

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

22240

2001 SENATE FINANCE AND TAXATION

SB 2240

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2240

Senate Finance and Taxation Committee

Conference Committee

Hearing Date 1/23/01

Tape Number	Side A	Side B	Meter #
1	X		0-17.8
2	X		9.1-15
Committee Clerk Signature <i>Lynelle A. Kraft, Clerk</i>			

Minutes:

Senator Urlacher: Opened the hearing on SB 2240, relating to an optional contribution by individual income taxpayers for programs and activities conducted by the Silver-Haired Education Association.

Senator Larry Robinson: Sponsored, testified in support. If enacted, there would be a change for the computerized system. Points out that there is a similar bill in the House.

Norm Stuhmiller: Silver-Haired Education Assoc., testified in support. Written testimony attached.

Senator Urlacher: What's the normal amount of money used in the past?

Norm Stuhmiller: About \$30,000.

Senator Urlacher: And that is for the specific purpose of legislative education?

Norm Stuhmiller: Yes.

Senator Wardner: Would this come out of the refund, or out of the taxes?

Norm Stuhmiller: It's a check-off.

Senator Christmann: We keep adding these things to the short form. If we do this for your group, there will be others to follow. Asks for response.

Norm Stuhmiller: This is different because they work with legislation.

Senator Stenehjem: If this \$9,000 is too much, would you have a problem with a small portion of the moneys received going back to cover this cost of the implementation?

Norm Stuhmiller: I don't believe we would have a problem with that.

Howard Snortland: Representing AARP, testified in support. This organization is a worthy cause.

Senator Nichols: How many days does the Silver-Haired assembly meet?

Norm Stuhmiller: Used to be 3 days, now it's 2.

Donnita Wald: ND Tax Dept., neutral. Has no problem with the bill or getting money back from contributions to cover the cost.

Senator Christmann: Concerned about the tax form.

Donnita Wald: Explains how the tax form would change.

Senator Wardner: If you don't get a refund, can you still contribute?

Donnita Wald: Yes, you can add a dollar.

Senator Stenehjem: What is percentage of people use the short form?

Donnita Wald: Right around 97%.

Senator Kroeplin: What is the fiscal note for?

Donnita Wald: To program mainframe information for processing returns.

Senator Nichols: Would there be a change on the form if this didn't pass?

Page 3

Senate Finance and Taxation Committee

Bill/Resolution Number 2240

Hearing Date 1/23/01

Donnita Wald: Just changing the name of the tree check-off, so this would be doing something new.

Senator Christmann: How many people use the tree check-off or the other one?

Donnita Wald: Each program gets about \$15,000 a year so about 300,000 returns.

Senator Urlacher: Closed the hearing. Action delayed.

Discussion held later. Meter number 9.1-15.

COMMITTEE ACTION:

Motion made by Senator Stenehjem for a DO PASS, Seconded by Senator Kroeplin.

Vote was 5 yeas, 1 nay, 0 absent or not voting. Bill carrier was Senator Stenehjem.

FISCAL NOTE
 Requested by Legislative Council
 01/18/2001

Bill/Resolution No.: SB 2240

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			\$9,000			
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.*

SB 2240 allows voluntary contributions by individual income taxpayers to the silver-haired education association. The amount of contributions that will be made is unknown. (Currently, taxpayers can make voluntary contributions in a similar manner to two other programs. Each program collects approx. \$15,000 per year.)

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.*

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.*

SB 2240, if enacted, would require additional operating expenses within the Tax Department to create the necessary database field and adjust existing programs. The estimate of \$8,000 to \$10,000 is a one-time expense. Ongoing costs would be minimal as the Department operates similar checkoff programs already.

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.*

Name:	Kathryn L. Strombeck	Agency:	Tax Department
Phone Number:	328-3402	Date Prepared:	01/19/2001

Date: 1/23/01
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2240

Senate Finance and Taxation Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Stenehjem Seconded By Kroeplin

Senators	Yes	No	Senators	Yes	No
Senator Urlacher-Chairman	✓				
Senator Wardner-Vice Chairman	✓				
Senator Christmann		✓			
Senator Stenehjem	✓				
Senator Kroeplin	✓				
Senator Nichols	✓				

Total (Yes) 5 No 1

Absent 0

Floor Assignment Stenehjem

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

REPORT OF STANDING COMMITTEE (410)
January 23, 2001 1:00 p.m.

