

MICROFILM DIVIDER

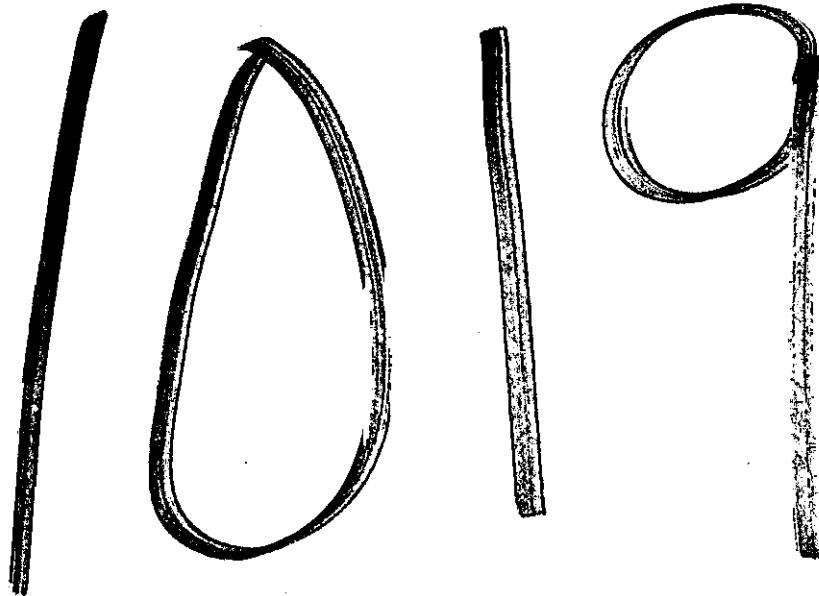
OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION



2005 HOUSE APPROPRIATIONS

HB 1019

AB
10/19

Mr. Merl Paaverud and Robert Schlobohm spoke for the State Historical Society. (handout #3-14, attached) (meter Tape #3, Side A, #46.8). Mr. Schlobohm discussed variances described in handout and noted that their only carry over authority was in capital assets within Lewis and Clark. The decrease is due to the fact that the project is complete. Mr.. Paaverud noted that services were needed throughout the state and that funding is being sought for FTE positions.

Mr. Wayne Stenehjem Attorney General, distributed handout # 3-15 and discussed the 7 variances listed on page 2. (meter Tape #3, side B, #3.8) While discussing these, it was determined that the figures in the handout were in the wrong columns and would be corrected for the committee. (corrected version of handout is attached). Discussion ensued regarding "off Budget" positions in budgets and information was requested from Legislative Council concerning all agencies with off budget employees and whether or not these funds were included in the budgets and where.

Ms Teresa Larson spoke for Protection and Advocacy. (handout #3-16, attached) (meter Tape #3, side B, #15.5) Ms Larson read her written testimony and explained that this is the first time they have ever seen a decrease in federal dollars (mental Health Grant) which means an increase in operating expenses. Ms Larson continued by explaining their performance measurements listed on page 4 of handout.

Mr. Paul Shadwall from the Game and Fish Department reviewed the 8 variances listed on distributed handout #3-17 (attached). (meter Tape #3, side B, #33.2)

Mr. Sparb Collins from Public Employee Retirement System Distributed and reviewed handout #3-18 (attached). (meter Tape #3, side B, #44.7) Mr. Collins explained that the increase in Health Insurance is found in each agency's salary line and that the \$3000,000 increase is all

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1019

House Appropriations Committee
Education and Environment Division

Check here for Conference Committee

Hearing Date 1-13-05

Tape Number	Side A	Side B	Meter #
1	x		0 to 14.4

Committee Clerk Signature

Minutes: Chairman Martinson opened the hearing on HB1019.

Merl Paaverud, director of State Historical Society of North Dakota. (See attached written testimony A1019). Gave a brief agency overview with some statistics from 2003-2005. Shared a general budget overview including projects completed in the last biennium. Addressed optional adjustments for operating. These included salaries and wages, operating expenses, capital assets and continuing appropriations. Continuing appropriations include the Concession Fund, gifts and bequests and archeological permits. Spreadsheets for these three areas are attached. (See attached written testimony A1019).

Chairman Martinson Last year we took some money from exhibits and you and your staff were very gracious when we wanted to move that up to Williston to the Confluence Center. The Williston Confluence Center is wonderful. The staff does a great job. Just wanted to say publicly that you guys did a tremendous job.

Merl Paaverud We understand that priorities pop up and you have to do something or it doesn't work out.

Chairman Martinson Another thing we did was give you a little money - \$75,000 - for grant money. You provided me with a list but could you provide that for the committee? I looked at it but what did you give out?

Merl Paaverud We gave out 21 grants for a total of \$75,000. We had 85 applicants that requested \$331,000 so you can see the need is definitely there. Wide scenario that we wanted to look at. It is a hit! People are really very happy about it. One of the criteria is that they have to recognize the Legislative Session for providing the funds.

Chairman Martinson Sometimes when we deal with large dollars and big projects, it gets a bit abstract. When you give a local community \$1500 or \$2000 it means a lot to them.

Merl Paaverud That had a one-to-one match. The money doubled.

Rep. Aarsvold You have the responsibility for reviewing construction plans. What is the threshold if I'm going to build a house in Greenvale County, do I have to come to you or is it only on government sorts of activities?

Merl Paaverud When there is federal money involved then we have a federal program that plugs in.

Chairman Martinson We will appoint a subcommittee on this.

Virginia Nelsen, executive director of the State Historical Society of North Dakota Foundation present her written testimony on the society's funding. (See attached written testimony B1019).

Chairman Martinson left hearing still open but end of testimony on HB1019.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1019

House Appropriations Committee
Education and Environment Division

Check here for Conference Committee

Hearing Date February 10, 2005

Tape Number	Side A	Side B	Meter #
1	X		0-3..3

Committee Clerk Signature

Minutes: Chairman Martinson opened hearing on HB1019. The proposed amendments, I don't have them written down, are an additional \$200,000 from General Funds to match the \$200,000 available from the Federal Government for Fort Abercrombie; \$250,000 to increase their cultural heritage grants and \$15,000 additional in their operating budget. We will have the amendments before we take this into the full committee.

Vice Chairman Brusegaard I would move those amendments.

Rep. Gulleon Second.

Voice vote on amendments passed.

Vice Chairman Brusegaard I move Do Pass As Amended.

Rep. Aarsvold Second.

VOTE 6 YES and 0 NO with 0 absent. DO PASS AS AMENDED. Rep. Rennerfeldt will carry the bill to the full committee.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1019
State Historical Society

House Appropriations Full Committee

Conference Committee

Hearing Date February 15, 2005

Tape Number

2

Side A

X

Side B

Meter #

#34.3 - #48.0

Committee Clerk Signature

Chris Alexander

Minutes:

Rep. Ken Svedjan, Chairman opened the discussion on HB1019.

Rep. Ole Aarsvold explained that this bill has an amendment #0102. This amendment reduced the compensation package to the 3 and 4, and we increased the funding for cultural heritage grants which are those grants given by the circle societies to local communities on a matching basis for carrying out local projects. We also added \$15,000 to update posters at the heritage center. We added \$400,000 of which \$200,000 are general funds, the balance are funds that are in jeopardy of being lost from the Save America Treasurer's Federal Grant that will be used to update and improve the interpretive center at Ft Abercrombie north of Wapheton. If this project is not finished in this biennium we will lose the \$200,000 grant. In total we have made a general fund adjustment of \$446,000 to this budget.

Rep. Ole Aarsvold moved to adopt amendment #0102 to HB1019.

Rep. Bob Martinson seconded.

Date: February 10, 2005
Roll Call Vote #:

**2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1019**

House Appropriations Education and Environment

Check here for Conference Committee

Legislative Council Amendment Number 85042.0102

Action Taken DO PASS AS AMENDED

Motion Made By Vice Chairman Brusegaard Seconded By Rep. Aarsvold

Representatives	Yes	No	Representatives	Yes	No
Chairman Martinson	X		Rep. Aarsvold	X	
Vice Chairman Brusegaard	X		Rep. Gulleason	X	
Rep. Rennerfeldt	X				
Rep. Wald	X				

Total 6 (Yes) 6 No 0

Absent 0

Floor Assignment Rep. Aarsvold

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

Date: **February 15, 2005**
Roll Call Vote #: **1**

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1019

House Appropriations - Full Committee

Check here for Conference Committee

Legislative Council Amendment Number **58042.0102**

Action Taken **DO PASS AS AMENDED**

Motion Made By **Rep Aarsvold** Seconded By **Rep Wald**

Representatives	Yes	No	Representatives	Yes	No
Rep. Ken Svedjan, Chairman	X		Rep. Bob Skarphol	X	
Rep. Mike Timm, Vice Chairman	X		Rep. David Monson	X	
Rep. Bob Martinson	X		Rep. Eliot Glasheim	X	
Rep. Tom Brusegaard	X		Rep. Jeff Delzer		X
Rep. Earl Rennerfeldt	X		Rep. Chet Pollert		X
Rep. Francis J. Wald	X		Rep. Larry Bellew		X
Rep. Ole Aarsvold	X		Rep. Alon C. Wieland	X	
Rep. Pam Gulleson	X		Rep. James Kerzman	X	
Rep. Ron Carlisle	X		Rep. Ralph Metcalf	X	
Rep. Keith Kempenich	X				
Rep. Blair Thoreson	X				
Rep. Joe Kroeber	X				
Rep. Clark Williams	X				
Rep. Al Carlson	AB				

Total Yes **19** No **3**

Absent **1**

Floor Assignment **Rep Aarsvold**

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

REPORT OF STANDING COMMITTEE

HB 1019: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1019 was placed on the Sixth order on the calendar.

