MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M

GREAT SEAL STATE OF NORTH DAKOTA

ROLL NUMBER

DESCRIPTION

2258

2001 SENATE HUMAN SERVICES

SB 2258

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2258

Senate Human Services Committee

☐ Conference Committee

Hearing Date January 30, 2001

Tape Number	Side A	Side B	Meter #
2	X		19.1
January 30, 2001 2	X		43.3
Committee Clerk Signature Carol Kolodejchuk			

Minutes:

The hearing on SB 2258 was opened.

KEITH JOHNSON, ND Environmental Health Assoc., favors this bill. Transfers the authority to the Health Council which gives us the ability through successions of Health Officers and gives us a vehicle in statute to enforce laws and to administer rules. Addressing 43-43.

Opposition:

ROLF SLETTEN, Director of Board of Medical Examiners, opposes this bill. Nobody has anybody opposed the fees. Focused on section 13. This bill would force us almost constantly to capture any increase by very small increments. It would take us many years to accomplish anything.

TOM TUPA, ND Board of Social Work Examiners, ND Board of Clinical Laboratory Practice, ND Board of Addiction Counseling Examiners, opposes this bill. (Written testimony)

JERRY BLANCHARD, Chiropractic Examiners, opposes bill. (Written testimony)

HOWARD JOHNSON, Ph. Board, opposes bill.

JOE IBACH, Appraisers' Board, opposes bill (Written testimony)

TIM AUSTIN, ND Board of Counselor Examiners, opposes this bill. (Written testimony)

The hearing was closed on SB 2258.

Tape 2, Side A, Meter 43.

Discussion was held. SENATOR FISCHER moved a DO NOT PASS. SENATOR KILZER seconded it. Roll call vote carried 6-0. SENATOR KILZER will carry the bill.

Date: 1/30/01

Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2258

Senate HUMAN SERVICES Committee

☐ Subcommittee on

or

☐ Conference Committee

Legislative Council Amendment Number

Action Taken Do Not Pass

Motion Made By Sen Fischer Seconded By Sen Kilzer

Senators	Yes	No	Senators	Yes	No
Senator Lee, Chairperson	✓		Senator Polovitz	✓	
Senator Kilzer, Vice-Chairperson	✓		Senator Mathern	✓	
Senator Erbele	✓				
Senator Fischer	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Sen Kilzer

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

REPORT OF STANDING COMMITTEE (410)
February 5, 2001 1:30 p.m.

Module No: SR-20-2367
Carrier: Kilzer
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2258: Human Services Committee (Sen. Lee, Chairman) recommends **DO NOT PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2258 was placed on the Eleventh order on the calendar.

2001 TESTIMONY

SB 2258

Testimony on SB 2258

January 30, 2001

Madam Chair and members of the committee, my name is Tom Tupa and I am hear on behalf of three regulatory boards -- the ND Board of Social Work Examiners, the ND Board of Clinical Laboratory Practice, and the ND Board of Addiction Counseling Examiners. see therapy practice

All three boards are opposed to proposed SB 2258 for the same reasons. What the bill does, is tie the hands of the respective boards.

For example, the ND BSWE was created in 1983. The fees that were put in place at that time have not been changed since the date of creation. It cost Social Workers $40 to renew their license for two years back than and today still costs $40.

As a result of more complaints being filed, the Board is starting to talk about the need to increase fees. A cap of 10% may not be sufficient for the Board to meet its financial needs putting the Board in a situation of not being able to carry out its statutory function. This bill could force the BSWE, and perhaps many others, to request fee increases every two years creating an additional board expense and requiring substantial board time to implement such changes.

The boards I work with are efficient and conscientious boards. This bill will force boards to spend more money getting rules implemented, and at the same time force them to become less efficient because of the added work required with rule adoption, thereby taking important time away from their primary function of consumer protection.

Madam Chair and members of the committee we ask for a DO NOT PASS recommendation on SB 2258.