Module No: SR-11-1429
Carrier: Stenehjem
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2240: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO PASS (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2240 was placed on the Eleventh order on the calendar.

2001 HOUSE FINANCE AND TAXATION

SB 2240

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2240

House Finance and Taxation Committee

Conference Committee

Hearing Date February 28, 2001

Tape Number	Side A	Side B	Meter #
1	X		660
Committee Clerk Signature <i>Jane Stein</i>			

Minutes:

REP. AL CARLSON, CHAIRMAN Opened the hearing and read the fiscal note.

SEN. LARRY ROBINSON, DIST. 24, Introduced the bill as the prime sponsor. There are also other bills in the legislature which could be dovetailed to minimize the overall impact on the department if this bill becomes law. This is a product of the silver-haired assembly. The bill allows for an optional volunteer effort on the part of taxpayers across the state of North Dakota to provide contributions to the activities of this assembly. I know there has been a reluctance to adding another line to our short form tax form. Some are arguing that our short form will soon become a medium form. I appreciate that concern. We have suggested throughout the years, when different organizations have come to us for assistance, that they go back and create a program to fund their activities. That is exactly what this group has done. They have worked hard to come up with this proposal for your consideration.

REP. CARLSON You can add a dollar to your income tax, it goes into a fund known as the silver-haired education fund, which will be distributed by the Department of Human Services, and it will be used for their lobbying efforts?

SEN. ROBINSON You are accurate, the lobbying effort is a very broad based, all encompassing term. If you follow the activities of the silver haired assembly, they have been very active participants in not only senior citizen issues, but in a whole host of issues we address each year this legislature convenes. It is a tremendously healthy situation we have that there are active participants in the process.

NORM STUHMILLER, SILVER-HAIRED EDUCATION ASSOCIATION, Testified in support of the bill. See attached written testimony.

REP. WINRICH Originally, you said there was funding from the North Dakota Aging Services?

NORM STUHMILLER That is correct.

REP. WINRICH That funding came from the Department of Health?

NORM STUHMILLER Yes, the state supported it.

REP. WINRICH, What is R.S.V.P.

NORM STUHMILLER It is Retired Senior Volunteer Program.

That is a federally funded program. They have, in their budget, a certain number of dollars that they use for education, but they don't have any more of those funds left.

DONNITA WALD ATTY., STATE TAX DEPARTMENT, Testified in a neutral position.

Currently, there are two check offs in the state on returns. One is the centennial trees program, and the other is the non paying wildlife fund. Each of these programs gets about \$16,000 per

year. In 1999 there were 2,314 returns which contributed to the trees. There were 2,004 returns which contributed to the birds.

REP. CARLSON Do they show up as a line on both forms, short and long?

DONNITA WALD That is correct, actually, it is four lines on both of them, you can have your refund reduced or you can pay more.

REP. CARLSON Asked how the money is disbursed.

DONNITA WALD Transfer monthly.

REP. CARLSON It goes to the Department of Human Services, then from there the Senior Haired Education Association, makes a request and gets the money?

DONNITA WALD That is how I understand it will work.

REP. RENNERFELDT Do they have any idea how much money this will raise?

NORM STUHMILLER Answered, stating, no, they don't have any idea. That is another education process we could do, tell all of your senior friends, it will cost one dollar. We have 70,000 AARP members alone, and a lot of seniors don't belong. If each would pay one dollar that would be \$70,000. In California they get \$275,000, of course, the population is different then here.

REP. DROVDAL What is the cost of the silver-haired association?

NORM STUHMILLER deferred the question to Bernie Wagner.

**BERNIE WAGNER, VALLEY CITY, SECRETARY OF THE SILVER HAURED
EDUCATION STEERING COMMITTEE.** See written testimony.

Gave a brief history of what the silver-haired education association consists of and what they do.

REP. CLARK Asked whether their organization received any funding from the state, and when was the last time.

