

2017 HOUSE APPROPRIATIONS

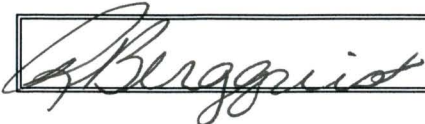
HB 1161

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1161
1/18/2017
27089

- ☐ Subcommittee
☐ Conference Committee



Explanation or reason for introduction of bill/resolution:

Relating to the control over the rate of expenditures.

Minutes:

Attachment 1

Representative **Kempenich**: Testifying for HB 1161

This bill is changing one word; it puts in reductions instead of allotments into the code for how we're dealing with what happened here this last year.

Representative **Boe**: If we are calling this reductions, do they have to be equal or can they be unequal?

Representative **Kempenich**: It wouldn't change anything for how things are done today, it would read the same way, just a change of allotments.

Chairman **Delzer**: I would have a question for you Brady; with the bill to change the 3% and 3%, do we need to change line 18 on page 1 to 6%?

Brady Larson, Legislative Council: First page I don't think that would change allotment, I believe this would just refer to cash flow financing of the state

Chairman **Delzer** I believe you have to be short 5%

Representative **Kempenich**: I am also adding an amendment to this, (see attachment 1) This amendment makes the special funds identify their reductions too. So they have to give it some thought and see where they would make their cuts like everyone else.

Representative **Holman**: Give me an example if where that would apply.

Representative **Kempenich**: Anyone that is 100% special fund, make them look at their budget as a total instead of just the general fund side. Makes them look for efficiencies to make sure. It might even highlight some of the issues that could be showing up.

Chairman **Delzer** Have you thought about, like human services, they have a large amount of special funds and federal funds, this is only applying to state special funds. What about the one that are collecting tax dollars?

Representative **Kempenich**: Make them look at their budget, we used 60 days because we thought that was already in there.

Representative **Monson**: When we are talking about special funds, I think WSI, those are 100% special funds, insurance premiums, paid by employers, what happens if you give them an allotment? Can they pay their claims?

Chairman **Delzer**: This would not make anyone do it, it is just having them look at it shows how they would have if they had to. That way the legislature could look at it and review it.

Representative **Kempenich**: It would affect how we would look at their budget. Their administrative cost, right now everything is shrinking, make them identify where they would have to go to get the budget down if they did have to.

Representative **J. Nelson**: Seems like most of the discussion is on the amendment, I am still trying to figure out the need for the bill? Why allotments and not reductions.

Representative **Kempenich**: Reduction mean reduce; allotment mean to share.

Representative **Boe**: Allotment; the amount of something allocated to a particular person

Representative **Schmidt**: Allotment is money that we give to them and when ask for it back it's called a rescission, because we're rescinding it.

Representative **Brandenburg**: There are a lot of agencies that are upset because other agencies that are special funded are safe from these budget cuts.

Chairman **Delzer**: The bill doesn't change any of the actions that would happen anywhere, it does change the words, the amendment does change some of the actions.

Chairman **Delzer**: Further questions?

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

HB1161
2/2/2017
27810

☐ Subcommittee
☐ Conference Committee



Explanation or reason for introduction of bill/resolution:

relating to the control over the rate of expenditures.

Minutes:

12:20-27:15 of recording 27810

Chairman Delzer: There's a lot of money in this bill, it changes allotments to reductions, and then there's an amendment, 17.0235.01002, by Representative Kempenich.

13:40 Representative Kempenich: Human services is basically a 50/50 agency so they are doing this regardless. Why shouldn't they have to go through that same process as everyone else? They are still collecting from the state of North Dakota

15:30 Representative Brandenburg make a motion to move to amendment

Representative Schatz second the motion

Chairman Delzer: What do you see as an outcome of this?

Representative Kempenich: Something like what is on the green sheets today, they'd use that report to show their priorities. This is a good way to find out how they are running, some of the agencies are just spending it because they got it.

17:55 Representative Delmore: Is it your plan to change anything? Is anyone exempt from this?

Representative Kempenich: Any general fund that is reduced

Chairman Delzer: Any special funds that aren't used comes back to the general fund so it should be looked at. I don't know how much time will be spent on the report. The allotment part, changing reductions, I don't know how I feel about that.