Page 1, line 22, replace "539,255" with "518,505"

Page 1, line 23, replace "223,702" with "238,702"

Page 1, line 24, replace "(2,267,225)" with "(1,867,225)"

Page 1, after line 24, insert:
"Cultural heritage grants 250,000"

Page 2, line 1, replace "9,471" with "8,923"

Page 2, line 3, replace "\$1,644,797" with "\$1,001,095"

Page 2, line 4, replace "(1,965,587)" with "(1,767,955)"

Page 2, line 5, replace "320,790" with "766,860"

Page 2, line 11, replace "5,617,445" with "5,596,695"

Page 2, line 12, replace "1,493,706" with "1,508,706"

Page 2, line 13, replace "582,319" with "982,319"

Page 2, line 15, replace "75,000" with "325,000"

Page 2, line 17, replace "933,217" with "932,669"

Page 2, line 18, replace "10,006,179" with "10,649,881"

Page 2, line 19, replace "2,425,455" with "2,623,087"

Page 2, line 20, replace "7,580,724" with "8,026,794"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - State Historical Society - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$5,617,445	(\$20,750)	\$5,596,695
Operating expenses	1,493,706	15,000	1,508,706
Capital assets	582,319	400,000	982,319
Grants	1,300,000		1,300,000
Cultural heritage grants	75,000	250,000	325,000
Yellowstone-Missouri- Fort Union Commission	4,492		4,492
Lewis and Clark Bicentennial	<u>933,217</u>	<u>(548)</u>	<u>932,669</u>
Total all funds	\$10,006,179	\$643,702	\$10,649,881
Less estimated income	<u>2,425,455</u>	<u>197,632</u>	<u>2,623,087</u>

General fund	\$7,580,724	\$446,070	\$8,026,794
FTE	57.00	0.00	57.00

Dept. 701 - State Historical Society - Detail of House Changes

	REDUCES COMPENSATION PACKAGE TO 3/4	INCREASES FUNDING FOR CULTURAL HERITAGE GRANTS 1	ADDS FUNDING FOR POSTER COSTS 2	ADDS FUNDING FOR FORT ABERCROMBIE INTERPRETIVE CENTER PROJECT 3	TOTAL HOUSE CHANGES
Salaries and wages	(\$20,750)				(\$20,750)
Operating expenses			\$15,000		15,000
Capital assets				\$400,000	400,000
Grants					
Cultural heritage grants		\$250,000			250,000
Yellowstone-Missouri-Fort Union Commission					
Lewis and Clark Bicentennial	(548)				(548)
Total all funds	(\$21,298)	\$250,000	\$15,000	\$400,000	\$643,702
Less estimated income	(2,368)			200,000	197,632
General fund	(\$18,930)	\$250,000	\$15,000	\$200,000	\$446,070
FTE	0.00	0.00	0.00	0.00	0.00

1 Adds \$250,000 from the general fund to the cultural heritage grants line item to increase the total line item from \$75,000 to \$325,000.

2 Adds \$15,000 from the general fund to the operating expenses line item for the costs of reprinting and creating new posters.

3 Adds \$400,000 to the capital assets line item for the Fort Abercrombie Interpretive Center Project. The \$400,000 consists of \$200,000 from the general fund that will be used to match \$200,000 of federal funds from the Save America's Treasures grant.

2005 SENATE APPROPRIATIONS

HB 1019

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1019

Senate Appropriations Committee

Conference Committee

Hearing Date February 28, 2005

Tape Number	Side A	Side B	Meter #
1	a	b	5,700

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on HB 1019.

Robert Schloblohm, Assistant Director, State Historical Society of North Dakota, presented written testimony and testified in **support of HB 1019**. He introduced Jerry Newberg from the archives who displayed an 1804 book with Napoleon's annual message to the legislature describing the sale of the Louisiana Territory to the US. He then introduced Claudia Berg who displayed a bullet mold belonging to Theodore Roosevelt, a photograph of Theodore Roosevelt with his umbrella and a pipe bag belonging to Sitting Bull. Robert Schloblohm then testified, describing the State Historical Society, its functions, sites, numbers of visitors, numbers of volunteers, accomplishments during the past biennium. He indicated there are no additional positions or salary requirements in this bill other than the requested 4/4 percent. He continued reviewing budget request by line item and indicated the provides from the Historical Society store are used to purchase inventory.

Questions were raised regarding Ft. Abercrombie improvements, the receipts of money for cultural heritage and where that project ranked on the initial project projections, the grant program, and who presented the budget in the House.

Governor Arthur Link, former North Dakota Governor, Citizen, testified in **support of HB 1019**. He indicated that he and his wife are very interested in preserving the history of our state and country. He briefly described what historical boards he has been very involved with and indicated that the State Historical Society is one of the most highly visited tourist sites in North Dakota today. He commended the paid and volunteer staff of the Historic Society, indicating this is the most cost effective public institution he has seen. As a state that is in its 16th year of the second century he stated this is still a young state and it is important to honor this budget request.

Wally Beyer, Citizen, Trustee, North Dakota Historic Foundation, presented written testimony and testified in **support of HB 1019**. He stated the regrant program is important to fund local community projects, there were 85 requests, 21 grants were made.

David Borlaug, President, Lewis & Clark Fort Mandan Foundation, provided written testimony and testified in **support of HB 1019**. He discussed the impact heritage tourism is making in the state and how much sites such as this have relied on the State Historical Society for guidance and how they have worked together to properly catalog and preserve artifacts.

Chuck Esser, Docent State Historical Society, provided written testimony and testified in **support of HB 1019**. He indicated he was new to the state and the program at the Heritage Center but stressed the importance of expansion and needed storage space for artifacts not on display.

Virginia Nelson, Executive Director, State Historical Society of North Dakota Foundation, provided written testimony and testified in **support of HB 1019**. She discussed the role the Historical Society plays in ND economic growth, the meetings with business leaders throughout the state, the state historic sites throughout ND, the growth and development of Medora, Williston, the new projects at Fargo, Wahpeton with Ft Abercrombie, the Lewis and Clark Bicentennial and its continued draw for generations to come. She urged continued investment in the Historic Society for a more robust tourism.

John Wahl, District 25, Southeast ND, testified in **support of HB 1019**. He indicated that federal funding is available but this is the last year it can be accessed, it is important to use this to complete the remaining phases of Ft. Abercrombie. He then urged support of HB 1019.

Senator Thane commented about Ft. Abercrombie reason for existing was because of the New Ulm massacre. The monies appropriated will be used for Phase 3 completion of the storehouse, interpretative center.

There being no further testimony or questions, **Senator Holmberg closed the hearing on HB 1019.**

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1019

Senate Appropriations Committee

Conference Committee

Hearing Date March 11, 2005

Tape Number	Side A	Side B	Meter #
2	a		3,171

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the discussion for HB 1019 on the Parks and Rec bill. The subcommittee will be Senators Andrist, Schobinger and Tallackson.

Chairman Holmberg asked to have more information about the \$15,000 for new posters which was an add on in the House. For an agency that has \$8 million plus of general fund money on page 43 of House changes.

Senator Christmann indicated below that another \$400 thousand dollars and another \$250 thousand in the Governor's budget for capital assets and cultural heritage. When you think of the other issues we have, I don't think \$650,000 is properly prioritized.

Senator Andrist also has a concern about what the House wants but like the Parks and Rec has the \$100,000 grant added for the Lewis and Clark Bicentennial and all of our green sheets note that the Bicentennial is over; another \$50,000 for Indian Affairs Commission to celebrate First Nations Day and \$50,000 for Standing Rock tourism.

Chairman Holmberg indicated we are talking about two different bills at the same time; a list of earmarks and your committee will look at all of these.

Senator Fischer asked about the Historical Society Budget regarding the archeological studies and I am wondering if they did a study on the ground that the Medora Heritage Center is. I would like a copy of that.

Chairman Holmberg indicated there was \$250,000 on the International Peace Garden Budget resolution that was removed, we don't need to go back on that unless someone else is interested.

Senator Mathern indicated this is a small piece as they are going to raise \$40-\$50 million dollars in outside state money.

Senator Bowman indicated if there is any question as to how efficiently the park operates, they should talk with Wally Owen from Medora as he has a good handle on some of the efficiencies they do there. You could review discussions on where we could save money and where it is wasted.

Chairman Holmberg indicated he had talked to people along those routes.

The discussion closed

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1019

Senate Appropriations Committee

Conference Committee

Hearing Date March 24, 2005

Tape Number	Side A	Side B	Meter #
1	a		2,991 - 4047

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the discussion on HB 1019.

Senator Andrist distributed amendments discussing what the changes are and indicating HB 1019 and HB 1020 were treated as a package. Discussion ensued regarding the Historic Society projects.

Senator Andrist moved approval of the amendments, **Senator Fischer** seconded. A voice vote was taken. The motion carried.

Senator Mathern moved for an amendment on the 4/4 salary increase. **Senator Krauter** seconded. A roll call vote was taken resulting in 8 no, 5 yes, 1 absent. The motion failed.

Senator Andrist moved a DO PASS WITH AMENDMENT, **Senator Tallackson** seconded. A roll call vote was taken. The result was 13 yes, 1 no, 1 absent. The motion carried.

Senator Andrist will carry the bill.

Chairman Holmberg closed the hearing on HB 1019.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

Page 1, line 22, replace "518,505" with "511,640"

Page 2, line 2, replace "8,923" with "8,674"

Page 2, line 4, replace "(\$1,001,095)" with "(\$1,008,209)"

Page 2, line 5, replace "(1,767,955)" with "(1,668,704)"

Page 2, line 6, replace "766,860" with "660,495"

Page 2, line 12, replace "5,596,695" with "5,589,830"

Page 2, line 18, replace "932,669" with "932,420"

Page 2, line 19, replace "10,649,881" with "10,642,767"

Page 2, line 20, replace "2,623,087" with "2,722,338"

Page 2, line 21, replace "8,026,794" with "7,920,429"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - State Historical Society - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$5,617,445	\$5,596,695	(\$6,865)	\$5,589,830
Operating expenses	1,493,706	1,508,706		1,508,706
Capital assets	582,319	982,319		982,319
Grants	1,300,000	1,300,000		1,300,000
Cultural heritage grants	75,000	325,000		325,000
Yellowstone-Missouri- Fort Union Commission	4,492	4,492		4,492
Lewis and Clark Bicentennial	<u>933,217</u>	<u>932,669</u>	<u>(249)</u>	<u>932,420</u>
Total all funds	\$10,006,179	\$10,649,881	(\$7,114)	\$10,642,767
Less estimated income	<u>2,425,455</u>	<u>2,623,087</u>	<u>99,251</u>	<u>2,722,338</u>
General fund	\$7,580,724	\$8,026,794	(\$106,365)	\$7,920,429
FTE	57.00	57.00	0.00	57.00

Dept. 701 - State Historical Society - Detail of Senate Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	CHANGES FUNDING SOURCE FOR FORT ABERCROMBIE INTERPRETIVE CENTER PROJECT ²	TOTAL SENATE CHANGES
Salaries and wages	(\$6,865)		(\$6,865)
Operating expenses			
Capital assets			
Grants			
Cultural heritage grants			
Yellowstone-Missouri- Fort Union Commission			
Lewis and Clark Bicentennial	<u>(249)</u>		<u>(249)</u>

Total all funds	(\$7,114)	\$0	(\$7,114)
Less estimated income	<u>(749)</u>	<u>100,000</u>	<u>99,251</u>
General fund	(\$6,365)	(\$100,000)	(\$106,365)
FTE	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

² This amendment replaces \$100,000 of general fund funding for the Fort Abercrombie Interpretive Center project with \$100,000 of special funds spending authority, for a total of \$400,000 for the project consisting of \$100,000 from the general fund and \$300,000 of other funds spending authority.