BERNIE WAGNER Six years ago, they received forty thousand dollars, but they have withdrawn that. They phased out the director, when Bernie took over. They use the staff of the Barnes County Seniors.

REP. CARLSON TO DONNITA WALD Asked whether nine thousand dollars is standard to set up to put in another computer program.

DONNITA WALD That is correct.

REP. CARLSON What does the tree one bring in for the year?

DONNITA WALD About fifteen thousand dollars, for each program, for a total of thirty thousand.

REP. CARLSON When I look at the math, we take in fifteen thousand dollars, but it costs nine thousand to get that.

REP. KROEBER But that nine thousand is a one-time cost?

DONNITA WALD That is correct.

REP. SCHMIDT Those two programs you were talking about, the birds and trees, if they put that on there, you will get a lot more than fifteen thousand dollars.

DONNITA WALD Didn't respond.

REP. CARLSON TO NORM STUHMILLER We are real hesitant to add things to our tax forms, whether it be birds or trees, or whatever it happens to be, I am a little bit puzzled why you couldn't use the same effort and have a mailing and raise the same fifteen thousand dollars from your members for legislating efforts?

NORM STUHMILLER That is a good question, my response is, I am sure you all get requests daily, everybody wants five dollars here and five dollars there. I get turned off with that, and I am afraid it would be the same thing there.

REP. CARLSON How many members are in the Silver-Haired Education Association?

NORM STUHMILLER There are no dues, the people that get involved, there are two from each county and two from each reservation. We have dues for the Aging Network, and the reason that organization exists, is because that is the lobbying arm of the Silver Haired Association. Since Silver Haired was supported by federal money, we couldn't lobby. What is the sense of bringing a bill forward, if you can't lobby. There are dues of five dollars per year to belong to the Aging Network. That money goes to lobby.

REP. CARLSON Are we setting up two or three entities that are all doing the same thing?

NORM STUHMILLER Aging Network is the lobbying arm of the Silver Haired.

REP. CARLSON What if the dues were seven dollars per year, and two dollars would be used for lobbying, would you not get the same effort?

NORM STUHMILLER We don't have many people in the Aging Network. They aren't clamoring to spend that five dollars. And, another reason it doesn't work too well, by the time we get people to join the Aging Network, is during the assembly, when they are here and we have a captive audience, When you go throughout the state and ask them to join, it doesn't work.

BERNIE WAGNER Responded, adding, they have fifty five to sixty people. When they were getting the forty thousand dollars from the state, they couldn't use any of that for lobbying, then they only had about thirty people in the Aging Network. The Steering Committee has now about sixteen people who meet in Bismarck every quarter to discuss legislation.

Page 6

House Finance and Taxation Committee

Bill/Resolution Number SB 2240

Hearing Date February 28, 2001

REP. WINRICH Referred to the federal funds, is it your understanding that the funds you would get from this bill, could not be used for lobbying?

BERNIE WAGNER I believe that would be the idea.

REP. WINRICH So these funds are to support the Silver Haired Education Association and not for lobbying?

BERNIE WAGNER That is my understanding.

REP. WINRICH How are the delegates chosen at the county level, is it kind of like the political process?

BERNIE WAGNER It is not as elaborate, but it is much the way you are elected. The senior centers are notified that we will have an election on such and such day, they get a ballot, you have to get so many signatures to get your name on a ballot, and if your name is on the ballot, the constituents vote. Any senior citizen can vote.

REP. DROVDAL You mentioned there are seventy thousand members in AARP in North Dakota, it would take fifteen cents to fund this. Have you contacted the AARP for funds?

NORM STUHMILLER No, we have not, I am also on the state legislative committee for AARP, the agendas are entirely different.

REP. CARLSON If I read the last three sentences of this bill, the purpose of this money would be for lobbying?

NORM STUHMILLER That is where we have the Aging Network. We cannot use any state or federal funds to run the Aging Network. That is a strictly dues type of thing.

REP. CARLSON This could be used for anything, your intent is to use it for lobbying?

Page 7

House Finance and Taxation Committee

Bill/Resolution Number SB 2240

Hearing Date February 28, 2001

NORM STUHMILLER NO, it is not, just to run the assembly. The Aging Network money could be used for lobbying.

