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2007 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1481

## 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1481

House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: February 8, 2007

Recorder Job Number: 3129

Committee Clerk Signature

*Margaret Rennie*

Minutes:

**Rep. Koppelman:** *This really isn't a bill about compensation, it's about bringing standardization to the system that we have now. As you know there are many boards and commissions that serve, and the range of focus and purpose is wide. As you look at how those work you will discover that there is a wide vary on how these boards and commissions are compensative, but also how they are structured and how they are appointed. You may recall that on the house floor earlier this session we had a couple of bills setting compensation for a couple of boards and commissions. Several of us got talking around that issue and realized there was really no standardization to this. There is no consistency on the way these boards are structured and compensated. As I got into that I discovered that the disparity and the proper nature was worse off. Some boards set their compensation based on statute. Others do it through administrative rules, where it says such a board may set its compensation to rule. Those who are familiar with the administrative rules process know that it means the board or committee would create a rule to set that compensation in those rules and then they would be reviewed by a committee of the legislature made up of senators and representatives. That committee would have to see that proposed compensation as it comes to rule. However, as a third method to set compensation, as in some cases the board will just set the compensation.*

*To some that may be ok, to others it will not be. We looked at a number of different ideas and among them were just setting them all through statute, but that gets really cumbersome and time consuming. We thought the administrative rules process is kind of a good way to do it since those rules are governed by the legislators. However, we did not want to change the fact that some are set by statute. What we've done in this bill is just a very simple solution and suggestion. That is that those boards and committees have set their compensation now by statute can continue to do that, those that do not will have to do it through administrative rule. The intent of the bill is to just put some standardization in this. We also put a maximum of \$110/day. There are only 2 or 3 people above that now, most are below that. We found that we looked into this and people received no compensation. There are people who received close to this number too. We just want to recognize that we who serve in the legislator have other professions, job, and careers in our lives outside of this, but we don't allow this to effect our serving of the state.*

**Rep. Froseth:** It seems like over the years we have dealt with this on many professions and occupations industry and they ranged from about \$60/day - \$150/day. With this I think we would see all those at \$60 and \$80 go up to \$110, and all those over will be a lot of grumbling. I wonder if the professions and industries don't do a good job of setting these rules. They know what its worth and they know what their time is worth. I think we should let them determine their own as they have in the past.

**Rep. Koppelman:** Actually very few determine their own. There are a few that do. Most do it through statute, some through administrative rules. I would suspect that any of them would tell you that they are not paid what they are worth when they render service to our state. In a way many of us would say that is good because it is public service. Most of you could probably go earn more than you could in a day as a legislator. They do this as a service to their profession

and as a service to our state. I suppose we could allow them all to set their own but that is not what happens now.

**Rep. Schneider:** Would you have any objection to changing the \$110 to the same as we legislators get paid?

**Rep. Koppelman:** I would have no objection. That wasn't a magic number, just a number that we thought we would put in there. Right now as we hear the bill, the legislator earns \$100/day during interim. I'm not worried about a lot of boards and commissions coming into ask if we want to go to the cap immediately. I suppose any time you set a limit there is a potential to do that. In circulating this one idea we had and talked about with legislative council was that maybe we should standardize it. As we look at that the fiscal note is fairly high. \

**Rep. Grande:** I've been to the administrative committee and watched this. I have questioned why the compensation is higher in one than another. I also served on a board that very low paying professionals were. I certainly would have never asked my peers to pay more into that. We do that as a good service to that group. I think that the professionals appointed to those boards are the ones that know the makeup of that board and how much compensation is out there.

**Rep. Koppelman:** This bill does the opposite of that. It does not micromanage. What this does is simply set a process. Actually what you described is more prevalent under this bill. I think most of these folks do this as a service and are happy about doing it.

**Dwayne Houdek:** Testimony Attached:

**Rep. Dahl:** Are you aware of any other boards that this would affect?

**Dwayne Houdek:** I'm aware that there are a couple of boards higher than this rule, but I don't know for sure.

**Jack McDonald:** I'm here today to represent the board of Physical Therapy Examiners. I have a neutral position. Our board for years simply gets paid the same reimbursement rate. There is no compensation. I think there is a little bit of confusion against compensation and purdium. I guess I'm not sure if that means someone gets paid salary, or expenses. I think a great many of the boards would be affected by this. It simply goes to OMB to use the same reimbursement form as you yourselves do. None of these are general fund dollars, they are licensee dollars. There just seems to be confusion on if this is either compensation and pay, or reimbursement.

**Bob Leingang:** I'm with the North Dakota State Plumbing Board. We just got through on the senate side that increased our pay to \$100. We don't have a problem as long as you have the two options of being continued by rule or by statute. The reason we would like to stay with the statute is when we go to the rule making process when we testify, it is much easier. As long as that option is there, it won't affect us.