Date 3/24/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 1019

Senate SENATE APPROPRIATIONS

Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

4/4

Motion Made By

Seconded By

Senators	Yes	No	Senators	Yes	No
CHAIRMAN HOLMBERG		✓	SENATOR KRAUTER	✓	
VICE CHAIRMAN BOWMAN		✓	SENATOR LINDAAS	✓	
VICE CHAIRMAN GRINDBERG		✓	SENATOR MATHERN	✓	
SENATOR ANDRIST		✓	SENATOR ROBINSON	✓	
SENATOR CHRISTMANN		✓	SEN. TALLACKSON	✓	
SENATOR FISCHER		✓			
SENATOR KILZER		✓			
SENATOR KRINGSTAD		✓			
SENATOR SCHOBINGER		✓			
SENATOR THANE		✓			

Total (Yes) No

Absent

Floor Assignment

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

Date 3/24/05
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 1019

Senate **SENATE APPROPRIATIONS**

Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Dr Pass A

Motion Made By

Andrist Seconded By *Tallackson*

Senators	Yes	No	Senators	Yes	No
CHAIRMAN HOLMBERG	✓		SENATOR KRAUTER	✓	
VICE CHAIRMAN BOWMAN	✓		SENATOR LINDAAS	✓	
VICE CHAIRMAN GRINDBERG	✓		SENATOR MATHERN	✓	
SENATOR ANDRIST	✓		SENATOR ROBINSON	✓	
SENATOR CHRISTMANN	✓	✓	SEN. TALLACKSON	✓	
SENATOR FISCHER	✓				
SENATOR KILZER	✓				
SENATOR KRINGSTAD	✓				
SENATOR SCHOBINGER	✓				
SENATOR THANE	✓				

Total (Yes) 13 No 1

Absent 1

Floor Assignment

Andrist

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

REPORT OF STANDING COMMITTEE

HB 1019, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed HB 1019 was placed on the Sixth order on the calendar.

Page 1, line 22, replace "518,505" with "511,640"

Page 2, line 2, replace "8,923" with "8,674"

Page 2, line 4, replace "\$1,001,095" with "\$1,008,209"

Page 2, line 5, replace "(1,767,955)" with "(1,668,704)"

Page 2, line 6, replace "766,860" with "660,495"

Page 2, line 12, replace "5,596,695" with "5,589,830"

Page 2, line 18, replace "932,669" with "932,420"

Page 2, line 19, replace "10,649,881" with "10,642,767"

Page 2, line 20, replace "2,623,087" with "2,722,338"

Page 2, line 21, replace "8,026,794" with "7,920,429"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - State Historical Society - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$5,617,445	\$5,596,695	(\$6,865)	\$5,589,830
Operating expenses	1,493,706	1,508,706		1,508,706
Capital assets	582,319	982,319		982,319
Grants	1,300,000	1,300,000		1,300,000
Cultural heritage grants	75,000	325,000		325,000
Yellowstone-Missouri- Fort Union Commission	4,492	4,492		4,492
Lewis and Clark Bicentennial	<u>933,217</u>	<u>932,669</u>	<u>(249)</u>	<u>932,420</u>
Total all funds	\$10,006,179	\$10,649,881	(\$7,114)	\$10,642,767
Less estimated income	<u>2,425,455</u>	<u>2,623,087</u>	<u>99,251</u>	<u>2,722,338</u>
General fund	\$7,580,724	\$8,026,794	(\$106,365)	\$7,920,429
FTE	57.00	57.00	0.00	57.00

Dept. 701 - State Historical Society - Detail of Senate Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	CHANGES FUNDING SOURCE FOR FORT ABERCROMBIE INTERPRETIVE CENTER PROJECT ²	TOTAL SENATE CHANGES
Salaries and wages			(\$6,865)
Operating expenses	(\$6,865)		(\$6,865)

REPORT OF STANDING COMMITTEE (410)
March 25, 2005 8:48 a.m.

Module No: SR-55-6170
Carrier: Andrist
Insert LC: 58042.0201 Title: .0300

Capital assets			
Grants			
Cultural heritage grants			
Yellowstone-Missouri-			
Fort Union Commission			
Lewis and Clark Bicentennial	<u>(249)</u>	<u> </u>	<u>(249)</u>
Total all funds	(\$7,114)	\$0	(\$7,114)
Less estimated income	<u>(749)</u>	<u>100,000</u>	<u>99,251</u>
General fund	(\$6,365)	(\$100,000)	(\$106,365)
FTE	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

2 This amendment replaces \$100,000 of general fund funding for the Fort Abercrombie Interpretive Center project with \$100,000 of special funds spending authority, for a total of \$400,000 for the project consisting of \$100,000 from the general fund and \$300,000 of other funds spending authority.

2005 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1019

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1019

House Appropriations Committee
Education and Environment Division

Check here for Conference Committee

Hearing Date April 5, 2005

Tape Number	Side A	Side B	Meter #
1	X		14.6-19.2

Committee Clerk Signature



Minutes: Chairman Martinson opened conference committee hearing on HB1019. All members were present - Chairman Martinson, Rep. Rennerfeldt, Rep. Aarsvold, Sen. Andrist, Sen. Schobinger, Sen. Tallackson. The only change on this was you took out \$100,000 in matching money, general fund money.

Sen. Andrist Yes, to the best of my knowledge. That is a significant change. We were thinking of working HB1019 and HB1020, which was the Parks Dept. budget, as a package. We had the same conferees. We added \$100,000 to the park's budget and that is the only reason we took the \$100,000 out of the Historical Society budget - it is for their Fort Ambercrombie project. The first phase is a cost of \$400,000, they could match it - \$200,000 state money with a \$200,000 federal grant. We left the funding at \$400,000 but reduced the state pay \$100,000. Mr. Paaverud, administrator, said they would make an effort to find \$100,000 some place else.

Chairman Martinson That wasn't in there originally when it came to us. We put the \$200,000 in there and we put it in there for a couple of reasons. Eastern North Dakota really needs some help developing some attractions, particularly southeastern North Dakota. Fort Ambergrombie has tremendous potential and we just did not want to turn down \$200,000 in matching money from the federal government. We could end this one rather quickly over \$100,000.

Sen. Andrist We could, but I think I would just as soon hold this in abeyance until we resolve the parks one. We all work for a higher master and my master told me not to grow these budgets at this time.

Rep. Aarsvold I've talked to some of the folks down there and for them to generate any more local dollars would be very difficult. Small community and they would find it difficult to find local dollars. If we are looking for a local match, it probably would not be possible.

Sen. Andrist I thought I had some assurance from Paaverud that he thought that had it figured out how to do this, some level of confidence. I'm not unfriendly to putting this \$100,000 back if it comes out in the wash. It's not quite wash day yet.

Chairman Martinson Thank you. Adjourned conference committee hearing on HB1019.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1019

House Appropriations Committee
Education and Environment Division

Check here for Conference Committee

Hearing Date April 21, 2005

Tape Number	Side A	Side B	Meter #
1	X		4.8-8

Committee Clerk Signature



Minutes: Chairman Martinson opened hearing on HB1019. Roll call was taken and members present were Chairman Martinson, Rep. Aarsvold, Sen. Andrist, Sen. Schobinger and Sen. Tallackson with Rep. Rennerfeldt absent.

Sen. Andrist I move amendment .0202.

Chairman Martinson Would you also move the amendment, that we need a couple of things here. Stephanie, could you help us out? We need, along with that, to put an additional \$35,000 into the Historical Society's operating budget. Then would you include in your amendment the \$25,000 from the Heritage Grants to Norsk HostFest for the singer, Sissel Kyrkjebo. Stephanie, any thing else?

Stephanie (LC) Amendment .0202 provides the appropriation of \$35,000.

Sen. Andrist So all we need is the \$25,000 grant...

Chairman Martinson Out of the Cultural Heritage. She's working on it, she'll have the language.

Stephanie That would be legislative intent, not adding an additional...

Chairman Martinson The only changes we are making from the way we sent it to you, is the extra \$35,000 and earmarking \$25,000 from Heritage Grants. I would like to say a few things for the record on the quality of the printing of the posters funded in the operations line. It won't limit the bidding. It is our intent that the reprints of the Tourism Department posters be of the highest quality. They will be the same size (34" x 22") and format used should be 100# centura gloss text, 4 color process and varnish. Printing must be computer to plate, film is not acceptable. Stochastic screening only, no conventional dot.

Rep. Aarsvold Could I get a copy of that amendment?

Chairman Martinson That is the only one that we have. I will get you a hard copy of the amendment when I have them. If there any problems with them, Senator, you will contact me and we will redo it.

VOICE VOTE on amendment .0203 carries.

Sen. Schobinger Motion to Do Pass As Amended.

Rep. Aarsvold Second.

VOTE 5 YES and 0 NO with 1 absent and not voting. Rep. Aarsvold will carry to floor, if available, otherwise Chairman Martinson will carry to floor.

#1-1019

April 21, 2005 Education and Environment Division, House Appropriations Committee:
Conference Committee on House Bill 1019

It is the intent of the legislature that the reprints of the Tourism Department posters, funded in the operations line, be of the highest quality. The same size (34" x 22") and format should be used on 100# centura gloss text, with 4 color process and varnish. The printing must be computer to plate. Film is not acceptable. Stochastic screening only, no conventional dot.

April 21, 2005

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

That the Senate recede from its amendments as printed on pages 1390 and 1391 of the House Journal and pages 1043 and 1044 of the Senate Journal and that Engrossed House Bill No. 1019 be amended as follows:

Page 1, line 2, after "society" insert "; and to provide a contingent appropriation"

Page 2 ,after line 30, insert:

"SECTION 6. CONTINGENT APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$35,000, or so much of the sum as may be necessary, to the state historical society for the purpose of constructing a monument in Roosevelt park in Minot to honor recipients of the medal of honor, for the biennium beginning July 1, 2005, and ending June 30, 2007. These funds may be spent only if the state historical society receives matching funds from any source for the monument after consultation and cooperation with the Minot park board, veterans, veterans' groups, and other interested parties through an advisory committee appointed by the director of the state historical society."

