

# MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

1015

2005 HOUSE APPROPRIATIONS

HB 1015

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1015

House Government Performance Division

☐ Conference Committee

Hearing Date January 13, 2005

Tape Number	Side A	Side B	Meter #
1	X		1-End
		X	1-End
2	X		1-1886

Committee Clerk Signature 

Minutes: **Chair Carlson** opened the hearing on HB1015, relating to the budget stabilization fund; an to declare an emergency.

**Pam Sharp, OMB. (SEE WRITTEN TESTIMONY)**

**Chair Carlson:** What was the number this biennium.

**Pam:** 71 million.

**Eric Hardmeyer, Bank Of North Dakota. (SEE WRITTEN TESTIMONY)**

**Chair Carlson:** The residential loans, is that to the Housing Finance Agency?

**Eric:** No, those are loans that we buy from financial institutions across the state.

**Rep. Skarphol:** How vulnerable is the bank to the other entities, and what would the total, in the worst case scenario if the bank were subjected to having to pay the bonds of any entity having that type of financial instrument, what's the worst case scenario for the bank?

**Eric:** I cannot answer that today, but I will certainly find out.

**Rep. Skarphol:** What could the eventual damage be?

**Eric:** Correct, it would have to come out of our capital base of 160 million. As you recall, the legislation does not allow for any withdrawals below 150 million.

**Rep. Monson:** Don't these agencies let you know when their anticipating, or when their planning to put in legislation, that says their depending on you?

**Eric:** Yes, in fact we do have that foot noted in our financial statements on the Water Commission Bond.

**Rep. Monson:** What is the default rate on student loans?

**Eric:** Are default is consistently in the lowest part of the scale, we have led the nation in the lowest default for years.

**Chair Carlson:** Do you remember the history of the capitalization rate of the capital required? How is that migrated downward?

**Eric:** There is two different issues here, one is the baseline floor, and one is our actual capital position. The floor was at 100 million dollars. That was increased to 140 million dollars, in about 1997, it is proposed to increase to 150 million this biennium.

**Chair Carlson:** Could you give us a history of how those numbers, and how we've legislatively adjusted those to where we expect it to be a stable situation for the bank?

**Eric:** The Federal Reserve has determined that a 5 percent capitalization is required to be defined as a well capitalized bank. We are at 7  $\frac{3}{4}$ , the real reason for equity is to offset losses that you might have. We have a Loan Loss Provision, which is separate from capital, it is just to offset any perceived losses that we might have in our loan portfolios. The Bank of North Dakota does have a Loan Loss Reserve Probation of 25 to 26 million dollars.

**Chair Carlson:** Is that been historically the tradition of the bank to do that?

**Eric:** Yes, not only the bank but all banks have Loan Loss Reserve Provision.

**Rep. Monson:** On student loans, when we provide through legislation loan write-offs, or forgiveness programs for students that stay in the state of North Dakota, does that affect your bottom line, or does that actually just come back to you?

**Eric:** That does not effect us, we get a transfer from higher education to cover that.

**Rep. Glassheim:** Is that a concern?

**Eric:** That would take us down based on a 2 billion dollar asset level of about 7 ½ percent equity.

**Rep. Glassheim:** You talked about the profits of 67 million, but for 2005 your projecting 35. So your projecting a decrease than for the next year, or is that for the 05/07 biennium?

**Eric:** The 67 million that I'm talking about is the 03/05 earnings.

**Rep. Skarphol:** Have you developed any type of schedule for the 5 million dollar equity pool, by agency? Have you developed a specific schedule for individuals?

**Kent Purde, Human Resource Management Division:** We had a similar equity market, equity pool, and provisions in the bill in 1999 and 2001 in those biennium. Our model at that time that we provided to the agencies, distributed the funds based on where individual employees were located, paid within the respected salary ranges.

**Rep. Skarphol:** Did you analyze individual agencies at all, to see where they were at as far as their competition for those employees?

**Kent:** The focus of this equity pool has been more individual employees, than agencies. By vurtue of the calculation that we do by employee, agencies with an overall lower level of pay within the ranges, would benefit more.

**Chair Carlson:** What does the 4% and 3% range raise do to equity?

**Kent:** The market equity funds that we have had, I think the actual overall impact on the average pay of classified employees has been, each biennium, less than a percent of that adjustment.

**Rep. Monson:** How much is in the Fire & Tornado Fund? What's the reason for the transfer?

**Pam:** The balance in the Fire & Tornado Fund is very large. That's a very high balance, several million.

**Rep. Monson:** How does it get filled up?

**Pam:** Insurance premiums, agencies and political subdivisions pay into the Fire & Tornado Fund for their insurance.

**Rep. Monson:** So that fund has been doing very well, and your taking some off to reimburse. Is that the purpose of the 126,000?

**Eilene, OMB:** We give 126,000 a biennium to the Firefighters Association, and it helps pay for firefighters training, equipment, and things like that.

**Rep. Skarphol:** Isn't there also a distribution of dollars to the fire departments across the state from that fund?

**Pam:** It's not from this fund, the fire districts do get, it's from the Insurance Premium Tax Fund. They get the first 2.6 million dollars collected each fiscal year from the Insurance Premium tax.

**Rep. Skarphol:** Are you aware of any change being recommended in legislation with regard to that?

**Pam:** I'm aware that yesterday there was a hearing, it must have been for the Insurance Departments appropriation, and the firefighters came forward with a request to increase their appropriation.

**Rep. Monson:** You had quite an increase in your capital assets from the previous year, the biennium. In section three, what's the plan for that money going in there?

**Pam:** I believe that's the 1.8 million we're requesting for authority for performance contracting, to do efficiency improvements throughout the capital.

**Rep. Monson:** You got state consultant for 120,000. What does that Intel?

**Pam:** We've had that consultant on board for several biennium's, they basically work with the Governor's office in Washington DC.

**Rep. Glassheim:** How much is in the Budget Stabilization Fund, if anything?

**Pam:** At this time the balance is zero, and has been zero for many biennium's.

**Rep. Skarphol:** The Oil Tax Trust Fund, if we do not raise that threshold from 71 to 84 ½ million dollars, as requested, will that result in a 13 ½ million dollar shortfall in your revenue for the next biennium?

**Pam:** Yes, that is correct.

**Chair Carlson:** Before we had a policy that said there is a revenue shortfall, I thought it was part of the stabilization fund, where at first mentioned there would be an allotment of so many percent, and that would be used before we went to the Bank of North Dakota for this extra 10 million. Is that changed?

**Pam:** At the time, we did have the revenue shortfall, and took the money from the Bank of North Dakota, that language was not in existence, that we could make the decision to do an allotment.

