

2011 HOUSE GOVERNMENT AND VETERANS AFFAIRS


HB 1336

2011 HOUSE STANDING COMMITTEE MINUTES

House Government and Veterans Affairs Committee
Fort Union Room, State Capitol

HB 1336
February 4, 2011 (First Set)
14049

Conference Committee

Committee Clerk Signature	
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Explanation or reason for introduction of bill/resolution:

Relating to the advisory commission on intergovernmental relations

Minutes:

Chairman Bette Grande opened the hearing on HB 1336.

Rep. Gary Kreidt, District 33, appeared in support of this bill. **Attachment 1.** Section 4 would repeal the advisory commission on intergovernmental relations. The attachment has the information in regard to the commission, who serves on the commission, and some of their functions and duties. I am an advocate and I feel as a public servant to try to work for less government. We don't like to see taxes go up. We don't like to develop new programs unless we feel they are really necessary. I like to give people back some of the money that they paid to the state, and we like to have some money left over when we leave the session in case of rainy day situations. I also serve on legislative management, and I felt I would like to look at some entity that I feel that really isn't necessary in government. Going through some of the commissions and committees that are out there, by looking at the representation who sits on this committee in regard to having bills introduced and work of the legislature, I personally felt that we can sure get along without this committee. There should be no difficulty for any entity out there with the 90 representatives and 47 senators that bills should be introduced. We have more than enough mechanisms and channels to be able to do that.

Rep. Lonny Winrich: The political subdivisions of the state are clearly a legislative responsibility. We have standing committees in both the house and the senate to deal with issues involving the political subdivisions. Is there any other place in statute, our procedures, or something where we kind of get representatives of all the political subdivisions together to deal with perhaps issues that might come before the legislature?

Rep. Gary Kreidt: Right off the top of my head, I am probably not aware of any situation. I could say through the interim with the interim committees that are meeting, there is always that time and possibility that with the number of committees that we do have that if there was a situation that some individual or entity needs to come forward with some type of legislation that is an ideal place where that could be reviewed and discussed at that time.

Vice Chairman Randy Boehning: Is this advisory commission able to present bills to us when we come into the session?

Rep. Gary Kreidt: I know they deal with bills. I know Rep. Ruby has served on that committee, and I believe they are able to do that.

Rep. Jeff Delzer, District 8, appeared in support. I look at it from somewhat of a different reason. We do have more than enough things that government does and anytime we can do away with something, that is fine. I think it is great for all of these independent political subdivisions that serve on this committee to get together and share ideas. They certainly have lots of ways to bring them forward. Every one of them has lobbyists that are here for the whole session. There isn't a single interim committee that doesn't hear from them on any issue that affects them in any way, shape, or form. The reason I brought this bill forward last time and support it again this time is from the experience when I was on legislative management one of the things that I noticed is we had set up certain committees and this is one of them where the legislature takes and makes itself a minority member of an interim committee which has more non legislative members who can vote and bring forward legislation through the interim process. To me that is just dead wrong. I have no problem listening to these groups. I think when they gather information and bring it forward, it is our job to listen to it. Our job as legislators is to represent the citizens of the state of North Dakota from our districts and their job is to represent their political subdivisions. There is a definite difference there. I think it is a case where the legislature is giving away some of its responsibilities and duties. I do not believe that is the proper way to go. Interim committees are set up that they answer to the legislative management committee which is an elected committee from our body, 17 members the way it is currently set up that will choose at the end of the legislative session. If they want to expand the duties that they are given, the chair of that particular interim committee has to come to the chairman of the legislative management committee and get permission. This particular committee, the way it is worded, has power to expand on their own, and I think that is also wrong.

Rep. Karen Karls: Can you give us a history of this committee? How long has it been in force and was it started out as a permanent committee?

Rep. Jeff Delzer: I can't give you the history of when it was put in. Certainly legislative council could get that for you. It is definitely a statutory committee so the legislature put it in. As long as it is in statute, it is a permanent committee.

Rep. Lisa Meier: Do we have an idea of how much legislation actually came from this intergovernmental committee this last year?

Rep. Jeff Delzer: I don't have that. The report came out. Most of us were here for the reporting and that big book is in there. It would have the report from this committee for the last interim, but I can't tell you how many bills actually came forward from it.

Rep. Vicky Steiner: Do you know the cost on this committee? The fiscal note?

Rep. Jeff Delzer: The cost to the legislature is whatever the staffing costs are and whatever the costs for the meetings for the four legislators. If for some reason you decide not to support doing away with this committee, the least you should do is look at putting more legislators on it, making the non legislative members nonvoting. I would much prefer that we did away with the committee. There are ample opportunities for all the political subdivisions. They can get together on their own. They can bring forward things. There is no shortage of ways for them to get their legislation forward.

Rep. Lonny Winrich: You said this committee has the power to expand on its own. Would you explain that please?

Rep. Jeff Delzer: Rep. Wrangham actually served on this committee a couple sessions. Yes, if the chairman so chooses. If you look at the duties, within those duties if you can make something fit that has not been given to them as a study—normally these committees are all given studies or things--the duties there are listed statutorily so if they think they can make it fit under that if the chairman so chooses, they can expand without asking the legislative management for the authority to do it because they have been given that in the statute. All the other interim committees the language is such that they must ask the chairman for any expansion.

Chairman Bette Grande: Rep. Karls, the committee was established in 1989.

Rep. Jeff Delzer: This is not meant derogatorily to any of these political subdivisions or lobbyists or the idea of receiving information from this. To me it is meant that we are giving away some of our responsibilities and I think that is wrong for the legislature.

Sandy Clark, North Dakota Farm Bureau, appeared in support. Our biggest issue is that this advisory commission is allowed to draft and submit bills to the legislature. We think that only legislators should be allowed to introduce bills. There are a lot of ways to introduce bills and these groups should have to follow the same process as any other group that wants to have something introduced. We also have concern that it operates as an interim committee. I unfortunately have not seen the fiscal note, but the state money that is involved to cover legislators but there is also money from the local political subdivisions because those representatives are being paid their expenses to attend. As taxpayers we pay for the state a share of those expenses, but we also pay for the local political subdivision shares. We also would have issue with the fact that the legislators on the committee are outnumbered by other entities. There are all kinds of ways to put together coalitions. There is nothing that impedes the political subdivisions from getting together individually to build their own coalition. We just don't think it needs to be in the century code. When it comes right down to it, it is just plain the principle involved.

Opposition:

Aaron Birst, Legal Counsel, North Dakota Association of Counties, appeared in opposition. **Attachment 2.** With all due respect to the bill sponsors, we disagree. I know during the session and many times you wouldn't think this but political subdivisions whether they are county, city, townships were entities and preachers of the state government to create a better government for the people and to repeal a committee that simply asks to

have a direct contact with the legislature for political subdivisions we think is a step backwards. As you can see, the fiscal note is \$15,000, a relatively small amount. Certainly when we talk about taxpayers' dollars any amount needs to be discussed. However, we would indicate that the \$15,000 is projected on this cost would simply be reallocated to other interim hearings because the legislature would still have to sit on those committees. With respect to Rep. Delzer, can the political subdivisions get bills introduced? Yes, we can and we do. Quite frankly the purpose of the ACIR is not to introduce bills. It is to provide a forum where we can talk as government to government to figure out what is the best system for the people. In response to Rep. Meier's question, there were four bills introduced this year from the ACIR committee. Two of those bills dealt with jail medical costs that the counties are having to bear seeking some help from the state to figure out how we can create a better program to cover jail costs. Another two of those bills came from bidding. These bidding bills were an opportunity for the political subdivisions to talk about some changes that could be made that could ultimately save the taxpayer money.

Rep. Lonny Winrich: You said there were four bills introduced in this session that came from the ACIR. Do you happen to have those bill numbers?

Aaron Birst: I can certainly get those for you.

Vice Chairman Randy Boehning: Would you be opposed to putting more legislators on the board so we would have a majority on that board?

Aaron Birst: No. Quite frankly the more legislators that want to get together in a formalized structure to talk with political subdivisions is a good idea. That is what we want. We want buy in. We want to create a partnership with the legislature so we don't have to come in to the legislature during the session and try to figure out where everybody is at. We want your involvement.

Chairman Bette Grande: What about the other suggestion that the only voting members would be the legislative members, the others would be ex officio?

Aaron Birst: I would certainly like to entertain something like that. Obviously I would have to go back to my people to make sure. The thought process isn't to empower some sort of political subdivision overriding the legislature's authority. The understanding is to try to get our issues in front of the legislature in a less stressful environment than the legislative session. The biggest factor is to keeping in place a formalized structure for us to meet with you.

