

**2011 HOUSE POLITICAL SUBDIVISIONS**

**HB 1259**

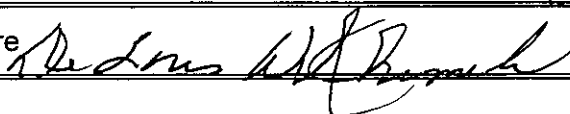
# 2011 HOUSE STANDING COMMITTEE MINUTES

## House Political Subdivisions Committee Prairie Room, State Capitol

HB 1259  
February 3, 2011  
Job # 13986

☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

Relating to compensation of township officers.

### Minutes:

Chairman Johnson: Opened the hearing on HB 1259.

Rep. Froseth: This will do some adjustment for the compensation of township officers. Look at Section 1 58-06-02: compensation of supervisors, it increases the compensation from \$20/day to up to \$60. The elector of the township shall establish the daily compensation rate for township supervisors at each annual township meeting. So it has to be approved by the electors of the township. Sections 2 and 3 do the same thing for the township clerk and treasurer.

Rep. Maragos: How often do township boards meet? Does it vary?

Rep. Froseth: Their annual meeting is once a year but the board of supervisors might meet at the call of the chairman of the board.

Rep. Maragos: It would be hard for them to bump up against the \$2000 maximum, correct?

Rep. Froseth: I would think so. They probably have two or three meetings a year. Twenty dollars a day buys 6 gallons of gas.

Rep. Klemin: I don't understand this second part of this at the end of line 10 through 14; additional compensation over two thousand dollars may be provided for reimbursement of expenses and mileage. In most of the other cases we don't have a limit on expenses and mileage if they have these expenses that they are required to incur in the performance of their duties then they are reimbursed for those at the rates we set elsewhere in statute. Here we are talking about it as additional compensation rather than reimbursement for expenses? Does that put it in a taxable category because of this? Why don't we say it the same way here as we do for everybody else?

Rep. Froseth: I would like to defer that to the township officers that are here.

Larry Syverson, ND Township Officers Association: this bill came about as a result of a resolution we had at our annual convention in December. After a lot of discussion on the floor we did some trimming down on it and we inserted the phrase electors of the township shall establish a daily compensation rate. The idea here is that townships have been spending a lot of time dealing with FEMA claims and a \$20/day doesn't get very many pages of the FEMA claim done. We also have townships around Bismarck that have populations over 5,000 people and the township board members are busy and they meet the upper limits of their compensation for the year.

Rep. Zaiser: Why is it stated as additional compensation after the per diem price instead of reimbursement for expenses such as mileage, food or whatever? I happen to think it might put it into a different class in terms of determining if it is reportable income or not.

Larry Syverson: I agree that is some strange wording, but that is in the existing language. They just changed the limit in the current bill.

Rep. Zaiser: Would you have any opposition in amending this bill to putting it into a format where it talks about per diem as compensation and reimbursements instead of additional compensation?

Ken Yantes, Executive Secretary of the ND Township Officers Assoc. The expenses are in the very like but different part of the code. There is another section of the code that deals with this and sets the rate at the federal rates for travel.

Rep. Klemin: Actually it says it right in this particular section. I am not sure why it would say it in another one too. This talks about reimbursement of expenses and mileage not exceeding the mileage rate by the IRS. That doesn't allow for any expenses other than mileage. We keep getting these bills all the time; we just had HB 1312 and there it says members may be reimbursed from funds available for mileage and expenses as provided in Section 44-08-04 and 54-06-09. Everywhere else I have seen this kind of provision that is the kind of language that is used. This is nothing to do with the merits of the bill before us. I am thinking maybe we should be consistent here as well as in the other places.

Ken Yantes: I do have an office in my home and that is the state office. I bought the Lutheran parsonage in a little town called Bocket. The office use to be the pastor's study so there I am in the pastor's study at home. Township officers do not work from 8AM to 6PM. My phone rings before and after that. It rings at any time.

Scott Rising, Soybean Growers Assoc: What struck me was that someone told me one time about buying a boat. You could really get excited the day that you buy it and you get more excited the day you sell it. That is like being elected to the township board in most places, I think. Being part of the building block or the fundamental part of our political system is pretty exciting until the phone starts ringing. My experience with township boards brings us back a number of years. Largely due to water issues in the Red River Valley. The day I pulled out a scrapper to see how it was working after some repair work rather than to do any real ditching and I found out how you properly call a township board meeting. You drive out into a middle of a quarter with a scrapper and instantly you have a township board meeting. We are very much in support of this because they don't get any

easy questions; they don't deal with any easy answers and it starts early in the morning and it goes very late at night.

Opposition: None

Neutral: None

Hearing closed.

