

2001 HOUSE APPROPRIATIONS

HB 1007

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date January 10, 2001

Tape Number	Side A	Side B	Meter #
1/10/01 tape #1	0 to 4454		
Committee Clerk Signature <i>Kelli Hall</i>			

Minutes:

The committee was called to order, and opened the hearing on HB 1007, the appropriations budget for the Labor Commissioner.

Mark Bachmeier, Commissioner of Labor: Had prepared written testimony. He notes that the most noteworthy activity at the Labor Department has been the development of a new housing discrimination program. The department was given the responsibility to receive and investigate complaints of discriminatory housing practices under a law passed in the 1999 legislature. The department has had HUD review the law for equivalency with Federal Fair Housing Act and negotiated a work-sharing agreement to investigate complaints for the federal agency. They have also hired 2 investigators, developed administrative procedures for investigating complaints, and attended training on enforcement.

To educate the public about our new law and new responsibilities, we have created brochures, added information to our web site, and spoken to many groups. The program is going well as to its implementation.

In a related area in June of 2000, the department announced the creation of a Human Rights Division within the department. The intent of the creation of that division specifically by that name was 2-fold. One, it was to create something that by name would be the obvious place that someone would bring a concern that they felt they had been discriminated against in some area. One of the things that was a question about that new responsibility at the Dept. Of Labor, was how logical it would be for people to call the Dept. of Labor if they felt they had been discriminated against in housing. So we wanted to work on that, and felt that a division within the department called the Division of Human Rights to appear in the phone directories so that people would have a logical place to call. Secondly, it was to say that if people called us with concerns that were not within our jurisdiction, either in the areas of housing or employment discrimination, that we could then help get them to the proper place with referrals. So that took place in June of this year.

In addition to those responsibilities we have continued to carry out our traditional function at the department, listing highlights of program activities on page 2 of the written handout. They investigated 200 claims for unpaid wages and collected \$56,133 for workers; they negotiated 19 additional informal settlements in wage disputes and collected \$5,299.51 for workers; they issued 1,612 Employment and Age Certificates (work permits) to 14 and 15 year olds; closed 86 employment discrimination cases, including 10 negotiated settlements totaling more than \$338,000; provided presentations on labor and anti-discrimination laws; licensed 19

employment agencies in the state; mailed 992 packets of posters and brochures to employers, and received nearly 14,000 telephone and walk-in inquiries from state citizens.

In addition there were a number of changes and improvements made during the biennium. They made major implementation of technology upgrades, including the purchase of a file server and operating system upgrade; they created a new web site and made significant improvements to the quality of material provided throughout the state; they improved their fiscal accounting methods and internal budget reporting; and developed and implemented an agency logo.

The executive budget recommendation for the department contains a proposed general fund increase of \$91,104, over our current appropriation, excluding the compensation package. The increase is a product of two specific items. First we are projecting a decrease of \$21,724 in federal funding for housing discrimination, because they will be past the 3-year new program higher funding. It then goes to a per-case pay basis. It is projected that the caseload will not generate the same level of funding previously received, and therefore request \$19,000 in additional general funds to offset the decrease in federal funding and maintain roughly the current overall level of funding.

Rep. Skarphol: With regard to this issue of federally funding and the first three years, then they fund this for three years, and after this first three years it becomes a per-case basis. Is that correct.

Response: That is essentially correct. It is just that the funding of a new agency is different with an agency with a caseload. They do not have anything to base a per-case contract on when the agency first starts up. A new agency needs to develop a caseload and history of resolving cases, and also they want to provide enough funding at first to be able to set up.

Rep. Skarphol: Was this program federally mandated?

Response: The federal government had already handled this, and has for years, and the logic behind the creation of the state law was to allow a state location for residents to seek remedy, much more quickly for our claimants. The respondents in previous cases also reported a desire to have the state investigate the complaints. The state law has to be substantially similar to the federal law, so there is no overlapping.

Rep. Skarphol: Is this per case basis going to cover all the costs?

Response: No, not all the costs. Not all the costs of housing discrimination or wage discrimination are covered by the federal funds.

Rep. Skarphol: What part are federal funds, what part is state funds?

Response: Housing is 80% federal; employment is maybe 50%.

Rep. Skarphol: Do you have the ability to renegotiate the funding?

Response: No, not on the per-case basis. There are set up for all cases the same. We will be able to cover more costs with federal funds in housing discrimination.

Rep. Koppelman: Wasn't there also a private nonprofit organization that dealt with claims and concerns of the public before your housing discrimination division was established.

Response: There is a nonprofit organization in North Dakota that provides assistance for persons in helping persons to file a complaint of housing discrimination - the North Dakota Fair Housing Council. This council informs the public, and HUD helps fund private organizations, whose mission is to provide education and outreach. They are funded separately from our department.

Rep. Koppelman: They have taken some cases to court also, haven't they?

Response: They have certainly filed some legal actions, yes. Those were primarily in those actions where protection existed under state law, but not under federal law. There are 3

such protections that exist under state law, but not under Federal Fair Housing Act. They have filed complaints with the Dept. Of Labor recently, and hopefully they will stay out of court now.

Rep. Koppelman: Why is HUD funding both a nonprofit organization and cutting your funding of the state department?

Response: The federal funding is not being cut - it is just a different level of funding after the first 3 years start up period. Why they fund the no-profit organization, is because we have two separate purposes. One to inform and one to investigate and enforce.

Rep. Glassheim: Is the one additional FTE being requested by the EEO division?

Response: Yes, that is correct.

Rep. Glassheim: Does the division of Human Rights include the housing division, what is the staffing of the division of human rights.

Response: The department has historically had 1 FTE assigned to employment discrimination. We were authorized 2 to staff the housing discrimination. We have tried to shift staff, as best we could. We also have the deputy for administration support and supervision.

Rep. Glassheim: There is a continued push for a Human Rights Commission. Will this be to replace your division, or will your housing division be placed in this Commission.

Response: I have seen no bills on this this session. Previous versions in previous sessions would have done that yes.

Rep. Huettner: Fargo has a Commissioner of Human Rights - do you still handle their cases - or are we duplicating things?

Response: That commission is advisory only, and we are the only entity that can enforce any complaints.

The remainder of the total increase of \$72,104 is to fund an additional FTE for our Equal Employment Opportunity Division. Attached to the written testimony are charts illustrating the employment discrimination cases opened and closed per month, and the trend in pending caseload over the last five years. We need additional staff to close the steadily increasing outstanding cases per year. The passage of the American with Disabilities Act (ADA) has created new caseloads, not originally foreseen in establishment of staff in 1983. During the last five years we have closed an average of 86 cases, but have received an average of 98 new complaints in each of those years.

We have had to reorganize existing staff duties to provide some level of assistance to the division. However, that remains hurting one program to help another. They feel that adding one additional staff person in their only solution. One or the other program falls behind in work completed.

Rep. Byerly: Are there any barriers from federal funding or training precluding the investigators from housing to help in assisting investigators from EEOC?

Response: No barriers from federal funding. There are some training issues, but we think they are helping each other as much as possible. We do expect caseloads in each division to keep the FTE's busy.

Rep. Byerly: The EEO persons seem to be very busy investigating their complaints. I am concerned more with the housing investigators, and what they are going to be doing if they have only 25 cases in the next year.

Response: We project more like 35 cases in the next year for housing, so based upon available numbers and projections, we project more like 70 cases over the next biennium for housing discrimination.

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Government Operations Division

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Rep. Koppelman: The trend seems to be closure problems, would adding additional staff solve this problem?

Response: As to the trend, after the passage of the ADA, the caseload has grown more and more, but the averages remain the same and the rate we are falling behind remains constant.

Rep. Carlisle: Does the local entity in Bismarck refer cases to you?

Response: If you are referring to the ND Fair Housing Council, then yes they do.

Rep. Carlisle: What does the deputy director Deena do, investigate or what?

Response: She does public training, disbursing information to the public, and she may do some investigation assistance.

Rep. Byerly: Your department is looking for an EEOC investigator extra?

Response: Yes.

The chairman closed the hearing on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date January 16, 2001

Tape Number	Side A	Side B	Meter #
01-16-01 tape #2	3570-4836		
Committee Clerk Signature <i>Kathleen Hall</i>			

Minutes:

The committee was called to order, and opened the committee work on HB 1007, the Labor Commissioner.

Chairman Byerly: Asked if there was any comments or questions on this bill. Concerns as to the requested additional FTE.

Rep. Koppelman: He had discussed with the Labor Commissioner's office the fact that the Governor's office has asked for an additional \$18,000 not in the budget request, but for them to find elsewhere in their budget the deputy's salary. This was discussed to some extent. They also discussed the division of labor and the efficiency for their investigators. Most of the training has been of housing investigators and the Commissioner envisions 1 dedicated labor investigator and other investigative staff being able to handle either. There was a decrease in their HUD grant and they are asking for an increase in office equipment. They basically want to improve the looks of the office, and have most of their furniture from second hand sources. I asked him if he

had to find some efficiency where he would find it, and he talked about the FTE and investigation of claims. There also is a national organization that they want to keep a part of, but if we had to start chopping, that would be one source, and some reference materials.