**Chair Carlson:** I know that I've read up to 2 ½ percent, and then you would go to the bank?

**Pam:** That's correct, and currently in place we can make a decision as to whether we want to do an allotment instead of transferring money, or a combination of the two of them, or one or the other.

**Chair Carlson:** It appears to me that we've been violating statute, by not putting money in the Budget Stabilization Fund, according to law?

**Pam:** I don't believe we're violating the statute. The 65 million dollar threshold has changed a few times during the biennium's. Since it has been 65 million, we have not had a balance exerting 65 million.

**Rep. Sparphol:** Under Central Services, what do we use an offset printing press for?

**Linda Belisle, Director of the Central Services Division:** In the central Services Division, is the Central Duplicating Services, which is a in-plant print shop for the state. In Central Duplicating we do printing for the state, part of our equipment are offset presses.

**Rep. Skarphol:** The 3.1 million dollars in special funds, Is that bonds that your thinking about selling?

**Pam:** That is for a fire suppression system in our bonding bill, a sprinkler system for the Capitol.

**Rep. Monson:** These energy savings things, are you going to pay for these bonds out of the savings of your utility bills that your going to get through this energy efficiency thing?

**Pam:** That is correct, except they are not bonds, we are not bonding for them.

**Rep. Monson:** What if the savings aren't there, how so you know you saved that much money?

**Pam:** We'd have to pay back the amount, whether we have the savings or not.

**Chair Carlson:** Under Facility Management, we've bounced around on who should fund the employees for security of the capital, and I see were moving them back to the Highway Patrol. It's highway dollars instead of general fund dollars, is that correct?

**Pam:** Highway patrol recommended that all security be under Highway Patrol. We are transferring four FTE's, and the general fund dollars associated with those FTE's to Highway Patrol. For these four FTE's, there will be general fund dollars.

**Rep. Skarphol:** Where does the 450,000 dollars show up in your budget, as an expenditure for the module that you implemented from the people soft package, when we decided not to go with the time leg on state employee pay raises?

**Pam:** We paid for that out of our carry over line.

**Chair Carlson:** Who deals with the cell phones throughout the system?

**Pam:** Our Central Services, State Procurement Office.

**Jo Zschomler, Risk Management (Testimony Read by Pam Sharp). (SEE WRITTEN TESTIMONY)**

**Rep. Skarphol:** Professional Services went down by 210,000 dollars, what is that?

**John Boyle, OMB:** Of the 420,000 , where it says the four FTE are transferring over, the 210,000 is the contracted security services that we have here at the capital.

**Rep. Carlson:** The other one is the 600,000 increase on IT Contractual Services.

**Pam:** The 600,000 we have for future implementation of modules.

**Sheila Peterson, OMB Fiscal Management Division: (SEE WRITTEN TESTIMONY)**

**Chair Carlson:** The only changes in your budget would be the salary package, is that reflected in each division?

**Sheila:** That is correct. Each division would have their own amount.

**Rep. Skarphol:** The Increase and Data cost, in the past were you not billed by ITD for certain things that you are currently going to be billed for?

**Sheila:** No, ITD always bills us.

**Rep. Skarphol:** Did we do the right thing in doing Connect ND?

**Sheila:** We certainly did.

**Chair Carlson:** Is there a designated IT person in your division?

**Sheila:** I do have an IT staff person, who does our IT plan, who orders our computers, and keeps them running, our printers, and our fax machines.

**Chair Carlson:** Are they assigned to you, or responsibly to the IT division?

**Sheila:** Brian is responsible to me, and Kerry, who is assigned to John Boil, reports to John Boil.

**Rep. Glassheim:** Your division is seeing a decrease for ordinary operations of 1 million dollars, am I correct on that?

**Sheila:** What ends up being confusing is our carry over. There were costs that were paid out of the carry over.

**Rep. Skarphol:** In the budget detail, 1.7 million dollars for utilities seems like an awful lot of money for utilities for OMB.

**Sheila:** We pay the utilities for the entire Capitol complex, to include the Governor's Mansion.

**Rep. Skarphol:** Are you able to bill back for special and federal funds , to those entities whose budgets have those dollars for this utility?

**Sheila:** It is part of the rent calculation.

**Laurie Sterioti, Director of Human Resource Management Services. (SEE WRITTEN TESTIMONY)**

**Rep. Skarphol:** In measuring performance, how do you separate personnel feelings from the measurement of the merit of that employee?

**Laurie:** Of course there are some difficulty, however we establish performance goals and measurement each year. We evaluate their achievement of those goals and objectives. We also have competencies, and we get feedback from agencies.

**Linda Belisle, Director OMB Central Services Division. (SEE WRITTEN TESTIMONY)**

**John Boyle, Director OMB Facility Management Division. (SEE WRITTEN TESTIMONY)**

**Rep. Skarphol:** What precipitated the sprinkler system?

**John:** There were no State or Federal laws that changed, however through the creation of the US Department of Homeland Security, they identified in each state, critical infrastructure. The #1 critical infrastructure in the state of North Dakota is the State Capitol.

**Rep. Skarphol:** Why didn't we use Homeland Security dollars to pay for it then?

**Pam:** They have all been allocated to other projects.

**Rep. Skarphol:** Who allocates the Homeland Security dollars?

**Pam:** The Division of Emergency Management allocates those homeland Security dollars.

**Chair Carlson:** Back to the bonds, what type of bonds are they, and what is the repayment schedule?

**Pam:** This would be bonding under the Building Authority. The repayment schedule would be 20 years.

**Rep. Skarphol:** The sidewalk thing that you have in your budget, is it your intention to do away with the inlayed side walks?

**John:** The sidewalk repairs, we will be removing those inlays, and pouring concrete. They have become a real hazard in the winter time.

**John Harris, President & CEO Prairie Public Broadcasting. (SEE WRITTEN TESTIMONY)**

**Rep. Monson:** Can you explain this map on your digital coverage?

**John:** This map reflects the digital world, in the digital realm there is no grade B coverage. You either have it or you don't. It's all grade A.

**Rep. Monson:** So, the grade A is the best coverage, and the grade B doesn't exist?

**John:** Correct, as we switch over to digital, there will no longer be a grade B., You will either have a signal, or you will not.

**Chair Carlson:** Does Prairie Public have the digital rights to North Dakota, and are you the only one?

**John:** Every television broadcaster in the nation is required by a Federal Mandate to switch to digital broadcasting.

**Rep. Skarphol:** Were you not the first entity that was going to go high definition in the state, through the digital thing?

**John:** We were one of the first that went digital, with Bismarck and Fargo being the first two of our 7 transmitters that we operate.