Renumber accordingly

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

That the Senate recede from its amendments as printed on pages 1390 and 1391 of the House Journal and pages 1043 and 1044 of the Senate Journal and that Engrossed House Bill No. 1019 be amended as follows:

Page 1, line 2, after "society" insert "; to provide a contingent appropriation; and to provide a statement of legislative intent"

Page 1, line 22, replace "518,505" with "511,640"

Page 2, line 2, replace "8,923" with "8,674"

Page 2, line 4, replace "(\$1,001,095)" with "(\$1,008,209)"

Page 2, line 5, replace "(1,767.955)" with "(1,768,704)"

Page 2, line 6, replace "766,860" with "760,495"

Page 2, line 12, replace "5,596,695" with "5,589,830"

Page 2, line 18, replace "932,669" with "932,420"

Page 2, line 19, replace "10,649,881" with "10,642,767"

Page 2, line 20, replace "2,623,087" with "2,622,338"

Page 2, line 21, replace "8,026,794" with "8,020,429"

Page 2, after line 30, insert:

"SECTION 6. CONTINGENT APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$35,000, or so much of the sum as may be necessary, to the state historical society for the purpose of constructing a monument in Roosevelt park in Minot to honor recipients of the medal of honor, for the biennium beginning July 1, 2005, and ending June 30, 2007. These funds may be spent only if the state historical society receives matching funds from any source for the monument after consultation and cooperation with the Minot park board, veterans, veterans' groups, and other interested parties through an advisory committee appointed by the director of the state historical society.

SECTION 7. LEGISLATIVE INTENT - CULTURAL HERITAGE GRANTS. It is the intent of the fifty-ninth legislative assembly that the state historical society provide a grant of \$25,000 from the cultural heritage grants line item in section 3 of this Act to the norsk hostfest."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - State Historical Society - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	\$5,617,445	\$5,596,695	(\$6,865)	\$5,589,830	\$5,589,830	
Operating expenses	1,493,706	1,508,706		1,508,706	1,508,706	
Capital assets	582,319	982,319		982,319	982,319	
Grants	1,300,000	1,300,000		1,300,000	1,300,000	
Cultural heritage grants	75,000	325,000		325,000	325,000	
Yellowstone-Missouri-Fort Union Commission	4,492	4,492		4,492	4,492	
Lewis and Clark Bicentennial	933,217	932,669	(249)	932,420	932,420	
Contingent appropriation			35,000	35,000		\$35,000
Total all funds	\$10,006,179	\$10,649,881	\$27,886	\$10,677,767	\$10,642,767	\$35,000
Less estimated income	<u>2,425,455</u>	<u>2,623,087</u>	(749)	<u>2,622,338</u>	<u>2,722,338</u>	(100,000)
General fund	\$7,580,724	\$8,026,794	\$28,635	\$8,055,429	\$7,920,429	\$135,000
FTE	57.00	57.00	0.00	57.00	57.00	0.00

Dept. 701 - State Historical Society - Detail of Conference Committee Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	ADDS CONTINGENCY FUNDING FOR MEDAL OF HONOR MONUMENT 2	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	(\$6,865)		(\$6,865)
Operating expenses			
Capital assets			
Grants			
Cultural heritage grants			
Yellowstone-Missouri-Fort Union Commission			
Lewis and Clark Bicentennial	(249)		(249)
Contingent appropriation		\$35,000	35,000
Total all funds	(\$7,114)	\$35,000	\$27,886
Less estimated income	<u>(749)</u>		<u>(749)</u>
General fund	(\$6,365)	\$35,000	\$28,635
FTE	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month, the same as the Senate version.

2 This amendment adds contingency funding of \$35,000 from the general fund for a grant to the Minot Park Board for a Medal of Honor monument to be located at Roosevelt Park in Minot.

The conference committee did not change the funding source for the Fort Abercrombie Interpretive Center project from the House version of \$200,000 from the general fund to be used to match \$200,000 of federal funds. The Senate version had replaced \$100,000 of general fund funding with \$100,000 of special funds spending authority.

This amendment also adds a section of legislative intent designating \$25,000 from the cultural heritage grants line item to the Norsk Hostfest.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number HB1019 (, as (re)engrossed):

Date: 4.21.05

Your Conference Committee House Appropriations EE

For the Senate:

YES / NO

For the House:

YES / NO

*new
new
new*

Sen. Andrist ✓

Ch. Martinson ✓ *new*

Sen. Schobinger ✓

Rep. Rennerfeldt *absent*

Sen. Tallackson ✓

Rep. Aarsvold ✓ *new*

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

the (Senate/House) amendments on (S./H.) page(s) 1390 - 1391

_____ and place _____ on the Seventh order.

X (adopt) (further) amendments as follows, and place HB1019 on the Seventh order:

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

((Re)Engrossed) HB1019 was placed on the Seventh order of business on the calendar.

DATE:

CARRIER: Rep. Aarsvold / Rep. Martinson

LC NO. 58042 of amendment .0203

LC NO. _____ of engrossment

Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: Sen. Schobinger

SECONDED BY: Rep. Aarsvold

VOTE COUNT 5 YES 0 NO 1 ABSENT

Revised 4/1/05

REPORT OF CONFERENCE COMMITTEE

HB 1019, as engrossed: Your conference committee (Sens. Andrist, Schobinger, Tallackson and Reps. Martinson, Rennerfeldt, Aarsvold) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1390-1391, adopt amendments as follows, and place HB 1019 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1390 and 1391 of the House Journal and pages 1043 and 1044 of the Senate Journal and that Engrossed House Bill No. 1019 be amended as follows:

Page 1, line 2, after "society" insert "; and to provide a contingent appropriation"

Page 1, line 22, replace "518,505" with "511,640"

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Page 2, after line 30, insert:

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Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - State Historical Society - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	\$5,617,445	\$5,596,695	(\$6,865)	\$5,589,830	\$5,589,830	
Operating expenses	1,493,706	1,508,706		1,508,706	1,508,706	
Capital assets	582,319	982,319		982,319	982,319	
Grants	1,300,000	1,300,000		1,300,000	1,300,000	

REPORT OF CONFERENCE COMMITTEE (420)
April 22, 2005 8:19 a.m.

Module No: SR-75-8504

Insert LC: 58042.0205

Cultural heritage grants	75,000	325,000		325,000	325,000	
Yellowstone-Missouri- Fort Union Commission	4,492	4,492		4,492	4,492	
Lewis and Clark Bicentennial Contingent appropriation	933,217	932,669	(249)	932,420	932,420	\$35,000
			<u>35,000</u>	<u>35,000</u>		
Total all funds	\$10,006,179	\$10,649,881	\$27,886	\$10,677,767	\$10,642,767	\$35,000
Less estimated income	<u>2,425,455</u>	<u>2,623,087</u>	<u>(749)</u>	<u>2,622,338</u>	<u>2,722,338</u>	<u>(100,000)</u>
General fund	\$7,580,724	\$8,026,794	\$28,635	\$8,055,429	\$7,920,429	\$135,000
FTE	57.00	57.00	0.00	57.00	57.00	0.00

Dept. 701 - State Historical Society - Detail of Conference Committee Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	ADDS CONTINGENCY FUNDING FOR MEDAL OF HONOR MONUMENT 2	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	(\$6,865)		(\$6,865)
Operating expenses			
Capital assets			
Grants			
Cultural heritage grants			
Yellowstone-Missouri- Fort Union Commission			
Lewis and Clark Bicentennial Contingent appropriation	(249)	\$35,000	(249)
		<u>35,000</u>	<u>35,000</u>
Total all funds	(\$7,114)	\$35,000	\$27,886
Less estimated income	<u>(749)</u>		<u>(749)</u>
General fund	(\$6,365)	\$35,000	\$28,635
FTE	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month, the same as the Senate version.

2 This amendment adds contingency funding of \$35,000 from the general fund for a grant to the Minot Park Board for a Medal of Honor monument to be located at Roosevelt Park in Minot.

The conference committee did not change the funding source for the Fort Abercrombie Interpretive Center project from the House version of \$200,000 from the general fund to be used to match \$200,000 of federal funds. The Senate version had replaced \$100,000 of general fund funding with \$100,000 of special funds spending authority.

Engrossed HB 1019 was placed on the Seventh order of business on the calendar.

2005 TESTIMONY

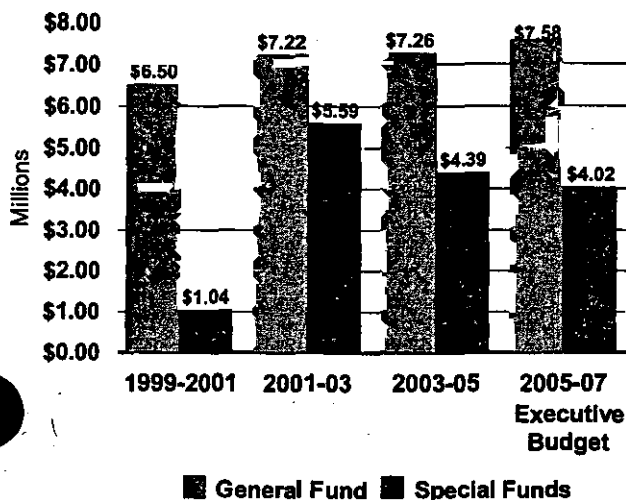
HB 1019

Department 701 - State Historical Society
House Bill No. 1019, Senate Bill No. 2023

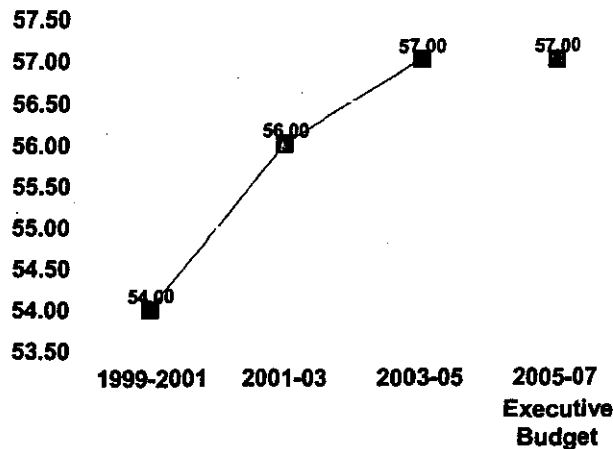
	FTE Positions	General Fund	Other Funds	Total
2005-07 Executive Budget	57.00	\$7,580,724	\$4,025,455	\$11,606,179
2003-05 Legislative Appropriations	57.00	7,259,934	4,391,042	11,650,976 ¹
Increase (Decrease)	0.00	\$320,790	(\$365,587)	(\$44,797)

¹The 2003-05 appropriation amounts do not include \$1,521,000 of additional federal funds authority resulting from Emergency Commission action during the 2003-05 biennium and does not include \$295,536 of general fund carryover and \$100,000 of other funds carryover.

