| 18 | High-end desktop personal computers | \$3,100 | 55,800 |
| 8 | Network printers | \$3,750 | 30,000 |
| 20 | Office printers | \$500 | 10,000 |
| | Total | | \$435,800¹ |
| Legislative Council | | | |
| 23 | High-end laptop personal computers | \$3,600 | \$82,800 |
| 15 | High-end desktop personal computers | \$3,100 | 46,500 |
| 4 | Servers | \$10,000 | 40,000 |
| 20 | Office printers | \$500 | 10,000 |
| | Total | | \$179,300² |
| ¹ This amount has been reduced by \$100,000 by House Appropriations - Government Operations action to reflect the following lower estimated unit prices: | | | |
| | Midrange laptop personal computers | \$1,750 | |
| | High-end desktop personal computers | \$2,000 | |
| | Office printers | \$350 | |
| Actual costs may be more or less depending on market prices and equipment specifications at the time of purchase. | | | |
| ² This amount has been reduced by \$35,000 by House Appropriations - Government Operations action to reflect the following lower estimated unit prices: | | | |
| | High-end laptop personal computers | \$3,000 | |
| | High-end desktop personal computers | \$2,000 | |
| | Office printers | \$350 | |
| Actual costs may be more or less depending on market prices and equipment specifications at the time of purchase. | | | |