

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/10/2017**

Amendment to: Engrossed SB 2106

- 1 A. **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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
<b>Counties</b>	\$0	\$0	\$0
<b>Cities</b>	\$0	\$0	\$0
<b>School Districts</b>	\$0	\$0	\$0
<b>Townships</b>	\$0	\$0	\$0

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

Engrossed SB 2106 deletes conflicting language but does not change current business practice. There is no fiscal effect.

- 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.*

No fiscal effect.

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.*

No fiscal effect

- 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.*

No fiscal effect.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

N/A

**Name:** Holly Gaugler

**Agency:** Adjutant General

**Telephone:** 333-2079

**Date Prepared:** 01/11/2017

**FISCAL NOTE**  
**Requested by Legislative Council**  
**12/23/2016**

Revised  
 Bill/Resolution No.: SB 2106

- 1 A. **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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$638,000	\$0	\$645,000
<b>Expenditures</b>	\$0	\$0	\$(638,000)	\$638,000	\$(645,000)	\$645,000
<b>Appropriations</b>	\$0	\$0	\$(638,000)	\$638,000	\$(645,000)	\$645,000

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
<b>Counties</b>	\$0	\$533,000	\$539,000
<b>Cities</b>	\$0	\$105,000	\$106,000
<b>School Districts</b>	\$0	\$0	\$0
<b>Townships</b>	\$0	\$0	\$0

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

SB 2106 changes the fee structure for LETS services provided by State Radio from population based fees to actual costs incurred by State Radio where county and city law enforcement would pay a fee based on fifty percent of actual costs.

- 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.*

Section 3. eliminates the current fee system utilized by State Radio which is based upon population. Changes to Section 3. would require county and city law enforcement that utilize LETS to pay fees based upon fifty percent of actual costs by State Radio to provide LETS services. The net effect would be an increased cost to cities and counties of \$638,000 for the 2017-19 biennium. This would also decrease the requirement of general funds by \$638,000.

The anticipated increase of generated fees is based on current terminals in use. This amount could significantly decrease if terminals are eliminated due to the proposed cost increase to counties and cities.

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.*

SB 2106 changes would increase LETS fees by \$638,000 per biennium. Utilizing current law, LETS fee projections are estimated at \$776,000 for the 2017-19 biennium. Proposed changes would increase fees to approximately \$1,414,000 per biennium in the state radio fund, a net increase of \$638,000. Subsequently, general funds appropriations would be reduced by \$638,000.

Again, this is based on current usage. If terminals are eliminated due to cost increases, revenues could be significantly reduced creating a budget shortfall for State Radio.

- 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.*

Overall expenditures are not affected, however the funding source would change. General fund expenditures would decrease by \$638,000 and state radio fund expenditures would increase by \$638,000.

No FTE's would be affected.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The proposed changes would decrease general fund appropriations by \$638,000 and increase state radio fund appropriations by \$638,000.

Appropriations are included in the executive budget, however, funding sources would need to be changed in the budget from general funds to special funds (state radio fund 373).

**Name:** Holly Gaugler

**Agency:** Adjutant General

**Telephone:** 333-2079

**Date Prepared:** 12/29/2016

**FISCAL NOTE**  
**Requested by Legislative Council**  
**12/23/2016**

Bill/Resolution No.: SB 2106

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**Name:** Holly Gaugler

**Agency:** Adjutant General

**Telephone:** 333-2079

**Date Prepared:** 12/29/2016

**2017 SENATE POLITICAL SUBDIVISIONS**

**SB 2106**

# 2017 SENATE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee Red River Room, State Capitol

SB 2106  
1/6/2017  
Job # 26638

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



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

Relating to the state radio fee system

### Minutes:

Attached testimony #1 Mike Lynk  
Attached testimony #2 Terry Traynor

**Chairman Burckhard** opened the hearing on SB 2106. All senators are present.

**25-6:13 Mike Lynk**, Director of State Radio. Written testimony #1.

**6:13 Senator Anderson:** Are we setting up a scenario here where we discourage for example a county from putting these terminals in all of their cars because it is going to cost them additional funds rather than on a population basis it wouldn't make any difference how many terminals they had, what do you think about that?

**6:36 Mr. Mike Lynk:** That is the point. That is why we chose from the department to charge by county level. It is important for those law enforcement in those counties to be able to have access to that information. We don't want to discourage the fee as a negative to them having a terminal. So, in that case where they would not have a terminal they would have to rely on somebody else to do that entry form because they are obligated by law to enter warrants, peace officers are if they haven't got their own they are going to have to contract or they will have to do something with somebody else which I think we are all cause a problem within the system.