Agency Funding



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides capital assets funding for the renovation and expansion of the Chateau de Mores Interpretive Center in Medora - State bonding included in Senate Bill No. 2023 (\$800,000 general fund bonding and \$800,000 special and federal funds)		\$1,600,000	\$1,600,000
2. Provides funding for other 2005-07 biennium capital assets, including compact storage shelving units for the Heritage Center (\$250,000), extraordinary repairs (\$251,319), and historic site maintenance equipment (\$81,000)	\$582,319		\$582,319
3. Removes funding for 2003-05 biennium capital assets	(\$565,044)	(\$1,543,500)	(\$2,108,544)
4. Removes funding for bonding authority for the Chateau de Mores and Fort Abercrombie State Historic Site Interpretive Center projects that was authorized by the 2003 Legislative Assembly		(\$2,000,000)	(\$2,000,000)
5. Removes funding for the veterans' oral history project due to the completion of the grant		(\$150,000)	(\$150,000)
6. Reduces funding for Lewis and Clark Bicentennial due to the completion of the bicentennial during the 2005-07 biennium	(\$257,000)		(\$257,000)
Increases funding for operating expenses, including \$56,000 federal funds to upgrade the security system at the Heritage Center and historic sites	\$41,745	\$70,444	\$112,189

Major Related Legislation

At this time, no major legislation has been introduced affecting this agency.

HB 1019
House Appropriations Committee
January 6, 2005
Budget Overview

Presented by Merl Paaverud, Director
Robert Schlobohm, Assistant Director
State Historical Society of North Dakota

Budget Overview

Mr. Chairman and members of the committee, my name is Merl Paaverud and I am the director of the State Historical Society of North Dakota. In response to your December 13 letter, we have prepared a written overview of the budget including the 2003-05 appropriation, 2003-05 estimated spending, 2005-07 budget needs, full-time equivalent positions authorized and the current status and major variances.

This information is included on the attached two sheets of this testimony. I will now ask Robert Schlobohm, Assistant Director to review this information with you. After concluding this presentation, we will be happy to answer any questions that you might have.

Thank you.

State Historical Society of North Dakota

Overview Presentation to the House Appropriations Committee

January 6, 2005

	2003-05 Legislative Appropriation	2003-05 Estimated Expenditures or Currently Filled FTE Positions	(1) Variance	2005-07 Executive Recommendation	2005-07 Recommendation Change (Variance) to 2003-05 Legislative Appropriation
Salaries & wages	\$5,328,677.00	\$5,328,677.00	\$0.00	\$5,617,445.00	\$288,768.00
Operating expenses	\$1,381,517.00	\$1,356,517.00	\$25,000.00	\$1,493,706.00	\$112,189.00
Capital Assets	\$4,108,544.00	\$1,833,544.00	\$2,250,000.00	\$582,319.00	-\$3,526,225.00
Capital Carryover	\$38,536.00	\$38,536.00	\$0.00	\$0.00	-\$38,536.00
Grants	\$1,300,000.00	\$1,000,000.00	\$300,000.00	\$1,300,000.00	\$0.00
Cultural Heritage Grants	\$75,000.00	\$75,000.00	\$0.00	\$75,000.00	\$0.00
Yellowstone Commission	\$4,492.00	\$4,492.00	\$0.00	\$4,492.00	\$0.00
Lewis & Clark	\$1,180,746.00	\$1,155,746.00	\$25,000.00	\$933,217.00	-\$247,529.00
Veterans' Oral History	\$150,000.00	\$125,000.00	\$25,000.00	\$0.00	-\$150,000.00
Total	\$13,567,512.00	\$10,917,512.00	\$2,625,000.00	\$10,006,179.00	-\$3,561,333.00
General Funds	\$7,555,470.00	\$7,505,470.00	\$50,000.00	\$7,580,724.00	\$25,254.00
Federal Funds	\$4,012,042.00	\$3,412,042.00	\$575,000.00	\$2,425,455.00	-\$1,586,587.00
Special Funds	\$2,000,000.00	\$0.00	\$2,000,000.00	\$0.00	-\$2,000,000.00
Total	\$13,567,512.00	\$10,917,512.00	\$2,625,000.00	\$10,006,179.00	-\$3,561,333.00
FTE	57	57	0	57	0

Explanation of Major Funding and FTE Variances for the 2003-05 Legislative Appropriation to the 2003-05 Current Estimates.

Capital Assets - Two million dollars in bonding authority will not be used due to lack of source of funds for repayment. Two Hundred fifty thousand dollars in federal Transportation funding will not be spent for the Gingras Historic site due to lack of general fund match.

Grants - Approximately \$300,000 of authority will not be used in the federal historic preservation funds grant line item due to turnover of the Grants and Contracts Officer position. All federal funds will be spent in future federal fiscal years as authorized federal carryover.

Explanation of Major Funding and FTE Changes (Variances) for the 2005-07 Recommendation to 2003-05 Legislative Appropriations.

Salaries & wages - Salary increase based on Governor's recommendation for employee salaries.

Operating expenses - Executive recommendation increase for equipment under \$5000, museum artifact software and Heritage Center security system upgrade.

Capital Assets - Heritage Center compact storage, Equipment over \$5000 and enhancement to Extraordinary Repairs for historic site infrastructure. The Governor's recommendation also includes recommended bonding authority for the construction of a new interpretive center at the Demores Historic Site. This authority would be part of SB 2023 for projects of various state departments.

Lewis & Clark Bicentennial - Reduction of Yellowstone Confluence exhibit funding allowed from carryover from the previous biennium.

Veterans' Oral History - Completion of the Oral History project which was authorized for the two year biennium. Although \$150,000 was authorized in the budget, only \$125,000 was awarded for the project.

Summary of Major Goals and Objectives and Related Performance Measurement Data for the 2005-07 Biennium (to the extent available)

1. Follow through with Board and Commission recommendations to achieve expansion of the North Dakota Heritage Center which is also included as an approved project in the Capital Grounds Master Plan. Other projects that need to be addressed are the construction of new interpretive centers for the Fort Abercrombie Historic Site and the Chateau de Mores Historic Site.
2. Workload has increased significantly during the last 20 years and it has been that long since the State Historical Society has seen a significant increase in the number of professional staff. Several critical positions need to be added to the staff of the State Historical Society.
3. Update and maintain the strategic long range plan with statewide public input and direct involvement by the State Historical Board.
4. Continue to generate exhibits, programs and provide services for the citizens of North Dakota and the visiting public.
5. Continue to improve the state's historic site infrastructure in conjunction with the Lewis and Clark Bicentennial and to promote Heritage Tourism in the future.
6. Continue to expand and enhance the agency's web site and information technology capabilities.
7. Continue to address and implement the agency's marketing plan.

House Appropriations Committee
Education and Environmental Division
Bob Martinson, Chairman

~~TOP SECRET~~
B1019

Testimony January 13, 2005, 8 am, Rough Rider Room
By Virginia Nelsen, Executive Director, SHSND Foundation

Subject: HB 1019 Historical Society Budget

My name is Virginia Nelsen, I am the executive director of the State Historical Society of North Dakota Foundation. Merl Paaverud and I have met with more than a thousand business leaders and supporters all across North Dakota. We have laid out the needs and the opportunities for heritage tourism for North Dakota. North Dakotans want to see investments in history.

North Dakota leaders support the 10 Year Expansion Strategy in Support of Heritage Tourism growth as recommended by the State Historical Society of North Dakota Commission—a commission requested by the five former Governors and established by Governor John Hoeven.”

The state of North Dakota has a rare opportunity. We are at a confluence of activities and circumstances that all point to the value of critical investments in tourism.

The long awaited “Lewis and Clark Bicentennial” is partially completed and a notable success we would all agree. Thousands and thousands of visitors, mostly from out of state, came, they saw and they loved North Dakota. They spent good dollars and they will come again. I heard a comment from Dave Borlaug, director of the Lewis and Clark Interpretive Center at Washburn...and he said in so many words...”when we look back on this event, the Lewis and Clark adventure, we will see this as the beginning, not the end, the turning point for tourism development in North Dakota.....”

North Dakota now understands the value of Heritage Tourism---well educated and very curious travelers, with time and money to spend---came to North Dakota from every state in the union. Many of them proclaiming North Dakota was the last state they had left to visit. And, more importantly, they raved about the people, the landscapes, the cultural events, the history attractions and much more.

Williston is a prime example of a community that understands tourism. They made it a priority to build on their history---now showcasing three major state and federal historic sites. Visitation was up dramatically at the state sites and the community is buzzing with visitors, hotels remodeling and a real sense of accomplishment. They now have the “critical mass” of historic venues to be a “destination” in North Dakota.

Fargo and Wahpeton and surrounding communities deserve this same opportunity. A new interpretive center at Fort Abercrombie will add to the critical mass of history in that area.

We all agree that Medora is a shining star for tourism. Our most visited state historic site is the Chateau de Mores. Now we need to upgrade the existing interpretive center at this site. Devils Lake is a candidate for investment at Fort Totten, as is Cooperstown with a new cold war missile interpretive center. History continues in North Dakota.

What is the role of the state owned history sites for North Dakota? We are the anchor attractions that will allow county and regional history attractions grow and expand around.

The role of federal and state governments is to develop the history infrastructure of a state, creating a network of world class attractions in every region of North Dakota—anchoring tourism in that region.

There is no good reason to wait---historic attractions return 12-20 times their investment value, annually. Tourism advertising returns 83 times its value. It is foolish to wait on these investments. Stage the growth, make the investments, get on with the plans. If you delay, you are delaying growth, stopping potential income, wasting critical time. North Dakota needs a stable tourism industry to partner with the rocky agricultural industry and energy industry

In the January 2003 Interim Report to Governor Hoeven, the SHSND Commission recommended seven critical investments that need to be made in North Dakota to build a heritage tourism infrastructure:

- ✓ Invest in Regional Historic Sites
- ✓ Invest in the North Dakota Heritage Center as the Hub for History
- ✓ Invest in the Legally Mandated State Archives for the State's Records
- ✓ Invest in County and Tribal History Attractions
- ✓ Invest in State of the Art Technologies to Expand Access to History
- ✓ Invest in Professional Staff and Programs to Meet the Needs of Visitors
- ✓ Invest in Lewis and Clark a "Once in a Lifetime Opportunity"

The history agency and its supporters want to partnership with you to see this work is done for our state.