Rep. Ron Guggisberg: If I understand this right the fiscal note is just for the cost of the legislators to attend the meeting?

Aaron Birst: That is correct. The political subdivisions pay their own way for that. Obviously this bill will generate a tremendous amount of discussion and in no way am I trying to downplay saving taxpayers money, but we have bills in the hundreds of millions of dollars running through this legislature and needed bills. This is a relatively small amount.

Rep. Lisa Meier: How many times did you meet last year before the session?

Aaron Birst: Don't hold me to this. I would say four to five times.

Rep. Ron Guggisberg: If this bill were to pass and, I realize this is just your opinion, do you think the organization would continue to meet similar to this only without the legislators?

Aaron Birst: I would guess so. From the counties' perspective we meet with our township and city folks more so than we do with the legislature, weekly almost. Would we still meet? Yes. Do we want the legislators to meet with us? Absolutely. Could we accomplish it? Yes. The problem is when you take out that formalized structure, there is the fear we are going backwards.

Ken Yantes, Executive Secretary, ND Township Officers Association, appeared in opposition. **Attachment 3.**

Terry Traynor, ND Association of Counties, appeared at **Connie Sprynczynatyk's, ND League of Cities,** request. She had testimony. It is from Mayor Don Frye from the city of Carrington. **Attachment 4.**

The hearing was closed.

The law intern handed out **Attachment 5** which was a background memorandum on advisory commission on intergovernmental relations.

2011 HOUSE STANDING COMMITTEE MINUTES

House Government and Veterans Affairs Committee
Fort Union Room, State Capitol

HB 1336
February 4, 2011(Second Set)
14049

Conference Committee

Committee Clerk Signature

Carmen Hart

Explanation or reason for introduction of bill/resolution:

Relating to the advisory commission on intergovernmental relations

Minutes:

Chairman Bette Grande opened the meeting on HB 1336.

Rep. Vicky Steiner: As you heard in the testimony we have some committees that do not have a majority of legislators on them. One of them is the Empower which the Department of Commerce runs which brings all the trade associations together to try and get them all sorted out on the energy policies that they will all bring unified to legislators. Philosophically I really have had a hard time with that concept, because normally they each come in. Wind comes in. Ethanol comes in. Oil comes in. Coal comes in. They come in on their own and says this is what we need for our industry, but the Empower has them meeting with, at that time it was former director Shane Goettle that was their chair, and they met all around the state and they come up with a and you will see that you received a real glossy brochure from the Department of Commerce on their policies. What we heard this morning was that legislators should be in the majority of these commissions that are recommending tax policy to us, and I just feel it is inconsistent. That is all. I agree this commission that we are talking about here may have outlived its usefulness, but at the same time I don't know how I feel about inconsistent policies.

Rep. Glen Froseth: If it is the committee's wish to try to save this committee, I would move an amendment that we reduce the number of members to 9. This is the way I would reduce them. League of Cities from 2 to 1, Association of Counties from 2 to 1, 1 township officer which is presently the same, 1 school board member which is presently the same, increase the legislators from 4 to 5, and eliminate the Park and Recreation Association because they should come under this same per view as cities. In visiting with a couple of the members out here, they said the governor's designee never shows up anyway, so we could dispense with him. That would give 5 legislators and 4 other appointees.

Chairman Bette Grande: Cities, counties, townships, ...

Rep. Glen Froseth: and school boards, 1 each and 5 legislators.

Chairman Bette Grande: Then are you making those 4 ex officio? It means they don't have a vote.

Rep. Glen Froseth: Who doesn't vote now?

Chairman Bette Grande: They all vote now.

Rep. Glen Froseth: I think they should all vote. I would move that as an amendment.

There was a second. It sounded like Rep. Boehning

Rep. Lonny Winrich: My remarks are similar to what Rep. Steiner said. I don't see this as a great problem. I think we do it in other areas as well not just the Empower thing. The argument that legislation should only be introduced by legislators I think is a bit of a red herring. I pulled a few of the bills that Mr. Yantes referred to as coming from the advisory commission on intergovernmental relations. They look exactly like the bills that come from the interim committees. One of the first ones in our book, for example, was 1031 which came from the government services committee which is a committee of all legislators, but it says introduced by legislative management and then in parentheses government services committee. The senate bills that came from the advisory commission are also introduced by legislative management advisory commission on intergovernmental affairs. We often see bills that are introduced by the finance and tax committee at the request of the tax commissioner or various other administrative agencies. In fact there is a separate deadline for when administrative agencies can submit their bills. There are many mechanisms for getting a bill before the legislature and what we have essentially evolved over the years is a set of procedures so that they come through a legislative committee or a particular set of legislators, or something like that. I found Mr. Yantes' testimony very compelling. I don't know of another interim committee that has the kind of record this one came up with. Usually when a bill comes out of an interim committee, it almost is a kiss of death. If they have already had two bills pass the senate from their committee that speaks some level of success that I think probably means they are doing their job pretty well. I would oppose the proposed amendment and oppose the bill.

Chairman Bette Grande: Does anybody know if the Empower commission writes legislation? I don't believe they can submit legislation. They may be at the table, and they may work on issues, but I don't believe they submit legislation. I would guess that maybe it would come out of the Chamber. To the issue of the legislative committees offering legislation versus this commission offering legislation, again we go back to majority legislators, and I think that is a critical point to this. I have no problem with everybody at the table. I have a problem with that it should be legislators legislating and putting forth the legislation. If our citizens or a citizen group wants something put forward, they have to come through us. More often than not we will put those pieces in and sometimes it is not the best piece of legislation but we have done it for our constituents. They come to the table through their legislators. I think these associations should really be doing the same and that is coming through a legislative body. Without the amendment, I believe the commission should go away.

Rep. Karen Karls: I could remind you too that we have other groups that do this like the governor's commission on education improvement. They most definitely have a minority of legislators and they most definitely put forth legislation.

Rep. Ron Guggisberg: I like the idea in the amendment that gives only legislators voting powers, but I don't know taking these other members out is really going to help much if they are non voting members. In Fargo, the park district is separate from the city, and some cities are set up that way. The League of Cities is a very big organization, and they may want more than one. I don't think it is too much to ask for them to have two members, same with the counties.

Chairman Bette Grande: I believe they have two because I think they break up by population. I think the counties do the same. I think they try to send it from small city, larger city and smaller county, larger county, population wise. For me I would be more comfortable with allowing the same group and if the governor's designee isn't coming, I don't see where it is a benefit to have the governor's designee on the committee anyway. I wouldn't mind that that group is together, but I would only support it if it is ex officio. To me that is important. We are elected to do that job and they are paid to do theirs. We need to keep that in mind.

Rep. Vicky Steiner: I receive emails from Justin Dever from Department of Commerce, and I think the Department of Commerce brings forth a joint legislative proposal. I don't know if it is formal or informal, but Justin Dever is down here keeping track to see that the Empower bills move forward. You still have nonelected people allowed to use agency influence. I think it is a good idea to have legislators in control of something like this.

Rep. Gary Paur: If you wanted to keep the size smaller, a person could reduce the number of legislators and make the non legislators ex officio.

Chairman Bette Grande: Committee of two? There are only four legislators. I think moving it to five isn't too bad of a deal.

Rep. Karen Rohr: When Mr. Birst said if this would be repealed and there would be no committee, they would still meet as a coalition and still get the work done, still propose legislation through a legislator. I think it is redundancy of services and process. I would support a repeal of the bill.

Chairman Bette Grande: Soon everyone will have served on an interim committee. We have these groups in the committees all the time. It is not as if they are not being heard. I think they want to try and have a uniform voice. I understand that side of it.

Rep. Karen Rohr: Look at Governor Sinner's memo. He didn't say that they needed a commission. He said they needed a forum and a coalition would suffice for that.

Chairman Bette Grande: As a forum for discussion and resolution, right.

Rep. Ron Guggisberg: The point I was getting at when I asked him that question was they are still going to meet and they are going to come up with ideas for bills. We just

aren't going to have any input on it. I think it is important that we have input on it. Certainly they can still talk to their local legislators. I don't know how the interim committee appointment process works, but I am assuming that if it has to do with this committee, we would appoint people from this committee or people who worked on it in the past instead of them just talking to their local legislators who may not be as up on the issue. I think it is important to keep this committee together the way it is. They will be meeting as groups whether they are elected or appointed to that position. They will be there officially and legislators can pick and choose who they want to come.

Rep. Lisa Meier: I do like Rep. Froseth's ideas to scale back this committee a little bit. I think it is important that the legislators have input still with the bills that they are bringing forward. I hope we can move this amendment.