**7:23 Senator Anderson:** If I follow up though, isn't your charge based on per terminal? **Mr. Mike Lynk,:** Yes it is. So the terminal fee would go up from \$40 for those lower counties, to \$367.

**Senator Anderson:** If I had a dozen cars out there in McLean county, and only have to put terminals in half of them I would cut my fees in half, isn't that correct?

**7:54 Mr. Mike Lynk:** The terminals are desk top. They are not the terminals in the cars. So there is another system that ties through our computer rated-dispatch or through the computer that goes to an accesses their computer system. We don't charge for that. The charge is the

desk laptop that they enter the information on. So currently we have 142 of those licenses out there.

**8:24 Chairman Burckhard:** Did I hear you say that the per month fee is going to go from \$40 to \$367? **Mr. Mike Lynk:** That is correct. If we do the recommendation that is in the bill, and we work that with the auditors, that would be the fee change. So, I worked out some details and it will be about \$3600 difference a month for those counties that are paying. The difference per year for the \$40 would go up about \$3807 per year.

**Chairman Burckhard:** And how do they feel about that? Percentage wise it is a large increase. I don't know who that affects who? Who pays for that?

**9:34 Mr. Mike Lynk:** It is a shift in the balance of about \$638,000 from what the state pays now to what the locals will pay. So, we have reached out to some of those and I think there are some here that are representing the counties that will testify. We are following the recommendation of the auditors' office.

**10:06 Senator Judy Lee:** So, your original plan when you put this in place was there a way to recognize that the challenges that would be in some of the more rural counties, for example? But the auditors' office thinks that that is an unfair way to assess the fees that should be based instead on 50% of the cost. So, philosophically, its illogically that's the reason. This is not your idea, is what I am saying. This is because the auditor say its' got to be based on 50% of the cost no matter how rural or densely populated the area might be.

**10:49 Mr. Mike Lynk:** Yes that is the point. The discussion that we had with the auditor's office is they think and feels it should be fair, and fair is half for everybody.

**Chairman Burckhard:** So fair is a cost cause or cost payer kind of thinking, I am just amazed by the amount of increase. I don't know how they are going to make that up or pay for that.

**11:21 Senator Dotzenrod:** Currently at the state level we will bring this down to the property owners within the sub-divisions that will be paying more. The transfer shift is a huge dollar amounts that line across the whole state and with the fiscal note, it looks like it amounts to about a \$1.00 a person per our state, \$.50 a year, so it's not a crushing sort of thing, but it is just a small transfer from the state expense to a people who will have to generate those funds locally. I guess it is what it is and I think we've done this in other areas where we have population brackets in other parts of our century code but we attempt to sort of have a different rate schedule. Sometime we have extraterritorial zoning that is based on population so it isn't just money too, there is always some other characteristics of our law that we differentiate between how we treat sub-divisions in a large populations compared to small. So I guess I will keep an open mind and listen to the testimony.

**13:12-13:50** Summary from Mike Lynk (clean up language in terminal fees)

**13: 50 Senator Judy Lee:** Of the three items that you mentioned about half way through your testimony, the one in Section 1, was not in the bill draft, the other two already are in the deleted language. So, to just to clarify that you would be looking to have an amendment that is still in order to delete on Line 8, the references to the mobile data. **Mike Lynk:** Yes that was

an oversight on our part that we are trying to rectify. **Senator Judy Lee:** But that is a way to fix it.

**14:26-17:42 Terry Traynor,** Association of Counties I was going to get up in support this wholeheartedly until you brought up ETZ zoning. Then I wanted to let you know it was a sensitive subject. This bill was in the legislature last session and we opposed it and it was killed. It left State Radio in the same bind they were before with the State Auditor because of conflict in the language. So, we're here today to support the bill but we would like to see it amended, we don't like the solution that State Auditor is encouraging State Radio to take. We would like to go in the reverse and I think I have amendments that may do that. First of all the additional change that was just discussed by Senator Lee we support that. We support the repeal or lining out of Section 2, it's not needed. The Section 3, conflict we agree needs to be resolved so we don't have to come back next session and again address it here. But our feeling is that we should remove the 50% of actual cost language on page 2 lines 4 and line 5, and then restore the language from line 9 through the end of the bill to preserve the population based fees. This affects all jurisdictions, obviously it affects the smallest one the most, and I know there is a concern sometimes when we appear like we are subsidizing the smaller with the bigger because we have different fees, but, if we go 50% everybody's fees go up but the smallest ones go up the most. I appreciate Sen. Dotzenrod's comment about a dollar per person, but it isn't a dollar per person across the state, if the bill stands the way it is there is in the smallest jurisdictions will be seeing the largest increase and there will be going up substantially. The concern there of course was pointed out. We need every law enforcement jurisdiction to have that access and to keep their records up to date and have the communication that is necessary for safety. We think at this time, in state and local government we are better served by resolving the conflict by keeping the current structure. (Attachment #2).