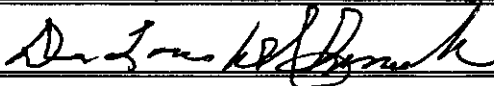
# 2011 HOUSE STANDING COMMITTEE MINUTES

House Political Subdivisions Committee  
Prairie Room, State Capitol

HB1259  
February 10, 2011  
Job # 14342

☐ Conference Committee

Committee Clerk Signature



## Minutes:

Proposed Amendment #1

Chairman Johnson: Reopened the hearing on HB 1259. Each section was compensation of township supervisors, township clerks and township treasurer and the amendments would?

Rep. Klemin: Instead of saying on line 12 the mileage at a rate not exceeding the allowable mileage rate except US IRS for each mile. Instead we would reference the Sections 44-08-04 and 54-04-09 which are the sections that contain the reimbursement for expenses and mileage. In the existing law it doesn't say anything about expenses at all. It just talks about mileage. The mileage allowance under ND law may not be the same as under federal law because that changes more frequently than we change ours. We have three sections here and the idea is to amend them all the same way. Did a lot of discussion on the wording of the amendment.

Chairman Johnson: What we are doing is deleting the section referring to the US IRS code and substituting language that says as provided for in state law that relate to expenses and mileage in all three sections of the bill.

Rep. Klemin Made a Motion to Move the Amendment; Seconded by Rep. Beadle

Voice vote carried.

Do Pass As Amended Motion Made by Rep. Maragos: Seconded by Rep. Heilman:

Vote: 14 Yes 0 No 0 Absent Carrier: Rep. Hatelstad:

Hearing closed.

#1

Prepared for: Rep. Larry Klemin

Prepared by: Jessica Braun, Legislative Intern, House Political Subdivisions Committee

PROPOSED AMENDMENT TO HOUSE BILL 1259

Page 1, line 12, overstrike "at a rate not exceeding the allowable mileage rate accepted by the United States internal revenue service"

Page 1, line 13, after "service" insert "as provided for in sections 44-08-04 and 54-06-09"

Page 1, line 24, overstrike "at a rate not exceeding the allowable mileage rate accepted by the United States internal revenue service"

Page 1, line 24, after "service" "as provided for in sections 44-08-04 and 54-06-09"

Renumber accordingly

Date: 2-10-11  
Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1259

House Political Subdivisions Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken ☐ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt  
Amendment

☐ Rerefer to Appropriations ☐ Reconsider \_\_\_\_\_

Motion Made By L. Klemin Seconded By Rep. Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Nancy Johnson			Rep. Kilichowski		
Vice Chairman Hatelstad			Rep. Shirley Meyer		
Rep. Beadle			Rep. Mock		
Rep. Devlin			Rep. Zaiser		
Rep. Heilman					
Rep. Klemin					
Rep. Koppelman					
Rep. Kretschmar					
Rep. Maragos					
Rep. Pietsch					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

*Unin  
Vote  
carried*

February 10, 2011

VK  
2/11/11

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1259

Page 1, overstrike line 12

Page 1, line 13, overstrike "internal revenue service" and insert immediately thereafter "as provided in section 44-08-04 and for mileage as provided in section 54-06-09"

Page 1, overstrike line 23

Page 1, line 24, overstrike "internal revenue service" and insert immediately thereafter "as provided in section 44-08-04 and for mileage as provided in section 54-06-09"

Page 2, line 12, overstrike "and mileage at a rate not exceeding the allowable mileage rate"

Page 2, line 13, overstrike "accepted by the United States internal revenue service" and insert immediately thereafter "as provided in section 44-08-04 and for mileage as provided in section 54-06-09"

Renumber accordingly



Date: 2-10-11  
Roll Call Vote #: 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1259

House Political Subdivisions Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt  
Amendment

☐ Rerefer to Appropriations ☐ Reconsider \_\_\_\_\_

Motion Made By Rep. Maragos Seconded By Rep. Heilman

Representatives	Yes	No	Representatives	Yes	No
Chairman Nancy Johnson	✓		Rep. Kilichowski	✓	
Vice Chairman Hatelstad	✓		Rep. Shirley Meyer	✓	
Rep. Beadle	✓		Rep. Mock	✓	
Rep. Devlin	✓		Rep. Zaiser	✓	
Rep. Heilman	✓				
Rep. Klemin	✓				
Rep. Koppelman	✓				
Rep. Kretschmar	✓				
Rep. Maragos	✓				
Rep. Pietsch	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Rep. Hatelstad

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

**REPORT OF STANDING COMMITTEE**

**HB 1259: Political Subdivisions Committee (Rep. N. Johnson, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1259 was placed on the Sixth order on the calendar.