Chairman Bette Grande: With Rep. Froseth's amendments I am going to have to go with Rep. Guggisberg said. Our Park and Rec is a separate board, separate mills, separate everything. To say that they are under the city if you are going to say that, then school board is under the city. If you are not going to put Park and Rec at the table then school board doesn't need to be at the table. I caution that pulling out and taking away Park and Rec's chance at the table because they are small enough already. We take and remove them from the table--if the idea is that we are going to have people at the table, I think you let them be at the table. I think we are wrong to take them away from the table. Maybe some small communities' Parks and Recs are run differently and everything, but I know ours isn't. Any of the other larger cities want to weigh in on that you can. I don't see how we can justify taking them away from the table if all they are going to do is be at the table.

Rep. Karen Rohr asked for a review.

Chairman Bette Grande: Under Rep. Froseth's amendment it is one for city, one for county, one for township, one for school board, 5 for legislative, and you were still allowing everyone to vote. Am I correct? Rep. Froseth replied yes. That is the amendment offered.

Rep. Mark Sanford: When I read this it seems to me that what this commission does is make recommendations on legislation. I don't read that they get legislation introduced automatically. They have to make a recommendation that goes to the legislative management, and legislative management decides how to dispose of it. They can accept, reject, or modify so if I am reading that correctly, I think some of what we heard this morning sounded like they could go directly and had the access to introducing legislation without any checks or balances. What this job description says is that they have to report to legislative management and legislative management disposes of it as they see fit.

Chairman Bette Grande: Agreed. We have Rep. Froseth's amendment, seconded by Rep. Meier.

Rep. Lisa Meier: Just so I am clear then. This board would be made up of 10 members?

Chairman Bette Grande: He has 9.

Rep. Lisa Meier: If we have five legislators and include the

Chairman Bette Grande: Are you offering an amendment to his amendment or are you going to withdraw your second to his amendment?

Rep. Lisa Meier: I will withdraw my second, and then I will add an additional amendment.

Chairman Bette Grande: We have to wait to see if his amendment is seconded. Does anybody wish to second Rep. Froseth's amendment? There was a lack of a second. Do you wish to offer an amendment Rep. Meier?

Rep. Lisa Meier: I do. What I wish to offer is I do think in our conversation in keeping the park association involved. That is really important, because I know, personally, Bismarck is a large area, Fargo as well. It think it is important to have representation from the Park Association so I would put forth an amendment to keep the ND Recreation and Park Association and then with that would bring the committee back up to ten. I offer that amendment to what Rep. Froseth was stating earlier.

Chairman Bette Grande: You are 5 and 5 now?

Rep. Lisa Meier: Five and five.

Chairman Bette Grande: Is everybody still voting?

Rep. Lisa Meier: Everyone is still voting, correct.

Vice Chairman Randy Boehning seconded Rep. Meier's amendment.

Voice vote was tried but went to a roll call vote.

AMENDMENT ADOPTED. 7 YEAS, 6 NAYS.

Vice Chairman Randy Boehning made a motion for a **Do Pass as amended.**

Rep. Lisa Meier seconded the motion.

Chairman Bette Grande: The bill has been changed to the fact that we are not dissolving the committee anymore and we are hoghousing it to say we are keeping it and we are going to change the membership down to one city, one county, one township, one rec and park, one school board, and 5 legislators.

DO PASS AS AMENDED, 8 YEAS, 5 NAYS. Rep. Lonny Winrich is the carrier of this bill.

2011 HOUSE STANDING COMMITTEE MINUTES

House Government and Veterans Affairs Committee
Fort Union Room, State Capitol

HB 1336
February 11, 2011
14450

Conference Committee

Committee Clerk Signature

Carmen Hart

Explanation or reason for introduction of bill/resolution:

Relating to the advisory commission on intergovernmental relations

Minutes:

Chairman Bette Grande opened the discussion on HB 1336.

Rep. Glen Froseth: I would move we reconsider our action whereby we give a Do Pass to HB 1336.

Rep. Lisa Meier seconded the motion.

A voice vote was taken. Motion carried.

Chairman Bette Grande: That bill dealt with the makeup of the intergovernmental commission committee. You made some amendments. We put them on. I would really like to reconsider those amendments if we could.

Rep. Glen Froseth: I don't think we improved this bill whatsoever with the amendment. I think we probably did more harm to it than anything. Just reducing the number of people on the commission really isn't going to change the charge of the direction of the committee whatsoever. We could have just as well left the bill the way it is and give it a do not pass as to put the amendment on, but we did.

Chairman Bette Grande: We have reconsidered our action. What I would like is a motion to remove those amendments to go back to the original bill.

Rep. Lonny Winrich: I believe then we would require a motion to reconsider our action whereby we approved the amendments.

Chairman Bette Grande: Yes. There we go. I was trying to get to that wording.

Rep. Lonny Winrich made the motion.

Rep. Glen Froseth seconded the motion.

Chairman Bette Grande: After we got back to the floor and I looked at that and one of the key things to that bill was the fact—what we did was we took one away from the county, one away from the cities. There is a reason we do that. The small cities do need representation. The larger city does need representatives. The smaller population county versus the larger population county, and I think we messed it up more than we fixed it if that is what the committee was thinking it was doing. I would like to go back more to the intent of why the bill was in front of us. One was to eliminate that, but the other part of the discussion was the legislative vote being less than the non legislative vote. If we were going to offer a fix to this, I think the only amendment that would make it palatable would be that those would become ex officio members to the legislator bringing each group to the table for legislative discussion with legislators. I think that was more the intent in the discussion. I have no preference. I just would rather send something to the floor that was a little more palatable than what we had turned out.

A voice vote was taken to reconsider action on amendment. Motion carried.

Vice Chairman Randy Boehning made a motion for a **Do Pass as amended.**

Rep. Karen Rohr seconded the motion.

Rep. Lonny Winrich: This is on the original bill, eliminate the commission entirely.

Rep. Vicky Steiner: I will be voting against this just because we have other groups that do this also, and I wanted to see a bill with all of them. I don't like singling one. I was told we are going to do one and we will take up the others next session, but I would like to see it all at once.

Rep. Ron Guggisberg: I will also be voting against this. We had testimony that these groups would still be meeting without us probably. I think this sends a message that we don't want to participate with them. I understand the concern of them having more votes than us, but if I understand it correctly, the votes really don't matter anyway. They are just suggesting bills for us to hear, and then we make the decision as a legislature. Whether they vote or not I guess doesn't really matter to me.

DO PASS. 7 YEAS, 6 NAYS. Vice Chairman Randy Boehning is the carrier of this bill.

FISCAL NOTE

Requested by Legislative Council
01/18/2011

Bill/Resolution No.: HB 1336

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			(\$12,937)		(\$12,937)	
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill repeals North Dakota Century Code Chapter 54-35.2 and NDCC Section 54-40.3-03 establishing the Advisory Commission on Intergovernmental Relations.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The bill would reduce the Legislative Council's 2011-13 expenditures by \$12,937 from the general fund.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

N/A

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditures amounts reflect the estimated reduction of expenditures for the 2011-13 and 2013-15 bienniums relating to expenses associated with the Advisory Commission on Intergovernmental Relations.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The 2011-13 budget request for the Legislative Council includes funding of \$12,937 from the general fund for expenses associated with the Advisory Commission on Intergovernmental Relations.

Name:	Allen H. Knudson	Agency:	Legislative Council
Phone Number:	328-2916	Date Prepared:	01/19/2011

February 4, 2011

VK
2/4/11
1082

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1336

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 54-35.2-01 of the North Dakota Century Code, relating to the membership of the advisory commission on intergovernmental relations.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-35.2-01 of the North Dakota Century Code is amended and reenacted as follows:

54-35.2-01. Advisory commission on intergovernmental relations - Membership - Terms - Meetings.

1. The advisory commission on intergovernmental relations consists of ~~twelve~~ten members:
 - a. The North Dakota league of cities executive committee shall appoint ~~two members~~one member of the commission.
 - b. The North Dakota association of counties executive committee shall appoint ~~two members~~one member of the commission.
 - c. The North Dakota township officers association executive board of directors shall appoint one member of the commission.
 - d. The North Dakota recreation and park association executive board shall appoint one member of the commission.
 - e. The North Dakota school boards association board of directors shall appoint one member of the commission.
 - f. ~~The governor or the governor's designee is a member of the commission.~~
 - g. The legislative management shall appoint ~~four~~five members of the legislative assembly as members of the commission.
2. The legislative management shall designate the chairman and vice chairman of the commission.
3. All members of the commission shall serve for a term of two years, beginning July first of each odd-numbered year, and may be reappointed for additional terms.
4. If any member of the commission resigns or ceases to be a member of the class the member represents, that person's membership on the commission ceases immediately and the appropriate appointing authority may appoint a new member for the remainder of the term.
5. The commission shall meet at least semiannually."