A1019

HB 1019
House Appropriations Committee
January 13, 2005

Testimony by Merl Paaverud, Director
State Historical Society of North Dakota

Introduction

Mr. Chairman and members of the Committee, my name is Merl Paaverud and I am the director of the State Historical Society of North Dakota. I am happy to be here with you today to present the Society's Executive Budget Recommendation to you.

Agency Overview

The Society was established in 1895 as the primary state repository of artifacts, archival materials, and historic sites that are important to North Dakota's history. The mission of the state's history agency is to identify, interpret, preserve and promote the heritage of North Dakota's people.

*We now have 57 full time staff, 40 seasonal staff, and 200 volunteers who work to support the Society.

*We are responsible for 56 state historic sites, the newly completed Missouri-Yellowstone Confluence Interpretive Center, the Pembina State Museum, the State Archives and Historical Research Library, the State artifact Collection, the State Archeological Collection, and we operate the North Dakota Heritage Center.

*We offer support to over 100 local historical societies and groups, provide technical assistance for museum operations, historic preservation, collections care and educational programs. The State Historical Society is the resource for genealogy and history of the state and Northern Great Plains.

*We lead the way in historic preservation, history and education support for students and teachers. The Society partners with institutions of higher education for archeological field schools, internship opportunities, research assistance and recognized expertise.

2003-05 Statistics:

*Over 450,000 people visited our museums and historic sites.

*11,635 students from 49 different communities around the state accessed our SEND Trunks (Suitcase Exhibits for North Dakota).

*50,468 representing people throughout the state enjoyed the TIES Exhibits (Traveling Interpretive Exhibits Services).

*The State Historical Society's collections over 50,000 artifacts and 3 million archeological items.

*Maintained the State Historical Society WEB site that averaged 1,046 visits per day.

- *The Historical Research Library staff provided over 14,000 responses to requests for assistance during the last biennium.
- *Completed 3,330 SHPO federal review undertakings
- *\$ 1.6 million provided for historic sites development.
- *Input 20,250 sites into GIS (Geographical Information System) to assist federal, state and local development projects.
- *Digitized 1,534 cultural resource surveys into the GPS System.
- *Maintained the North Dakota Cultural Resources files with over 50,000 entries and collections usage by 1,320 contractors.
- *Awarded \$250,000 in Historic Preservation Grants to private and public entities.
- *Awarded \$75,000 in Cultural Heritage Grants to 21 applicants.

General Budget Overview

Projects Completed in the last biennium:

Installed the compact storage system in the State Archives storage area.
 Completed construction of the Missouri-Yellowstone Confluence Interpretive Center.
 Completed the reconstruction of the barracks at Fort Buford State Historic Site.
 Completed stabilization and rehabilitation of the Former Governors' Mansion Carriage house including exhibits.
 Completed construction of new restrooms at Chimney Park that is part of the DeMores State Historic Site.
 Completed planning and label copy for the exhibits in the Field Officer's Quarters and Officer of the Day building at Fort Buford State Historic Site.
 Completed log replacement project at Gingras State Historic Site.
 Completed installation of energy saving improvements at Pembina State Museum.
 Installed new storm windows in Building #4 at Fort Totten State Historic Site.
 Published "A Vast and Open Plain: the Writings of the Lewis and Clark Expedition in North Dakota, 1804-1806"
 Installed a 2,000 square foot permanent exhibit and an 800 square foot temporary exhibit in the Missouri Yellowstone Interpretive Center.
 Developed Lewis Clark posters series and distributed them to 4th and 8th grade teachers throughout the state.

Optional Adjustments - Operating

Salaries and Wages:

There were no additional positions or salaries recommended in the Governor's budget other than the basic salary increase of 4% and 4%.

Operating Expenses:

The Executive Recommendation included \$41,788 in operating expenses. This includes an increase of \$14,444 in federal authorization for the historic preservation program and \$27,344 in general funds for equipment under \$5,000. The general fund increase represents an adjustment from equipment over \$5,000 in the capital assets line item to the operating line item. The total funding for equipment is therefore maintained at the same level as the 2003-05 biennium. The budget also included an increase of \$9,000 for the purchase of "Past Perfect" artifact management software which will make better use of staff resources and provide better access to our collections that are not on display,

Capital Assets:

The Executive Recommendation for capital assets includes an increase of \$250,000 for compact storage systems for collections. This storage system makes the best use of available space and will allow the agency to continue its mission to store and preserve artifacts and archival materials. Also included is \$81,000 for equipment over \$5,000 including two Toro mowers, a Bobcat skid-steer loader, and two electric carts for historic sites use. The line item also includes an increase of \$36,914 for historic sites extraordinary repairs. The current formula developed by OMB to determine necessary fund for this purpose is at 23%. This increase will increase the general fund amount to 25%.

Continuing Appropriations Narrative:**Concession Fund**

This continuing appropriation authority has been provided primarily for the operation of the Historical Society Museum Store operations for facilities at the North Dakota Heritage Center and State Historic Sites across the state. The Heritage Center Museum Store is viewed and operated as an extension of the overall State Historical Society education program. The store provides a forum through which museum exhibits and other aspects of North Dakota culture and history can be expanded upon for the benefit of the general public.

Although a profit margin is associated with all museum store items and is established by the director, profits realized from all sales are used to repurchase inventory and/or conduct other special educational projects through production of materials or publications for sale through the store. The emphasis of the store is not oriented toward large profits. Without the profits of the museum store, many publications and reproductions of exhibit related items would not be possible. All funds derived from the operation of the museum store are used for the purpose from which they were derived, namely the store operation and to supplement the publications activity of the State Historical Society. The Museum store aims to select quality items that meet specific criteria: Quality of work, whether in publications or crafts, must be professional; all items about North Dakota, its history, the culture of its people and its geography should be as accurate as possible; emphasis is

given to selling items produced in North Dakota thought exceptions are made. However, all items should pertain to North Dakota and the surrounding area; items sold in the Museum Store cannot be derogatory to race, creed, color, sex or religion; all items which are reproductions of artifacts from any museum will be labeled "reproduction" or "replica"; the Museum Store will not sell any items made of or containing fossils.

The other aspect of the concession fund relates to fees that are collected for the use of the facilities of the agency, fees for admissions, and use charges for services provided such as photographic, research and microfilm services. All these funds are used to offset the direct costs associated with providing these services and include supplies, materials, equipment and temporary staff for seasonal historic sites assistance.

Gifts and Bequests :

Historically, museum operations have depended greatly on the generosity of supporters of the humanities for their continued existence. The authority provided for the acceptance of gifts and bequests stems from this desired support. All funds are maintained in the state treasury. Most gifts are given for a specific purpose either to support a specific exhibit, collection or program and such gifts are restricted to the purpose for which it was given. Most gifts are small and come through the agency's donation boxes. There has never been a large enough donation to establish a trust which could produce significant income on a continuing basis.

Archeological Permits

Any individual, organization, institution or company engaged on one's own behalf or on behalf of another to identifying, evaluating, or mitigating adverse effects on cultural resources, historic buildings, structures, or objects on any lands in North Dakota must obtain an annual permit from the director of the State Historical Society. Such fees are deposited in the revolving fund and must be used by the director for making investigations of permit applicants and for management and analysis of records and artifacts submitted to the director under sections 55-03-01, 55-03-01.1 and 55-03-02.

Spreadsheets for these three areas are attached to this document.

Conclusion

Mr. Chairman, this concludes my testimony. I am happy to answer questions that you might have.

on 2005A0300701 Number 1
 Description Concession Fund
 Statutory authority 55-02-04
 Special fund number and name 603 Concession Fund

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	234,335	388,465	268,466	268,466	101,826
Revenues	871,777	900,350	412,803	1,006,700	1,000,000
Total available	1,106,112	1,288,815	681,269	1,275,166	1,101,826
Expenditures	717,647	1,020,349	417,113	1,173,340	950,000
Ending balance	388,465	268,466	264,156	101,826	151,826

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

Account Number 2005B0100701

Number 2

Description Gifts and Bequests

Statutory authority 55-01-04

Special fund number and name 415 Historical Society Gifts and Bequests Fund

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	60,232	92,553	85,721	85,721	90,721
Revenues	266,677	343,837	7,802	50,000	50,000
Total available	326,909	436,390	93,523	135,721	140,721
Expenditures	234,356	350,669	2,300	45,000	50,000
Ending balance	92,553	85,721	91,223	90,721	90,721

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

on 2005B0100701 Number 3

Description Archeological Permits

Statutory authority 55-03-04

Special fund number and name 327 State Historical Revolving Fund

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	37,368	24,068	16,363	16,363	26,378
Revenues	17,141	39,500	12,650	31,745	30,000
Total available	54,509	63,568	29,013	48,108	56,378
Expenditures	30,441	47,205	3,209	21,730	30,000
Ending balance	24,068	16,363	25,804	26,378	26,378

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

Testimony before the Senate Appropriations Committee Hearing

HB 1019 – Historical Society Budget, Monday February 28, 2005 – 3:30 pm

Harvest Room – State Capitol Building

Wally Beyer, Board Member and Trustee,

State Historical Society of North Dakota Foundation

Thank you Chairman Holmberg and members of the Senate Appropriations Committee for the opportunity to appear before you today in support of HB 1019.

The good work of the Senate Appropriations Committee and the House Appropriation Committee is reflected in HB 1019 and other bills, and this work is generating a great amount of excitement in history circles in the state. We appreciate your insight and trust that HB 1019 will be supported in full by your committee.

The Historical Foundation is working hand and glove with the State Historical Society to build an informed and educated network of North Dakota communities and to promote additional tools to help them to grow their county museums and history attractions. The re-grant funding enhancement of HB 1019 is a very important and critical resource for funding for local communities. Last biennium the Historical Society received 85 requests for the \$75,000 of re-grant funding from regional historical groups across the state totaling \$331,000 and could only fund 21 grants to these communities. As Representative Bob Martinson and others have said, it is a “wildly popular” program.

The Society Director Merl Paaverud and Society Foundation Director Virginia Nelsen have worked very hard to inform leadership in North Dakota that the history resources and professional staff of the Society are important tools to heritage tourism development. Board members, Trustees

and staff have conducted luncheons in every major community in the state. The Foundation has doubled its membership and started a network of community and business leadership support through the History's Trustee committee. I am a Foundation board member and a Trustee. We are here to support the growing work of the Historical Society.