**Senator Judy Lee:** I am confused a little bit, because I thought the conflict was that it was inequitable that it would not be based on 50% of the cost so that is not? I don't care who answers this, explain to me a little bit more clearly what the auditor's objected to and believe me I don't always agree with the auditor.

**18:10-18:48 Mr. Terry Traynor:** As I understand it, the first line says "shall pay a fee based upon 50% of actual costs", which as Mr. Lynk pointed out is about \$360 a month. Then further on it says, now they will pay \$40 if there a small county or city in small county and they will pay \$80 if they are next size. So, those 40, 80, 160 figures are not 50% so, either we're doing 50% or we're doing a fee. That is where the conflict is.

**18:51-18:54 Senator Judy Lee** But don't you want that language back in, did I misunderstand you're amendment? **Mr. Terry Traynor:** My amendment granted it is the first amendment I drafted this session. Maybe an intern will help out. My goal was to say the first line would read "Each county and city law enforcement department had access to the teletype system shall pay a fee levied on a per terminal basis" and get out the old language and remove the overstrike over the lower part.

**Chairman Burckhard:** How does the 911 system when the telephone companies bill the customers a fee, how is this money collected?

**Mr. Terry Traynor:** I believe it is just a payment to State Radio. They are the keeper of the service.

**Mr. Mike Lynk:** The fee is billed through our office quarterly so we send out based on the terminal fees, we send out to those jurisdictions that have the terminals a bill quarterly for those amounts that are indicated in the statute.

**Senator Judy Lee:** Perhaps we could ask Mr. Lynk about Mr. Traynor's amendment?

**Mr. Mike Lynk:** The amendment is fine. We are trying to take the auditor's recommendation. As Terry's amendment is written, that's fine if that's the way the committee decides to go in that we take away the half and we do that breakdown. So, our resolution is really changing the language in the bill so that it is just one way, there is not a conflict. I would support that or the other.

**Senator Howard Anderson:** The fees that are set in here of course are fixed dollar amount. So when you see that bringing in adequate revenue to run the program.

**Mr. Mike Lynk:** Yes, the state has been gracious enough to make up the difference. So we make an allocation to the state make up the state cost.

**Senator Kannianen:** Is there any particular or specific reason why the Auditor's office is pushing for more of these costs pushing the cost down to the local level versus the state subsidizing more than they are now as far as the budgetary reason it comes from. Any reason why they are moving that towards local versus state?

**Mr. Mike Lynk:** In the discussion with the auditor's office there was two key points. First of all was the conflict in the bill between the half and the breakdown by population. Second of all, was the conversation about fairness and fairness is that everybody pays half, now a breakdown. We also recognize from the department that some of those from the department now that some of those jurisdictions haven't got the revenue and our concern is that those terminals will go away. My real fear is that the staff at State Radio would be obligated to do that and I haven't got staff for it.

**Senator Kannianen:** I guess I see that I am not a big fan of fairness. My feelings are that the if you have to choose one or the other, obviously we need to choose one or the other to clean up the language, but it seems like the smaller populations with the smaller tax base and smaller revenues is unfair for the smaller counties to just do the 50%.

**Mr. Mike Lynk:** If you make the change and leave the population with those dollar amounts and if fees do go up or they go down, we could can always come to you during the session and ask those amounts be reduced or changed. That is another remedy.

