

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1122

2001 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1122

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1122

House Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 01-18-01

Tape Number	Side A	Side B	Meter #
#2	X		144-876
Committee Clerk Signature <i>Robin A. Smae</i>			

Minutes:

REP. M. KLEIN called the meeting to order.

In favor:

LINDA ENGMANN DIRECTOR of CENTRAL SERVICES DIVISION

Please refer to attached testimony.

REP. M. KLEIN talks about moving the limit.

ENGMANN replies that it is part of it if it works.

AL JAEGER, SECRETARY OF STATE

Please refer to attached testimony.

REP. HAAS moves for a DO PASS, seconded by REP. KASPER.

The motion carries, 15-0. REP. WIKENHEISER is the carrier of the bill.

FISCAL NOTE
Requested by Legislative Council
12/21/2000

Bill/Resolution No.: HB 1122

Amendment to:

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

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

No fiscal impact

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 Impact

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 impact.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for*

expenditures and appropriations.

No fiscal impact.

Name:	Pam Sharp	Agency:	OMB
Phone Number:	328-4606	Date Prepared:	12/28/2000

Date: Jan. 13th, 2001

Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. NB 1122

House GOVERNMENT AND VETERANS AFFAIRS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Haas Seconded By Kasper

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	✓		REP KROEBER	✓	
VICE CHAIR GRANDE	✓				
REP BELLEW	✓				
REP BRUSEGAARD	✓				
REP CLARK	✓				
REP DEVLIN	✓				
REP HAAS	✓				
REP KASPER	✓				
REP KLEMIN	✓				
REP MEIER	✓				
REP WIKENHEISER	✓				
REP CLEARY	✓				
REP HUNSKOR	✓				
REP METCALF	✓				

Total (Yes) 15 No 0

Absent _____

Floor Assignment Rep. Wikenheiser

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

REPORT OF STANDING COMMITTEE (410)
January 18, 2001 12:01 p.m.

Module No: HR-08-1202
Carrier: Wikenheiser
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1122: Government and Veterans Affairs Committee (Rep. M. Klein, Chairman)
recommends DO PASS (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
HB 1122 was placed on the Eleventh order on the calendar.

2001 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1122

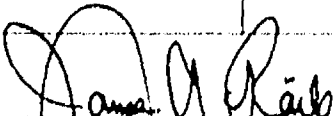
2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1122

Senate Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date March 2, 2001

Tape Number	Side A	Side B	Meter #
1	X		0.0-13.8
Committee Clerk Signature 			

Minutes: **Chairman Krebsbach** called the committee to order. The clerk called the roll. 5 Members were present 1 member was absent. **Chairman Krebsbach** opened the hearing on HB 1122 which relates to acquisition, classification, specifications, and authority of the office of management and budget with respect to state printing. Appearing before the committee to introduce the bill was **Linda Engmann**, director Central Services Division. A copy of her written testimony is attached. **Senator T. Mathern** indicated this is a good idea. Why was it not done before? There must be something that hung us up. What is that? **Linda Engmann** indicated it was probably a case of we need to take a good hard look at our bills. In central services we've had some staff changes and many different people working and looking at these things causes us to ask why are we doing it this way? Not because it's always been that way. Why are we doing it this way? **Senator Kilzer**, it says no fiscal impact but it should save us a little shouldn't it? **Ms. Engmann** indicated just from the standpoint of if we don't have to go through the formal bid process for \$750. now vs. \$1000.00 or whatever that limit might be.

Page 2

Senate Government and Veterans Affairs Committee

Bill/Resolution Number HB 1122

Hearing Date March 2, 2001

That's true because there would be fewer of them that would be put out under that process.

Senator T. Mathern inquired if we have an OK from Legislative Council on this bill? **Ms.**

Engmann indicated yes we do. **Secretary of State, Al Jaeger** appeared before the committee

on HB 1122. A copy of his written testimony is attached. There were no questions from the

committee at this time. **Senator Dever** offered a comment about printing costs. There was

nothing further at this time. **Chairman Krebsbach** closed the hearing on HB 1122 at this time.

A motion for Do Pass was made by **Senator Wardner**, seconded by **Senator Kilzer**. Roll Call

Vote indicated 5 Yeas, 0 Nays, and 1 Absent or Not Voting. **Senator Kilzer** will carry the bill.

Date: 3/01/01
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1122

Senate GOVERNMENT AND VETERAN'S AFFAIRS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken No Pass

Motion Made By Sen. Woodruff Seconded By Sen. Kilzer

[illegible]

Total (Yes) 5 No 0

Absent _____

Floor Assignment Ser. Kilzer

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

REPORT OF STANDING COMMITTEE (410)
March 2, 2001 12:52 p.m.