Traditionally the deputy has been involved in the fiscal matters in the office, and commissioner Bachmeier stated that he has some interest and knowledge in this area, that he wants to be involved in this area as director, which would free up the deputy to do other things.

Rep. Byerly: Some concern is the unfunded deputy money, and the HUD funding cuts, and the FTE..

Rep. Koppelman: Voiced same concerns in regard to the HUD money, and their funding of the nonprofit company.

(Discussed briefly the remodeling/furniture request in the budget, and the role of the committee on FTE's in general).

The chairman closed the committee work on this bill.

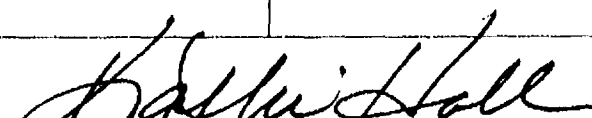
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date January 19, 2001

Tape Number	Side A	Side B	Meter #
01-19-01 tape #1	0 - 1540		
Committee Clerk Signature 			

Minutes:

The committee was called to order, and opened committee work on HB 1007.

Chairman Byerly: Rep. Koppelman has worked on this budget, so he will enlighten the committee.

Rep. Koppelman: Notes that Rep. Carlisle has assisted him in this project, and they met with the Labor Commissioner twice and met with others to sort through the budget and figured it. In the final analysis the Labor Commissioner had proposed a good budget. However, I recommend that we cut the budget in the area of the one FTE that was requested, and the Labor Commissioner would like to get that person, but does feel that the department could live without the FTE, and will mean spreading out some investigative duties among the rest of the staff, do more cross training, and having the commissioner and deputy commissioner do some investigations themselves. Secondly, there was a fairly healthy line item increase in the office equipment area

and this was due to a request for some interior remodeling/decorating. Their office has definite needs for furniture. With the FTE removed, this is not an unreasonable budget request.

Rep. Koppelman: Moved that in the Labor Commissioner's budget we remove the new FTE and the funding for that position from the Hoeven budget.

Rep. Carlisle: Second the motion.

(There was some general discussion as to the budget, the motion, and how the committee was going to proceed)

Rep. Glassheim: Had some questions as to freeing up time for the commissioner and the deputy.

Rep. Koppelman: Explained the current staffing and investigation duties, and how the proposed change will affect the staff, and the commissioner's thoughts that there will be a floater investigator and that the commissioner will take on some duties that the deputy usually does, and that the deputy will be the director of the Human Rights Division, and will take some of those duties.

Rep. Glassheim: Refers to the Human Rights Commission, and whether or not this will have some affect.

Rep. Koppelman: Makes some references to last session, and the past history and how this may deal with the Human Rights Commission.

Rep. Huetter: Questioned if the department expects their caseload to increase?

Rep. Koppelman: They did discuss this, and the commissioner does not think that there will be a drastic increase, that the caseload will grow some, but they really do not know. Fargo now has a Human Rights Commission, and they are now referring cases to the state office.

Rep. Huetter: Noted a letter he received regarding a trailer court in Minot whose residents believe they are being treated unfairly, and wondered if this would make an impact.

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Government Operations Division

Bill/Resolution Number HB 1007

Hearing Date January 19, 2001

(More general discussion as to the bill, the fact that the department actually cut their budget on IT requests, and concerns again of Rep. Glassheim on the caseload and the ability to perform without this additional FTE request. The committee understands that they may have to revisit this FTE next session, and they may need additional staff then, if the caseload increases).

On the vote of the Motion to amend, it was passed, 5 yes, 2 no.

Rep. Koppelman: Moved a DO PASS AS AMENDED.

Rep. Thoreson: Seconded the Motion.

On the vote of the Motion to Pass as Amended, it was passed 7 yes, 0 no.

Rep. Koppelman was assigned to carry the bill to the full committee.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1007

House Appropriations Committee

☐ Conference Committee

Hearing Date January 26, 2001

Tape Number	Side A	Side B	Meter #
HB1007	x		0 - 938
Committee Clerk Signature <i>L. L. Doughton</i>			

Minutes:

Rep. Timm: Called the Appropriations Committee to order at 8:05 a.m. Clerk will call the roll. I think we will take the three bills from Rep. Byerly's Committee and do them first, and we will start with HB1007.

Rep. Kim Koppelman: Members of the committee, House Bill 1007 is the Labor Commissioner's

Budget and essentially the main changes in the labor commissioner's budget is that they had requested an additional FTE as an investigator and you might recall that the during the last biennium during the last legislative session we placed the responsibility for investigating housing discrimination complaints in the labor department, and I believe we put about \$200,000 more in that budget last biennium in order to do that. As a result, three investigators were hired and their case load was growing and the commissioner had invested another. Our committee after review doesn't really believe that position is warranted, so we have taken that out of the request.

There are and would remain three compliance investigators in the department under our proposal, that would split time between the three in investigating both wage and hour complaints or the typical labor kinds of complaints the labor department gets and also housing discrimination complaints which is a new area they are being charged with. The case load of the wage and hour investigator is considerably larger than the case load of the housing discrimination investigators. And one of those investigators under the organizational chart with 9 FTE's and the 10 that they had requested, at least one of those investigators would float, they would be able to investigate both wage and hour or labor complaints or housing discrimination complaints, in addition in our discussions with the commissioner, even the commissioner and the deputy commissioner will be doing some hands on case investigation themselves under a 9 FTE plan and we think that's advisable because it sort of keeps them in the field and active in what their role really is. The new deputy will be handling primarily that area of housing discrimination complaints and the new commissioner will retain some of the duties that traditionally have been reserved for the deputy, like fiscal management and organizational management and that sort of thing, and we agreed upon that the division of labor just to better facilitate this new responsibility of housing discrimination. With that Mr. Chairman, there is \$21,700 decrease in a HUD grant for housing programs, and we found that a little bit ironic, because HUD is also funding fully the North Dakota Fair Housing Council, and yet their decreasing funding for this department which we charge with this responsibility in our state last biennium. The only additional spending is really a little bit in the office supply area, and they have actually been able to find efficiencies elsewhere to basically offset that. If you have ever been up their office is pretty sparse, all the furniture has come from surplus and they just want a

reception area, and to spruce up and its very minimal. We were inclined to allow them to do that.

That's basically the overview Mr. Chairman and I'd be happy to answer any questions.

Rep. Pam Gulleon: To justify all of the changes in the restructuring, but there must have been a considerable number housing complaints that they acted on. Did they give you any numbers.

Rep. Kim Koppelman: They did, but I don't have the testimony with me but I can get that for you. Its probably up in our other committee room. He did indicate numbers of complaints and the numbers that are fielded by each of their investigators. The number of housing complaints though as I said earlier are very small compared to the number of labor investigations. The one investigator that does strictly labor investigations has a much busier case load and deals with at lot more matters than the housing side.

Rep. James Kerzman: Was the governor's pay package figured into the salaries line, that \$76,000 is basically just for one employee?

Rep. Kim Koppelman: Yes, that's correct. The governor's pay package is left in here and he just did not grant the FTE that they had requested in their budget.

Rep. Ole Aarsvold: Was there any evidence or testimony that the number of new jobs we have in the state, I think it was 63,000. Has that reflected in a need for additional compliance work in the field?

Rep. Kim Koppelman: They didn't specifically talk about that, although the commissioner seems satisfied that their investigatory staff is sufficient to handle the labor issues that come up. I think though that actually the way that they are streamlining with the two investigators, is that one of those will be able to float back and forth and will be sort of cross trained to handle either kind of complaint and in fact creates a more efficient structure so that they can handle them. But

I don't know, I can't really answer your question in terms of whether their increasing substantially or not.

Rep. Ole Aarsvold:

It would seem to me with the additional employment out there that they would probably be an incidence of greater need for compliance checks. But I'm not sure what we can do about it.

Rep. Kim Koppelman: Again you may be right. But if you look at the organizational chart that shows 10 FTE's verses 9 FTE's, I think that the department is more efficient with 9FTE's.

Rep. Mike Timm: Any other questions for Rep. Koppelman? Are we ready to vote on passage of these amendments?

Rep. Rex Byerly: Just a question since this is the first bill that we have kicked down. Are we going to do like we did in prior sessions where we have to actually remove the amendment down here and then pass the bill out or because we amended it in our subsection we just pass the bill as amended, or vote a do pass as amended down here ?

Rep. Mike Timm: Let me ask the counsel, What is proper? Response: I think it would be best if the full committee adopted the amendment and then acted on the bill as amended.

Rep. Kim Koppelman: With that in mind, I would move the amendment which is essentially removes the one FTE requested in the executive budget recommendation. Seconded by Rep. Byerly.

Rep. Mike Timm: All those in favor signify by saying aye. Unanimous vote on Aye.

Motion is carried and amendment is adopted. I now need a motion to pass the bill as amended.