**Senator Judy Lee:** Would you rather have the numbers in rule so you don't have to come back every other year and say, I would like change it by 2 bucks? I am not trying to make it miserable, I am trying to make it easier. I just think some of the details are junk and does not belong. Not that State Radio is junk please, it works, but I just have a lot of heartburn about all the different legislations that forge and siege and that we're so convinced that we are so smart here. We are worried about the market here as well as the technology here. So I am not trying to make it more complicated but as long as were chatting about it, and Mr. Traynor

will need to think about this as well probably, but if there's a formula that would work because I think the bigger population counties have some economies of scale that can make it possible for them to take of each other in ND. We got to make sure that those that are far from populated have trouble where they need some assistance. I don't have trouble with division. But it seems to me that it might be a good time to talk about whether or not we want dollars in the law or do we want some kind of formulated language instead that would enable you to go administrative rules to change it. Maybe you don't want too, and that's okay too.

**Mr. Mike Lynk:** Members, our discussion is an option and we can go either way. Whatever the bill comes across, whatever is decided we can go.

**Senator Judy Lee:** Do you have a preference?

**Mr. Mike Lynk:** No, we will work with you either way.

**Senator Anderson:** Just a comment on the last discussion. When an administrative agency for some years it's not free to make rules. So that cost a certain of money too, and takes time and so forth. It might be just as easy to put it into statute and then of course all legislators don't agree with Senator Lee and I that the best way is to leave the administrative agencies to set the fees. So you have somewhat of a battle and when you get to the floor or the other side.

**Chairman Burckhard** closed the hearing on SB 2106.

**Senator Anderson** I move that put the two amendments into one and strike out line 8 on page 1, and then include the amendment presented by Mr. Traynor on the Association of Counties and amend the bill.

**2<sup>nd</sup> Senator Judy Lee**

**Roll call vote: 6 Yea, 0 No, 0 Absent, amendment passes**

**Senator Anderson moved a Do Pass on SB 2106 as amended**

**2<sup>nd</sup> Senator Diane Larson**

**Roll call vote: 6 Yea, 0 No, 0 Absent**

**Carrier: Senator Howard Anderson**

January 6, 2017

CM  
1/9/17

PROPOSED AMENDMENTS TO SENATE BILL NO. 2106

Page 1, overstrike line 8

Page 2, line 4, overstrike "based upon fifty percent of the actual costs incurred by"

Page 2, line 5, overstrike "the division for providing the service. Fees will be"

Page 2, line 9, remove the overstrike over "~~City and county law enforcement fees will be~~"

Page 2, remove the overstrike over lines 10 through 19

Renumber accordingly

Date: 01-06-2017  
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2106

Senate Political Subdivisions Committee

☐ Subcommittee

Amendment LC# or Description: 17.8045.01001

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 Senator Anderson Seconded By Sen. Judy Lee

Senators	Yes	No	Senators	Yes	No
Chairman Randy Burckhard	✓		Senator Jim Dotzenrod	✓	
Vice-Chairman Howard Anderson	✓				
Senator Jordan Kannianen	✓				
Senator Diane Larson	✓				
Senator Judy Lee	✓				

Total (Yes) 6 No 0

Absent 0

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

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

Date: 01-06-2017  
Roll Call Vote #: 2

2015 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2106

Senate Political Subdivisions Committee

☐ Subcommittee

Amendment LC# or Description: 17.8045.01001

Recommendation: ☐ Adopt Amendment  
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
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Other Actions: ☐ Reconsider

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Chairman Randy Burckhard	✓		Senator Jim Dotzenrod	✓	
Vice-Chairman Howard Anderson	✓				
Senator Jordan Kannianen	✓				
Senator Diane Larson	✓				
Senator Judy Lee	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Anderson

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

**REPORT OF STANDING COMMITTEE**

**SB 2106: Political Subdivisions Committee (Sen. Burckhard, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2106 was placed on the Sixth order on the calendar.

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Page 2, line 4, overstrike "based upon fifty percent of the actual costs incurred by"

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**2017 HOUSE POLITICAL SUBDIVISIONS**

**SB 2106**

# 2017 HOUSE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee

Prairie Room, State Capitol

SB 2106  
3/2/2017  
Job # 28620

- ☐ Subcommittee  
☐ Conference Committee

*Carmen Hickle*

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

Relating to the state radio fee system

### Minutes:

1

**Chairman Klemin:** Opened the hearing on SB 2106.

**Mike Lynk, Director of Division of State Radio, North Dakota Dept of Emergency Services:** (Testimony #1)

**Chairman Klemin:** Could you answer what the mobile terminal access system was and why it was discontinued?

**Mr. Lynk:** Years ago there was mobile terminals that State Radio had a telecommunication system on all of our towers that were tied to computers that were in the car. That older version of technology facilitated a law enforcement running a license plate, warrants when in the car. That access became obsolete it was a costly upgrade to keep that system. The decision was to discontinue that service. It is still in law but we are asking that be stricken because that system has been discontinued and not operational anymore.