2082

Renumber accordingly



Date: 2-4-11
 Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 1336

House GOVERNMENT AND VETERAN AFFAIRS 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 Meier Seconded By Boehning

Representatives	Yes	No	Representatives	Yes	No
Chairman Bette Grande		✓	Bill Amerman		✓
Vice Chairman Randy Boehning	✓		Ron Guggisberg		✓
Glen Froseth	✓		Lonny Winrich	✓	
Karen Karls	✓				
Lisa Meier	✓				
Gary Paur		✓			
Karen Rohr		✓			
Mark Sanford		✓			
Vicky Steiner	✓				
Roscoe Streyle	✓				

Total (Yes) 7 No 6

Absent 0

Floor Assignment _____

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

amendment adopted

Date: 2-4-11
 Roll Call Vote #: 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 1336

House GOVERNMENT AND VETERAN AFFAIRS 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 Boehning Seconded By Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Bette Grande		<input checked="" type="checkbox"/>	Bill Amerman	<input checked="" type="checkbox"/>	
Vice Chairman Randy Boehning	<input checked="" type="checkbox"/>		Ron Guggisberg		<input checked="" type="checkbox"/>
Glen Froseth	<input checked="" type="checkbox"/>		Lonny Winrich	<input checked="" type="checkbox"/>	
Karen Karls	<input checked="" type="checkbox"/>				
Lisa Meier	<input checked="" type="checkbox"/>				
Gary Paur		<input checked="" type="checkbox"/>			
Karen Rohr		<input checked="" type="checkbox"/>			
Mark Sanford		<input checked="" type="checkbox"/>			
Vicky Steiner	<input checked="" type="checkbox"/>				
Roscoe Streyle	<input checked="" type="checkbox"/>				

Total (Yes) 5 No 5

Absent 0

Floor Assignment Winrich

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

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

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1336

House GOVERNMENT AND VETERAN AFFAIRS 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 Froseth Seconded By Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Bette Grande			Bill Amerman		
Vice Chairman Randy Boehning			Ron Guggisberg		
Glen Froseth			Lonny Winrich		
Karen Karls					
Lisa Meier					
Gary Paur					
Karen Rohr					
Mark Sanford					
Vicky Steiner					
Roscoe Streyle					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

*Voice
Vote
to reconsider
action
on
motion
carried
1336*

Date: 2-11-11
Roll Call Vote #: 24

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1336

House GOVERNMENT AND VETERAN AFFAIRS 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 Winrich Seconded By Froseth

Representatives	Yes	No	Representatives	Yes	No
Chairman Bette Grande			Bill Amerman		
Vice Chairman Randy Boehning			Ron Guggisberg		
Glen Froseth			Lonny Winrich		
Karen Karls					
Lisa Meier					
Gary Paur					
Karen Rohr					
Mark Sanford					
Vicky Steiner					
Roscoe Streyle					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

*Vote to
vote to
reconsider action
on amendment
on 1336
motion
carried*

Date: 2-11-11
 Roll Call Vote #: 3

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1336

House GOVERNMENT AND VETERAN AFFAIRS 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 Boehning Seconded By Rohr

Representatives	Yes	No	Representatives	Yes	No
Chairman Bette Grande	✓		Bill Amerman		✓
Vice Chairman Randy Boehning	✓		Ron Guggisberg		✓
Glen Froseth	✓		Lonny Winrich		✓
Karen Karls		✓			
Lisa Meier		✓			
Gary Paur	✓				
Karen Rohr	✓				
Mark Sanford	✓				
Vicky Steiner		✓			
Roscoe Streyle	✓				

Total (Yes) 7 No 6

Absent 0

Floor Assignment Rep Boehning

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

REPORT OF STANDING COMMITTEE

HB 1336: Government and Veterans Affairs Committee (Rep. Grande, Chairman)
recommends **DO PASS** (7 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING).
HB 1336 was placed on the Eleventh order on the calendar.

2011 SENATE JUDICIARY


HB 1336

2011 SENATE STANDING COMMITTEE MINUTES

Senate Judiciary Committee
Fort Lincoln Room, State Capitol

HB1336
3/22/11
Job #15847

Conference Committee

Committee Clerk Signature 

Explanation or reason for introduction of bill/resolution:

Relating to the advisory commission on intergovernmental relations

Minutes:

There is attached testimony

Senator Nething- Chairman

Representative G. Kreidt – District 33 – Introduces the bill and provides a handout. He said his concern with this committee is that there are a number of bills coming as a result of this committee. He says with amount of legislators there shouldn't be a problem for someone who wants to bring in a bill if they so desire. He thinks the advisory committee is outdated and the intent of this bill is to eliminate the committee.

Senator Nething – Asks if he or any of the other sponsors have served on the commission.

Rep. Kreidt – Said he believes Rep. Wrangham and Rep. Ruby have served on it in the past.

Senator Nelson – Asks where the money they would be saving is coming from.

Rep. Kreidt – The savings comes from what they are paid to sit on this committee, it is a small amount of money.

Senator Nelson – Doesn't understand why he would be opposed to a political subdivisions interim committee.

Rep. Kreidt – Said he feels that non-elected individuals shouldn't be bringing bills forward. He said these entities have lobbyists and have the opportunity to bring bills to the legislators.

Senator Olafson – Asks him he thinks there is some merit to sub-committees coming to the Legislature united rather than having them fight once the Legislative session is on.

Rep. Kreidt – Says he doesn't have a problem with that if they bring the bill to an elected official to put in for them.

Senator Nething – Said it his understanding they can only make recommendations to Legislative Mgmt. and they would do the actual introduction of the bills.

Rep. Kreidt – Said his discussion with individuals is that bills are being introduced by this committee.

Senator Nething – Comments that he thinks the Representative is getting the wrong interpretation. He says the rules are that everything has to go through Legislative Mgmt.

Rep. Kreidt – Responds he is a member of Legislative Mgmt. and does not recall bills from this session coming to that committee.

Senator Sitte – Asks if he is saying this is an allegation of legislative authority.

Rep. Kreidt – Replies yes that is his personal opinion.

Senator Sitte – Asks if legislative mgmt. would be open to having an interim committee on political subdivisions that would study these issues.

Rep. Kreidt – Said he would have no opposition to that.

Sandy Clark – ND Farm Bureau – In support for the same reasons the sponsor has indicated. Their concern is that they still be able to submit to Legislative Mgmt. They believe bills should only be brought in by elected officials.

Senator Nething – Says he believes there is a mis-impression of how these committees function. He said as he understands it the only people that get paid are legislators, the rest the organizations pay them.

Opposition

Aaron Birst – Association of Counties – See written testimony. He also hands out testimony for Ken Yantes who was here to testify but had to leave unexpectedly.

Senator Nething – Said as he recalls the ACIR only represents governmental bodies, there is no private interest on it.

Birst – States that is correct, the counties submit 2 members, the cities submit 2 members, township officers submit 1 member, parks & rec submit 1 member, school boards submit 1 member, the Governor submits 1 member and Legislative Council appoints 4 legislators.

Senator Sitte – Asks if the members on the ACIR are all elected officials or are some of them lobbyists.

Birst – Said it is hard to answer but they are not a private lobbyist entity. He said from a township standpoint they go to their elected membership to sit on that committee.

Senator Sitte – Asks if he thinks a political subs interim committee could function and resolve the issues for you and get over the whole idea of an appointed commission proposing legislation.

Birst – Said he doesn't think you have to reinvent the wheel when we already have a process that works well.

Jerry Hjelmstad – ND League of Cities – Hands out a copy of the chapter that would be repealed by this bill. He goes on to explain.

Senator Nething – Asks how often the commission meets.

Hjelmstad – Replies every 2 or 3 months.

Neutral – 0

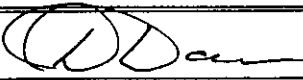
Close the hearing 1336

2011 SENATE STANDING COMMITTEE MINUTES

Senate Judiciary Committee
Fort Lincoln Room, State Capitol

HB1336
3/22/11
Job #15831

Conference Committee

Committee Clerk Signature 

Explanation or reason for introduction of bill/resolution:

Relating to the advisory commission on intergovernmental relations.

