

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2092

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Operator's Signature

*Yheresa d. Lee*

Date

10-16-03

2003 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2092

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*Yvonne J. Lee*

Date

10-16-03

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2092

Senate Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 01/09/03

Tape Number	Side A	Side B	Meter #
Tape 1	x		1,430
Committee Clerk Signature			

Minutes:

Senator Karen Krebsbach, Chairman: Call SB 2092 to order.

Senators Krebsbach, Dever, Brown, Wardner, Fairfield, Nelson all present.

Laurie Sterioti Hammeren, Director of Central Personnel Division to testify in favor of SB 2092.

Testimony attached.

Senator Krebsbach: questions for Laurie

Senator Fairfield: Why doesn't it cost anything?

L. S. Hammeren: We have considered that in changing our letterhead and so on, and most of our forms are online and the rest we will use until we run out.

Senator Dever: Since hiring is not done centrally but by agency, Do they have people within there agencies that are considered human resource people.

LS Hammeren: Larger agencies do have, the larger agencies do have human resource staff.

Central personnel does help with announcement of their positions, the rating of there applicants,

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Senate Government and Veterans Affairs Committee

Bill/Resolution Number SB2092

Hearing Date 01/09/03

assistance of interview questions. While some larger agencies do have a staff smaller ones have none.

Senator Krebsbach: How many different classifications are there in state employees?

LS Hammeren: I will refer that to Virginia Rivinius.

Senator Krebsbach: How many employees are within your department?

LS Hammeren: A staff of 11.

Virginia Rivinius: We have approximately 900 classifications.

Senator Krebsbach: Do you have a synapses of your organization that you can provide to the committee?

LS Hammeren: Yes we will provide that to the committee.

Senator Dever: Ove rthe next few year a lot of state employees are supposedly retiring, do you have any kind of analysis on that?

LS Hammeren: We established a task force and a succession plan becasue we are concerned about the growing number of baby boomers that will be retiring in the next 3 to 5 to 10 years. We will be looking at where we will get the work force and how we will retain the work force, what are the issues. Currently, over 400 currently meet the rule to retire, which does not mean they will retire, but that they will be eligible.

Senator Krebsbach: Any further support of SB 2051.

Chris Runge, ND Public Employees Association, in support of this bill.: She believes this is a good move for Central Personnel Division to be more reflective of the role that they are serving in the state of North Dakota.

No other testimony in favor, neutral, or against SB 2092.

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*10-16-03*  
Date

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Senate Government and Veterans Affairs Committee  
Bill/Resolution Number SB2092  
Hearing Date 01/09/03

Senator Krebsbach: We will close SB 2092.

All in attendance for SB 2092

Laurie Sterioti Hammeren, Central Personnel, Chris Runge, NDPEA, Megan Bold, AP, Renae  
Gall, Ag's office, Jodee Buhr, Insurance Dept., Mark Armstrong, Worker's Comp, Dean Mattern,  
ND Dept, HS, Virginia Rivinius, Central Personnel, Joan Becker, Dept, Fin. Inst.

Tape 1 Meter #3075

Senator Krebsbach: Sb 2092

Senator Brown: I would move a Do Pass

Senator Krebsbach: Senator Brown moves a Do Pass

Senator Wardner: 2nd

Senator Krebsbach: 2nd by Senator Wardner

Senator Brown: I do think this betters this organization, that is why I did a motion on this bill.

Carrier: Senator Fairfield

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10-16-03  
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**FISCAL NOTE**  
Requested by Legislative Council  
01/03/2003

Bill/Resolution No.: SB 2092

**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.

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2001-2003 Biennium			2003-2005 Biennium			2005-2007 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.

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Name:	Pam Sharp	Agency:	OMB
Phone Number:	328-4606	Date Prepared:	01/04/2003

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Date

10-16-03

Date: 01/09/03  
Roll Call Vote #: 1

**2003 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. SB 2092**

Senate Government and Veteran Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO PASS

Motion Made By Senator Brown Seconded By Senator Wardner

Senators	Yes	No	Senators	Yes	No
Senator Karen Krebsbach, Chr.	x		Senator April Fairfield	x	
Senator Dick Dever, Vice Chr.	x		Senator Carolyn Nelson	x	
Senator Richard Brown	x				
Senator Rich Wardner	x				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Fairfield

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

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10-16-03  
Date

REPORT OF STANDING COMMITTEE (410)  
January 9, 2003 11:16 a.m.