**Rep. Zubke:** I have heard concerns in boarder counties about being able to communicate across the state line to other emergency services. This would have nothing to do with that, is that correct?

**Mr. Lynk:** That is a whole different issue. That is what you see in the siren bills.

**Rep. Ertelt:** I looked at the different versions of this bill and on line 9 page 2, city and county law enforcement fees, was originally struck then brought back. On page 4 where it is now struck was not, can you tell me what was the reason behind that?

**Mr. Lynk:** That was some of the audit finding they found. On the engrossed version number 2 it says, the department shall divide up by half the cost. So each agency shall be charged half, that language was stricken because it said we had to do half. But in section 3 it was

divided out by population. In 2009 we brought this up and it got a do not pass and the statute did not change. Since that time we have had an audit and we have a conflict in the law. The conflict is do we charge half or do we charge the amount per county? In the original bill it was the auditor's version, the state auditors believe that half was fair for everybody. My concern is that there are many jurisdictions that could not afford half. The Senate version eliminated the half fee and went by the population fee.

**Rep. Ertelt:** Are there any of this graduated scale that is paying more than half based on the fee schedule?

**Mr. Lynk:** No there are not. Federal jurisdictions pay the full rate. We send out a letter a year in advance what the fees will be. All the jurisdictions know a year in advance what the fees are going to. Then charge by population for the rest.

**Rep. R. S. Becker:** When did the current system that you are on become statewide? What is the life cycle of the new system that you anticipate? I am not sure if this was developed internally or software purchased outside?

**Mr. Lynk:** The system itself is known as the message switch. It is our connectivity to the FBI database and the NLTS. All federal information comes through the FBI, state information comes from NLTS. We replaced the hardware a couple of years ago approved by the Legislature, we pay a vendor CPI and they work with the federal and NLTS to come up with a system that brings us the forms.

**Chairman Klemin:** You referred to the audit what was that?

**Mr. Lynk:** It is a state audit and they audit all our funds or financial situation. They have looked at this each time since 2009. What this says now is controversial because it addresses two different languages in how we should collect the money. The Senate and I concur by population. The other process we would have to go to is charge everybody half rate.

**Chairman Klemin:** No other testimony. Closed the hearing on SB 2106.

**Rep. Maragos:** Made a do pass motion.

**Rep K. Koppelman:** Second the motion.

Passed 15 yes, 0 no, 0 absent.

**Rep. Pyle:** Will be the carrier.

Date: 3-2-17  
Roll Call Vote: 1

2017 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2106

House Political Subdivisions 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 Rep. Maragos Seconded By Rep. K. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Chairman Klemin	/		Rep. Guggisberg	/	
Vice Chairman Hatlestad	/		Rep. Hanson	/	
Rep. Beadle	/				
Rep. Becker	/				
Rep. Ertelt	/				
Rep. Johnson	/				
Rep. Koppelman	/				
Rep. Longmuir	/				
Rep. Maragos	/				
Rep. Pyle	/				
Rep. Simons	/				
Rep. Toman	/				
Rep. Zubke	/				

Total (Yes) 15 No 0

Absent 0

Floor Assignment Rep. Pyle

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

**REPORT OF STANDING COMMITTEE**

**SB 2106: Political Subdivisions Committee (Rep. Klemin, Chairman)** recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2106 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2106, as engrossed: Political Subdivisions Committee (Rep. Klemin, Chairman)**  
recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).  
Engrossed SB 2106 was placed on the Fourteenth order on the calendar.

**2017 TESTIMONY**

**SB 2106**

SB 2106  
1-6-17  
#1 Mike Lynk

TESTIMONY – SB 2106  
SENATE COMMITTEE – POLITICAL SUBDIVISIONS  
JANUARY 6, 2017  
BY MIKE LYNK  
DIRECTOR, DIVISION OF STATE RADIO

Mr. Chairman and members of the committee, my name is Mike Lynk. I am the Director of the Division of State Radio of the North Dakota Department of Emergency Services.

The Department's Division of State Radio serves as the access to the North Dakota Law Enforcement Teletype System (NDLETS) system. NDLETS provides the state access to criminal history and local, state, and federal law enforcement databases. The Division has identified three (3) issues for your review.