**Rep. Skarphol:** Doesn't digital give you the ability to broadcast in a different fashion?

**John:** In the digital world, we are able and currently broadcasting four programs strings in the digital perspective.

**Rep. Skarphol:** Have you in any way contracted with any of the private sector television broadcasting networks to do work for them?

**Rep. Skarphol:** We are looking for partners all the time to try to figure that out.

**Rep. Skarphol:** Your saying that all the broadcaster in North Dakota have to go digital by a deadline?

**John:** That's right, the FCC mandated this.

**Rep. Skarphol:** Is there a potential revenue stream for you folks, to provide the private carriers with the technology to do this?

**John:** There are a lot of opportunities, but it's finding the partners and finding who wants to pay for the opportunity of this.

**Chair Carlson:** The Risk Management one, what is their continuing appropriation authority?

**Pam:** The appropriations for operations of their office is appropriated by you.

**Rep. Monson:** The Risk Management Fund is totally different from the North Dakota Insurance Reserve Fund?

**Pam:** Correct, they are totally separate.

**Rep. Monson:** Going back to the Risk Management Fund, you just kind of self insure. You don't pay premiums to the North Dakota Insurance Reserve Fund like other entities would?

**Pam:** Agencies are billed from Risk Management for their premiums.

**Rep. Monson:** Your office is running this like a little insurance company for all the state agencies?

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House Government Performance Division

Bill/Resolution Number HB1015

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**Pam:** Basically yes.

Hearing Closed

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1015

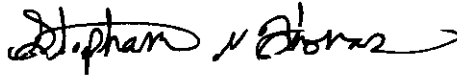
House Government Performance Division

☐ Conference Committee

Hearing Date January 17, 2005

Tape Number	Side A	Side B	Meter #
1	X		5768-End
		X	1-End
2	X		1-1619

Committee Clerk Signature



Minutes: **Chair Carlson** opened hearing on HB1015.

**Lt. Governor:** Proposed package of Compensation for employees. We are proposing 4% salary increase in year one, and 4% in year two.

**Chair Swedjan:** You described the equity pool more in terms of recruiting. That seems to be a departure from what equity pools are normally established for. I would seem to me that the equity pool would be more intended for people who are currently part of the work force. Could you clarify?

**Lt. Governor:** The initial task is to provide greater fairness within our own salary schedules.

**Chair Carlson:** Is the 5 million dollar equity package included in the 52 million you talked about?

**Lt. Governor:** I believe it's a budget itself.

**Chair Carlson:** Do you know if the 5 million was on top of the 52 million?

**Sheila:** That is correct.

*NB1015  
1-17-05*

**Chair Swedjan:** Is there a chance that you do jeopardize the integrity of your wage and salary program by allowing equity pools. Wouldn't it be smarter to look at the wage and salary program in total?

**Lt. Governor:** I think your reasoning is very valid on that. But you start within a position you will see after an analysis, that virtually all public employees can be demonstrated to be behind some kind of a comparable salary curve in the private sector.

**Chair Swedjan:** Is the equity fund intended to be accessible by both classified and unclassified employees?

**Lori, OMB:** Only for classified employees.

**Gary Feist, President of ND Public Employees Association, AFT 4660. (SEE WRITTEN TESTIMONY)**

**Chair Carlson:** Your comments, I assume, are addressing the bill it's in instead of the Governor's proposal?

**Gary:** Well, we hopefully would like to have it fully funded.

**Cathy Halgunseth, Department of Veterans Affairs:** Testifying for the bill.

**Chair Carlson:** Would your position be one to come under review by the equity, as far as equity is concerned?

**Cathy:** I don't know, because I am past the midpoint in my pay range, but I haven't been in that grade for maybe 6 to 7 years, so I doubt that I would fall in there.

**Chair Swedjan:** The 4 and 3 or the 4 and 4, won't help that situation?

**Cathy:** No it won't.

**Chair Swedjan:** Should we be looking at the wage and salary program in total?

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1-17-05

**Cathy:** Yes, when you hire you almost have to hire somebody in a midpoint at a pay grade, to get somebody qualified and good coming in.

**Rep. Skarphol:** What would it take for you to change pay grade?

**Cathy:** Well, I'm supposed to be putting in for a reclassification, but I don't know how much further that would put me.

**Rep. Skarphol:** In 24 years, how many pay grade changes have you had?

**Cathy:** Two.

**Tom Tupa, Independent ND State Employees Association. (SEE WRITTEN TESTIMONY)**

**Rep. Skarphol:** Would it be advisable to put more money into the equity pool, and less money into the overall raise?

**Tom:** I don't think it would be, because equity would not effect total number of employees at the full percentage rate.

**Chair Carlson:** We have many times addressed minimums, if your talking about getting salaries to the midpoint, why would it not be better to have a combination of the two?

**Tom:** I don't think the legislature or the agencies can do the same formula session after session. From time to time you need a cash amount, a base, and a percentage to another end at some cutoff point.

**Pam Braaten:** Testifying for the bill.

**Chair Carlson:** Over the years are budgeting has changed for Higher Ed. Last biennium there were some raises given in Higher Ed, and not to the other state employees in the executive agencies. What was your experience with that last biennium?

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7-17-05

**Pam:** I received the minimum dollar amount.

**Chair Swedjan:** Are we talking here about 4 and 3 plus 1, for all agencies plus institutions for learning?

**Sheila:** There are no dollars in here for Higher Education. They are in their block grant appropriation.

**Jim Collins, Independent State Employees Association:** Testifying for the bill.

**Mike Stebbins, Department of Transportation:** Testifying for the bill. (SEE WRITTEN TESTIMONY)

**Rep. Skarphol:** What does it take for you to change pay grades?

**Mike:** From an equipment operator 1, to a 2, was a year time. From there it's pay raises that you give out.

**Rep. Skarphol:** Do you think that's fair?

**Mike:** No, I don't think I get enough money.

**Rep. Skarphol:** Do you think the system itself is fair, or do you think it could be improved?

**Mike:** No, just money, no advancement.

**Rep. Skarphol:** Are you at or above the midpoint?

**Mike:** With that extra 100 dollars, I believe that puts me over the midpoint.

**Mike Heyd, Security State Historical Society:** Testifying for the bill.

**Roger Johnson, Agriculture Commissioner:** Testifying for the bill. (SEE WRITTEN TESTIMONY)

**Sheri Gartner, State Radio:** Testifying for the bill.

**Dave Spritzanatik, Director of the Department of Transportation:** Testifying for the bill.

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House Government Performance Division

Bill/Resolution Number *Click here to type bill number*

Hearing Date *Click here to type Hearing Date*

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**Alan Kim, Geology at Minot State University:** Testifying for the bill.