Module No: SR-36-4696
Carrier: Kilzer
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1122: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman)
recommends DO PASS (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1122
was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

HB 1122

Presented by: Linda Engmann, Director
Central Services Division

Before: Government and Veterans Affairs Committee
Matthew Klein, Chairman

Date: January 18, 2001

TESTIMONY

Chairman Klein and members of the committee, my name is Linda Engmann. I am the director of Central Services Division of the Office of Management and Budget.

I will briefly describe what our intention is for each of the 5 sections of this bill.

Section 1 moves language relating to the bidding of contracts for printing to Section 46-02-05 entitled Proposals for Printing.

Section 2 removes references to Class 3 printing. Printing done by and through coordination of the Legislative Council is defined in Classes 1, 2 and 4. Class 3 includes reports and other documents for the governor and the secretary of state, including the biennial reports. The printing for this class is coordinated between OMB and the Secretary of State's office. It is our intent to separate those classes of printing for which the Legislative Council has oversight from that which is managed by OMB. Requirements for Class 3 printing are included in Section 5 of this bill.

Section 3 removes the requirement that OMB award printing contracts within 15 days after receiving proposals. It occasionally requires more time than that to award contracts because of negotiations with the successful bidder, holidays, agency approvals, etc. OMB does not want to be in violation of statute if the contract is awarded on the 16th or 17th day. Current practice is that contracts are generally awarded within one week. Reference to Class 3 printing is removed and included in Section 5 of this bill.

Section 4 removes references to Class 3 printing. Again, requirements for Class 3 printing are included in Section 5 of this bill.

Section 5 addresses Class 3 and Class 6 printing. Class 6 printing is all printing not included in the other classes. Our intent is to parallel the procurement of printing in these classes with the procurement of any other goods or services. What this means is that agencies would follow the same rules for the procurement of printing as they would when buying office furniture, for example. Agencies still have the option of having their printing done at Central Duplicating Services. It also gives OMB the authority to delegate the procurement of printing back to those agencies for which it would be advantageous.

This concludes my testimony. I will be happy to answer any questions.

ALVIN A. JAEGER
SECRETARY OF STATE

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SECRETARY OF STATE

STATE OF NORTH DAKOTA
600 EAST BOULEVARD AVENUE DEPT 108
BISMARCK ND 58505-0500

January 18, 2001

TO: Rep. M. Klein and Members – House Government and Veterans Affairs Committee

FR: Al Jaeger, Secretary of State

RE: HB 1122 – Printing classifications and specifications

I am here in two capacities this morning to encourage the members of this committee to forward the bill before you to the floor with a Do Pass recommendation.

Sections 1 through 4 of the bill make amendments to the law, which are related to the printing of agency biennial reports. Under the provisions of Section 54-06-04(2) of the North Dakota Century Code, the Secretary of State is the chairman of a three member Biennial Report Committee. It is from that perspective, that I am well aware of the need to make the changes being proposed in this bill. Since the passage of HB 1026 by the 1995 Legislative Assembly, it is an exercise in futility for Central Purchasing to have to solicit bids for the printing of biennial reports. It also is unfair to vendors, who are invited to submit bids for printing work, which they will never do.

Unfortunately, making these needed changes fell through the cracks during the past two legislative sessions. However, it is never too late. The bill before you eliminates the mandate in the law that Central Purchasing solicits bids for which no one will submit bids.

As an agency head, I also support the changes proposed in Section 5 of the bill. When purchasing printing, agencies will have much more flexibility to use their funding resources much more effectively and prudently if they are allowed to follow the guidelines that will be established under Chapter 54.44.4 of the North Dakota Century Code, which governs State Purchasing Practices.

Presented by: Linda Engmann, Director
Central Services Division

Before: Government and Veterans Affairs Committee
Karen Krebsbach, Chair

Date: March 2, 2001

TESTIMONY

Chairman Krebsbach and members of the committee, my name is Linda Engmann. I am the director of Central Services Division of the Office of Management and Budget.

I will briefly describe what our intention is for each of the 5 sections of this bill.

Section 1 moves language relating to the bidding of contracts for printing to Section 46-02-05 entitled Proposals for Printing.

Section 2 removes references to Class 3 printing. Printing done by and through coordination of the Legislative Council is defined in Classes 1, 2 and 4. Class 3 includes reports and other documents for the governor and the secretary of state, including the biennial reports. The printing for this class is coordinated between OMB and the Secretary of State's office. It is our intent to separate those classes of printing for which the Legislative Council has oversight from that which is managed by OMB. Requirements for Class 3 printing are included in Section 5 of this bill.

Section 3 removes the requirement that OMB award printing contracts within 15 days after receiving proposals. It occasionally requires more time than that to award contracts because of negotiations with the successful bidder, holidays, agency approvals, etc. OMB does not want to be in violation of statute if the contract is awarded on the 16th or 17th day. Current practice is that contracts are generally awarded within one week. Reference to Class 3 printing is removed and included in Section 5 of this bill.