Motion by Koppelman to pass the bill as amended. Seconded by Rep. Carlisle. Any discussion?

Clerk will take the roll to DO PASS as amended.

YES (20) NO (0) ABSENT (1) Motion is passed.

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House Appropriations Committee
Bill/Resolution Number HB1007
Hearing Date January 26, 2001

Rep. Koppleman will carry the bill to the House floor.

Rep. Ron Carlisle: Just one procedural question, when we move the amendment, the last time we also read the characters 0101, because we will be getting a lot of amendments down here, and just for the record this is 0101.

End of action on HB1007. (Tape at 938)

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1007

Page 1, line 9, replace "911,552" with "835,477"

Page 1, line 12, replace "1,071,353" with "995,278"

Page 1, line 14, replace "841,391" with "765,316"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Labor Commissioner - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$911,552	(\$76,075)	\$835,477
Operating expenses	146,179		146,179
Equipment	<u>13,622</u>	<u> </u>	<u>13,622</u>
Total all funds	\$1,071,353	(\$76,075)	\$995,278
Less estimated income	<u>229,962</u>	<u> </u>	<u>229,962</u>
General fund	\$841,391	(\$76,075)	\$765,316
FTE	10.00	(1.00)	9.00

Dept. No. 406 - Labor Commissioner - Detail of House Changes

	REMOVE FUNDING FOR NEW FTE COMPLIANCE INVESTIGATOR POSITION	TOTAL HOUSE CHANGES
Salaries and wages	(\$76,075)	(\$76,075)
Operating expenses		
Equipment	<u> </u>	<u> </u>
Total all funds	(\$76,075)	(\$76,075)
Less estimated income	<u> </u>	<u> </u>
General fund	(\$76,075)	(\$76,075)
FTE	(1.00)	(1.00)

Date: 7-7-07
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. *HB 1007*

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~Appropriations~~ Government Operations
or
☐ Conference Committee

Legislative Council Amendment Number 18007.0101

Action Taken Motion to Amend.

Motion Made By Rep. Koppelman Seconded By Rep. Carlisle

[illegible]

Total (Yes) 5 No 2

Absent ~~0~~

Floor Assignment _____

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

moved to remove the Compliance Investigator
I. position.

Date: 1-19-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1007

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~Appropriations~~ Govt Operations
or
☐ Conference Committee

Legislative Council Amendment Number 18007.0101

Action Taken Moved to pass as amended.

Motion Made By Rep. Koppelman Seconded By Rep. Thoreson

Representatives	Yes	No	Representatives	Yes	No
Rep. Rex R. Byerly - Chairman	✓		Rep. Eliot Glassheim	✓	
Rep. Ron Carlisle - Vice Chairman	✓		Rep. Robert Huether	✓	
Rep. Kim Koppelman	✓				
Rep. Bob Skarphol	✓				
Rep. Blair Thoreson	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Rep. Koppelman

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

Date: 1-26-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1007

House APPROPRIATIONS

Committee

☐ Subcommittee on _____

or

☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS AS AMENDED

Motion Made By

KOPPELMAN

Seconded

By

CARLISLE

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman	✓				
Wald - Vice Chairman	✓				
Rep - Aarsvold	✓		Rep - Koppelman	✓	
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly	✓		Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol	✓	
Rep - Delzer	✓		Rep - Svedjan	✓	
Rep - Glassheim	✓		Rep - Thoreson	✓	
Rep - Gulleason	✓		Rep - Warner	✓	
Rep - Huether			Rep - Wentz	✓	
Rep - Kempenich	✓				
Rep - Kerzman	✓				
Rep - Kliniske	✓				

Total (Yes) 20 No _____

Absent 1

Floor Assignment KOPPELMAN

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

SECOND READING OF HOUSE BILL

HB 1289: A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to motor vehicle number plates bearing a logo identifying members of the North Dakota firemen's association.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 92 YEAS, 5 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Bellow; Belter; Berg; Boehm; Boucher; Brandenburg; Brekke; Brusegaard; Byerly; Carlisle; Carlson; Cleary; DeKrey; Delmore; Disrud; Doscht; Drowdai; Eckre; Ekstrom; Fairfield; Froelich; Froseth; Galvin; Glasheim; Grande; Grosz; Grumbo; Guileson; Gunter; Haas; Hanson; Hawken; Herbel; Huether; Hunsaker; Jensen; Johnson, D.; Johnson, N.; Kasper; Keiser; Kelsch, R.; Kelsch, S.; Kerzman; Kringsbury; Klein, F.; Klemm; Kliniske; Koppang; Koppelman; Kreitschmar; Kroeber; Lemieux; Lloyd; Mahoney; Maragos; Martinson; Meier; Metcalf; Morison; Mueller; Nelson; Nicholas; Niemeier; Notestadt; Onstad; Pietsch; Pollert; Porter; Price; Renner; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Solberg; Svedjian; Thoreson, B.; Thoreson, L.; Thorpe; Tieman; Timm; Wald; Warner; Weiler; Weisz; Wentz; Wikenheiser; Winnich; Wrantham; Speaker Bernstein

NAYS: Delzer; Devlin; Kempenich; Klein, M.; Skarphol

ABSENT AND NOT VOTING: Clark

HB 1289 passed and the title was agreed to.

REPORT OF STANDING COMMITTEE

HB 1007: Appropriations Committee (Rep. Timm, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (20 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 9, replace "911,552" with "835,477"

Page 1, line 12, replace "1,071,353" with "995,278"

Page 1, line 14, replace "841,391" with "765,316"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Labor Commissioner - House Action

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General fund	\$841,391	(\$78,075)	\$763,316
FTE	10.00	(1.00)	9.00
Dept. No. 406 - Labor Commissioner - Detail of House Changes			
REMOVE FUNDING FOR NEW FTE POSITION			
COMMITTEE INVESTIGATOR			
TOTAL HOUSE CHANGES			
	(\$78,075)	(\$78,075)	
Salaries and wages			
Operating expenses			
Equipment			
Total all funds		(\$78,075)	

General fund \$78,075 (\$78,075)

FTE 10.00 (1.00)

REPORT OF STANDING COMMITTEE

HB 1115: Human Services Committee (Rep. Price, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REFERRED to the Appropriations Committee (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1115 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "and a new subsection to"

Page 1, line 2, remove "section 50-24.5-02"

Page 1, line 3, replace "and an income supplement for eligible beneficiaries" with a period

Page 1, remove line 4

Page 1, remove lines 9 through 11

Page 1, line 12, remove "2"

Page 1, line 14, after the period insert "As used in this section, "basic care facility" has the meaning provided in section 23-09.3-01."

Page 1, remove lines 15 through 24

Page 2, remove lines 1 through 4

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1160: Appropriations Committee (Rep. Timm, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (20 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1160 was placed on the Sixth order on the calendar.

Page 1, line 8, remove the overstrike over "up-to-a-total-of" and after "they" insert "500,000"

Page 1, remove the overstrike over line 9

Page 1, line 10, remove the overstrike over "excess-of-the", after "they" insert "sixty-five", and remove the overstrike over "thousand-dollars-credited-to-the-attorney-general's operating"

Page 1, line 11, remove the overstrike over "fund-cash-benefit-must-be-credited-to-the-state-general-fund"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment increases the limit of funding derived from fees for concealed weapons licenses which is credited to the Attorney General's operating fund from \$50,000 to \$65,000 each biennium.

REPORT OF STANDING COMMITTEE

HB 1364: Judiciary Committee (Rep. DeKrey, Chairman) recommends DO PASS (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1364 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1415: Human Services Committee (Rep. Price, Chairman) recommends DO PASS (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1415 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1424: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends DO PASS (13 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). HB 1424 was placed on the Eleventh order on the calendar.

2001 SENATE APPROPRIATIONS

HB 1007

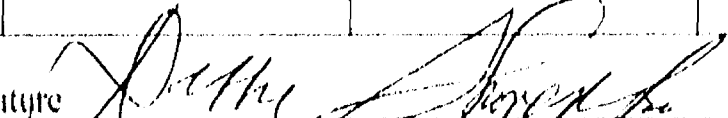
2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

Senate Appropriations Committee

☐ Conference Committee

Hearing Date February 14, 2001

Tape Number	Side A	Side B	Meter #
2	X		0.0-12.6
Committee Clerk Signature 			

Minutes:

Senator Nothing opened the hearing on HB 1007

Mark Bachmeier Commission, ND Department of Labor, (testimony attached) stating the House Appropriation removed 1 FTE and he is recommended this be added back in.

Senator Andrist: Discrimination cases, explain the general terms in resolving these cases, are the findings valid, determine they are not malice?

Mark Bachmeier: The process is the same as employment and housing cases. They are filed, assess jurisdiction of the complaint, allege if true, file complaint and investigate. We have had 20 housing discrimination cases. Dispensed 10 cases, no cause for findings. Employment cases, majority are dismissed others resolved through settlement. The process is through administration, informal, there are on site investigations for cases to support evidence. Probable cause contract, EEOC will issue findings which is a small number of our cases.