**Tanya Stebbins, ND State Employee Statistic:** Testifying for the bill.

**Jerry Nissan, University of North Dakota:** Testifying for the bill.

**Ruth Kim:** Testifying for the bill.

**Steve Huenneke, Economics at Minot State University:** Testifying for the bill.

**Bill Klimpel, Minot State Custodial:** Testifying for the bill.

Closed Hearing.

*Govt  
Performance  
1015*

## General Discussion

- ☐ Committee on Committees
- ☐ Rules Committee
- ☐ Confirmation Hearings
- ☐ Delayed Bills Committee
- ☒ House Appropriations
- ☐ Senate Appropriations
- ☐ Other

Date January 31, 2005

Tape Number

2

Side A

X

B Side

X

Meter #

275-End

1-90

Committee Clerk Signature

*Stephanie Thomas*

Minutes: **Chair Carlson** opened general discussion hearing on HB 1015, relating to the budget stabilization fund: and to declare an emergency.

Review of sections. (SEE HB 1015)

**Chair Carlson:** What would you like to do with the special funds, where would they go?

**Pam Sharp, OMB:** We initially thought that it would flow through, as it turns out the financing is done, and then we make those payments out of our regular appropriations.

**Rep. Skarphol:** How do you repay General Electric?

**John Boyle:** General Electric gets repaid through the savings and the utility line item.

**Rep. Skarphol:** What happens if the cost to do any of the improvements is lets say, 1.5 million verses 1.8 million?

**John:** Then we would only pay off 150,000 dollars.

**Rep. Skarphol:** When is this work anticipated to be completed?

**John:** The work will actually be completed probably mid/06.

**Rep. Skarphol:** So when do you commence paying off the 180,000?

**John:** That probably wouldn't really commence paying it off, the first full year would be probably June/07.

**Rep. Skarphol:** Have you tried to document an actual situation in which we've done that?

**John:** I have not, however the university systems have. The university system has been doing it for 5 or 6 years now, and they've documented it.

**Rep. Skarphol:** Is there any required documentation of these things that's provided to any kind of collective records?

**Pam:** I'm not aware of any.

**Chair Carlson:** If we were going to fix the bill the way we wanted it, it would say 111,000 there?

**Pam:** Correct.

**Rep. Monson:** Unless you've got a meter on each of these projects to show what that particular thing is actually drawing, every time you've added a building or put on a new addition or made any changes, you've just lost track of how you document that.

**Chair Carlson:** There are buildings right here, so I think you could control that.

**Chair Carlson:** How'd we fund Connect ND for your department?

1015

**Pam:** We didn't have any extra funding for Connect ND in OMB.

**Rep. Skarphol:** What do you typically carry over?

**Sheila, OMB:** The million and a half is the largest it has ever been.

**Rep. Monson:** The reason it is so much lower now though, is because you did this work on Connect ND and Bars, and that took a million bucks or so?

**Pam:** Correct.

**Rep. Skarphol:** So how did it build up to the one and a half million?

**Pam:** It's money that's appropriated to OMB in our fiscal management positions.

**Chair Carlson:** Does that mean you could use it for salaries and stuff if you had extra people?

**Pam:** No.

**Rep. Skarphol:** The 900,000 or the 870,000, does that all go for Connect ND?

**Pam:** We spent money on Connect, and also for our Bars system.

**Rep. Skarphol:** Do they report those changes to you, where they've taken the money from?

**Pam:** Yes, they have to report that.

**Rep. Monson:** So if you didn't use that, does it get turned back?

**Pam:** Yes.

**Chair Carlson:** The firefighters fund goes to where?

**Sheila:** The Fire Association for training.

**Rep. Monson:** Or such greater amount as may be available, does that mean you can clean it out completely?

**Pam:** That means if there were 6 million available and you requested that, then we could transfer 6 million dollars.

**Rep. Monson:** So what is the source?

**Pam:** Oil leases, minerals, royalties, on state owned land.

**Rep. Skarphol:** How do oil royalty dollars flow into this fund?

**Pam:** There is specific tracks of land that are dedicated to this fund.

**Rep. Skarphol:** Do you have authority to borrow up to 25 million dollars from the Bank of North Dakota for purposes of funding emergency situations?

**John:** We have current authority of 14.4.

**Sheila:** It has to be a Presidential declared disaster.

**Rep. Skarphol:** This is just the implementation cost for modules that we currently own?

**Pam:** Yes, that we currently own.

**Chair Carlson:** Where do the special funds come from in facilities management?

**Pam:** It's lands in the Land Department for Capitol grounds.

**Chair Carlson:** What's the bonding authority, is that for the parking lot were after?

**Pam:** That's Fire Suppression for the Capitol building.

**Roxanne, Legislative Council:** Discussion of amendment. (SEE AMENDMENT  
58038.0101)

**Rep. Skarphol:** As far as leasing, are you the one that the leasing arrangements are reported to?

**Pam:** No, Facility Management.

Closed General Discussion Hearing.

*Govt Performance  
1015*

### General Discussion

- ☐ Committee on Committees
- ☐ Rules Committee
- ☐ Confirmation Hearings
- ☐ Delayed Bills Committee
- ☒ House Appropriations
- ☐ Senate Appropriations
- ☐ Other

Date February 11, 2005

Tape Number  
2

Side A  
X

B Side

Meter #  
2300-5260

Committee Clerk Signature

*Stephane J. Thomas*

Minutes: **Chair Carlson** opened general discussion hearing on HB 1015, relating to the division of emergency management, state radio, and the permanent oil tax trust fund: to repeal section 54-27.2-02 of the North Dakota Century code, relating to the budget stabilization fund: and to declare an emergency.

Discussion of Amendment. (SEE AMENDMENT 58038.0103)

**Rep. Glassheim:** So the money stays in the trust fund?

**Don Wolf, Legislative Council:** Yes, just in case for a contingency need. There's still a 60 million dollar Bank of ND transfer, and the money will also still remain in the Permanent Tax Trust Fund.

**Chair Carlson:** What have we had in the past on, about the floor of the bank?

General Discussion

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House Government Performance

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**Don:** I believe it was 140 million dollars in the past, if I remember it right.

Discussion of bill. (SEE HB 1015)

**Chair Carlson:** Why do we fund Prairie Public with state dollars, what do we get in return?

**Sheila, OMB:** Educational Television.

**Rep. Skarphol:** What is your typical dollar amount in fiscal management?

**Sheila:** Around 4 million.

**Chair Carlson:** Can we incorporate these amendments into the ones your doing, 0103?

**Don:** Sure.

Closed General Discussion Hearing.