Page 1, overstrike line 12

Page 1, line 13, overstrike "internal revenue service" and insert immediately thereafter "as provided in section 44-08-04 and for mileage as provided in section 54-06-09"

Page 1, overstrike line 23

Page 1, line 24, overstrike "internal revenue service" and insert immediately thereafter "as provided in section 44-08-04 and for mileage as provided in section 54-06-09"

Page 2, line 12, overstrike "and mileage at a rate not exceeding the allowable mileage rate"

Page 2, line 13, overstrike "accepted by the United States internal revenue service" and insert immediately thereafter "as provided in section 44-08-04 and for mileage as provided in section 54-06-09"

Renumber accordingly

**2011 SENATE GOVERNMENT AND VETERANS AFFAIRS**

**HB 1259**

# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Government and Veteran's Affairs Committee  
Missouri River Room, State Capitol

HB 1259  
March 25, 2011  
15994

☐ Conference Committee

Committee Clerk Signature

*Kathie Oliver*

## Explanation or reason for introduction of bill/resolution:

Relating to comparison of township officers.

## Minutes:

*No testimony attached.*

**Representative Glenn Froseth:** District 6. This bill is a straightforward bill it will allow for a compensation increase for the clerk and treasurer. It is currently limited to \$20 a day and it would bump it up to \$60 per day upon the approval of the township officers at their annual meeting. That is the entire content of the bill and I would urge a do pass.

**Chairman Dever:** I understand the provision in mileage will be equal with OMB rate.

**Representative Glen Froseth:** That is correct. I am not sure if they follow that guideline closely but that is what they are allowed.

**Chairman Dever:** Right now it say mileage not exceed the rate set by the IRS

**Representative Glen Froseth:** It limits the compensation to no more than \$2,000.

**Chairman Dever:** Over the years we have changed the provisions, school board members used to be limited to \$1,000 until we took the cap off.

**Representative Glen Froseth:** That is right but the township officers only meet 4 or 5 times a year unless it is a larger township that has more business.

**Senator Nelson:** You are making the same change 3 times?

**Representative Glen Froseth:** Yes; supervisors, clerks and treasures.

**Senator Cook:** What does a township accessor get paid?

**Representative Glen Froseth:** That is up to the townships unless it is in a separate statute.

**Larry Syverson:** North Dakota Township Association. After some discussion we added the stipulation that the electors would have to approve this change at the annual meeting. The reason seemed to be that the townships get involved and it takes a long time to get FEMA form filled out.

**Chairman Dever:** Is \$60 sufficient.

**Larry Syverson:** Not too many run into the \$1,000 limit. There are a few townships around Bismarck that have very high populations and workloads to they run to the max.

**Senator Cook:** Township accessor?

**Larry Syverson:** The ones that are appointed are hired and negotiated.

**Chairman Dever:** Officer or employee of the township?

**Larry Syverson:** It can be higher; the township can hire the accessor. In Trail County I think that 7 townships are using the same appraiser.

**Senator Cook:** Are you a supervisor, accessor or both?

**Larry Syverson:** Both get paid for both.

**Senator Nelson:** Line 17 & 18, what is the bit about not being allowed the balance not being appropriated to the successor.

**Senator Cook:** When did it got to \$1,000

**Larry Syverson:** Most likely 2005 or 2007

**Chairman Dever:** The range in populations in varied.

**Larry Syverson:** Apple and Hay creek have over 5,000 people in them and their tax base is greater than 7 of the counties so it is quite a job to manage.

**Senator Berry:** Cities/township, what kind of incorporation is there?

**Larry Syverson:** Townships were set up well before statehood. IN the northwest ordinance in the homestead act of 1862 they est. a system that 6 miles by 6 miles is a township. I think that right now it requires 20 people; it is not done too often anymore.

**Senator Berry:** How are their rules different than the city?

**Larry Syverson:** They have not as much power, we have a limited use of our funding and it must be revisited every 5 years. I believe that a lot of the officers wouldn't allow for more pay than that.

**Senator Cook:** Where do I go to get a list of all the townships in North Dakota?

**Senator Nelson:** What do you use for a list when you have a state meeting?

**Larry Syverson:** We have a list of our member townships and all the townships however we do not have census number on them.

# 2011 SENATE STANDING COMMITTEE MINUTES

**Senate Government and Veteran's Affairs Committee**  
Missouri River Room, State Capitol

HB 1259  
March 31, 2011  
16227

☐ Conference Committee

Committee Clerk Signature

*Katie Olin*

**Explanation or reason for introduction of bill/resolution:**

Relating to compensation of township officers.

**Minutes:**

*No testimony attached*

A motion for a do pass was made by Senator Schaible with a second by Senator Berry, there was no further discussion, roll was taken and the motion passed 7-0 with Senator Berry carrying the bill to the floor.

Date: 3/31/11  
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1259

Senate GVA Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment  
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Schaible Seconded By Benny

Senators	Yes	No	Senators	Yes	No
Chairman Dever	x		Senator Marcellais	y	
Vice Chairman Sorvaag	x		Senator Nelson	y	
Senator Barry	x				
Senator Cook	x				
Senator Schaible	x				

Total (Yes) 7 No 0

Absent \_\_\_\_\_

Floor Assignment Benny

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

**REPORT OF STANDING COMMITTEE**

HB 1259, as engrossed: **Government and Veterans Affairs Committee (Sen. Dever, Chairman)** recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1259 was placed on the Fourteenth order on the calendar.