Page 2
Senate Appropriations Committee
Bill/Resolution Number HB 1007
Hearing Date February 14, 2001

Senator Andrist: Authority included in the settlement for payment of services to the agency for employee/employer cases?

Mark Bachmeier: There are no such provisions for payment of fees and penalties from the parties to our agency.

With no opposition to the bill, the hearing was closed. Tape #2, Side A, meter 12.6

3-29-01 Full Committee Action (Tape #3, Side A, Meter # 0.0-3.5)

Senator Nething reopened the hearing on HB1007 - Office of the Labor Commissioner.

Senator Grindberg, Subcommittee Chair presented a review of the bill, along with the findings of the Subcommittee. He presented amendments #18007.0201, as the Subcommittee recommended. Discussion, motion made for the adoption of amendments by Senator Grindberg, seconded by Senator Andrist. Discussion; call for the vote: Yes voice vote carried the amendment.

Discussion on the bill. Senator Grindberg moved a DO PASS AS AMENDED; seconded by Senator Holmberg. Discussion; call for the vote: Roll Call Vote: 14 yes; 0 no; 0 absent and not voting.

Senator Grindberg accepted the floor assignment.

18007.0201
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Grindberg
March 29, 2001

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

Page 1, line 9, replace "835,477" with "907,581"

Page 1, line 10, replace "146,179" with "154,199"

Page 1, line 11, replace "13,622" with "16,604"

Page 1, line 12, replace "995,278" with "1,078,384"

Page 1, line 14, replace "765,316" with "848,422"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Labor Commissioner - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$911,552	\$835,477	\$72,104	\$907,581
Operating expenses	146,179	146,179	8,020	154,199
Equipment	<u>13,622</u>	<u>13,622</u>	<u>2,982</u>	<u>16,604</u>
Total all funds	\$1,071,353	\$995,278	\$83,106	\$1,078,384
Less estimated income	<u>229,962</u>	<u>229,962</u>		<u>229,962</u>
General fund	\$841,391	\$765,316	\$83,106	\$848,422
FTE	10.00	9.00	1.00	10.00

Dept. 406 - Labor Commissioner - Detail of Senate Changes

	PROVIDE FUNDING FOR ADDITIONAL AGENCY RESPONSIBILITIES ¹	TOTAL SENATE CHANGES
Salaries and wages	\$72,104	\$72,104
Operating expenses	8,020	8,020
Equipment	<u>2,982</u>	<u>2,982</u>
Total all funds	\$83,106	\$83,106
Less estimated income		
General fund	\$83,106	\$83,106
FTE	1.00	1.00

¹ This amendment provides additional funding of \$83,106 from the general fund and 1 new FTE to the Labor Commissioner for investigating human rights complaints and for providing administrative hearings on discrimination complaints.

Date: 3-20-01

Roll Call Vote #: _____

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1017

Senate Appropriations Committee

☐ Subcommittee on _____

or

☐ Conference Committee

Legislative Council Amendment Number 180070301

Action Taken to pass the amendment

Motion Made By Senator Grindberg Seconded By Senator Holmberg

Senators	Yes	No	Senators	Yes	No
Dave Nething, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindaas	✓				
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac	✓				
Joel C. Heitkamp	✓				
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg	✓				
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 14 No 0

Absent 10

Floor Assignment Senator Grindberg

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

REPORT OF STANDING COMMITTEE

HB 1007, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 9, replace "835,477" with "907,581"

Page 1, line 10, replace "146,179" with "154,199"

Page 1, line 11, replace "13,622" with "16,604"

Page 1, line 12, replace "995,278" with "1,078,384"

Page 1, line 14, replace "765,316" with "848,422"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1007 - Labor Commissioner - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$911,552	\$835,477	\$72,104	\$907,581
Operating expenses	146,179	146,179	8,020	154,199
Equipment	<u>13,622</u>	<u>13,622</u>	<u>2,982</u>	<u>16,604</u>
Total all funds	\$1,071,353	\$995,278	\$83,106	\$1,078,384
Less estimated income	<u>229,962</u>	<u>229,962</u>		<u>229,962</u>
General fund	\$841,391	\$765,316	\$83,106	\$848,422
FTE	10.00	9.00	1.00	10.00

Dept. 406 - Labor Commissioner - Detail of Senate Changes

	PROVIDE FUNDING FOR ADDITIONAL AGENCY RESPONSIBILITIES ¹	TOTAL SENATE CHANGES
Salaries and wages	\$72,104	\$72,104
Operating expenses	8,020	8,020
Equipment	<u>2,982</u>	<u>2,982</u>
Total all funds	\$83,106	\$83,106
Less estimated income		
General fund	\$83,106	\$83,106
FTE	1.00	1.00

¹ This amendment provides additional funding of \$83,106 from the general fund and 1 new FTE to the Labor Commissioner for investigating human rights complaints and for providing administrative hearings on discrimination complaints.

2001 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1007

2001 HOUSE CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee
Government Operations Division

☒ Conference Committee

Hearing Date April 9, 2001

Tape Number	Side A	Side B	Meter #
04-09-01 tape #1		0 - 1303	
Committee Clerk Signature <i>Kellie Hall</i>			

Minutes:

The conference committee was called to order. Roll call was taken.

Rep. Koppelman: Asks the Senators to explain their changes.

Sen. Grindberg: Explains their amendment. They had waited on this bill for the bill to flow through on the division of human rights in the labor department. Once that passed, we met again with the Commissioner of Labor, and reviewed the work load and responsibilities and anticipated work load. They felt the additional FTE was in line based on the new duties to come with the human rights division.

(The committee discussed some, and Mark Backmeier from the Labor Department appeared and answered some questions about the additional duties and FTE requested).

The chairman closed the meeting on this bill.

2001 HOUSE CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee
Government Operations Division

☒ Conference Committee

Hearing Date April 10, 2001

Tape Number	Side A	Side B	Meter #
04-10-01 tape #2	0 - 1107		
Committee Clerk Signature <i>Kathleen Lall</i>			

Minutes:

The conference committee was called to order. Roll call was taken.

Rep. Koppelman: Previously I had requested the Labor Commissioner and LC to see if there could be any federal funds for this position. I understand we came up empty in that quest. The hope is to not have to use general funds here. As he was looking at the staffing in the department as to investigators, there was one labor standard supervisor and 4 investigators, handling things from labor to housing. Two were new FTE's when we added the housing program. In the last biennium we almost doubled their investigators already. The amendment before us seeks to add another investigator FTE. His sense is that the house's concern is that we are growing this area, and we are assigning new duties to the office, but there still appears to be concern of the whole human rights commission being developed by enlarging the department.

Sen. Grindberg: Are you saying that you don't want to fund this position?

Rep. Koppelman: Not digging in our heels yet, but we are uncomfortable with the cost and growth. That's why we didn't fund the other investigative position requested earlier. Again, He understands that additional responsibilities have been added since.

Sen. Andrist: Why didn't you kill the bill then. I think we need to give them something.

Rep. Koppelman: We did kill the human rights commission bill. There were two bills. We are also dealing with an unknown here. We are facing the perceived need for this position on the assumption that we will have a lot of claims that will have to be addressed. These are the concerns we are hearing.

Rep. Skarphol: His sense is that he's not ready to make a decision yet on whether or not this is the employee he wants to add. He expects that there will be more than one request for employees, and we will have to prioritize which is most needed. This is the first FTE request I am seeing in conference committee, and I am not willing to commit to this one yet. He needs the full picture before he makes a decision.

Sen. Grindberg: That helps him formulate what is being thought here, and appreciates knowing that.

Rep. Koppelman: Suggested an idea for the committee to discuss and investigate. When the human rights commission bill was being heard one of the concerns was cost. The Tribes had offered to put some money in and fund part of the human rights commission. He would like to check into this as one option, and see if they would be willing to contribute some funds toward this investigative position.

Rep. Huether: We have this department in the labor department whether we want it or not. Has a concern that they could be stretched pretty thin. We don't know what is coming, and it would be better to be prepared than not prepared. We could put the state in a bad position for a

lawsuit or something if they can't handle this. Thinks its imperative that we find a way to get this position.

Sen. Lindaas: Could a half-time position be funded instead of a full time?

Rep. Skarphol: His impression is that at first it would have to be a full time, and then after its up and running, it could be more part time, and then cross trained into other investigative duties.

(The committee discusses the Tribal offer to fund, and that someone will look into this possibility, and will meet later to discuss what is found out).

The chairman closed the meeting on this bill.

2001 HOUSE CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee
Government Operations Division

☒ Conference Committee

Hearing Date April 12, 2001

Tape Number	Side A	Side B	Meter #
04-12-01 tape #1		0 - 1100	
Committee Clerk Signature <i>Kyle Hall</i>			

Minutes:

The conference committee was called to order. Roll call was taken.

Rep. Koppelman: The discussions in the House have been that we don't dispute the need for the FTE and we don't question the idea that the labor commissioner's office would do an inadequate job, probably would do an exemplary job of being responsible with this, and its probably necessary to carry the program out. There is however some question as to how many complaints will be received and none of us knows that. So we are trying to staff a department with a position on what we can only guess will happen. There is still the issue of all the FTE's requested in state government. There is no federal or special funding that can be found. There may be some available after the department gets a track record.