Section 4 removes references to Class 3 printing. Again, requirements for Class 3 printing are included in Section 5 of this bill.

Section 5 addresses Class 3 and Class 6 printing. Class 6 printing is all printing not included in the other classes. Our intent is to parallel the procurement of printing in these classes with the procurement of any other goods or services. What this means is that agencies would follow the same rules for the procurement of printing as they would when buying office furniture, for example. Agencies still have the option of having their printing done at Central Duplicating Services. It also gives OMB the authority to delegate the procurement of printing back to those agencies for which it would be advantageous.

This concludes my testimony. I will be happy to answer any questions.

ALVIN A. JAEGER
SECRETARY OF STATE

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SECRETARY OF STATE

STATE OF NORTH DAKOTA
600 EAST BOULEVARD AVENUE DEPT 108
BISMARCK ND 58505-0500

March 2, 2001

TO: Senator Krebsbach and Members – Senate Government and Veterans Affairs Committee

FR: Al Jaeger, Secretary of State

RE: HB 1122 – Printing classifications and specifications

I appear before you in two different roles in asking for your favorable consideration of HB 1122.

My first role is that as one of the members of the three-person biennial report committee described in Section 54-06-04(2) of the North Dakota Century Code (copy attached). The committee is charged with the responsibility to set the requirements for form, style, materials, and content of agency biennial reports.

Sections 1 through 4 of the bill make common sense procedural changes to the state law, which pertains to the printing of these agency biennial reports. Since the passage of HB 1026 by the 1995 Legislative Assembly, it is an exercise in futility for the State Procurement Office of the Central Services Division of OMB to be required by state law to solicit bids for the printing of agency biennial reports. The bottom line is that no vendor will submit a bid because there is no printing of biennial reports to be done. Either the state agencies have chosen to print their biennial report in-house utilizing desktop publishing software or they use the options available to them through the Central Duplicating Service of the Central Services Division of OMB.

This bill will eliminate the mandate in state law that the State Procurement Office waste time by advertising and soliciting bids to print biennial reports for which no rational vendor will submit a bid.

My second role is that of an agency head.

It is in that role that I support the changes proposed in Section 5. When purchasing printing under the provisions proposed in this section, I will have much more flexibility as an administrator to use my funding resources more effectively and prudently. The agency will accomplish this by following the guidelines established under the provisions of Chapter 54-44.4 of the North Dakota Century Code, which is the chapter that governs state purchasing practices. Again, as with the previous four sections of this bill, it makes common sense and is wise management.

54-06-04. Form and number of reports to be submitted.

1. The following executive and administrative officers and departments shall submit to the governor and the secretary of state reports covering their operations for the two preceding fiscal years, except as otherwise provided by law, not later than the first day of December each year after the regular session of the legislative assembly:

- a. Secretary of state.
- b. State auditor.
- c. Insurance commissioner.
- d. Attorney general.
- e. Agriculture commissioner.
- f. Superintendent of public instruction.
- g. State tax commissioner.
- h. Public service commission.
- i. Department of corrections and rehabilitation.
- j. Department of transportation.
- k. State department of health.
- l. Department of human services.
- m. Workers compensation bureau.
- n. Office of management and budget.
- o. State treasurer.
- p. Commissioner of labor.
- q. Department of banking and financial institutions.
- r. Department of economic development and finance.
- s. Game and fish department.
- t. Industrial commission.
- u. Job service North Dakota.
- v. Board of university and school lands.

2. A committee composed of the superintendent of the state historical board, the state librarian, and the secretary of state, or other persons designated to represent them, shall meet at the call of the secretary of state to set the requirements for form, style, materials, and content of biennial reports.

3. This section does not prohibit the executive and administrative officers and departments enumerated in subsection 1 from receiving additional copies of their reports as may be available and printed.

4. All officers, departments, boards, commissions, and state institutions that submit reports covering their operations for the two preceding fiscal years to the governor and the secretary of state shall submit copies of their reports in the form and style, using the materials, and having the content prescribed under subsection 2 on or before the first day of December in each year after the regular session of the legislative assembly. If submitted, one copy of each report must be distributed to the following agencies:

- a. Governor's office.
- b. Legislative council.
- c. Office of management and budget.
- d. State law library.
- e. The libraries of each state institution of higher education.
- f. State library.
- g. State archivist for official and public use.

5. All executive and administrative officers and departments that submit reports under this section shall bear the costs of the preparation and any printing of the reports.

6. All reports required under this section to be submitted to the secretary of state must be subsequently transmitted by the secretary of state to the state archivist for official and public use following their receipt and review by the secretary of state.