The Bicentennial of the Lewis and Clark Expedition has placed North Dakota on the tourism agenda for national and international visits from 2004 to 2006 and beyond. Tourism ranks second in North Dakota's economy. The stars are lined up, North Dakota tourism will continue to grow and support our economy. We must capture this opportunity with continued investments.

North Dakota is blessed with a rich, diverse and exciting history. From Fort Buford and Fort Union in Williston to the Lewis and Clark Interpretive Center and Fort Mandan near Washburn, to the Chateau de Mores and Cowboy Hall of Fame and Theodore Roosevelt Medora Foundation in Medora, to the Pembina State Museum and Fort Abercrombie in the Red River Valley, as well as Native American sites all across the state---these federal and state and tribal and private attractions provide a historical anchor for these regions. We need to do more to expand and build this very successful network of history attractions. All of this professional work takes professional staff. And as you look at the needs of the Society, we ask that you consider additional professional staff. Professional people make the programs and projects work.

Passing HB 1019 will give the Historical Society the funds it needs to continue the professional work it does to preserve our rich North Dakota history. Thank you very much for your good work and leadership.

Wally Beyer, Board Member, State Historical Society of North Dakota Foundation

Senate Appropriations Committee

Testimony February 28, 2005, 3:30 pm Harvest Room
Virginia Nelsen, Executive Director, SHSND Foundation

Subject: HB 1019 Historical Society Budget

My name is Virginia Nelsen, I am the executive director of the State Historical Society of North Dakota Foundation. The Foundation, its board, members and Trustees support the enhanced budget of the State Historical Society as presented in HB 1019.

The State Historical Society of North Dakota is a tool for economic growth in North Dakota. Merl Paaverud and I have met with more than a thousand business leaders and supporters all across North Dakota. We have laid out the needs and the opportunities for heritage tourism for our state. North Dakotans want to see investments in history. North Dakota leaders support the *"10 Year Investment Strategy"* in the Historical Society sites and programs and professional staff. Tourism works in our communities.

State-owned historic sites anchor tourism in many regions in North Dakota. Private business and other attractions grow and surround these anchor sites. Medora is the prime example. Williston is now enjoying similar growth.

Williston made it a priority to build on their history---now showcasing three major state and federal historic sites. Visitation was up dramatically at the state sites and the community was buzzing with visitors, hotels were remodeling and there was a real sense of accomplishment. Williston now has the "critical mass" of historic venues to be a tourist "destination" in North Dakota.

Fargo and Wahpeton and surrounding communities deserve this same opportunity. A new interpretive center at Fort Abercrombie will add to the critical mass of history in that area. We encourage funding for Fort Abercrombie.

There is no good reason to wait on these investments in historic sites. According to tourism data in other states investments in historic attractions and programming return 12 or more times their investment value, annually. In North Dakota our Tourism Division has learned that their advertising returns 83 times its investment. Investments in history and tourism are sound and are paying off.

The long awaited "Lewis and Clark Bicentennial" is partially completed and a notable success we would all agree. Thousands and thousands of visitors, mostly from out of state, came, they saw and they loved North Dakota. Tourists spent good dollars and they will come again. The Lewis and Clark story will draw tourists for generations.

David Borlaug, director of the Lewis and Clark Interpretive Center at Washburn, a North Dakotan who has long spearheaded investments in heritage tourism said in an interview on Prairie Public TV.....*"When we look back on this event, the Lewis and Clark adventure, we will see this as the beginning, not the end, the turning point for tourism development in North Dakota....."* We couldn't agree more.

We encourage you to continue investments in our state's history. These staged investments will, over the next ten years, build an even stronger and more robust tourism industry for North Dakota. An industry that every community in North Dakota can embrace—all communities have history.

Thank you.

HB 1019
Senate Appropriations Committee
February 28, 2005

Testimony by Bob Schlobohm, Assistant Director for Merl Paaverud, Director
State Historical Society of North Dakota

Introduction

Mr. Chairman and members of the Committee, my name is Bob Schlobohm and I am the Assistant Director of the State Historical Society of North Dakota. Director, Merl Paaverud, has asked me to extend his regrets for missing this hearing. Merl has been scheduled for some time to meet in Washington, D.C. in connection with the National Conference of State Historic Preservation Officers. Merl is the Governor's appointee as the State Historic Preservation Officer for North Dakota and this is another very important meeting dealing with continued federal funding for the National State Historic Preservation Program. I am pleased to be here with you today to present the Society's budget request to you. To begin our budget request, I will ask staff to show you examples from the State's Museum and Archive collections.

Agency Overview

The Society was established in 1895 as the primary state repository of artifacts, archival materials, and historic sites that are important to North Dakota's history. The mission of the state's history agency is to identify, interpret, preserve and promote the heritage of North Dakota's people.

*We now have 57 full time staff, 40 seasonal staff, and 200 volunteers who work to support the Society.

*We are responsible for 56 state historic sites, the newly completed Missouri-Yellowstone Confluence Interpretive Center, the Pembina State Museum, the State Archives and Historical Research Library, the State artifact Collection, the State Archeological Collection, and we operate the North Dakota Heritage Center.

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*We lead the way in historic preservation, history and education support for students and teachers. The Society partners with institutions of higher education for archeological field schools, internship opportunities, research assistance and recognized expertise.

2003-05 Statistics:

*Over 450,000 people visited our museums and historic sites.

*11,635 students from 49 different communities around the state accessed our SEND

Trunks (Suitcase Exhibits for North Dakota).

*50,468 people throughout the state have enjoyed the TIES Exhibits (Traveling Interpretive Exhibits Services).

*The State Historical Society's collections contains over 50,000 artifacts and 3 million archeological items.

*The Society maintains the State Historical Society WEB site that averages 1,046 visits per day.

*The Historical Research Library staff have provided over 14,000 responses to requests for assistance during the last biennium.

*Completed 3,330 SHPO federal review undertakings

*\$ 1.6 million provided for historic sites development.

*The Historic Preservation staff have input 20,250 sites into GIS (Geographical Information System) to assist federal, state and local development projects.

*The Historic Preservation staff have also digitized 1,534 cultural resource surveys into the GIS System.

*Maintained the North Dakota Cultural Resources files with over 50,000 entries and collections usage by 1,320 contractors.

*Awarded \$250,000 in Historic Preservation Grants to private and public entities.

*Awarded \$75,000 in Cultural Heritage Grants to 21 applicants.

General Budget Overview

Projects Completed in the last biennium:

Installed the compact storage system in the State Archives storage area.

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Installed new storm windows in Building #4 at Fort Totten State Historic Site.

Published "A Vast and Open Plain: the Writings of the Lewis and Clark Expedition in North Dakota, 1804-1806"

Installed a 2,000 square foot permanent exhibit and an 800 square foot temporary exhibit in the Missouri Yellowstone Interpretive Center.

Developed a Lewis Clark poster series and distributed them to 4th and 8th grade teachers throughout the state.

Optional Adjustments - Operating

Salaries and Wages:

There were no additional positions or salaries recommended in the Governor's budget other than the basic salary increase of 4% and 4%.

Operating Expenses:

The Executive Recommendation included \$41,788 in operating expenses. This includes an increase of \$14,444 in federal authorization for the historic preservation program and \$27,344 in general funds for equipment under \$5,000. The general fund increase represents an adjustment from equipment over \$5,000 in the capital assets line item to the operating line item. The total funding for equipment is therefore maintained at the same level as the 2003-05 biennium. The budget also included an increase of \$9,000 for the purchase of "Past Perfect" artifact management software which will make better use of staff resources and provide better access to our collections that are not on display. An additional \$15,000 was included for educational and promotional posters to be printed and distributed to schools as well as sold in the Museum Stores. An additional \$250,000 was added to the Cultural Heritage Grants program for a total of \$325,000.

Capital Assets:

The Executive Recommendation for capital assets includes an increase of \$250,000 for compact storage systems for collections. This storage system makes the best use of available space and will allow the agency to continue its mission to store and preserve artifacts and archival materials. Also included is \$81,000 for equipment over \$5,000 including two Toro mowers, a Bobcat skid-steer loader, and two electric carts for historic sites use. The line item also includes an increase of \$36,914 for historic sites extraordinary repairs. The current formula developed by OMB to determine necessary fund for this purpose is at 23%. This increase will increase the general fund amount to 25%. \$200,000 was included to match the Save America's Treasures Grant for construction of a new interpretive Center at Fort Abercrombie.

Continuing Appropriations Narrative:

Concession Fund:

This continuing appropriation authority has been provided primarily for the operation of the Historical Society Museum Store operations for facilities at the North Dakota Heritage Center and State Historic Sites across the state. The Heritage Center Museum Store is viewed and operated as an extension of the overall State Historical Society education program. The store provides a forum through which museum exhibits and other aspects of North Dakota culture and history can be expanded upon for the benefit of the general public.

Although a profit margin is associated with all museum store items and is established by the director, profits realized from all sales are used to repurchase inventory and/or conduct other special educational projects through production of materials or publications for sale through

the store. The emphasis of the store is not oriented toward large profits. Without the profits of the museum store, many publications and reproductions of exhibit related items would not be possible. All funds derived from the operation of the museum store are used for the purpose from which they were derived, namely the store operation and to supplement the publications activity of the State Historical Society. The Museum store aims to select quality items that meet specific criteria: Quality of work, whether in publications or crafts, must be professional; all items about North Dakota, its history, the culture of its people and its geography should be as accurate as possible; emphasis is given to selling items produced in North Dakota, though exceptions are made. However, all items should pertain to North Dakota and the surrounding area; items sold in the Museum Store cannot be derogatory to race, creed, color, sex or religion; all items which are reproductions of artifacts from any museum will be labeled "reproduction" or "replica"; the Museum Store will not sell any items made of or containing fossils.

The other aspect of the concession fund relates to fees that are collected for the use of the facilities of the agency, fees for admissions, and use charges for services provided such as photographic, research and microfilm services. All these funds are used to offset the direct costs associated with providing these services and include supplies, materials, equipment and temporary staff for seasonal historic sites assistance.

Gifts and Bequests:

Historically, museum operations have depended greatly on the generosity of supporters of the humanities for their continued existence. The authority provided for the acceptance of gifts and bequests stems from this desired support. All funds are maintained in the state treasury. Most gifts are given for a specific purpose either to support a specific exhibit, collection or program and such gifts are restricted to the purpose for which it was given. Most gifts are small and come through the agency's donation boxes. There has never been a large enough donation to establish a trust which could produce significant income on a continuing basis.