**Don Offerdahl:** I'm with the North Dakota State Electrical Board. Ours are based on a statute of \$50. When it came up a lot of boards went up to \$50. We didn't take the efforts or anything to come up to get more money. My personal feelings are that our board is very active also and they don't charge for conference calls or anything. I feel that if the commission gets the same pay as yourselves in the interim process, and the board can pay up to that, it would increase the board.

**Rep. Froseth:** If this bill passes do you see your board wanting to come in and request \$110/day.

**Don Offerdahl:** Yeah. Being the executive director for ten years and seeing what they do for \$50, they should be compensated more. I can't speak for the board but those are my personal feelings. I also believe that legislators and law makers should get paid more.

**Rep. Froseth:** Did you say if your board was compensated through statute or administrative rules?

**Don Offerdahl:** We go through statute.

**Rep. Haas:** Is there additional testimony on HB 1481? If not we will close the hearing on HB 1481.

## 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1481

House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: February 8, 2007

Recorder Job Number: 3133

Committee Clerk Signature

*Morgan Penick*

Minutes:

**Rep. Haas:** I would open the floor for some pre motion discussion on HB 1481.

**Rep. Kasper:** I think this is a bill that is full of problems, and I move a do not pass.

**Rep. Potter:** I second that.

**Rep. Haas:** Is there any more discussion? If not we will take a roll call vote on HB 1481. The do not pass on HB 1481 passes with a vote of 13-0-0. Is there a volunteer to carry this bill?

**Rep. Potter:** I will.



Date: 2-8-07  
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. "Click here to type Bill/Resolution No."

House Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number HB 1481

Action Taken Do not pass

Motion Made By Rep Kasper Seconded By Rep Potter

Representatives	Yes	No	Representatives	Yes	No
Rep. C. B Haas Chairman	X		Rep. Bill Amerman	X	
Rep. Bette Grande VC	X		Rep. Louise Potter	X	
Rep. Randy Boehning	X		Rep. Jasper Schneider	X	
Rep. Stacey Dahl	X		Rep. Lisa Wolf	X	
Rep. Glen Froseth	X				
Rep. Karen Karls	X				
Rep. Jim Kasper	X				
Rep. Lisa Meier	X				
Rep. Dave Weiler	X				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Rep Potter

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

**REPORT OF STANDING COMMITTEE (410)**  
February 8, 2007 1:25 p.m.

**Module No: HR-27-2543**  
**Carrier: Potter**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1481: Government and Veterans Affairs Committee (Rep. Haas, Chairman)**  
recommends **DO NOT PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).  
HB 1481 was placed on the Eleventh order on the calendar.

2007 TESTIMONY

HB 1481

**HOUSE GOVERNMENT AND VETERAN AFFAIRS COMMITTEE  
House Bill No. 1481**

**Testimony of Duane Houdek  
North Dakota State Board of Medical Examiners**

**February 8, 2007**

Mr. Chairman, members of the committee, my name is Duane Houdek. I represent the North Dakota State Board of Medical Examiners as its executive secretary. I am here to provide information to the committee about our board, which is one of the boards affected by this bill.

The Board of Medical Examiners is composed of 10 physicians and two public members from throughout the state. We hold three regularly scheduled, one and one-half day meetings in Bismarck every year to approve certain applicants for medical license and to determine disciplinary sanctions. Additionally, our board members more frequently meet by telephone as members of investigative panels or for emergency procedures, and individual members review files on behalf of the entire board.

Board members participate out of a sense of duty to their profession and civic responsibility, and do so at a very real personal and professional expense.

We compensate members about \$1350 annually, which is about \$450 per two day meeting. Obviously, they are not doing this for the money.

Our board members don't charge for the time they put in on teleconferences, nor for preparing for meetings. Nor do they charge for initially reviewing files and reporting their findings to the full board. This is a very actively engaged board, and our staff is in touch with them frequently about disciplinary and licensing issues.

You may have seen in this morning's paper that an investigative panel of the Board issued a complaint against a Bismarck doctor for having a sexual relationship with a patient. The

panel reviewed that case, met by teleconference and authorized the complaint. None of that was reimbursed. So, my point is that even at the proposed daily maximum under this bill, each member could charge us annually far more than they do, if they chose to do so.

We are very thankful to these people for their public service. We are especially grateful we get to use their expertise for the good of the people of North Dakota for so little reimbursement.

I understand the main intent of the bill is to provide some standardization to the process by which board members are compensated. I only hope that, in this effort, we don't discourage anyone from public service by making them feel that we don't appreciate them for donating their time and effort for the good of their profession and the people of the state.

We are getting a great bargain by having an active, citizen board. If we were ever to evolve into the type of board where we had to go on the open market to get the initial reviews of our cases, and the other advice that is now freely given, it would be no savings at all, but rather a very large cost, both in terms of dollars and in terms of good government.

Thank you.