Mark Bachmeier, Labor Commissioner: Explains to the committee that there is no funding source readily available, and down the road, if our resources are such that they can work to get rid of the backlog of EEO cases, the contract for that program is based on the number of

cases completed. So there is potential as we work through this to get a larger contract. That would potentially increase the federal funds, which could be used to offset general funds in the future.

Rep. Koppelman: The types of investigations you would be doing under the new responsibilities are not the types that the federal government funds?

Mark Bachmeier: Correct.

Rep. Koppelman: Hands out copies of minutes that were collected by Roxanne of LC, from HB 1315, heard by the GVA committee. He noted the tabs that reflect the Tribe's testimony regarding monetary offers, and Sen. Bercier's offer too. Doesn't think tribal dollars are something they can budget with, but could be something to look into for beginning contributions.

Sen. Grindberg: Thinks that if this is something Rep. Koppelman wishes to pursue, then he should do so. Asks how the state would even contract this out to share expenses or what.

(Some general discussion on this issue of how to approach the request for Tribal money).

Sen. Grindberg: The evidence may be there that most of the discrimination claims may be raised by Native Americans. There may be others as well. He thinks that the labor department should not have to assume these extra duties into the original budget. He favors adding the FTE.

Sen. Andrist: His concept of the human rights commission is different than what this bill has become. He believes that the offer by the Tribes should not apply to this new department. He wouldn't want to be the person making the request of the Tribes.

Page 3

Government Operations Division

Bill/Resolution Number HB 1025

Hearing Date April 12, 2001

(General discussion as to other situations where the tribes contribute funds, and that no one really disputes the need for the FTE. The disagreement really is where the funds are to come from and how this fits into the whole big picture).

Sen. Andrist: Moves that the House accede to the Senate amendment. Seconded by Sen. Grindberg.

Vote on Motion : 4 yes, 2 no, motion fails due to not having the majority of votes from each house.

The chairman closed the meeting on this bill.

2001 HOUSE CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee
Government Operations Division

☒ Conference Committee

Hearing Date April 17, 2001

Tape Number	Side A	Side B	Meter #
04-17-01 tape #1		0 - 73	
Committee Clerk Signature <i>Hallie Hall</i>			

Minutes:

The conference committee was called to order. Roll call was taken.

Rep. Skarphol: Moves that the House accede to the Senate amendments. Seconded by
Rep. Huether.

Vote on Motion : 6 yes, 0 no, 0 absent and not voting. Motion passes.

Rep. Koppelman will carry the report to the floor.

The chairman closed the meeting on this bill.

Date:

Roll Call Vote #

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1007

House

Committee

☐

Subcommittee on

or

X

Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Seconded By

Seconded By

[illegible]**Total**

(Yes)

No

Absent

Floor Assignment

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

Date: 4-1
Roll Call Vote #

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 431007

House Appropriations Committee

☐ Subcommittee on _____

or

☒ Conference Committee

Legislative Council Amendment Number

Action Taken House accede to Sen. amend

Motion Made By Rep Skarpinski Seconded By Rep Huelskamp

[illegible]

Total (Yes) 6 No 0

Absent

Floor Assignment Rep. Kruppelman

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

Insert LC: .

REPORT OF CONFERENCE COMMITTEE

HB 1007, as engrossed: Your conference committee (Sens. Grindberg, Andrist, Lindaas and Reps. Koppelman, Skarphol, Huether) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ page 1222 and place HB 1007 on the Seventh order.

2001 TESTIMONY

HB 1007

January 8, 2001

**Department 406 - Labor Commissioner
House Bill No. 1007**

	FTE Positions	General Fund	Other Funds	Total
2001-03 Executive Budget	10.00	\$841,391	\$229,962	\$1,071,353
1999-2001 Legislative Appropriations	9.00 ¹	701,037	241,249	942,286 ²
Increase (Decrease)	1.00	\$140,354	(\$11,287)	\$129,067

¹ The 1999 Legislative Assembly authorized seven FTE positions. However, pursuant to authority received from the Emergency Hiring Council, the agency hired two additional individuals for the agency's Fair Housing Division.

² The 1999-2001 appropriation amounts include \$1,932 from the general fund for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$227 from the general fund for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Items Affecting Labor Commissioner 2001-03 Budget

	General Fund (\$1)	Other Funds (\$21,724)	Total (\$21,725)
1. Provides adjustments in funding for the Equal Employment Opportunity (EEO) Division to reflect changes in accounting practices and the Fair Housing Division to account for one-time funding received for the 1999-2001 biennium.			
2. Provides funding to continue the commissioner's equity salary increase provided by the 1999 Legislative Assembly effective January 1, 2001, and funding for an equity salary increase of \$309.25 per month for the commissioner effective January 1, 2002 (the amount included in the executive budget is \$194 less than the required amount of \$14,431).	\$14,237		\$14,237
3. Provides funding for 1 new FTE compliance investigator position for the EEO Division.	\$76,075		\$76,075

Major Legislation Affecting the Labor Commissioner

At this time, no major legislation has been introduced affecting this agency.

January 18, 2001

**Department 406 - Labor Commissioner
House Bill No. 1007**

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	10.00	\$841,391	\$229,962	\$1,071,353
1999-2001 Legislative Appropriations	9.00 ¹	701,037	241,249	942,286 ²
Increase (Decrease)	1.00	\$140,354	(\$11,287)	\$129,067

2001-03 Hoeven Executive Budget	10.00	\$841,391	\$229,962	\$1,071,353
Hoeven Increase (Decrease) to Schafer	0.00	\$0	\$0	\$0

¹ The 1999 Legislative Assembly authorized seven FTE positions. However, pursuant to authority received from the Emergency Hiring Council, the agency hired two additional individuals for the agency's Fair Housing Division.

² The 1999-2001 appropriation amounts include \$1,932 from the general fund for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$227 from the general fund for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Schafer Recommendations Affecting Labor Commissioner 2001-03 Budget

	General Fund (\$1)	Other Funds (\$21,724)	Total (\$21,725)
1. Provides adjustments in funding for the Equal Employment Opportunity (EEO) Division to reflect changes in accounting practices and the Fair Housing Division to account for one-time funding received for the 1999-2001 biennium.			
2. Provides funding to continue the commissioner's equity salary increase provided by the 1999 Legislative Assembly effective January 1, 2001, and funding for an equity salary increase of \$309.25 per month for the commissioner effective January 1, 2002 (the amount included in the executive budget is \$194 less than the required amount of \$14,431).	\$14,237		\$14,237
3. Provides funding for 1 new FTE compliance investigator position for the EEO Division.	\$76,075		\$76,075

**Major Hoeven Recommendations Affecting Labor Commissioner 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. The Hoeven budget recommendation does not change the Schafer executive budget recommendation for this agency.			

Major Legislation Affecting the Labor Commissioner

At this time, no major legislation has been introduced affecting this agency.

Department 406 - Labor Commissioner
House Bill No. 1007

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	10.00	\$841,391	\$229,962	\$1,071,353
1999-2001 Legislative Appropriations	9.00 ¹	701,037	241,249	942,286 ²
Increase (Decrease)	1.00	\$140,354	(\$11,287)	\$129,067

2001-03 Hoeven Executive Budget	10.00	\$841,391	\$229,962	\$1,071,353
Hoeven Increase (Decrease) to Schafer	0.00	\$0	\$0	\$0

¹ The 1999 Legislative Assembly authorized seven FTE positions. However, pursuant to authority received from the Emergency Hiring Council, the agency hired two additional individuals for the agency's Fair Housing Division.

² The 1999-2001 appropriation amounts include \$1,932 from the general fund for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$227 from the general fund for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Schafer Recommendations Affecting Labor Commissioner 2001-03 Budget

	General Fund	Other Funds	Total
1. Provides adjustments in funding for the Equal Employment Opportunity (EEO) Division to reflect changes in accounting practices and the Fair Housing Division to account for one-time funding received for the 1999-2001 biennium.	(\$1)	(\$21,724)	(\$21,725)
2. Provides funding to continue the commissioner's equity salary increase provided by the 1999 Legislative Assembly effective January 1, 2001, and funding for an equity salary increase of \$309.25 per month for the commissioner effective January 1, 2002 (the amount included in the executive budget is \$194 less than the required amount of \$14,431). (The House did not make an adjustment relating to the commissioner's equity salary increase.)	\$14,237		\$14,237
3. Provides funding for 1 new FTE compliance investigator position for the EEO Division. (The House removed this new position.)	\$76,075		\$76,075

**Major Hoeven Recommendations Affecting Labor Commissioner 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. The Hoeven budget recommendation does not change the Schafer executive budget recommendation for this agency.			

Major Legislation Affecting the Labor Commissioner

At this time, no major legislation has been introduced affecting this agency.