*Govt  
Performance  
1015*

## General Discussion

- ☐ Committee on Committees
- ☐ Rules Committee
- ☐ Confirmation Hearings
- ☐ Delayed Bills Committee
- ☒ House Appropriations
- ☐ Senate Appropriations
- ☐ Other

Date February 14, 2005

Tape Number

1

Side A

X

B Side

Meter #

1730-4415

Committee Clerk Signature

*Stephen W Thomas*

Minutes: **Chair Carlson** opened general discussion hearing on HB 1015, relating to the division of emergency management, state radio, and the permanent oil tax trust fund: to repeal section 54-27.2-02 of the North Dakota Century code, relating to the budget stabilization fund: and to declare and emergency.

Discussion of Amendment. (SEE AMENDMENT 58038.0105)

**Chair Carlson:** Just tell me once more why we don't need that fund anymore, because somebody else is going to fund that process and the savings will be paid back by whoever our contractor is?

**Pam, OMB:** The third party will fund the whole thing, and all we need to do is pay them back.

**Rep. Skarphol:** I would move 0105 to HB 1015.

**Rep. Monson:** Second.

**Rep. Glassheim:** So, the impact of the Oil Trust Fund is what again?

**Don Wolf, Legislative Council:** The Governor's recommendation proposed increasing the four limit for which the money starts, once revenues reach oil extraction. Oil revenues reach 84.5 million dollars, which would have gone into the Permanent Oil Tax Trust Fund. The language is currently 71 million dollars, by removing that section changing the limit, it goes back to where it's currently at 71 million dollars.

**Rep. Glassheim:** Once it is in the trust fund, what happens to it?

**Don:** I think the general theory behind it is that most could be available for future generations.

**Rep. Glassheim:** The Budget Stabilization Fund, this does what we already did?

**Chair Carlson:** It leaves it as a stabilization fund, instead of repealing the act. This would have repealed it.

**Rep. Skarphol:** On page 3 of the amendment, subsection 1, I'm curious about the last portion of the last sentence that says "but spending authority is not needed because it will be funded by a third party." I know all about what this energy conservation thing is, and I'm very familiar with funding the building and the Tech park in Fargo. I'm wondering if there's any other similar types of situations in which we're funding things without the need for an appropriation, because it's being funded by a third party. Somehow or another we are paying for it. Is there anything else out there?

**Pam:** I don't know. I think there's less chance in regular state government than Higher Ed, that there are things out there like that.

**Chair Carlson:** Voice vote on Amendment 0105 to HB 1015, motion carries.

Discussion of Amendment. (SEE AMENDMENT 58038.0101)

**Rep. Monson:** I will move this.

**Rep. Skarphol:** I second.

**Chair Carlson:** Voice vote of Amendment 0101 to HB 1015, amendment is passed.

Discussion of Amendment. (SEE AMENDMENT 58038.0102)

**Rep. Skarphol:** I move 0102.

**Rep. Monson:** I'll second it.

**Rep. Monson:** How does this work now?

**Rep. Skarphol:** It just takes away their continuing appropriation, and it makes them subject to a legislative appropriation process. They have to develop their budget, present it to the legislature, and we need to approve it.

**Chair Carlson:** Voice vote on Amendment 0102, amendment is passed.

Discussion of Amendment. (SEE AMENDMENT 58038.0106)

**Rep. Skarphol:** I move 0106.

**Rep. Monson:** I'll second it.

**Rep. Glassheim:** I oppose this, I think it is short sided that we've heard almost daily about difficulties with pay of state employees. They don't compare to the private sector, so comparing the healthcare to the private sector is not really fair. Why we may have a slightly better healthcare plan, we have must worse wages at almost every level and almost every comparison. We're having trouble with retention, we're having trouble with new hires, this is taking from new hires another 2400 dollars worth of potential benefits package away. That was one of the good parts about working for state government is that you have fully paid family plan, and while

I understand the desire to save money to the general fund, the impact of what you're proposing is going to have long term serious consequences for hiring and retention.

**Rep. Monson:** I think it is very appropriate. I see this as a way to save money in the long run on the insurance, to the point where we can probably give them a bigger raise. Right now we are probably wasting a lot of money, because most of them are probably double insured out there. If we're giving them full family coverage, and they're only working half the time, their spouse might be working at a job that gets them employees at their job, but why would they not take ours, we're simply paying the whole price. This is going to make people make decisions.

**Chair Carlson:** Voice vote on Amendment 0106, amendment passes.

**Rep. Skarphol:** I move HB 1015 as amended.

**Rep. Monson:** Second.

**Chair Carlson:** HB 1015 has been amended with Amendments 0105, 0101, 0102, and 0106.

HB 1015 is a do pass, as amended.

Closed General Discussion Hearing.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1015  
Office of Management and Budget

House Appropriations Full Committee

☐ Conference Committee

Hearing Date February 15, 2005

Tape Number  
6

Side A  
X

Side B

Meter #  
#0 - #33.3

Committee Clerk Signature

*Chris Alexander*

Minutes:

**Rep. Ken Svedjan, Chairman** opened the discussion on HB1015.

**Rep. Bob Martinson** requested a vote on all motions per individual amendments instead of taking the amendment that includes all of the changes. .

**Rep. Al Carlson** explained that the biggest change in the budget is the switch of State Radio over to the Emergency Management Department. Adjustments have been made for the compensation package and there is a \$1.8 million dollar reduction in the capital assets line that refers to energy conservation. Section 16 was going to establish a facilities management fund for the use of construction, maintenance repair, and state facilities. It was also going to contract for energy management. Instead of all of this being a line item they have signed an agreement with a third party who would be paid by the reductions that we get from doing the energy management projects so there is no appropriation for this. The statewide equity pool in Section 6 of the bill has been removed for \$2.4 million. Rep Carlson then reviewed the bill by section. Section 18

removed the Permanent Oil Tax Trust Fund transfer to the general fund and section 19 removed the repealer of the stabilization fund.

**Rep. Al Carlson** moved to adopt amendment #0105 to HB1015

**Rep. David Monson** seconded

**Rep. Jeff Delzer** asked if Prairie Public at \$1.3 was all general funds and at what level do we expect to be supporting them in the next biennium.

**Rep. Al Carlson** answered yes, this is all general funds and this is a number that we expect to be an ongoing cost. This is actually down from where it used to be. (meter Tape #6, side A, #5.6)

**Rep. Eliot Glassheim** commented on the deletion of the \$5 million in the equity pool to be replaced with 2% raises in the next biennium. The 2% is watered down and aren't reserved for equity as we had hoped. This will not accomplish the goal of getting people to the midpoint of their salary ranges in the classified service so this is a mistake to remove this money.

**Rep. Bob Skarphol** asked if all of section 13 was supposed to have been removed. Lines 11-13 are supposed to stay as they set the capital assets of the bank.