Minutes:

Senator Nething – Chairman

Senator Nelson moves a do not pass
Senator Sorvaag seconded

Discussion

Senator Sitte says she will oppose this. Senator Nething relates his experience on the Intergovernmental Commission. He says there have been other times to repeal it but the Senate has always taken the position that there is some merit to it. Senator Lyson said he also served on it and thought it was a good experience. Senator Olafson says there has been a real benefit. He thinks there is great unity between the political subdivisions and not any in-fighting which he thinks would occur if not for this vehicle for them to discuss their needs and how to approach the Legislature.

Roll call vote – 5 yes, 1 no

Senator Olafson will carry

Date: 3/22/11
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1336

Senate Judiciary 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 Senator Nelson Seconded By Senator Sorvaag

Senators	Yes	No	Senators	Yes	No
Dave Nething - Chairman	X		Carolyn Nelson	X	
Curtis Olafson - V. Chairman	X				
Stanley Lyson	X				
Margaret Sitte		X			
Ronald Sorvaag	X				

Total (Yes) 5 No 1

Absent _____

Floor Assignment Senator Olafson

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

REPORT OF STANDING COMMITTEE

HB 1336: Judiciary Committee (Sen. Nething, Chairman) recommends DO NOT PASS
(5 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1336 was placed on the
Fourteenth order on the calendar.

2011 TESTIMONY

HB 1336

CHAPTER 54-35.2
STATE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

54-35.2-01. Advisory commission on intergovernmental relations - Membership - Terms - Meetings.

1. The advisory commission on intergovernmental relations consists of twelve members:
 - a. The North Dakota league of cities executive committee shall appoint two members of the commission.
 - b. The North Dakota association of counties executive committee shall appoint two members of the commission.
 - c. The North Dakota township officers association executive board of directors shall appoint one member of the commission.
 - d. The North Dakota recreation and park association executive board shall appoint one member of the commission.
 - e. The North Dakota school boards association board of directors shall appoint one member of the commission.
 - f. The governor or the governor's designee is a member of the commission.
 - g. The legislative management shall appoint four members of the legislative assembly as members of the commission.
2. The legislative management shall designate the chairman and vice chairman of the commission.
3. All members of the commission shall serve for a term of two years, beginning July first of each odd-numbered year, and may be reappointed for additional terms.
4. If any member of the commission resigns or ceases to be a member of the class the member represents, that person's membership on the commission ceases immediately and the appropriate appointing authority may appoint a new member for the remainder of the term.
5. The commission shall meet at least semiannually.

54-35.2-02. Functions and duties. The advisory commission on intergovernmental relations shall:

1. Serve as a forum for the discussion of resolution of intergovernmental problems.
2. Engage in activities and studies relating to the following subjects:
 - a. Local governmental structure.
 - b. Fiscal and other powers and functions of local governments.
 - c. Relationships between and among local governments and the state or any other government.
 - d. Allocation of state and local resources.

- e. Interstate issues involving local governments, including cooperation with appropriate authorities of other states.
 - f. Statutory changes required to implement commission recommendations.
3. Present reports and recommended legislative bills to the legislative management for consideration in the same manner as legislative management interim committees.
 4. Prepare model ordinances or resolutions for consideration by officials of political subdivisions.

54-35.2-02.1. Local government efficiency planning grants. Repealed by S.L. 1999, ch. 468, § 1.

54-35.2-03. Staff services. The advisory commission on intergovernmental relations may request provision of appropriate staff services from the legislative council.

54-35.2-04. Finances.

1. A member of the advisory commission on intergovernmental relations who is a member of the legislative assembly is entitled to receive, from funds available to the commission, compensation per day for each day spent in attendance at commission meetings in the same amount as provided for members of the legislative management and reimbursement for travel and other necessary expenses incurred in the performance of official duties in the amounts provided by law for other state officers. Members of the advisory commission on intergovernmental relations who are appointed by an organization representing political subdivisions may be reimbursed for attendance at commission meetings by the organization by which they were appointed.
2. The commission may apply for, contract for, receive, and expend for its purposes any appropriation or grant from any public or private source.
3. Political subdivisions of the state may appropriate funds to the commission to share in the cost of its operations.

54-35.2-05. Reports. The advisory commission on intergovernmental relations shall report its findings and recommendations and any proposed legislation necessary to implement the recommendations to the legislative management at the time and in the manner reports are made by interim committees of the legislative management. The legislative management may accept, reject, or amend the report of the advisory commission on intergovernmental relations. The legislative management shall include the report, or any portion of it, as accepted, rejected, or amended, in the legislative management's final report. Copies of the report of the advisory commission on intergovernmental relations, as accepted, rejected, or amended by the legislative management, must be available to counties, cities, townships, appropriate state departments and agencies, and the public.

Attachment 2
1336

**Testimony To The
HOUSE GOVERNMENT & VETERANS AFFAIRS COMMITTEE
Prepared February 4th, 2011
Aaron Birst, Legal Counsel
North Dakota Association of Counties**

CONCERNING HOUSE BILL No. 1336

Chair Grande and members of the Government and Veterans Affairs Committee, I am here on behalf of the North Dakota Association of Counties to oppose the repeal of chapter 54-35.2 in House Bill 1336, which would eliminate the Advisory Commission on Intergovernmental Relations (ACIR).

Local government leaders and their organizations worked very hard for the creation of the ACIR and we believe that it has served, and continues to serve, a valuable purpose for North Dakota. This is the only formal, permanent link between State and local government for the discussion and resolution of issues that cut across the various authorities and responsibilities.

Unlike schools, which have the Department of Public Instruction and two regular Legislative interim committees; counties, cities, townships, and park districts did not have this official representation at the State government level before the ACIR was created. The ACIR gave these local government entities a connection to the Legislature when the standing political subdivisions committees are not meeting.

The ACIR benefits the Legislature as well as the political subdivisions by providing an official forum for these governmental entities to bring forth their issues and concerns. These concerns can then be addressed collectively and hopefully resolved in a collective manner, rather than forcing each group to appear before the Legislature with unilateral proposals to address individual concerns.

An extraordinary example of where the ACIR committee provided a forum where many complex and sensitive issues could be fully flushed out occurred last session with the area of extra territorial jurisdiction. Because of the work done during the interim by the ACIR, all sides had a better understanding of the issues which would not have been possible during a legislative session hearing. A less controversial issue the ACIR reviewed this last interim was bidding limits and trademark names. Although it may not sound like much this proposal could end up saving taxpayers thousands of dollars. The bottom line is the ACIR provides an opportunity for all government entities to create a better government for the people.

As this Committee is likely aware, of the eleven ACIR members, four are Legislators and the balance are appointed by several “organizations representing political subdivisions”. Section 54-35.2-04 states that “*members of the advisory commission on intergovernmental relations who are appointed by an organization representing political subdivisions may be reimbursed for attendance at commission meetings by the organization by which they were appointed.*” Clearly, a significant share of the financial support of this Commission lies with the political subdivisions. Counties have very willingly provided this support in the past and are committed to its continuation. As the fiscal note shows, the cost of this committee is very small, particularly when compared to the large benefit it produces.

Chair Grande and committee members, county government believes that the ACIR is of great value, and should remain in-place. We therefore request a Do Not Pass recommendation on House Bill 1336.

HB1336

House Government and Veterans Affairs Committee Testimony by ND Township Officers Association

By Ken Yantes

Chairman Grande and Members of the House Government and Veterans Affairs Committee.

My name is Ken Yantes; I am the Executive Secretary of just under 6000 of this states locally elected grassroots government leaders... The ND Township Officers Association.

We have developed policy at our annual membership meetings that supports the continuance of the ACIR. We ask that you give HB1336 a do not pass to allow the Advisory Commission on Governmental Relations to continue to serve the political subdivisions of our state.

I have brought with me a letter which I received in August of 1988 from Democratic Governor George Sinner. At the time I was serving as Chairman of the District 15 Republican Party. I would like you to have a copy to read.

Chairman Grande, this committee has served in place of a committee on political subdivisions ever since 1988. In the 1989 Legislative Session a bill was passed establishing the ACIR in Century Code.

This committee's citizen members are funded by the organizations that they represent at no cost to our state government. The two Senators and two Representatives receive funding through the normal interim process.

From 1988 to 2010 I missed only one meeting as a member of the ACIR.

I well remember how it used to be before the ACIR was established. The governmental entities of our state would fill the hearing rooms and hallways waiting to appear in front of a committee to offer contradictory testimony and would waste many hours of the legislator's time.

Governor Sinner recognized this problem and established a forum whereby the governmental entities of ND could come together and discuss their differences and come to a reasonable settlement. This forum was the ACIR.