Module No: SR-03-0401  
Carrier: Fairfield  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**  
**SB 2092: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman)**  
recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2092  
was placed on the Eleventh order on the calendar.

(2) DESK, (3) COMM

Page No. 1

SR-03-0401

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10-16-03  
Date



2003 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2092

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10-16-03  
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2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2092

House Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 2-27-03

Tape Number	Side A	Side B	Meter #
1	x		8.8-13.9
Committee Clerk Signature <i>James Brink</i>			

Minutes: Chairman Klein: called the hearing to order. All committee members were present.

Laurie Steriotti Hammeren, SPHR, Director: appeared in favor of SB 2092, and provided written statement (**SEE ATTACHED TESTIMONY**).

Representative Klein: the real bottom line is your just changing names throughout the system.

Representative Haas: made a **DO PASS** motion on SB 2092.

Representative Meier: **SECOND** the motion.

**VOTE: 14-YES 0-NO 0-ABSENT.**

Representative Wikenheiser: will carry the bill to the floor.

Meeting adjourned.

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*10-16-03*  
Date

Roll Call Vote #:

Date: 2-27-03

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTE  
SENATE BILL/RESOLUTION NO. SB 2092

House GOVERNMENT AND VETERANS AFFAIRS Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Do Pass

Motion Made By

Rep. Haas

Seconded By

Rep. Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman M.M. Klein	X		B. Amerman	X	
Vice Chairman B.B. Grande	X		L. Potter	X	
W.R. Devlin	X		C. Williams	X	
C.B. Haas	X		L. Winrich	X	
J. Kasper	X				
L.R. Klemin	X				
L. Meier	X				
M. Sitte	X				
W.W. Tieman	X				
R.H. Wikenheiser	X				

Total (Yes) 14 No 0

Absent - 0 -

Floor Assignment

Rep. Wikenheiser

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

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Yubereca d. Lee

Date

10-16-03

REPORT OF STANDING COMMITTEE (410)  
February 27, 2003 9:53 a.m.

Module No: HR-35-3554  
Carrier: Wilkenheiser  
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE  
SB 2092: Government and Veterans Affairs Committee (Rep. M. Klein, Chairman)  
recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2092  
was placed on the Fourteenth order on the calendar.

(2) DESK, (3) COMM

Page No. 1

HR-35-3554

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2003 TESTIMONY

SB 2092

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10-16-03  
Date

**TESTIMONY BEFORE THE GOVERNMENT AND VETERANS AFFAIRS  
COMMITTEE REGARDING CHANGING THE NAME OF THE  
CENTRAL PERSONNEL DIVISION TO NORTH DAKOTA HUMAN  
RESOURCE MANAGEMENT SERVICES - SB 2092**

**JANUARY 9, 2003  
CENTRAL PERSONNEL DIVISION  
LAURIE STERIOTI HAMMEREN, SPHR, DIRECTOR**

*Same  
Given to  
House*

Chairman Krebsbach and members of the Government and Veterans Affairs Committee, I am Laurie Sterioti Hammeren, Director of the Central Personnel Division. I am pleased to be before you today to request your support for a name change of the Central Personnel Division to North Dakota Human Resource Management Services, SB 2092.

We are proposing a name change to "North Dakota Human Resource Management Services" for the following reasons:

- "Central Personnel" implies that the State of North Dakota has a centralized personnel system, when in fact, it does not: 1) Some agencies do not have classified positions and are not required to follow the rules of the division; 2) Most applicants do not apply for positions through the Central Personnel Division. Therefore, the name is confusing to applicants and the public.
- The term "personnel" is an outdated term for functions within the human resources field previously identified as payroll and record keeping.
- The term "personnel" was previously associated with strict rules and regulations. It was thought to be the "policy police" of an agency. Today's

successful business environment requires a comprehensive strategic approach to human resource management.

- The name "North Dakota Human Resource Management Services" better reflects our professional field, and more closely aligns with the international organization, the Society for Human Resource Management (SHRM)<sup>1</sup>, as well as the local chapter, the Central Dakota Human Resource Association. Throughout North Dakota there are 139 certified Human Resource Professionals. The Central Personnel Division is fortunate to employ five staff who are certified.
- The name "North Dakota Human Resource Management Services" better describes the role of the Division by referencing the services we provide. The services provided by Central Personnel are broad and include the following:
  - Establishes, maintains, and revises classifications and compensation plans.
  - Assigns position classifications and pay grades and establishes and maintains required records for the classified service.
  - Certifies appeals on employee grievances relating to demotion, suspension without pay, reduction in force, forced relocation, reprisal action, discrimination, merit system qualification, and dismissal.
  - Certifies appeals from applicants for positions in the classified service who allege discrimination.