NORTH DAKOTA
STATE BOARD OF CHIROPRACTIC EXAMINERS

January 29, 2001

TO: Senate Human Services Committee

FROM: Jerry Blanchard, D.C.—Executive Director
North Dakota State Board of Chiropractic Examiners

SUBJECT: Senate Bill 2258

The North Dakota State Board of Chiropractic Examiners reviewed this proposed legislation at its semi-annual meeting January 26, 2001.

The Board voted to oppose this legislation but have been advised by our legal council that the hearing is set for 01/30/2001. We cannot send a representative with such short notice.

Please accept this memo as a record of our opposition.

A lot of State Boards have small numbers of licensees with small renewal fees. For instance, a 50-member group charging $50.00 per year could, under this bill, increase their fees only to $55.00 for two years raising only $500.00 of additional revenue over the two-year period. The current cost of adopting an administrative rule increasing the Board's fee is approximately $1000.00. It would therefore take four years just to recover the $1000.00 and this would be very ineffective in helping the financial stability of the Board at all.

Investigating consumer complaints today is costly and we feel that Boards would not be able to function well under the restrictions put forth in this bill. After all protecting the consumers of North Dakota is the primary purpose of all state boards.

We feel that most State Board members take their obligation seriously and are prudent. Please place your trust in the board members and allow the Boards the ability to function properly if troubled times occur.

North Dakota
PRIVATE INVESTIGATION & SECURITY BOARD
513 East Bismarck Expressway, Suite 5
Bismarck, North Dakota 58504
222-3063

January 29, 2001

Senate Human Services Committee

RE: SB 2258

Dear Committee Members:

My name is Russell Hons and I am the Chairman of the North Dakota Private Investigation and Security Board (PISB). I am also the owner of a Private Investigations Agency in Grand Forks, ND. Unfortunately no members of our board were able to be present to testify before you regarding SB 2258. I am writing to register the PISB's opposition to SB 2258.

SB 2258 would be very harmful to the PISB. Our profession of Private Investigators and Security Guards is not a large profession in the State of North Dakota. In reviewing the bill I see that it would cap any increases in fees to 10% per biennium. Based on the fact that we have a small number of licensees, and registration and licensing fees that range from $10 to $300, this legislation, if passed would be very detrimental to the board, and quite possibly the public.

The PISB has no outside revenue, and cannot borrow money. Our job is to regulate the industry, investigate and act on complaints, and generally protect the public/consumer.

It costs the board over $1000 to change an administrative rule to increase fees. With our limited number of licensees, a 10% increase would not raise very much money.

The PISB has no control over the type of, or number of complaints made to the board. In the event of costly litigation, or a large number of complaints, our only source for funding is to raise fees. If SB 2258 is passed, and our board is faced with costly litigation, complaints, or disciplinary action, our only recourse would be to suspend those actions. This would not in the best interest of protecting the public.

The majority of our board is comprised of private investigators and security guard agency owners. We have to pay the fees implemented just as the rest of the licensees do. The board has proven in the past that we do not raise fees arbitrarily, and take an increase in fees very seriously. We would recommend you DO NOT PASS SB 2258 and leave the responsibility of fee increases to the boards and their members who have to live and work with the fees.

Sincerely,

Russell Hons
Chairman
North Dakota Private Investigation & Security Board

NORTH DAKOTA BOARD OF EXAMINERS FOR HEARING INSTRUMENT DISPENSERS

January 30, 2001

Senate Bill No. 2258 Committee
Fifty-seventh Legislative Assembly of ND

RE: Senate Bill No. 2258

Dear Committee,

The North Dakota Board of Hearing Instrument Examiners opposes Bill 2258. There are only 65 hearing instrument dispensers in ND. In the past the board has been involved with consumer complaints that have had to go to litigation. During these periods we have had to use over half of our funds. Our concern is that if our board were involved in more than one consumer complaint, we would be unable to follow through with the complaint process.

Again, due to our limited number of licensees and potential for complaints, the North Dakota Board of Hearing Instrument Examiners opposes Bill 2258.