**Rep. Al Carlson** answered that Rep Skarphol is correct.

**Rep. Ken Svedjan, Chairman** called for a voice vote on the motion to adopt amendment #0105. The vote was unclear so a roll call vote on this motion was called. Motion carried with a vote of 14 yeas, 9 neas and 0 absences.

**Rep. David Monson** explained that amendment #0101 adds \$210,000 to the grants line item for North Central Council of School TV. It was \$105,000 last year because it was only one year of the biennium. This covers \$1 per pupil per year in the state of North Dakota to authorize all the

teachers in the state to be able to record programs off Prairie Public TV to be used in their classrooms. This is to make sure that they are not breaking copyright laws.

**Rep. David Monson** moved to adopt amendment #0101.

**Rep. Al Carlson** seconded.

**Rep. Tom Brusegaard** asked if this was in the DPI budget

**Rep. David Monson** answered no and said that if this is not done we will have to destroy the tapes that we record from Prairie Public.

**Rep. Jeff Delzer** asked what the enrollment is in this program. (meter Tape #6, side A, #11.9)

**Rep. David Monson** answered that this is for any school, not just public.

**Rep. Ken Svedjan, Chairman** called for a voice vote on the motion to adopt amendment #0101 to HB1015. Motion carried.

**Rep. Bob Skarphol** explained that amendment #0102 removes the continuing appropriation for the State Wheat Commission and makes them subject to the legislative appropriations process.

**Rep. Bob Skarphol** moved to adopt amendment #0102 to HB1015.

**Rep. David Monson** seconded.

**Rep. James Kerzman** resists this motion because he believed that the Wheat Commission has done a lot of good.

**Rep. Bob Skarphol** responded that the 2002 audit of the State Wheat Commission indicated that they had a \$759,000 deficit. In the last legislative session they resisted an attempt to put more money into the Wheat Checkoff Program that would help to make them more feasible.

Rather than talk to us about this they chose to oppose the checkoff and then when audit and fiscal review asked questions of them with regard to their practices, what was furnished wasn't even a

good faith effort. Pages were removed in that document. We cannot continue to endorse the practice of doubling expenses over revenues in any agency and we need to take a look at what is going on here.

**Rep. Ken Svedjan, Chairman** called for a voice vote on the motion to adopt amendment #0102 to HB1015. Motion carried.

**Rep. Al Carlson** moved to adopt amendment #0108 to HB1015.

**Rep. Tom Brusegaard** seconded.

**Rep. Al Carlson** explained that this appropriates \$100,000 or so much money as may be necessary of the sum, to renovate areas in the capitol for legislative committee rooms. (meter Tape #6, side A, #16.2)

**Rep. Pam Gulleon** suggested using the smoking room.

**Rep. Bob Skarphol** asked if we were doing one room or two here.

**Rep. Al Carlson** answered both rooms.

**Rep. Ken Svedjan, Chairman** called for a voice vote on the motion to adopt amendment #0108 to HB1015. Motion carried.

**Rep. Al Carlson** moved to adopt amendment #0106 to HB1015.

**Rep. Jeff Delzer** seconded.

**Rep. Al Carlson** explained that this amendment gives new hires in the state employ a single coverage health care package with the option to purchase the family plan if they so choose. This will begin on January 1, 2006. This also says that if you work 17.5 hours or more per week you are eligible for this coverage.

**Rep. James Kerzman** asked what the difference in cost was between the single and the family coverage.

**Rep. Al Carlson** answered that he did not know those figures

**Rep. Mike Timm, Vice Chairman** asked if there will be a jump in the cost for family coverage

**Rep. Al Carlson** answered that the plan will remain as it is but if you are a new hire you will have the chance to purchase the family plan for whatever the cost of the family plan is now in the unitized cost.

**Rep. Ron Carlisle** asked about the potential moral problem of employee A being covered under the full coverage and employee B is being covered only by the single plan. Also how do you justify exempting the elected officials, judges and legislators.

**Rep. Keith Kempenich** commented that for lower level hourly workers it becomes an issue of health care. People only work for the health care, so it is tough to support this for them

**Rep. Al Carlson** commented that if these people work less than half time for anyone else they would not receive any health care. There is a lot of opportunity for programs like wellness credits or options here that have not even been explored. But you have to deal with this issue because the prices are not going to go down and you have to compete in the market and our market says that the standard is the single coverage.

**Rep. Eliot Glassheim** asked if there are estimated figures of what it will save the general fund over time.

**Rep. Al Carlson** answered that there has been no study done

**Rep. Francis J. Wald** commented about couples who both work and some of these folks can take the single plan coverage because they are also covered through their spouse's employment.

**Rep. Tom Brusegaard** asked if the exemption was for elected officials, judges, and legislators

**Rep. Al Carlson** answered yes.

**Rep. Ken Svedjan, Chairman** called for a voice vote on the motion to adopt amendment #0106 to HB1015. Vote was unclear so a roll call vote was called for the motion. Motion failed with a vote of 8 yeas, 15 neas, and 0 absences.

**Rep. Al Carlson** moved a Do Pass As Amended motion to HB1015.

**Rep. Blair Thoreson** seconded.

**Rep. Ken Svedjan, Chairman** called for a roll call vote on the Do Pass As Amended motion for HB1015. Motion carried with a vote of 13 yeas, 10 neas, and 0 absences. Rep Carlson will carry the bill to the house floor.

**Rep. Eliot Glassheim** requested a minority report on amendment # 0105.

**Rep. Ken Svedjan, Chairman** closed the discussion on HB1015.

**FISCAL NOTE**  
**Requested by Legislative Council**  
02/18/2005

Amendment to: HB 1015

**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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 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.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 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.*

**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.*

**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: Pam Sharp  
Phone Number: 328-4606

Agency: OMB  
Date Prepared: 02/25/2005

**FISCAL NOTE**  
**Requested by Legislative Council**  
12/29/2004

Bill/Resolution No.: HB 1015

**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.*

	<b>2003-2005 Biennium</b>		<b>2005-2007 Biennium</b>		<b>2007-2009 Biennium</b>	
	<b>General Fund</b>	<b>Other Funds</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>General Fund</b>	<b>Other Funds</b>
<b>Revenues</b>			\$13,270,000	(\$13,270,000)		
<b>Expenditures</b>						
<b>Appropriations</b>						

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

<b>2003-2005 Biennium</b>			<b>2005-2007 Biennium</b>			<b>2007-2009 Biennium</b>		
<b>Counties</b>	<b>Cities</b>	<b>School Districts</b>	<b>Counties</b>	<b>Cities</b>	<b>School Districts</b>	<b>Counties</b>	<b>Cities</b>	<b>School Districts</b>

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

As a result of the amendment in Section 18 of HB1015, \$13,270,000 will be deposited into the general fund. Without the amendment, the \$13,270,000 would have been deposited into the permanent oil tax trust fund. The effects of this amendment are included in Governor Hoeven's executive budget.