<sup>1</sup> SHRM is the world's largest association devoted to human resource management. There are over 170,000 individual members of SHRM, more than 500 affiliated chapters within the United States, and members in more than 120 countries. Approximately 40,000 HR professionals hold one of the two professional designations - Senior Professional in Human Resources (SPHR) or Professional in Human Resources (PHR).

Yubereca d. Lee  
Operator's Signature

10-16-03  
Date

- Assists appointing authorities and agencies with grievance procedures.
- Develops, coordinates, and conducts training programs.
- Ensures salaries are paid consistent with the state's classification system, compensation plan, and salary administration rules, and provides consultation to state agencies regarding salary administration.
- Establishes and administers a cooperative education and internship program open to college students.
- Serves as consultants to agencies especially those smaller agencies that do not have human resources staff.
- Provides advice, tools, and methodology, and other services to promote the development of a unified system of human resource administration.
- Provides consultation to agencies regarding a multitude of issues including but not limited to recruitment, selection, performance management, discipline, investigations, appeals, and federal and state employment requirements.
- Provides mediation services to agencies who request alternative dispute resolution.

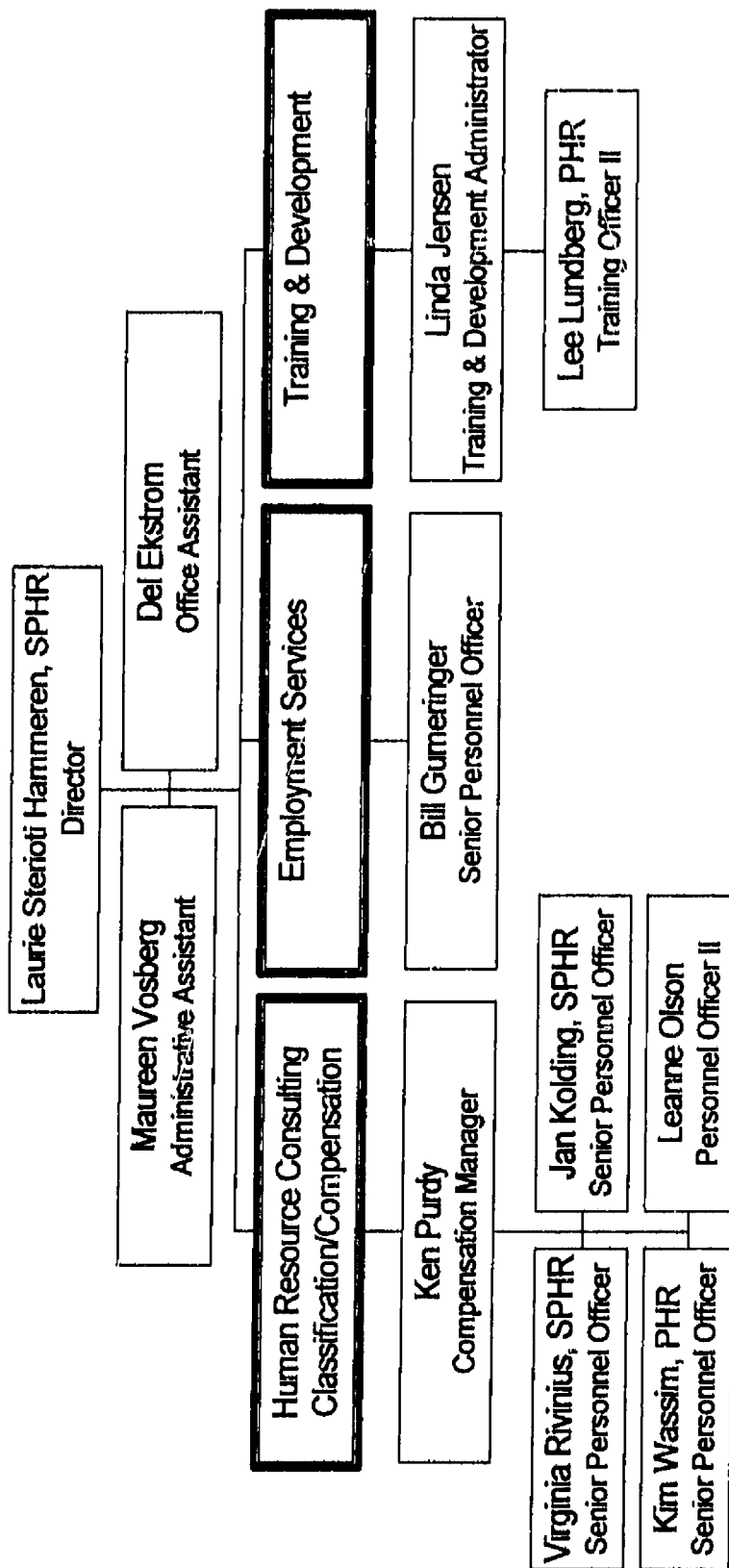
In conclusion, the name "North Dakota Human Resource Management Services" is a better description of the valuable services we provide. Our mission is to actively promote effective management in North Dakota state government by providing leadership and expertise in the broad professional field of human resource management.