Respectfully Submitted,

Doug Schauer, NDBHID Chair

January 30, 2001
Senate Bill No. 2258
Presented by: Joe Ibach, President
North Dakota Real Estate Appraiser Qualifications and Ethics Board

The five member North Dakota Real Estate Appraiser Qualifications and Ethics Board (Appraisal Board) met via conference call on January 26, 2001, specifically to discuss this bill and take a formal position. Speaking on behalf of the North Dakota Real Estate Appraiser Qualifications and Ethics Board, we formally oppose Senate Bill No. 2258. Some of the more significant reasons for this opposition include:

1. In our particular instance, the Appraisal Board is obligated to pay part of the annual appraisal fee to the Appraisal Foundation or the Federally mandated oversight group originating from Title XI of the Financial Institutions Reform Recovery & Enforcement Act (FIRREA) of 1989. As such, we have no direct control over the amount of the national fee. The services provided on a national level are critical to carrying out our state duties. Therefore, the Appraisal Board would not be able to carry out our intended function if outside influences increase rates on products and services beyond our ability to meet these increases. Isn't this exactly what is happening in the California power industry?
2. Limiting an increase to 10% over two years simply is too restrictive, again due to the unknown future costs. A single litigation case could substantially deplete reserves which would then necessitate a rate increase simply to cover these one-time "budget breakers". Conversely, a limited fee increase every two years will, essentially, force an increase though none may be necessary.
3. The present state of the appraisal industry, especially the single family residential appraisers, is uncertain. Most projections are that the demand for single family appraisers will decline significantly in the near future. A loss of even 5% or 10% of our 220 members would significantly impact our revenues. In order to maintain the required services for the

CONT

NEXT FICHE

remaining appraisers, it is possible that fee increases may have to exceed those stipulated in this proposed legislation.

4. This bill, like others being contemplated relating to state boards, raises an underlying question as to whether the legislative body lacks trust in Board members to exercise discretion in specific matters. In our particular board, every attempt is made to appoint competent, honest, and practical people. The Board members serve for minimal compensation and they take particular pride in carrying out their required duties. Three of the five Appraisal Board members are practicing appraisers and our intent is not to increase our own fees unless absolutely necessary.

In closing, this type of legislation would not serve the specific needs of the appraiser members. One of the primary duties of an Appraisal Board member is to insure that every appraiser's interest is considered in adopting rules and regulations and in regulating fees. Forced legislation is not the answer!

Thank you.

Joe Ibach

NDBCE North Dakota Board of Counselor Examiners
2112 10th Ave. SE • Mandan, North Dakota 58554 • Phone: 701-667-5969 • FAX: 701-667-5969

January 30, 2001

Honorable Members of the Senate
Human Services Committee

The North Dakota Board of Counselor Examiners (NDBCE) opposes the passage of SB-2258 which seeks to limit the increase of the board's licensing fees to 10 % during any two-year period. We submit that this bill would severely limit our ability to propose realistic license fee increases and our operational income as a board.

The NDBCE presently offers three counseling licenses with application fees of \$ 150 and \$ 100. The renewal fees for these licenses are presently set at \$ 100 and \$ 20. A 10 % limit would only allow a \$ 2 to \$ 15 increase in any two-year period. That is simply not realistic in terms of appropriate periodic increases for professional counseling fees and is insufficient to provide for increases in real board expenses.

In addition to covering operating expenses, the NDBCE must maintain a modest contingency fund to provide for potential costs related to disciplinary and legal action involving unethical or illegal conduct by our licensees. Since licensure and renewal fees are the board's only source of income, this bill would seriously jeopardize the board's ability to maintain both its regular and contingency funds.

<u>The NDBCE urges you to send this bill to the Senate floor with a DO NOT PASS recommendation.</u>

John T. Jarman, Chair (Grand Forks)
Timothy Austin (Bismarck)
Nancy Wisness (Watford City)
Dr. Don Daughtry (Grand Forks)
Claudia Thompson (Bismarck)