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1007 - Funding Summary**

	Executive Budget	House Changes	House Version
Labor Commissioner			
Salaries and wages	\$911,552	(\$76,075)	\$835,477
Operating expenses	146,179		146,179
Equipment	13,622		13,622
Total all funds	\$1,071,353	(\$76,075)	\$995,278
Less estimated income	229,962	0	229,962
General fund	\$841,391	(\$76,075)	\$765,316
FTE	10.00	(1.00)	9.00
Bill total			
Total all funds	\$1,071,353	(\$76,075)	\$995,278
Less estimated income	229,962	0	229,962
General fund	\$841,391	(\$76,075)	\$765,316
FTE	10.00	(1.00)	9.00

House Bill No. 1007 - Labor Commissioner - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$911,552	(\$76,075)	\$835,477
Operating expenses	146,179		146,179
Equipment	13,622		13,622
Total all funds	\$1,071,353	(\$76,075)	\$995,278
Less estimated income	229,962	0	229,962
General fund	\$841,391	(\$76,075)	\$765,316
FTE	10.00	(1.00)	9.00

Department No. 406 - Labor Commissioner - Detail of House Changes

	Remove Funding for New FTE Compliance Investigator Position	Total House Changes
Salaries and wages	(\$76,075)	(\$76,075)
Operating expenses		
Equipment		
Total all funds	(\$76,075)	(\$76,075)
Less estimated income	0	0
General fund	(\$76,075)	(\$76,075)
FTE	(1.00)	(1.00)



1-10-01
HE 1007
State Capitol - 13th Floor
600 E Boulevard Ave Dept 406
Bismarck, ND 58505-0340

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E-mail: labor@state.nd.us

Testimony on HB 1007
Prepared for the
House Appropriations Committee
Government Operations Division

January 10, 2001

Chairman Byerly and members of the Committee, good morning. For the record, my name is Mark Bachmeier and I am the Commissioner of Labor.

Perhaps the most noteworthy activity at the Department of Labor during the current biennium has been the development of a new housing discrimination program. You will recall that the department was given responsibility to receive and investigate complaints of discriminatory housing practices under a law passed during the 1999 Legislative Session. The law, enacted as N.D.C.C. chapter 14-02.5, became effective on October 1, 1999. Since its passage, we have had the law reviewed by the Federal Department of Housing and Urban Development (HUD) for equivalency with the Federal Fair Housing Act and negotiated a work-sharing agreement to investigate complaints for the federal agency. In addition, we have hired two investigators authorized by the new law, developed administrative procedures for investigating complaints, and attended HUD-sponsored training on fair housing enforcement. To date, we have received eighteen housing discrimination complaints and currently have nine active cases.

To educate the public about the new law and our new responsibilities under the law, we have created two informational brochures, completed drafts of two others and added housing discrimination information to our web site. We have hosted informational booths at the 2000 Statewide Housing Conference and the 2000 State Realtors Convention. And, we have given informational presentations to a variety of groups, including attendees of the 2000 Statewide Housing Conference and members of the Bismarck/Mandan, Fargo, Grand Forks, and Minot Apartment Associations.

In a related area, we created a Division of Human Rights within the department in June of 2000. The intent of doing so was to create an entity that would be more readily recognizable as the proper place for people to bring their discrimination complaints. The division encompasses our housing discrimination and equal employment opportunity programs and provides referrals to people with concerns that are not specifically within our jurisdiction.



1-10-01
HE 1007
State Capitol - 13th Floor
600 E Boulevard Ave Dept 406
Bismarck, ND 58505-0340

www.state.nd.us/labor
E-mail: labor@state.nd.us

Testimony on HB 1007
Prepared for the
House Appropriations Committee
Government Operations Division

January 10, 2001

Chairman Byerly and members of the Committee, good morning. For the record, my name is Mark Bachmeier and I am the Commissioner of Labor.

Perhaps the most noteworthy activity at the Department of Labor during the current biennium has been the development of a new housing discrimination program. You will recall that the department was given responsibility to receive and investigate complaints of discriminatory housing practices under a law passed during the 1999 Legislative Session. The law, enacted as N.D.C.C. chapter 14-02.5, became effective on October 1, 1999. Since its passage, we have had the law reviewed by the Federal Department of Housing and Urban Development (HUD) for equivalency with the Federal Fair Housing Act and negotiated a work-sharing agreement to investigate complaints for the federal agency. In addition, we have hired two investigators authorized by the new law, developed administrative procedures for investigating complaints, and attended HUD-sponsored training on fair housing enforcement. To date, we have received eighteen housing discrimination complaints and currently have nine active cases.

To educate the public about the new law and our new responsibilities under the law, we have created two informational brochures, completed drafts of two others and added housing discrimination information to our web site. We have hosted informational booths at the 2000 Statewide Housing Conference and the 2000 State Realtors Convention. And, we have given informational presentations to a variety of groups, including attendees of the 2000 Statewide Housing Conference and members of the Bismarck/Mandan, Fargo, Grand Forks, and Minot Apartment Associations.

In a related area, we created a Division of Human Rights within the department in June of 2000. The intent of doing so was to create an entity that would be more readily recognizable as the proper place for people to bring their discrimination complaints. The division encompasses our housing discrimination and equal employment opportunity programs and provides referrals to people with concerns that are not specifically within our jurisdiction.

Of course, we have continued to carry out our traditional responsibilities during this time as well. To hit some of the highlights among our other activities, during fiscal year 2000, the department:

- Investigated 200 claims for unpaid wages and collected \$56,133 for workers.
- Negotiated 19 additional informal settlements in wage disputes and collected an additional \$5299.51 for workers.
- Issued 1,612 Employment and Age Certificates (work permits) to 14 and 15 year old workers.
- Closed 86 employment discrimination cases, including ten negotiated settlements totaling more than \$338,000.
- Provided 40 informational presentations on labor and anti-discrimination laws to groups around the state. The presentations were attended by a total of 1,126 people.
- Licensed 19 employment agencies in the state.
- Mailed 992 packets of required posters and informational brochures to employers in the state.
- Received nearly 14,000 telephone and "walk-in" inquiries from citizens around the state.

In addition to carrying out our program activities, we made a number of general changes and/or improvements at the department during the current biennium, including:

- Implementation of a major technology upgrade, including the purchase of a dedicated file server and an operating system upgrade to improve the performance and reliability of our computer network.
- Creation of a new web site and significant improvements to the quality of informational materials provided through the site. During fiscal year 2000, our new site received more than 32,000 hits.
- Improvement of our fiscal accounting methods and internal budget reporting to more accurately track the actual costs of operating each of our programs.
- Development and implementation of an agency logo to make departmental publications more recognizable.

The Executive Budget Recommendation for the department contains a proposed general fund increase of \$91,104 over our current appropriation, excluding the compensation package. The total requested increase is a product of two separate issues. First, we are projecting a decrease of \$21,724 in federal funding for our housing discrimination program for the biennium. HUD provides state and local agencies with up to three years of "capacity building" funds to get new programs operating. These initial funds are awarded on a flat-rate basis and are relatively generous. After the capacity building

period, however, funding from the federal agency is based on a per-case contract. We project that our caseload will not generate the same level of funding as we are initially able to receive. Our first per-case contract period will begin in October of 2002 and will encompass the last nine months of our next biennium. We are requesting \$19,000 in additional general funds to offset the decrease in federal revenue and maintain roughly our current overall level of funding.