This process really works; the toolbox bill that was passed so long ago was a creation of the ACIR. It said that governmental entities could cooperate to create efficiency and effectivity in local government.

The 2010 accomplishments of the ACIR are worth considering. We submitted five bill drafts to the Legislative Management for their consideration. All five bills have received unanimous committee do pass recommendations. SB2024, SB2025, SB2026 and SB2028 passed the Senate by a 47-0 margin and SB2027 passed the Senate by a 42-2 margin. This is a very good record for any Interim Committee. We very carefully consider the testimony that comes before us and have been making responsible decisions as our record indicates.

To do away with this forum for discussion would be folly.

It would surely cost a great deal more money to have a Political Subdivision Committee paid out of tax dollars to serve in the same capacity.

Without the ACIR, I can see a lot of extra bills and effort expended trying to reach a settlement during the legislative sessions.

Please let us have this forum for discussion of governmental problems.

Vote a Do Not Pass on HB1336.



GEORGE A. SINNER
GOVERNOR

State of North Dakota

OFFICE OF THE GOVERNOR
BISMARCK, NORTH DAKOTA 58505
(701) 224-2200



NORTH DAKOTA
CENTENNIAL

AUG 15 1988

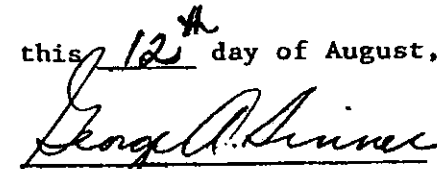
EXECUTIVE ORDER 1988-6

I, GEORGE A. SINNER, GOVERNOR OF THE STATE OF NORTH DAKOTA, BY THE AUTHORITY VESTED IN ME, DO HEREBY CREATE AND ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS. THE COMMISSION WILL CONSIST OF ELEVEN MEMBERS SELECTED AS FOLLOWS: TWO MEMBERS APPOINTED BY THE PRESIDENT OF THE NORTH DAKOTA LEAGUE OF CITIES; TWO MEMBERS APPOINTED BY THE PRESIDENT OF THE NORTH DAKOTA ASSOCIATION OF COUNTIES; ONE MEMBER APPOINTED BY THE PRESIDENT OF THE NORTH DAKOTA TOWNSHIP OFFICERS ASSOCIATION; FOUR MEMBERS APPOINTED BY THE CHAIRMAN OF THE LEGISLATIVE COUNCIL; THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET AND THE GOVERNOR OR AN APPOINTEE OF THE GOVERNOR, WHO WILL CHAIR THE COMMISSION. THE MEMBERS OF THE COMMISSION, EXCEPT FOR THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET AND THE GOVERNOR, WILL SERVE FOR A TERM OF TWO YEARS, BEGINNING JULY 1 OF EACH ODD-NUMBERED YEAR AND MAY BE REAPPOINTED FOR ADDITIONAL TERMS. THE COMMISSION WILL MEET AT LEAST SEMI-ANNUALLY. THE ADVISORY COMMISSION WILL SERVE AS A FORUM FOR DISCUSSION AND RESOLUTION OF INTERGOVERNMENTAL PROBLEMS RELATING TO THE STRUCTURE OF LOCAL GOVERNMENT, THE FISCAL AND OTHER POWERS AND FUNCTIONS OF LOCAL GOVERNMENT, RELATIONSHIPS BETWEEN AND AMONG LOCAL GOVERNMENTS AND THE STATE OR ANY OTHER GOVERNMENT, ALLOCATION OF STATE AND LOCAL RESOURCES, AND INTERSTATE ISSUES INVOLVING LOCAL GOVERNMENTS. THE COMMISSION MAY APPLY FOR, CONTRACT FOR, RECEIVE, AND EXPEND FOR ITS PURPOSES ANY APPROPRIATION OR GRANT FROM ANY PUBLIC OR PRIVATE SOURCE. IT WILL REPORT ITS FINDINGS AND RECOMMENDATIONS AND ANY PROPOSED LEGISLATION NECESSARY TO IMPLEMENT THE RECOMMENDATIONS TO THE GOVERNOR, WHO MAY ACCEPT, REJECT OR AMEND THE REPORT OF THE COMMISSION.

THIS ORDER IS ISSUED UPON THE FOLLOWING BASES AND FOR THE FOLLOWING REASONS:

1. The Governor is vested with the executive authority pursuant to Article V, Section 1 of the North Dakota Constitution.
2. There is a substantial need for a forum for the discussion and resolution of intergovernmental problems before they reach crisis proportions.

Executed at Bismarck, North Dakota, this 12th day of August, 1988.


GEORGE A. SINNER
Governor

ATTEST:


Secretary of State

BY 
Deputy

Attachment 4
1336

House Government and Veteran Affairs
February 4, 2011

House Bill 1336

Repeal of the Advisory Commission on Intergovernmental Relations

Chair Representative Grande and Members of the Committee, My name is Donald Frye Mayor of the City of Carrington. I am also presently a member of the Commission representing cities. I provide this testimony for a Do Not Pass on the repeal of the Advisory Commission on Intergovernmental Relations.

This Commission provides an opportunity for all segments of North Dakota government to interact, during the times when the legislature is not in session, to address important issues that face all elected officials. Not only does it provide time to meet to discuss study issues that are adopted during the session. It also provides for a forum to point out issues and solutions that are important to each segment of government. Little cost is incurred by the state to operate this Commission other than the time and talents of those who offer to serve from the political sub divisions with no reimbursement for travel and expenses from the state.

The Commission provides a forum to develop new proposals that will enhance how all government function and an opportunity to improve how each of us serves the people of North Dakota. No matter what is present by this commission, the North Dakota legislature has a final say on what moves forward and what may or may not be adopted or approved.

I believe that in the past North Dakota has not taken full advantage of this Commission and the talents of those who serve. What better forum is in place to build better relationships with all forms of government in North Dakota? I can think of none.

This commission provides an opportunity for every segment of government to meet in one room with the task of working together to better serve the people of North Dakota.

What better function of government could be provided to the people of North Dakota than to ensure these members meet together to better address important issues that touch each elected official?

I ask for a Do Not Pass on House Bill 1336.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS - BACKGROUND MEMORANDUM

STATUTORY FRAMEWORK FOR COMMISSION

The Advisory Commission on Intergovernmental Relations occupies a unique status among committees with legislative membership. The commission differs from usual Legislative Council interim committees in its membership, its permanent status, and its statutory authority to determine its own study priorities.

The powers and duties of the commission are provided in North Dakota Century Code (NDCC) Section 54-35.2-02. Under this section, the commission is free to establish its own study agenda and to accept suggestions from groups or individuals for study.

Under this section the commission specifically is required to:

1. Serve as a forum for the discussion of resolution of intergovernmental problems.
2. Engage in activities and studies relating to the following subjects:
 - a. Local governmental structure.
 - b. Fiscal and other powers and functions of local governments.
 - c. Relationships between and among local governments and the state or any other government.
 - d. Allocation of state and local resources.
 - e. Interstate issues involving local governments, including cooperation with appropriate authorities of other states.
 - f. Statutory changes required to implement commission recommendations.
3. Present reports and recommended legislative bills to the Legislative Council for consideration in the same manner as interim Legislative Council committees.
4. Prepare model ordinances or resolutions for consideration by officials of political subdivisions.

In conjunction with NDCC Section 54-35.2-02(4), Section 54-40.3-03 provides that a political subdivision entering a joint powers agreement may file a copy of the agreement and the explanatory material with the commission to assist other political subdivisions in exploring cooperative arrangements.

In addition to its statutory powers and duties, the commission has been assigned two studies during the 2009-10 interim. The Legislative Council assigned to the commission the study provided by Section 1 of House Bill No. 1338 (2009), which directs a study of solid waste management and state or regional siting of landfills. In addition, the Legislative Council assigned to the commission the study provided by

Section 1 of Senate Bill No. 2401 (2009), which directs a study of public improvement and capital construction bid requirements, plans and specifications, and the employment of architects and engineers.

Under NDCC Section 54-35.2-01(1), the commission consists of 12 members:

- The North Dakota League of Cities Executive Committee appoints two members.
- The North Dakota Association of Counties Executive Committee appoints two members.
- The North Dakota Township Officers Association Executive Board of Directors appoints one member.
- The North Dakota Recreation and Park Association Executive Board appoints one member.
- The North Dakota School Boards Association Board of Directors appoints one member.
- The Governor or the Governor's designee is a member.
- The Legislative Council appoints four members of the Legislative Assembly as members.