With no further testimony, the hearing was closed.

COMMITTEE ACTION 3-6-01, TAPE #2, SIDE A, METER #722

REP. WIKENHEISER Gave an overview of how the Silver-Haired Education Association operates. They vote for their delegates at the county senior citizens centers.

REP. DROVDAL Made a motion for a **DO NOT PASS.**

REP. HERBEL Second the motion. **MOTION CARRIED**

8 YES 6 NO 1 ABSENT

REP. HERBEL Was given the floor assignment.

Date: 3-6-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2240

House FINANCE & TAXATION Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Rep. Drovdal Seconded By Rep. Herbel

Representatives	Yes	No	Representatives	Yes	No
CARLSON, AL, CHAIRMAN	✓		NICHOLAS, EUGENE		✓
DROVDAL, DAVID, V-CHAIR	✓		RENNER, DENNIS	A	
BRANDENBURG, MICHAEL	✓		RENNERFELDT, EARL	✓	
CLARK, BYRON	✓		SCHMIDT, ARLO		✓
GROSZ, MICHAEL	✓		WIKENHEISER, RAY		✓
HERBEL, GIL	✓		WINRICH, LONNY		✓
KELSH, SCOT		✓			
KROEBER, JOE		✓			
LLOYD, EDWARD	✓				

Total (Yes) 8 No 6

Absent 1

Floor Assignment Rep. Herbel

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

REPORT OF STANDING COMMITTEE (410)
March 6, 2001 3:53 p.m.

Module No: HR-38-4953
Carrier: Herbel
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2240: Finance and Taxation Committee (Rep. Carlson, Chairman) recommends DO NOT PASS (8 YEAS, 6 NAYS, 1 ABSENT AND NOT VOTING). SB 2240 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

SB 2240

**SENATE BILL 2240
TESTIMONEY BEFORE THE
FINANCE AND TAXATION COMMITTEE
JANUARY 23,2001**

**Mr, Chairman and members of the committee, my name is Norm Stuhlmiller,
representing the Silver Haired Education Assn.**

**While many observers and commentators have characterized the 1970's as a decade of
growing political apathy in the United States, a time when increasing numbers of
Americans turned away from public affairs and broad concerns and looked to individual
concerns and private pursuits, but such was not the case of the elder citizens. Instead, the
1970's saw the emergence of elder citizens as an increasingly active group, organizing to
support the interests of an every increasing segment of our population. As a result of all
this, the Silver Haired Education Association was founded. The first North Dakota
Silver Haired Assembly was convened in 1980.**

**The major goal of the NDSHEA is to educate older citizens of the state in the legislative
process. Involving older persons in the process can help them become more aware of the
issues affecting their lives.**

**The educational activites of the NDSHEA includes surveys, training on the legislative
process, conducting the Silver Haired Assembly, holding hearings, and issue education
benefitting North Dakotans.**

**Election of members is held every two years. Delegates and alternates identify issues,
draft model legislative bills, hold non-partician forms and meet with their constituents to
keep them informed about SHEA activities.**

There used to be two delegates and one alternate from each county and one delegate

and one alternate from each reservation. That was when SHEA was funded by the North Dakota Division of Aging Services to help them to determine and respond to the concerns of seniors. This source of funding has dried up and has made it almost impossible to continue operating. Members have had money raising activities and have asked senior centers for donations to keep going. Senior Centers also have money problems so that effort was not too successful.

The last two sessions of the assembly had only one delegate and one alternate from each county and reservation. The assembly banquet, another educational activity, was cut out to save money. The session that was held in August, 2000, was basically funded by RSVP using funds left over from their educational budget. RSVP has informed the steering committee that they will not be able to fund the next session as they also do not have any extra funds available. Thus the reason for SB 2240.

North Dakota is not the first state to turn to a check off to fund the Silver Haired Assembly. I learned that California has a check off for this purpose and had Rep. Carlisle get the information from California for me. That state has been very successful in generating needed funds and I am confident North Dakota can be equally as successful.