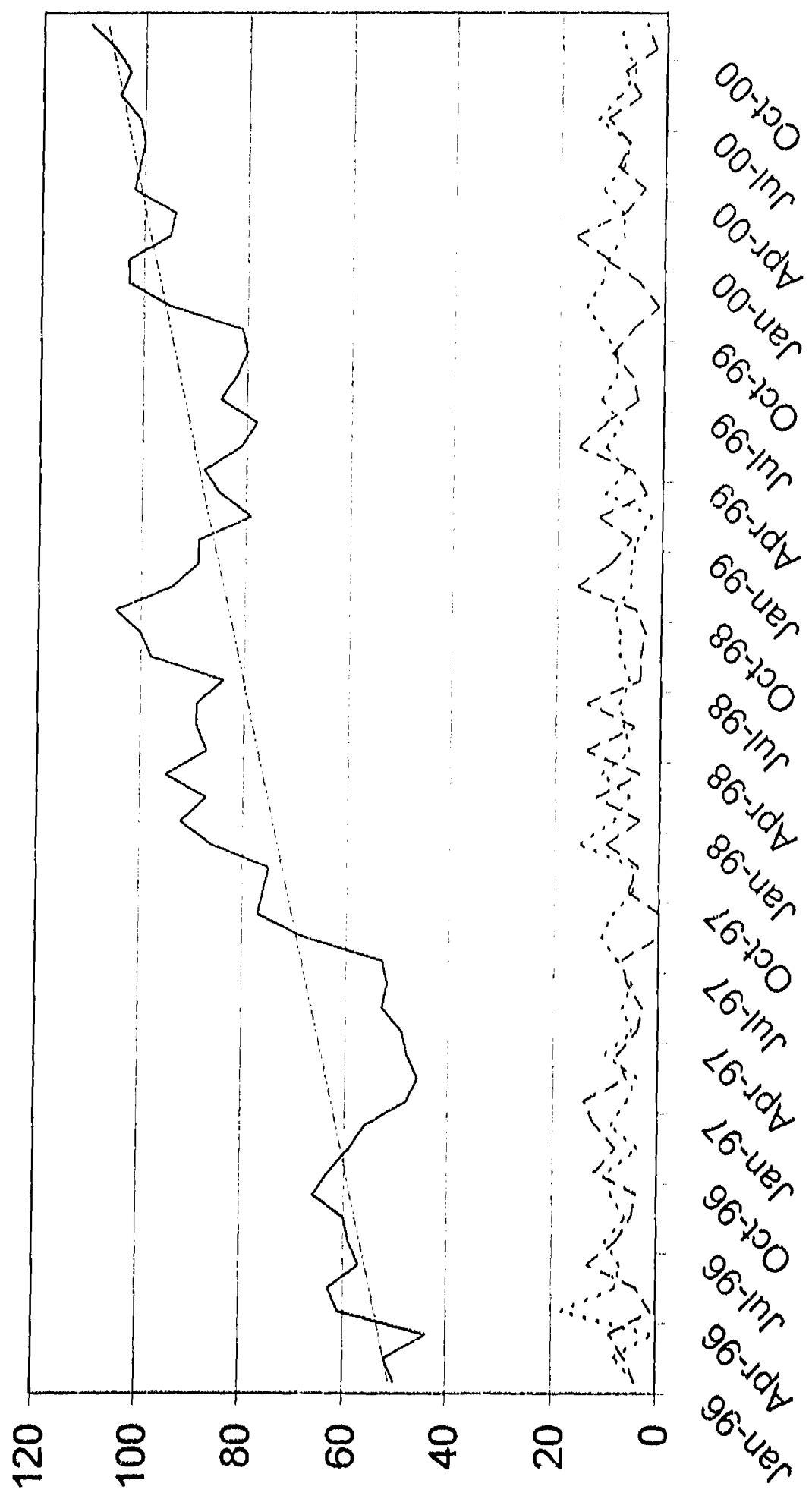
We are requesting the remainder of the total increase (\$72,104) to fund an additional FTE for our Equal Employment Opportunity Division. Attached to my testimony, you will find charts illustrating the average number of employment discrimination cases opened and closed per month and the resulting trend in our pending caseload in the division over the past five years. You will note that in an average month during that time, we received one more new case than we were able to close. The result, of course, is the addition of twelve cases to our pending caseload each year. The department has had only a single FTE to dedicate to the program since it was given responsibility for investigating employment discrimination complaints in 1983 but the number of new complaints we receive is greater now than during the 1980s. One major factor contributing to the increase is the passage of the Americans with Disabilities Act (ADA) in 1990. Complaints filed under that act now make up the second largest number of complaints we receive and nearly one-half of our total caseload. The ADA is by far the most complex of the federal equal employment laws and disability cases tend to be difficult and time-consuming. During the past five years, we have closed an average of 86 cases, very productive work for a single FTE. We have simply received an average of 98 new complaints in each of those years.

We have attempted, to the extent possible, to reorganize existing staff duties to provide some level of assistance to the division. However, we tend to have to hurt one program to help another. In addition, when the State Auditor's Office conducted our 1997-99 biennial audit in 1999, we asked that office to review our equal employment program for any administrative or other inefficiencies that might be hindering our ability to complete investigations. After an extensive assessment, the auditors issued several recommendations relating primarily to educational efforts that might help us reduce the number of new complaints but they recognized that we may not be able to implement any of the recommendations given existing resources. The office could offer no other recommendations for increasing the division's productivity without obtaining additional resources. I am convinced that we have a very limited ability to work the caseload back to a reasonable level, and maintain it at that level, without additional staff.

Thank you for your time. I would be pleased to answer any questions you may have.

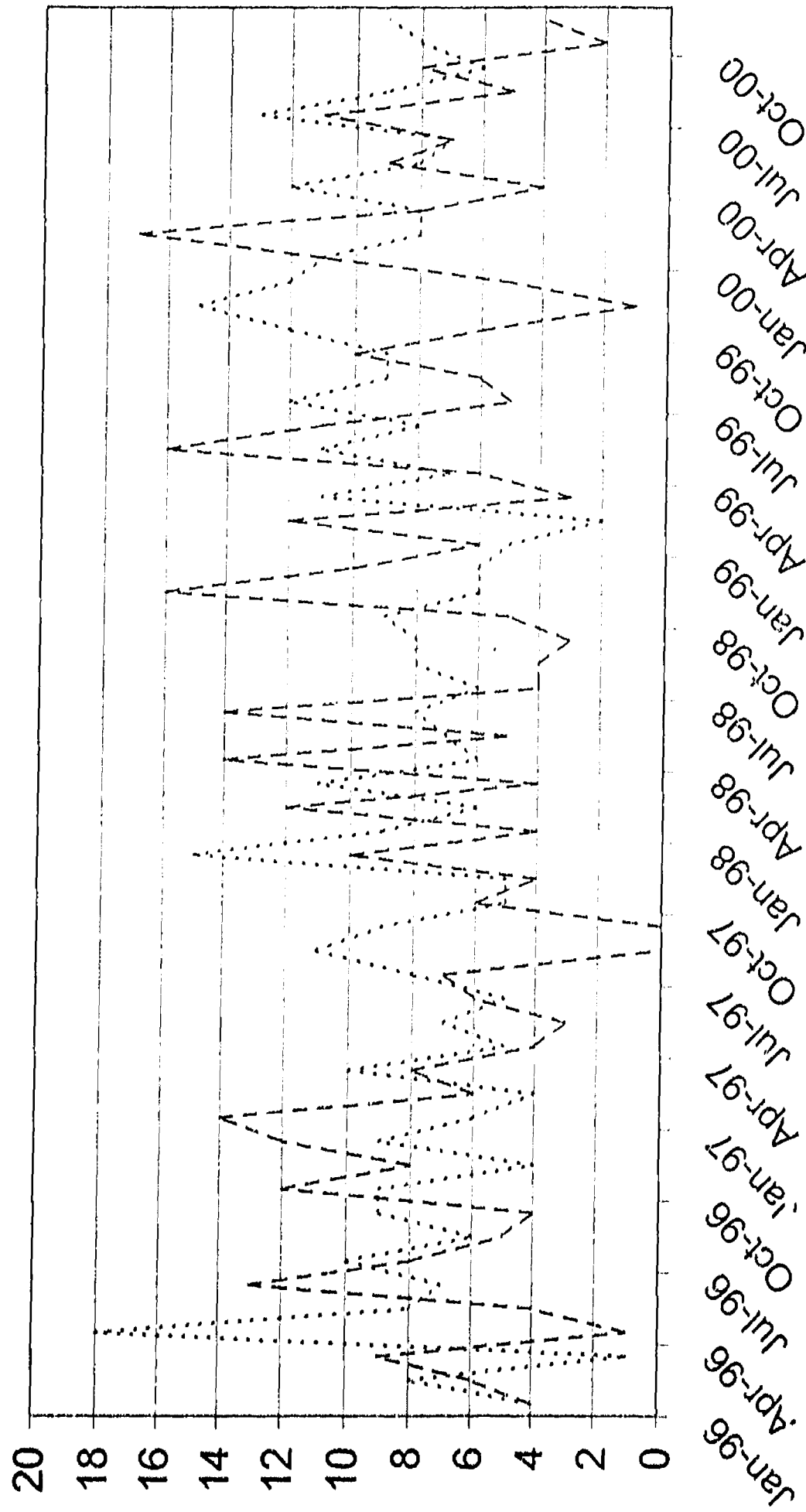
Pending EEO Cases, 1/96 - 11/00

— Pending - - - Opens - - - Closures - - - Linear (Pending)



Opened and Closed EEO Cases, 1/96 - 11/00

..... Opens (avg 8.2) ---- Closures (avg 7.2)



John Hoeven
Governor

Mark D. Bachmeler
Commissioner



HB 1007

State Capitol - 13th Floor
600 E Boulevard Ave Dept 406
Bismarck, ND 58505-0340

www.state.nd.us/labor
E-mail: labor@state.nd.us

Testimony on HB 1007
Prepared for the
Senate Appropriations Committee

February 14, 2001

Chairman Nething and members of the Committee, good morning. For the record, my name is Mark Bachmeler and I am the Commissioner of Labor.

Perhaps the most noteworthy activity at the Department of Labor during the current biennium has been the development of a new housing discrimination program. You will recall that the department was given responsibility to receive and investigate complaints of discriminatory housing practices under a law passed during the 1999 Legislative Session. The law, enacted as chapter 14-02.5, became effective on October 1, 1999. Since its passage, we have had the law reviewed by the Federal Department of Housing and Urban Development (HUD) for equivalency with the Federal Fair Housing Act and negotiated a work-sharing agreement to investigate complaints for the federal agency. In addition, we have hired two investigators authorized by the new law, developed administrative procedures for investigating complaints, and attended HUD-sponsored training on fair housing enforcement. To date, we have received twenty housing discrimination complaints and currently have ten active cases.