The Legislative Council designates the chairman of the commission. All members of the commission serve a term of two years.

LEGISLATIVE HISTORY

In 1989 the Legislative Assembly enacted NDCC Chapter 54-35.2, which provides for the commission. In 1991 the Legislative Assembly enacted Section 54-35.2-02.1, which provided for administration by the commission of local government efficiency planning grants. In 1991 the Legislative Assembly also provided an appropriation of \$250,000 for these grants. The commission spent the majority of its time during the 1991-92 interim developing guidelines and procedures, reviewing grant requests, and monitoring grant projects. The commission approved grant awards for 15 grant projects in the total amount of \$198,558.34, leaving \$51,441.66 unexpended from the \$250,000 appropriated for grants for the 1991-93 biennium.

In 1993 the Legislative Assembly amended NDCC Section 54-35.2-02.1, changing the objects for which grants could be provided, allowing the commission to directly expend all or a portion of the appropriated amount for research and studies, and providing that unexpended grant funds that are returned are to be deposited in the state aid distribution fund. The Legislative Assembly also provided an appropriation of \$51,400 to the commission for distribution in local government efficiency planning grants. During the 1993-94 interim, the commission received final reports

from grant recipients from the previous interim and returned \$1,466.14 in unexpended grant funds to the state from grant recipients that had completed their grant projects. The commission also authorized two grants of \$24,999 each.

In 1995 the Legislative Assembly did not appropriate any funds for continuation of the local government efficiency planning grant program. During the 1995-96 interim, the commission received reports from the two grant recipients from the previous interim.

In 1997 the Legislative Assembly did not appropriate any funds for the continuation of the local government efficiency planning grant program.

During the 1997-98 interim the commission found that, although the local government efficiency planning grant program served an important purpose, the program probably will not receive funding in the future; therefore, the law establishing the program was no longer necessary. As a result, the commission recommended Senate Bill No. 2028 to repeal NDCC Section 54-35.2-02.1 relating to the local government efficiency planning grant program. In 1999 the Legislative Assembly enacted Senate Bill No. 2028.

In 2001 the Legislative Assembly amended NDCC Section 54-35.2-02 to include on the commission a member appointed by the North Dakota School Boards Association Board of Directors.

In 2003 the Legislative Assembly considered House Bill No. 1333, which as introduced would have repealed NDCC Chapter 54-35.2 and Section 54-40.3-03, with the effect of abolishing the commission. As passed by the House of Representatives, House Bill No. 1333 retained Chapter 54-35.2 but removed the commission's authority to recommend proposed legislation to the Legislative Council. The bill failed to pass the Senate.

In 2009 the Legislative Assembly considered House Bill No. 1462, which would have repealed the Advisory Commission on Intergovernmental Relations. The bill failed to pass the House.

HISTORICAL AREAS OF STUDY

During the 1999-2000 interim, the commission focused on 12 areas of interest:

1. Park district mill levy consolidation - Resulting in passage of House Bill No. 1031 (2001).
2. The membership of the commission - Resulting in passage of House Bill No. 1032 (2001).
3. Tobacco education and cessation - Resulting in passage of Senate Bill No. 2024 (2001).
4. Clarification of definition of institutions of public charity exempt from property taxation - Resulting in Senate Concurrent Resolution No. 4001 (2001), which the Legislative Council did not prioritize for study.
5. Collection of municipal court fines.
6. Creation of a disaster relief fund.

7. Status of the Leadership Initiative for Community Strategic Planning.
8. Provisions of government services at the local level, including receipt of a report from the Child Support Enforcement Division of the Department of Human Services regarding the status of the child support state disbursement unit and the provision of child support services at the local level, receipt of a report on the provision of judicial services at the local level from the North Dakota Supreme Court, and receipt of a report from the Driver and Vehicle Services Division of the Department of Transportation regarding vehicle registration services in branch offices.
9. Funding of maintenance of local roads.
10. Census 2000 and areas of possible state and local government interest.
11. History of revenue sharing and personal property tax replacement.
12. Status of taxing e-commerce.

During the 2001-02 interim, in addition to the assigned study of the feasibility and desirability of creating cost-sharing mechanisms for the unexpected discovery of cultural and paleontological resources within local road projects, the commission focused on eight areas of interest:

1. County mill levy consolidation - Resulting in passage of House Bill No. 1024 (2003).
2. Revenue sharing and personal property tax replacement - Resulting in passage of House Bill No. 1025 (2003).
3. Tobacco education and cessation.
4. Homeland security.
5. E-commerce taxation.
6. Public school funding and taxation.
7. Tool chest legislation update.
8. Wind energy.

During the 2003-04 interim, the commission focused on seven areas of interest:

1. Mill levy consolidation. The commission recommended House Bill No. 1025 (2005), which failed to pass the House. The bill would have revised the county general fund levy under NDCC Section 57-15-06.10, removing from the consolidated general fund the specific mill levies for the industrial development organization, county parks and recreation, library fund, weed board and weed control, and weather modification; decreasing the maximum general fund levy from 134 mills to 118 mills; and removing the general fund levy increase limitations that are based on the consumer price index.
2. Delinquent property tax. The commission recommended House Bill No. 1026 (2005), which failed to pass the House. The bill would have decreased from approximately five years to approximately three years the period of time in which foreclosure will take place for delinquent property taxes and would have

allowed a board of county commissioners to waive all or part of the penalties or interest on delinquent real estate taxes if a board determines the reduced period for foreclosure of tax liens creates a hardship for similarly situated taxpayers.

3. Document preservation fund. The commission recommended, as previously explained, Senate Bill No. 2024, which became effective July 1, 2005.
4. Motor vehicle branch offices.
5. Sheriff service of process.
6. Emergency preparedness.
7. Wind turbine siting.

During the 2005-06 interim, the commission was assigned the study of the feasibility and desirability of establishing an organization or ombudsman to support and coordinate governmental and private efforts to discourage destructive behavior. The commission was informed that Students Against Destructive Decisions was considering an initiated measure to raise the tax on beer cans and bottles to 24 cents per gallon and bulk sales to 16 cents per gallon to collect approximately \$1.3 million per year. The Legislative Assembly enacted Senate Bill No. 2276 (2007), which appropriated \$100,000 to the Governor's Prevention and Advisory Council for grants to entities in this state to discourage impaired driving and alcohol and drug abuse by minors. In addition to the assigned study, the commission focused on eight areas of interest:

1. Charitable organizations' property tax exemptions.
2. Tax levy authority. The commission considered, but did not recommend, a bill draft that would have allowed a taxing district to increase the amount levied in dollars in the base year as adjusted by the consumer price index.
3. Township levy limitation.
4. City and county development impact fees. The commission considered, but did not recommend, a bill draft that would have allowed for city development impact fees.
5. Legal services for the indigent.
6. Uniform Environmental Covenants Act.
7. Extraterritorial zoning jurisdiction.
8. Jail administration. The commission considered, but did not recommend, a bill draft that would have allowed a board of county commissioners to provide for the administration of county jails.

During the 2007-08 interim the commission was assigned the study of the extraterritorial zoning

authority of cities. The commission recommended Senate Bill No. 2027 (2009), which failed in conference committee. The bill would have provided for joint jurisdiction in the entire extraterritorial zoning area. The city and the previous jurisdiction with the zoning authority would have needed to approve any changes in zoning. If unable to agree, an administrative law judge would have settled the dispute after considering a number of factors. However, the Legislative Assembly adopted House Bill No. 1554 (2009), which provides for joint zoning and subdivision authority between a city and the other political subdivision that previously exercised zoning and subdivision authority in the outer one-half of the extraterritorial zoning authority of the city. The bill provides that land within the area of joint jurisdiction for which a plat or site plan has been presented before May 1, 2009, remains subject to the zoning designations and regulations in effect on May 1, 2009, unless otherwise changed. The bill provides procedures for negotiation and mediation of decisions made by the political subdivisions within areas of joint jurisdiction. The bill was declared to be an emergency measure and became effective upon filing with the Secretary of State on May 5, 2009. In addition to the assigned study, the commission focused on six areas of interest:

1. Zoning of feedlot operations.
2. Increasing from four-tenths to five-tenths of one cent the amount of sales tax that is deposited in the state aid distribution fund.
3. Funding for rural township and county roads and bridges.
4. Exempting charitable property from taxation.
5. Replacing references to mills in the North Dakota Century Code with dollar amounts.
6. Providing state's attorney services in counties without a resident state's attorney.