We ask for your support and a do pass on Senate Bill 2092.

This concludes my formal testimony. I am available to answer any questions.



# Central Personnel Division



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## History of the Central Personnel Division

In 1975, the legislative assembly passed a Central Personnel System Act, codified as North Dakota Century Code chapter 54-44.3. The Act created the central personnel division as well as the state personnel board. The division was to establish and maintain classification and compensation plans as well as establish general policies and rules, which were to be binding on the affected agencies, relating to a unified system of personnel administration for the employees in the classified service of the state.

From its beginning in 1975, the central personnel division developed general personnel policies in response to: the requirements for a unified system of personnel administration, requests from the state personnel board, requests from agencies or other officials in the executive branch, changed requirements in state or federal laws, and various decisions of the courts. These policies were discussed at meetings of the state personnel board. If the board approved a particular policy, the division would then act to include it within the North Dakota personnel policies manual. Policies approved and adopted in this way were then distributed to all state agencies.

The policies included in the North Dakota personnel policies manual were to be followed by all agencies with classified employees. More specifically, merit system agencies were to strictly follow the policies, but non merit system agencies are advised that the policies formed a 'base' for the development of the agencies' own policies and procedures. (In other words, the policies of the Central Personnel Division were not mandated to all state agencies, and the Central Personnel system was really not a central system at all.)

In July of 1981, then Governor Allen Olson issued executive order number 1981-10. That executive order portrayed the North Dakota personnel policies manual as providing the assurance that classified employees would be treated fairly and uniformly if the policies were followed. The executive order identified the state personnel board as the agency that would hold public meetings to receive comments and approve revisions to the policies. Governor Olson also ordered that agencies headed by a gubernatorial appointee adhere to and follow the policies, including the statewide appeal mechanism.

However, by late 1986 that manner of personnel policy implementation and its "legality" and effect on various agencies had been challenged before the North Dakota Supreme Court. By 1990 in order for the division to carry out its statutory

(over)

1

purpose of establishing a unified system of personnel administration for the classified service of the state, it was apparent that certain policies had to be adopted as rules in accordance with North Dakota Century Code section 28-32-02. The Central Personnel Division has the authority to adopt policies, rules, and procedures in three areas:

1. To establish general policies, rules, and regulations that are binding on the agencies affected. The rules must ensure fairness, enhance greater uniformity in personnel management matters, and include rules on establishing and maintaining the classification and compensation plans.
2. To develop procedures that must be followed by all state agencies and institutions regarding salary administration for all employees in the classified service.
3. To provide policies rules and regulations relative to the North Dakota merit system council, of which the division is a part, and which are binding on the agencies affected. Those agencies are commonly known as the merit system agencies. The rules referred to in this regard cover those grant-aided agencies that receive federal funds.

In 1995 the administration of the Merit System for agencies was decentralized to those agencies receiving federal funds and required to have a merit system of personnel administration. Central Personnel maintains the auditing function and continues to assist agencies with the recruitment, screening and selection of applicants, but merit agencies are accountable for their own merit system.

The Central Personnel Division is a division of the Office of management and Budget. The division is separate from the state personnel board, although the division and the board work closely together on classification and pay grade issues. The division and the board each adopt its own rules.

(over)

2

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