**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.*

**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:** Pam Sharp  
**Phone Number:** 328-4606

**Agency:** OMB  
**Date Prepared:** 12/30/2004

**PROPOSED AMENDMENTS TO HOUSE BILL NO. 1015**

Page 1, line 6, after the semicolon insert "and"

Page 1, line 8, remove "; to repeal section"

Page 1, remove line 9

Page 1, line 10, remove "declare an emergency"

Page 5, remove lines 1 through 15

Page 8, remove lines 7 through 10

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1015 - Office of Management and Budget - House Action**

This amendment removes the section providing for the contingent permanent oil tax trust fund, and Bank of North Dakota transfers to the general fund, which are included in House Bill No. 1443.

This amendment removes the language providing for the repeal of the budget stabilization fund, which is included in House Bill No. 1444.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1015

Page 1, line 4, remove "; to create and enact a new subsection to"

Page 1, remove line 5

Page 1, line 6, remove "fund", after the semicolon insert "and", remove the first comma, and replace the second comma with "and"

Page 1, line 7, remove ", and 57-51.1-07.2"

Page 1, line 8, after the first comma insert "and" and remove ", and the permanent oil tax trust fund; to repeal section"

Page 1, remove line 9

Page 1, line 10, remove "declare an emergency"

Page 2, line 1, replace "(\$1,829,306)" with "(\$1,876,214)"

Page 2, line 3, replace "1,911,000" with "111,000"

Page 2, line 4, replace "1,337,138" with "1,337,138"

Page 2, remove line 5

Page 2, line 6, replace "\$6,323,982" with "(\$522,926)"

Page 2, line 7, replace "3,794,805" with "(514,476)"

Page 2, line 8, replace "\$2,529,177" with "(\$8,450)"

Page 2, line 15, replace "13,558,925" with "13,512,017"

Page 2, line 17, replace "2,644,000" with "844,000"

Page 2, line 19, replace "1,337,138" with "1,337,138"

Page 2, remove line 20

Page 2, line 21, replace "33,952,969" with "27,106,061"

Page 2, line 22, replace "11,683,281" with "7,374,000"

Page 2, line 23, replace "22,269,688" with "19,732,061"

Page 3, remove lines 3 through 31

Page 4, remove lines 1 through 10

Page 5, remove lines 1 through 10

Page 5, line 11, remove "requested by the director of the office of management and budget."

Page 5, line 13, remove "the director may determine what portion of the shortfall will be covered by the"

Page 5, remove lines 14 and 15

Page 6, remove lines 28 through 31

Page 7, remove lines 1 through 3

Page 7, remove lines 16 through 31

Page 8, remove lines 1 through 10

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

##### House Bill No. 1015 - Office of Management and Budget - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$13,558,925	(\$46,908)	\$13,512,017
Operating expenses	11,233,908		11,233,908
Capital assets	2,644,000	(1,800,000)	844,000
Grants	179,000		179,000
Prairie Public Broadcasting	1,337,138		1,337,138
Statewide equity pool	<u>5,000,000</u>	<u>(5,000,000)</u>	
Total all funds	\$33,952,969	(\$6,846,908)	\$27,106,061
Less estimated income	<u>11,683,281</u>	<u>(4,309,281)</u>	<u>7,374,000</u>
General fund	\$22,269,688	(\$2,537,627)	\$19,732,061
FTE	130.50	0.00	130.50

##### Dept. 110 - Office of Management and Budget - Detail of House Changes

	REDUCES COMPENSATION PACKAGE TO 3/4	REMOVES FUNDING FOR ENERGY SAVINGS PROJECT 1	REMOVES FUNDING FOR STATEWIDE EQUITY POOL 2	TOTAL HOUSE CHANGES
Salaries and wages	(\$46,908)			(\$46,908)
Operating expenses				
Capital assets		(\$1,800,000)		(1,800,000)
Grants				
Prairie Public Broadcasting				
Statewide equity pool			<u>(\$5,000,000)</u>	<u>(5,000,000)</u>
Total all funds	(\$46,908)	(\$1,800,000)	(\$5,000,000)	(\$6,846,908)
Less estimated income	<u>(9,281)</u>	<u>(1,800,000)</u>	<u>(2,500,000)</u>	<u>(4,309,281)</u>
General fund	(\$37,627)	\$0	(\$2,500,000)	(\$2,537,627)
FTE	0.00	0.00	0.00	0.00

1 This amendment removes the spending authority for a Capitol complex energy savings program. The program is anticipated to proceed, but spending authority is not needed because it will be funded by a third party.

2 This amendment removes \$5 million of funding from this bill for statewide market equity compensation adjustments for classified state employees and related intent regarding state employee salary increases to be addressed in House Bill No. 1050.

This amendment removes the section providing for the contingent permanent oil tax trust fund and Bank of North Dakota transfers to the general fund, which is also included in House Bill No. 1443 and removes the statutory change from \$71 million to \$84.5 million of oil taxes to be deposited in the general fund.

This amendment removes the language providing for the repeal of the budget stabilization fund, which is addressed in House Bill No. 1444.

Date: Feb. 14, 2005  
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1015

House

Government Performance

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 58038-~~1015~~ 0105

Action Taken Move

Motion Made By Rep Skarphol Seconded By Rep Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Carlson	X		Rep. Glassheim		X
Vice Chairman Skarphol	X				
Rep. Monson	X				

Total (Yes) 3 No 1

Absent 0

Floor Assignment

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

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1015

Page 2, after line 3, insert:

"Grants" 210,000"

Page 2, line 6, replace "6,323,982" with "6,533,982"

Page 2, line 8, replace "2,529,177" with "2,739,177"

Page 2, line 18, replace "179,000" with "389,000"

Page 2, line 21, replace "33,952,969" with "34,162,969"

Page 2, line 23, replace "22,269,688" with "22,479,688"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1015 - Office of Management and Budget - House Action**

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$13,558,925		\$13,558,925
Operating expenses	11,233,906		11,233,906
Capital assets	2,644,000		2,644,000
Grants	179,000	\$210,000	389,000
Prairie Public Broadcasting	1,337,138		1,337,138
Statewide equity pool	<u>5,000,000</u>		<u>5,000,000</u>
Total all funds	\$33,952,969	\$210,000	\$34,162,969
Less estimated income	<u>11,683,281</u>		<u>11,683,281</u>
General fund	\$22,269,688	\$210,000	\$22,479,688
FTE	130.50	0.00	130.50

**Dept. 110 - Office of Management and Budget - Detail of House Changes**

	ADDS FUNDING FOR NORTH CENTRAL COUNCIL OF SCHOOL TV <sup>1</sup>	TOTAL HOUSE CHANGES
Salaries and wages		
Operating expenses		
Capital assets		
Grants	\$210,000	\$210,000
Prairie Public Broadcasting		
Statewide equity pool		
Total all funds	\$210,000	\$210,000
Less estimated income		
General fund	\$210,000	\$210,000
FTE	0.00	0.00

<sup>1</sup> This amendment adds grant funding for North Central Council of School TV.