STUDY APPROACH

North Dakota Century Code Section 54-35.2-02 provides that the commission is charged with serving "as a forum for the discussion of resolution of intergovernmental problems;" engaging in activities and studies relating to state, local, and any other government; and preparing "model ordinances or resolutions for consideration by officials of political subdivisions." It may be helpful for the commission to request members and representatives of local governments and other interested groups to provide suggestions of topics for consideration during this interim.

**Testimony To The
SENATE JUDICIARY
Prepared March 22, 2011
Aaron Birst, Legal Counsel
North Dakota Association of Counties**

CONCERNING HOUSE BILL No. 1336

Chairman Nething and members committee, I am here on behalf of the North Dakota Association of Counties to oppose the repeal of chapter 54-35.2 in House Bill 1336, which would eliminate the Advisory Commission on Intergovernmental Relations (ACIR).

Local government leaders and their organizations worked very hard for the creation of the ACIR and we believe that it has served, and continues to serve, a valuable purpose for North Dakota. This is the only formal, permanent link between State and local government for the discussion and resolution of issues that cut across the various authorities and responsibilities.

The ACIR benefits the Legislature as well as the political subdivisions by providing an official forum for these governmental entities to bring forth their issues and concerns. These concerns can then be addressed collectively and hopefully resolved in a collective manner, rather than forcing each group to appear before the Legislature with unilateral proposals to address individual concerns.

An extraordinary example of where the ACIR committee provided a forum where many complex and sensitive issues could be fully flushed out occurred last session with the area of extra territorial jurisdiction. Because of the work done during the interim by the ACIR, all sides had a better understanding of the issues which would not have been possible during a legislative session hearing. A less controversial issue the ACIR reviewed this last interim was bidding limits and trademark names. Although it may not sound like much this proposal could end up saving taxpayers thousands of dollars. The bottom line is the ACIR provides an opportunity for all government entities to create a better government for the people. There are certainly future issues which will require a thorough review by all entities. Just as an example, quiet rail is one such issue that having a formal hearing not during the pressure of a legislative session could be discussed and debated where all players could be heard from including NDDOT and others affected.

As this Committee is aware, of the eleven ACIR members, four are Legislators and the balance are appointed by several “organizations representing political subdivisions”. Section 54-35.2-04 states that “*members of the advisory commission on intergovernmental relations who are appointed by an organization representing political subdivisions may be reimbursed for attendance at commission meetings by the organization by which they were appointed.*” Clearly, a significant share of the financial support of this Commission lies with the political subdivisions. Counties have very willingly provided this support in the past and are committed to its continuation. As the fiscal note shows, the cost of this committee is very small, particularly when compared to the large benefit it produces.

Chairman Nething and committee members, county government believes that the ACIR is of great value, and should remain in-place. We therefore request a Do Not Pass recommendation on House Bill 1336.

HB1336
Senate Judiciary Committee
By Ken Yantes

Chairman Nething and Members of the Senate Judiciary Committee

My name is Ken Yantes, I am the Executive Secretary of just under 6000 of this states locally elected grassroots government leaders. The ND Township Officers Association.

We have developed a policy at our annual membership meetings that supports the continuance of the ACIR. We ask that you give HB1336 a do not pass and allow Advisory Commission on Governmental Relations to continue to serve the political subdivisions of our state.

I have brought with me a letter which I received in August of 1988. I would like you to have a copy to read. It is from Democratic Governor George Sinner, at this time I was serving as Chairman of the District 15 Republican Party.

Chairman Nething, this committee has served in place of an interim committee on political subdivisions ever since 1988. In the 1989 legislative session a bill was passed establishing the ACIR in century code.

This committee's citizen members are funded by the organizations that they represent at no cost to our state government. The 2 Senators and 2 Representatives receive funding through the normal interim committee process.

From 1988 to 2010 I missed only one ACIR meeting as a member of the ACIR.

I well remember how it used to be here in the capitol hearing rooms and halls before the ACIR was established.

The governmental entities of our state would fill the hearing rooms and line up in the halls, waiting to appear in front of a committee and offer contradictory testimony and waste many hours of the legislators time.

Governor Sinner recognized this problem and established a forum whereby the Governmental entities of ND could come together and discuss there differences and come to a reasonable settlement.

This process really works, The toolbox bill that was passed so long ago was a creation of the ACIR. It said that governmental entities could cooperate to create efficiency and effectivity in local government.

To do away with this forum for discussion would be folly.

During the 2009 and 2010 interim period this committee suggested to the Legislative Management Five bill proposals for their consideration. All have passed their houses of origin. SB2024 passed by a 47-0 margin as did three more SB2025, SB2026 and SB2028. The fifth SB2027 passed by a margin of 42 to 2. I submit that the Senate has acknowledged the quality of work we did and I thank you.

It would surely cost a great deal more money to have a Political Subdivision Committee paid out of tax dollars to serve in the same capacity.

With out the ACIR I can see a lot of extra bills and effort expended trying to reach a settlement during the legislative sessions.

Please let us have this forum for discussion of governmental problems.

We have done good work and will continue to do so.

I ask you to vote a do not pass recommendation on HB1336.



GEORGE A. SINNER
GOVERNOR

State of North Dakota

OFFICE OF THE GOVERNOR
BISMARCK, NORTH DAKOTA 58505
(701) 224-2200



NORTH DAKOTA
CENTENNIAL

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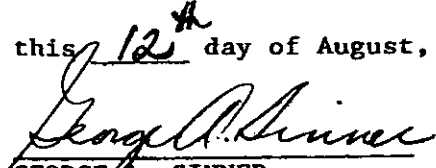
EXECUTIVE ORDER 1988-6

I, GEORGE A. SINNER, GOVERNOR OF THE STATE OF NORTH DAKOTA, BY THE AUTHORITY VESTED IN ME, DO HEREBY CREATE AND ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS. THE COMMISSION WILL CONSIST OF ELEVEN MEMBERS SELECTED AS FOLLOWS: TWO MEMBERS APPOINTED BY THE PRESIDENT OF THE NORTH DAKOTA LEAGUE OF CITIES; TWO MEMBERS APPOINTED BY THE PRESIDENT OF THE NORTH DAKOTA ASSOCIATION OF COUNTIES; ONE MEMBER APPOINTED BY THE PRESIDENT OF THE NORTH DAKOTA TOWNSHIP OFFICERS ASSOCIATION; FOUR MEMBERS APPOINTED BY THE CHAIRMAN OF THE LEGISLATIVE COUNCIL; THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET AND THE GOVERNOR OR AN APPOINTEE OF THE GOVERNOR, WHO WILL CHAIR THE COMMISSION. THE MEMBERS OF THE COMMISSION, EXCEPT FOR THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET AND THE GOVERNOR, WILL SERVE FOR A TERM OF TWO YEARS, BEGINNING JULY 1 OF EACH ODD-NUMBERED YEAR AND MAY BE REAPPOINTED FOR ADDITIONAL TERMS. THE COMMISSION WILL MEET AT LEAST SEMI-ANNUALLY. THE ADVISORY COMMISSION WILL SERVE AS A FORUM FOR DISCUSSION AND RESOLUTION OF INTERGOVERNMENTAL PROBLEMS RELATING TO THE STRUCTURE OF LOCAL GOVERNMENT, THE FISCAL AND OTHER POWERS AND FUNCTIONS OF LOCAL GOVERNMENT, RELATIONSHIPS BETWEEN AND AMONG LOCAL GOVERNMENTS AND THE STATE OR ANY OTHER GOVERNMENT, ALLOCATION OF STATE AND LOCAL RESOURCES, AND INTERSTATE ISSUES INVOLVING LOCAL GOVERNMENTS. THE COMMISSION MAY APPLY FOR, CONTRACT FOR, RECEIVE, AND EXPEND FOR ITS PURPOSES ANY APPROPRIATION OR GRANT FROM ANY PUBLIC OR PRIVATE SOURCE. IT WILL REPORT ITS FINDINGS AND RECOMMENDATIONS AND ANY PROPOSED LEGISLATION NECESSARY TO IMPLEMENT THE RECOMMENDATIONS TO THE GOVERNOR, WHO MAY ACCEPT, REJECT OR AMEND THE REPORT OF THE COMMISSION.

THIS ORDER IS ISSUED UPON THE FOLLOWING BASES AND FOR THE FOLLOWING REASONS:

1. The Governor is vested with the executive authority pursuant to Article V, Section 1 of the North Dakota Constitution.
2. There is a substantial need for a forum for the discussion and resolution of intergovernmental problems before they reach crisis proportions.

Executed at Bismarck, North Dakota, this 12th day of August, 1988.


GEORGE A. SINNER
Governor

ATTEST:


Secretary of State

BY 
Deputy