The first two issues relate to the mobile data terminal system. The Division has discontinued mobile data terminals access and would recommend the following actions:

Section 1 - Page 1 delete line 8  
Section 2 - Page 1 delete lines 21-24  
Page 2 delete lines 1 and 2

Identified in the Management Letter (Informal Recommendations) May 18, 2015, the audit identified inconsistency within NDCC 37-17.3-08 (3) for application of fees assessed to city and county law enforcement entities accessing the Law Enforcement Telecommunications System. (See attached).

At issue is the conflict between the first sentence in section 3 Page 2 lines 3-5, indicating fees will be based on 50 percent of actual costs incurred by the Division and language in section 3 lines 9-19 indicating fees based upon population.

The change request is a direct result of the audit recommendation and would recommend the following actions:

Section 3 – Page 2 Line 3 renumber to section 2  
Page 2 delete line 9-19 beginning line 9 "City and County law enforcement"

Your support of this amendment and passage of SB 2106 will eliminate the conflicting language.

I ask for committee support of SB 2106 and I will respond to questions.

SB2106  
1-6-17  
Att# 1.1  
Mike Lynd

## Management Letter (Informal Recommendations)

May 18, 2015

Major General David Sprynczynatyk  
Adjutant General  
Office of the Adjutant General  
30 Fraine Barracks Lane  
Bismarck, ND 58506

Dear Major General Sprynczynatyk:

We have performed an audit of the Office of the Adjutant General for the two-year period ended June 30, 2014, and have issued a report thereon. As part of our audit, we gained an understanding of the Office of the Adjutant General's internal control structure to the extent we considered necessary to achieve our audit objectives. We also performed tests of compliance as described in the same report.

Our audit procedures are designed primarily to enable us to report on our objectives including those related to internal control and compliance with laws and regulations and may not bring to light all weaknesses in systems and procedures or noncompliance with laws and regulations which may exist. We aim, however, to use our knowledge of your organization gained during our work to make comments and suggestions which we hope will be useful to you.

In connection with the audit, gaining an understanding of the internal control structure, and tests of compliance with laws and regulations referred to above, we noted a certain condition we did not consider reportable within the context of your audit report. This condition relates to areas of general business practice or control issues that have no significant bearing on the administration of federal funds. We do, however, want to present our recommendation to you or your consideration and whatever follow-up action you consider appropriate. During the next audit we will determine if this recommendation has been implemented, and if not, we will reconsider its status.

The following presents our informal recommendation.

### LEGISLATIVE INTENT

Informal Recommendation 14-1: We recommend the Office of the Adjutant General introduce legislation to eliminate inconsistency within NDCC 37-17.3-08 (3) for the application of fees assessed to city and county law enforcement entities accessing the Law Enforcement Telecommunications System.

Management of Office of the Adjutant General agreed with this recommendation.

PROPOSED AMENDMENTS TO SENATE BILL No. 2106

SB2106

1-6-17

Attachment #2  
Terry Tragna

Page 2 line 4, overstrike "based upon fifty percent of actual costs incurred by"

Page 2, line 5, overstrike "the division for providing the service. Fees will be"

Page 2 line 9, remove the overstrike over "~~City and county law enforcement fees~~  
~~will be~~"

Page 2, remove the overstrike over lines 11 through 19.

Renumber accordingly

3-2-17

#1

SB 2106

TESTIMONY – SB 2106  
HOUSE POLITICAL SUBDIVISIONS COMMITTEE  
MARCH 2, 2017  
BY MIKE LYNK  
DIRECTOR, DIVISION OF STATE RADIO

Mr. Chairman and members of the committee, my name is Mike Lynk. I am the Director of the Division of State Radio, North Dakota Department of Emergency Services.

The engrossed version of SB 2106 deletes language referencing the mobile data terminal system to properly reflect the Division's discontinuation of mobile data terminal access.

The Division of State Radio's North Dakota Law Enforcement Telecommunications System provides access to criminal history and local, state, and federal law enforcement databases. The engrossed bill deletes language in order to clarify inconsistency identified by audit within NDCC 37-17.3-08 regarding application of fees assessed upon city and county law enforcement entities accessing the Law Enforcement Telecommunications System.

Both obsolete and conflicting language have been eliminated. Therefore, on behalf of the Division of State Radio, I recommend Engrossed SB 2106 receive a do pass. I will respond to member questions.