I urge you to give SB 2240 a "do pass" not only to hold the Silver Haired Assembly but also to get more seniors involved and educated in the legislative process.

Thank you for your time. I will be happy to answer any questions you may have.

**SENATE BILL 2240
TESTIMONEY BEFORE THE
FINANCE AND TAXTION COMMITTEE
FEB. 28, 2001**

Mr. Chairman and members of the committee, my name is Norm Stuhlmiller, representing the Silver Haired Education Assn.

While many observers and commentators have characterized the 1970's as a decade of growing political apathy in the United States, a time when increasing numbers of Americans turned away from public affairs and broad concerns and looked to individual concerns and private persuits, but such was not the case of the older citizens. Instead, the 1970's saw the emergence of older citizsens as an increasing active group, organizing to support the interests of an ever increasing segment of our population. As a result of all this, the Silver Haired Education was founded. The first North Dakota Silver Haired Assembly was convened in 1980.

The major goal of the NDSHEA is to educate older citizens of the state in the legislative process. Involving older persons in the process can help them become more aware of the issues affecting their lives.

The educational activities of the NDSHEA include serveys, training on the legislative process, conducting the Silver Haired Assembly, holding hearings and issue education benefitting North Dakotans.

Elections of members is held every two years. Delegates and alternates identify issues, draft model legislative bills, hold non-partician forms and meet with their constituents to keep them informed about SHEA activities.

There used to be two delegates and one alternate from each county and one delegate and one alternate from each reservation. This was when SHEA was funded by the North Dakota Division of Aging Services to help them to determine and respond to the concerns of seniors. This sourcse of funding has dried up and has made it almost impossible to continue operating. Members have had money raising activities and have asked senior centers for donations to keep going. Senior centers also have money problems so that effort was not too successful.

The last two sessions of the assembly had only one delegate and one alternate from each county and reservation. The assembly banquet, another educational activity,

was cut out to save money. The session that was held in August, 2000, was basically funded by RSVP using funds left over from their educational budget. RSVP has informed the steering committee of SHEA that RSVP will not be able to fund the next session as they also do not have any extra funds available. Thus the reason for SB 2240.

North Dakota is not the first state to turn to a check off to fund the Silver Haired Assembly. I learned that California has a check off for this purpose and had Rep Carlisle get the information for me. That state has been very successful in generating needed funds and I am confident North Dakota can be equally successful.

The Silver Haired Assembly is a good way to determine the pulse of citizens of North Dakota. The participants live in our communities and become aware of issues that could be addressed by you folks, our elected representatives and senators. The Silver Haired Assembly is a testing ground for issues, issues that may be worthy of a hearing before you people. If an issue does not meet favorable consideration in the Assembly, then maybe the issue isn't a good idea and is an issue that you don't have to deal with.

I realize that there are many good organizations out there that could benefit from a check off program to raise needed funds, however, there is no other organization like SHEA that works closely with the legislature to enact legislation that benefits the citizens of this state, particularly the senior population.

I urge you to give SB 2240 a "do pass" not only to hold the Silver Haired Assembly but also to get more seniors involved and educated in the legislative process. Thank you for your time. I will be happy to answer any questions you may have.

Representative Al Carlson, Chairperson
Senate Bill 2240
Testimony prepared by Bernard Wagner

Mr. Chairman and members of the House Finance and Taxation Committee. I am Bernard Wagner, Valley City, ND. I am appearing today requesting your support and a ye aye vote on SB 2240. I am Secretary of the Silver Haired Education Steering Committee. The Steering Committee is elected by the delegates at the SHEA Assembly that is held in August, prior to the State Legislative Session. We have representation from all 8 Regions in the State. After lengthy discussion, the Steering Committee was unanimous that we should seek legislation to have a \$1.00 check off box on the State Income Tax in order to reestablish the SHEA to the position it was 6 years ago. thus having a full-time director and having 2 delegates from each county and reservation. This started the wheels turning, and Senator Larry Robinson was contacted and requested to prepare legislation to be acted on during this Legislative Session. Thus Senate Bill 2240 was prepared. The SHEA is a very important organization in the State to study the needs of the citizens in the State and present them to you legislators.