To educate the public about the new law and our new responsibilities under the law, we have created two informational brochures, completed drafts of two others and added housing discrimination information to our web site. We have hosted informational booths at the 2000 and 2001 Statewide Housing Conferences and the 2000 State Realtors Convention. And, we have given informational presentations to a variety of groups, including attendees of the 2000 and 2001 Statewide Housing Conferences and members of the Bismarck/Mandan, Fargo, Grand Forks, and Minot Apartment Associations.

In a related area, we created a Division of Human Rights within the department in June of 2000. The intent of doing so was to create an entity that would be more readily recognizable as the proper place for people to bring their discrimination complaints. The division encompasses our housing discrimination and equal employment opportunity programs and provides referrals to people with concerns that are not specifically within our jurisdiction.

Of course, we have continued to carry out our traditional responsibilities during this time as well. To hit some of the highlights among our other activities, during fiscal year 2000, the department:

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- Licensed 19 employment agencies in the state.
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- Received nearly 14,000 telephone and "walk-in" inquiries from citizens around the state.

In addition to carrying out our program activities, we made a number of general changes and/or improvements at the department during the current biennium, including:

- Implementation of a major technology upgrade, including the purchase of a dedicated file server and an operating system upgrade to improve the performance and reliability of our computer network.
- Creation of a new web site and significant improvements to the quality of informational materials provided through the site. During fiscal year 2000, our new site received more than 32,000 hits.
- Developed a quarterly on-line newsletter, through which we distribute informational articles on labor standards and anti-discrimination law.
- Improvement of our fiscal accounting methods and internal budget reporting to more accurately track the actual costs of operating each of our programs.
- Development and implementation of an agency logo to make departmental publications more recognizable.

HB 1007, as it came to you from the House, represents a decrease of \$2,725 in total appropriation for the 2001-03 biennium compared to our appropriation for the current biennium, excluding the compensation package. This difference, however, is a product of a decrease of \$21,725 in federal funds and an increase of \$19,000 in general funds. We are projecting a decrease of \$21,725 in federal funding for our housing discrimination program for the biennium. HUD provides state and local agencies with up to three years of "capacity building" funds to get new programs operating. These initial funds are awarded on a flat-rate basis and are relatively generous. After the capacity building period, however, funding from the federal agency is based on a per-case contract. We project that our caseload will not generate the same level of funding as we are initially able to receive. Our first per-case contract period will begin in October of 2002 and will encompass the last nine months of our next biennium. We are requesting \$19,000 in additional general funds to offset the decrease in federal revenue and maintain roughly our current overall level of funding.

The Governor's Executive Recommendation for our agency also included \$72,104 in general funds to add one FTE to our Equal Employment Opportunity Division. Attached to my testimony, you will find charts illustrating the average number of employment discrimination cases opened and closed per month and the resulting trend in our pending caseload in the division over the past five years. You will note that in an average month during that time, we received one more new case than we were able to close. The result, of course, is the addition of twelve cases to our pending caseload each year. During that five-year period, we closed an average of 86 employment discrimination cases per year but received an average of 98 new complaints.

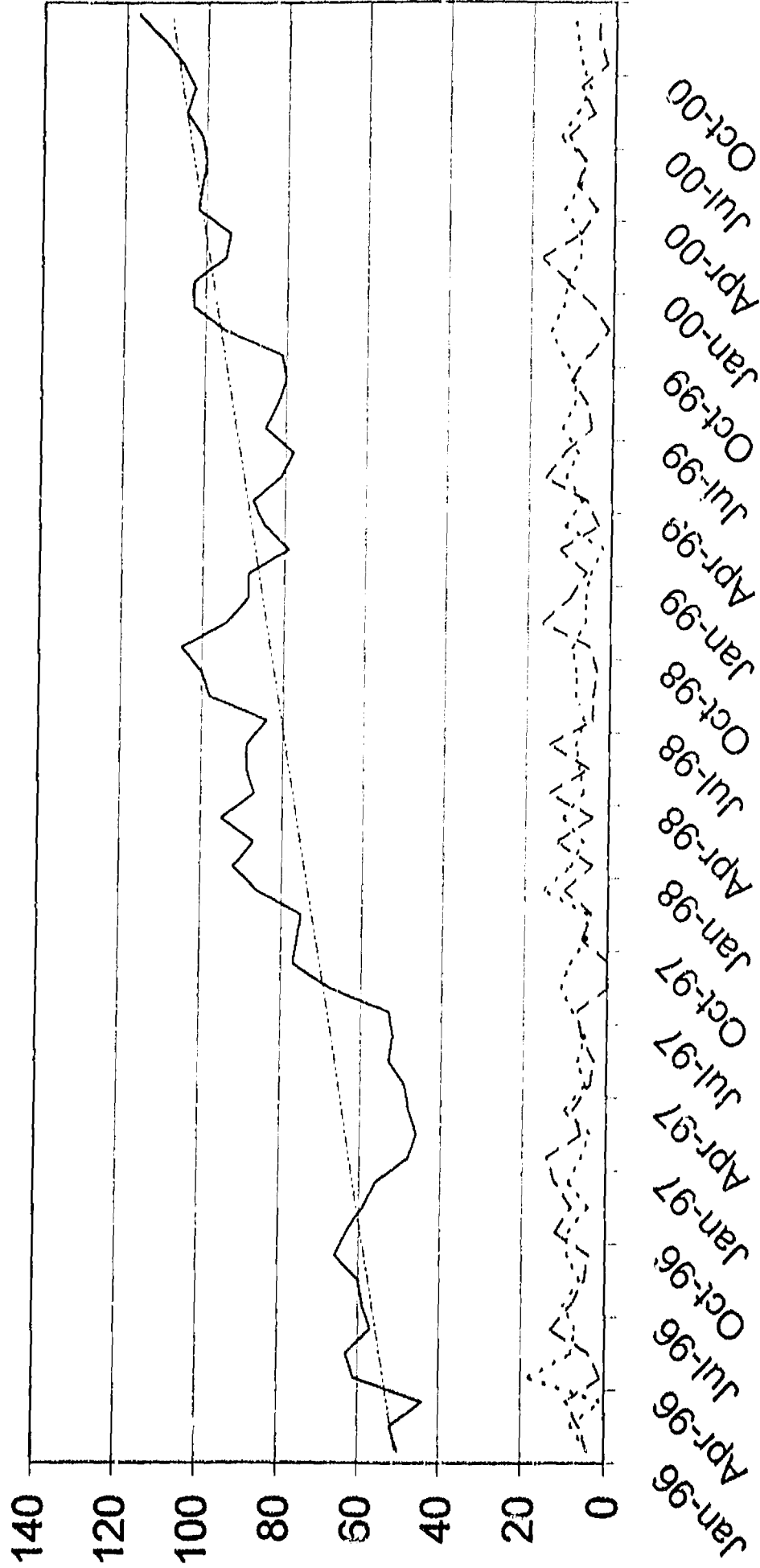
The department has been responsible for investigating employment discrimination complaints since 1983 and has had a work-sharing agreement with the federal Equal Employment Opportunity Commission since 1987. Since that time, no additional resources have been appropriated for the program but several factors have operated to increase the workload. First, I believe that awareness of the protections offered under equal employment laws is greater now than it was in 1983. Secondly, the Americans with Disabilities Act (ADA) was passed in 1990. Disability complaints now make up the second largest number of new complaints we receive and fully one-third of our current total caseload. The ADA is by far the most complex of the federal equal employment laws and disability cases tend to be difficult and time-consuming. Finally, the department was authorized in 1997 to receive complaints of retaliation filed under the state's "whistleblower" law (section 34-01-20). No funding was appropriated for that responsibility but we currently have eight active investigations of retaliation complaints filed under that statute.

We have attempted, to the extent possible, to reorganize existing staff duties to provide some level of assistance to the Equal Employment Division. However, we tend to have to hurt one program to help another. In addition, when the State Auditor's Office conducted our 1997-99 fiscal audit in 1999, we asked that office to review our equal employment program for any administrative or other inefficiencies that might be hindering our ability to complete investigations. After an extensive assessment, the auditors issued several recommendations relating primarily to educational efforts that might help us reduce the number of new complaints but they recognized that we may not be able to implement any of the recommendations given existing resources. The office could offer no other recommendations for increasing the division's productivity without obtaining additional resources. I am convinced that we have a very limited ability to work the caseload back to a reasonable level, and maintain it at that level, without additional staff.

Thank you for your time. I would be pleased to answer any questions you may have.

North Dakota Department of Labor Pending EEO Cases, 1/96 - 12/00

--- Pending Opens --- Closures ---- Linear (Pending)



North Dakota Department of Labor Opened and Closed EEO Cases, 1/96 - 12/00

----- Opens (avg 8.3) --- Closures (avg 7.1)