Archeological Permits:

Any individual, organization, institution or company engaged on one's own behalf or on behalf of another to identify, evaluate, or mitigate adverse effects on cultural resources, historic buildings, structures, or objects on any lands in North Dakota must obtain an annual permit from the director of the State Historical Society. Such fees are deposited in the revolving fund and must be used by the director for making investigations of permit applicants and for management and analysis of records and artifacts submitted to the director under sections 55-03-01, 55-03-01.1 and 55-03-02.

Spreadsheets and narrative for these three areas are attached to this document.

Conclusion

Mr. Chairman, this concludes my testimony. I am happy to answer questions that you might have.

CONTINUING APPROPRIATION JUSTIFICATION

This continuing appropriation authority has been provided primarily for the operation of the Historical Society Museum Store operations for facilities at the North Dakota Heritage Center and State Historic Sites across the state. The Heritage Center Museum Store is viewed and operated as an extension of the overall State Historical Society education program. The store provides a forum through which museum exhibits and other aspects of North Dakota culture and history can be expanded upon for the benefit of the general public.

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Continuing Appropriations Narrative

00701 HISTORICAL SOCIETY

Page 1 of 1

Date:

12/27/2004

Time: 08:52:22

Version 2005B0100701

Project 2 Gifts and Bequests

CONTINUING APPROPRIATION JUSTIFICATION

Historically, museum operations have depended greatly on the generosity of supporters of the humanities for their continued existence. The authority provided for the acceptance of gifts and bequests stems from this desired support. All funds are maintained in the state treasury. Most gifts are given for a specific purpose either to support a specific exhibit, collection or program and such gifts are restricted to the purpose for which it was given. Most gifts are small and come through the agency's donation boxes. There has never been a large enough donation to establish a trust which could produce significant income on a continuing basis.

Continuing Appropriations Narrative

00701 HISTORICAL SOCIETY

Page 1 of 1

Date:

12/27/2004

Time: 08:53:17

Version 2005B0100701

Project 3 Archeological Permits

CONTINUING APPROPRIATION JUSTIFICATION

Any individual, organization, institution or company engaged on one's own behalf or on behalf of another in identifying, evaluating, or mitigating adverse effects on cultural resources, historic buildings, structures, or objects on any lands in North Dakota must obtain an annual permit from the director of the state historical society. Such fees are deposited in the revolving fund and must be used by the director for making investigations of permit applicants and for management and analysis of records and artifacts submitted to the director under sections 55-03-01, 55-03-01.1 and 55-03-02.

**Testimony of David Borlaug, President, Lewis & Clark Fort Mandan
Foundation**

In Support of HB 1019, State Historical Society Budget

Senate Appropriations Committee Hearing

Monday, February 28, 2005

Mr. Chairman and Members of the Committee, I am David Borlaug of Washburn. As President of the Lewis & Clark Fort Mandan Foundation, which operates the Lewis & Clark Interpretive Center and Fort Mandan, I can personally attest to the profound impact that Heritage Tourism is making on our state.

You've heard it before in the Tourism budget conversations, that people from across America and around the world are seeking out North Dakota's special places, which are deeply rooted in the richness of our cultural past.

Organizations like ours, throughout North Dakota, are helping attract those visitors to our state. However, we aren't doing it alone. Here in North Dakota, our heritage tourism has been built upon partnerships, public and private.

Our Foundation has relied on the State Historical Society for guidance in our interpretive programs and has formed special partnerships allowing for the showing of loaned artifacts in our facility. Currently, we have been working together to properly catalog and preserve artifacts from the Mandan Indian village of Chief Sheheke-shote, who welcomed Lewis & Clark here 200 years ago. Together, we have hosted visitors from afar, seeking out Lewis & Clark adventures along the Missouri River.

A strong and vibrant State Historical Society will help ensure that our rapidly growing Heritage Tourism industry will continue to thrive. As the keepers of our State's history, we all count on the Society to be there for us. This budget, with enhancements from the House, especially in the area of re-grants to non-state entities around the state, will help make continued growth possible.

Please support this budget request, in its entirety. It's an investment in our past that will help guarantee we have a bright future.

Thank you.

Good Afternoon!

I am here to speak on behalf of your support for the expansion of storage space much needed by the Heritage Center.

We are all well aware of the outstanding facility we have here in North Dakota. Our Heritage Center doesn't have to take a back seat to any other state in terms of what we have to offer our visitors.

We have been in North Dakota for about 15 years having moved here from the Portland, Oregon area. It has been with great pride that we take people to our Heritage Center and capitol grounds to show off what North Dakota has to offer. We hear, as you no doubt all hear, that how we tell our states story is as well done as it can get.

I know I am not telling you anything you don't already know. The issue then is what to do to perpetuate what we already have. We know the storage space is inadequate--- that is a given. We know artifacts are stored all over town in facilities inappropriate for the care of antiquities not to mention the inaccessibility. We know we have a staff of superb people doing a superb job for us.

It is time to take the next step. Let's follow through with doing what is necessary to maintain this state of the arts facility. We are at a stalemate right now. That isn't good enough. What is now the "best of the best" deserves our support.

North Dakota is leaping forward on every front. All we have to do is look around us to see that. We see an ever expanding commercial arena. We see construction all around us. We see advanced educational facilities that are making a name throughout our nation. Let's not drop the ball when it comes to our cultural offerings. Our visitors are

among our greatest advertisers. Let's make sure they continue to go away properly impressed with what they see when they visit the capitol grounds.

The Heritage Center cannot be confined to the small archival space now available and a mish mash of rentals around town filled with the things that enable us to tell our state's story. We have hired an impressive and talented crew. Give them the tools to work with to give us back an ever expanding visual experience about our historically rich state.

I believe we have more of a story to tell that is definitely of national interest that 90% of the rest of the states in the nation. Let's not drop that ball!

Chuck Esser

#1 - HB 1019

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Funding Summary

	Executive Budget	House Version	Senate Changes	Senate Version
State Historical Society				
Salaries and wages	\$5,617,445	\$5,596,695	(\$6,865)	\$5,589,830
Operating expenses	1,493,706	1,508,706		1,508,706
Capital assets	582,319	982,319		982,319
Grants	1,300,000	1,300,000		1,300,000
Cultural heritage grants	75,000	325,000		325,000
Yellowstone-Missouri-Ft Union Commission	4,492	4,492		4,492
Lewis and Clark bicentennial	933,217	932,669	(249)	932,420
Total all funds	\$10,006,179	\$10,649,881	(\$7,114)	\$10,642,767
Less estimated income	2,425,455	2,623,087	99,251	2,722,338
General fund	\$7,580,724	\$8,026,794	(\$106,365)	\$7,920,429
FTE	57.00	57.00	0.00	57.00
Bill Total				
Total all funds	\$10,006,179	\$10,649,881	(\$7,114)	\$10,642,767
Less estimated income	2,425,455	2,623,087	99,251	2,722,338
General fund	\$7,580,724	\$8,026,794	(\$106,365)	\$7,920,429
FTE	57.00	57.00	0.00	57.00

House Bill No. 1019 - State Historical Society - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$5,617,445	(\$20,750)	\$5,596,695
Operating expenses	1,493,706	15,000	1,508,706
Capital assets	582,319	400,000	982,319
Grants	1,300,000		1,300,000
Cultural heritage grants	75,000	250,000	325,000
Yellowstone-Missouri-Ft Union Commission	4,492		4,492
Lewis and Clark bicentennial	933,217	(548)	932,669
Total all funds	\$10,006,179	\$643,702	\$10,649,881
Less estimated income	2,425,455	197,632	2,623,087
General fund	\$7,580,724	\$446,070	\$8,026,794
FTE	57.00	0.00	57.00

Department No. 701 - State Historical Society - Detail of House Changes

	Reduces Compensation Package to 3/4	Increases Funding for Cultural Heritage Grants ¹	Adds Funding for Poster Costs ²	Adds Funding for Ft. Abercrombie Interpretive Center Project ³	Total House Changes
Salaries and wages	(\$20,750)				(\$20,750)
Operating expenses			15,000		15,000
Capital assets				400,000	400,000
Grants					
Cultural heritage grants		250,000			250,000
Yellowstone-Missouri-Ft Union Commission					
Lewis and Clark bicentennial	(548)				(548)
Total all funds	(\$21,298)	\$250,000	\$15,000	\$400,000	\$643,702
Less estimated income	(2,368)	0	0	200,000	197,632
General fund	(\$18,930)	\$250,000	\$15,000	\$200,000	\$446,070
FTE	0.00	0.00	0.00	0.00	0.00

¹ Adds \$250,000 from the general fund to the cultural heritage grants line item to increase the total line item from \$75,000 to \$325,000.

² Adds \$15,000 from the general fund to the operating expenses line item for the costs of reprinting and creating new posters.

³ Adds \$400,000 to the capital assets line item for the Fort Abercrombie Interpretive Center Project. The \$400,000 consists of \$200,000 from the general fund that will be used to match \$200,000 of federal funds from the Save America's Treasures grant.

House Bill No. 1019 - State Historical Society - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$5,617,445	\$5,596,695	(\$6,865)	\$5,589,830
Operating expenses	1,493,706	1,508,706		1,508,706
Capital assets	582,319	982,319		982,319
Grants	1,300,000	1,300,000		1,300,000
Cultural heritage grants	75,000	325,000		325,000
Yellowstone-Missouri-Ft Union Commission	4,492	4,492		4,492
Lewis and Clark bicentennial	933,217	932,669	(249)	932,420
Total all funds	\$10,006,179	\$10,649,881	(\$7,114)	\$10,642,767
Less estimated income	2,425,455	2,623,087	99,251	2,722,338
General fund	\$7,580,724	\$8,026,794	(\$106,365)	\$7,920,429
FTE	57.00	57.00	0.00	57.00

Department No. 701 - State Historical Society - Detail of Senate Changes

	Reduces Recommended Funding for Health Insurance ¹	Changes Funding Source for Fort Abercrombie Interpretive Center Project ²	Total Senate Changes
Salaries and wages	(\$6,865)		(\$6,865)
Operating expenses			
Capital assets			
Grants			
Cultural heritage grants			
Yellowstone-Missouri-Ft Union Commission			
Lewis and Clark bicentennial	(249)		(249)
Total all funds	(\$7,114)	\$0	(\$7,114)
Less estimated income	(749)	100,000	99,251
General fund	(\$6,365)	(\$100,000)	(\$106,365)
FTE	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

² This amendment replaces \$100,000 of general fund funding for the Fort Abercrombie Interpretive Center project with \$100,000 of special funds spending authority, for a total of \$400,000 for the project consisting of \$100,000 from the general fund and \$300,000 of special funds spending authority.