Voice vote; we're going to call the roll to be sure that the motion carries.

A Roll Call vote was taken. Yea: 10 Nay: 9 Absent: 2

Motion Carries

21:40 Representative Brandenburg make motion Do Pass as Amended

Seconded by Representative Schatz

Chairman Delzer: discussion?

A Roll Call vote was taken. Yea: 7 Nay: 11 Absent: 3

Motion fails

25:00 Representative Meier motion to Do Not Pass as Amended

Representative Monson second the motion

A Roll Call vote was taken. Yea: 12 Nay: 6 Absent: 3

Motion carries

Representative Vigesaa will carry

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1161

Page 3, line 19, after "**expenditures**" insert "**- Report**"

Page 4, after line 24, insert:

- "3. If a general fund budget reduction is made under this section, each state agency and institution that received state special fund appropriation authority for the same time period shall prepare a report detailing how the agency or institution would reduce its state special fund appropriation authority by the same percentage as the general fund budget reduction. Each state agency and institution shall submit its report to the office of management and budget and legislative council within sixty days of the date of the general fund budget reduction."

Renumber accordingly

Date: 2/2/2017
Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1161**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 17.0235.01002

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Brandenburg Seconded By Representative Schatz

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X			
Representative Kempenich	X		Representative Streyle	X	
Representative: Boehning	X		Representative Vigesaa	X	
Representative: Brabandt	X				
Representative Brandenburg	X				
Representative Kading	X		Representative Boe		X
Representative Kreidt	A		Representative Delmore		X
Representative Martinson		X	Representative Holman		X
Representative Meier		X			
Representative Monson	X				
Representative Nathe		X			
Representative J. Nelson		X			
Representative Pollert	X				
Representative Sanford		X			
Representative Schatz	X				
Representative Schmidt	A				

Total (Yes) 10 No 9

Absent 2

Floor Assignment _____

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

Date: 2/2/2017
Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1161**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Brandenburg Seconded By Representative Schatz

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X			
Representative Kempenich	X		Representative Streyle		X
Representative: Boehning	X		Representative Vigesaa		X
Representative: Brabandt	X				
Representative Brandenburg	X				
Representative Kading	A		Representative Boe		X
Representative Kreidt	A		Representative Delmore	X	
Representative Martinson		X	Representative Holman	X	
Representative Meier		X			
Representative Monson		X			
Representative Nathe		X			
Representative J. Nelson		X			
Representative Pollert		X			
Representative Sanford		X			
Representative Schatz	X				
Representative Schmidt	A				

Total (Yes) 7 No 11

Absent 3

Floor Assignment _____

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

Date: 2/2/2017
Roll Call Vote #: 3

**2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1161**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☐ Do Pass ☒ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Meier Seconded By Representative Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich		X	Representative Streyle	X	
Representative: Boehning		X	Representative Vigesaa	X	
Representative: Brabandt		X			
Representative Brandenburg		X			
Representative Kading	A		Representative Boe	X	
Representative Kreidt	A		Representative Delmore	X	
Representative Martinson	X		Representative Holman		X
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Pollert	X				
Representative Sanford	X				
Representative Schatz		X			
Representative Schmidt	A				

Total (Yes) 12 No 6

Absent 3

Floor Assignment Representative Vigesaa

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

REPORT OF STANDING COMMITTEE

HB 1161: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (12 YEAS, 6 NAYS, 3 ABSENT AND NOT VOTING). HB 1161 was placed on the Sixth order on the calendar.

Page 3, line 19, after "**expenditures**" insert "**- Report**"

Page 4, after line 24, insert:

"3. If a general fund budget reduction is made under this section, each state agency and institution that received state special fund appropriation authority for the same time period shall prepare a report detailing how the agency or institution would reduce its state special fund appropriation authority by the same percentage as the general fund budget reduction. Each state agency and institution shall submit its report to the office of management and budget and legislative council within sixty days of the date of the general fund budget reduction."

Renumber accordingly

2017 TESTIMONY

HB 1161

17.0235.01002
Title.

HB 1161 AH. 1 1/18/17
Prepared by the Legislative Council staff for
Representative Kempenich
January 18, 2017

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1161

Page 3, line 19, after "**expenditures**" insert "**- Report**"

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Renumber accordingly