Date: Feb 14, 2005  
Roll Call Vote #: 2

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1015

House Government Performance

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number SB038.0101

Action Taken Move

Motion Made By Rep Monson Seconded By Rep Skarphol

Representatives	Yes	No	Representatives	Yes	No
Chairman Carlson	X		Rep. Glassheim	X	
Vice Chairman Skarphol	X				
Rep. Monson	X				

Total (Yes) 4 No 0

Absent 0

Floor Assignment

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

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1015

Page 1, line 6, after "reenact" insert "section 4-28-08,"

Page 1, line 7, after "to" insert "the state wheat commission fund,"

Page 5, after line 15, insert:

**"SECTION 14. AMENDMENT.** Section 4-28-08 of the North Dakota Century Code is amended and reenacted as follows:

**4-28-08. State wheat commission fund Continuing appropriation.** Each first purchaser shall make quarterly reports and returns to the commission, on or before the twentieth day of the month next succeeding each calendar quarterly period, commencing with the calendar quarter ending September 30, 1995. The commission shall prescribe the forms to be used. With each report and return, the first purchaser shall remit to the commission, in the form of a remittance payable to the state treasurer, the tax due. The commission shall transmit all such payments to the state treasurer to be deposited in the state treasury to the credit of a special revolving fund known as the "state wheat commission fund". All money in the state wheat commission fund is appropriated on a continuing basis to the commission may be spent pursuant to legislative appropriation for carrying out the purposes of this chapter. Expenditures from the fund may be made upon vouchers duly approved by the commission to carry out this chapter. Regular audits of the commission's accounts must be conducted in accordance with chapter 54-10."

Page 8, line 9, replace "19" with "20"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1015 - Office of Management and Budget - House Action**

This amendment removes the North Dakota Wheat Commission continuing appropriation authority and requires the commission to submit a budget to the Legislative Assembly.

Date: Feb 14, 2005  
Roll Call Vote #: 3

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1015

House

Government Performance.

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

SB038.0102

Action Taken

Move

Motion Made By

Rep Skaphol

Seconded By

Rep Monson

**Representatives**  
Chairman Carlson  
Vice Chairman Skaphol  
Rep. Monson

Yes  
X  
X  
X

No

**Representatives**  
Rep. Glassheim

Yes  
X  
No

Total (Yes)

4

No

0

Absent

0

Floor Assignment

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

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1015

Page 1, line 6, after the second comma insert "54-52.1-06,"

Page 1, line 8, after the first comma insert "state employee contributions for optional family coverage under the uniform group insurance program,"

Page 7, after line 3, insert:

**"SECTION 17. AMENDMENT.** Section 54-52.1-06 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.1-06. State contribution - Optional family coverage.** Each department, board, or agency shall pay to the board each month from its funds appropriated for payroll and salary amounts a state contribution in the amount as determined by the primary carrier of the group contract for the full single rate monthly premium for each of its eligible employees enrolled in the uniform group insurance program and the full rate monthly premium, in an amount equal to that contributed under the alternate family contract, including major medical coverage, for hospital and medical benefits coverage for spouses and dependent children of its eligible employees enrolled in the uniform group insurance program pursuant to section 54-52.1-07 before January 1, 2006. For an eligible employee first employed by the state after December 31, 2005, the state shall pay the full single monthly premium. An eligible employee first employed by the state after December 31, 2005, may participate in the family plan by paying the difference between the single premium rate and the family premium rate to the board on a monthly basis. The board may assess an employee for any premiums for family coverage elected under this section.

Except for elective state officers; judges of the supreme court; members of the legislative assembly; paid members of state boards, commissions, or associations; and disabled permanent employees who are receiving compensation from the North Dakota workforce safety and insurance fund, eligible state employees who participate in the uniform group insurance program and for whom that member's employer is paying a premium who are employed for less than forty hours per week must be assessed and required to pay a portion of the premium for uniform group insurance coverage under this section. The assessment must be deducted and retained out of the employee's salary as follows:

1. Eligible employees who work at least thirty hours but less than forty hours per week must pay monthly twenty-five percent of the premium for uniform group insurance coverage under this section.
2. Eligible employees who work at least twenty hours but less than thirty hours per week must pay monthly fifty percent of the premium for uniform group insurance coverage under this section.
3. Eligible employees who work less than twenty hours per week must pay monthly one hundred percent of the premium for uniform group insurance coverage under this section.

For purposes of this section, if an eligible employee is employed by more than one department, board, or agency in a permanent and regularly funded position, the

hours worked for all departments, boards, or agencies, must be combined for determining the number of hours the eligible employee works per week. The department, board, or agency for which the eligible employee works the most hours per week must make the required employer contribution under this section.

The board shall then pay the necessary and proper premium amount for the uniform group insurance program to the proper carrier or carriers on a monthly basis. Any refund, rebate, dividend, experience rating allowance, discount, or other reduction of premium amount must be credited at least annually to a separate fund of the uniform group insurance program to be used by the board to reimburse the administrative expense and benefit fund of the public employees retirement program for the costs of administration of the uniform group insurance program. In the event an enrolled eligible employee is not entitled to receive salary, wages, or other compensation for a particular calendar month, that employee may make direct payment of the required premium to the board to continue the employee's coverage, and the employing department, board, or agency shall provide for the giving of a timely notice to the employee of that person's right to make such payment at the time the right arises."

Page 8, line 9, replace "19" with "20"

Renumber accordingly

Date: Feb 14, 2005  
Roll Call Vote #: 4

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB1015

House *Government Performance*

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number *SB038.0106*

Action Taken *None*

Motion Made By *Rep Skarphol* Seconded By *Rep Monson*

Representatives	Yes	No	Representatives	Yes	No
Chairman Carlson	X		Rep. Glassheim		X
Vice Chairman Skarphol	X				
Rep. Monson	X				

Total (Yes) *3* No *1*

Absent *0*

Floor Assignment

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

Date: Feb 14, 2005  
Roll Call Vote #:

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1015

House

Government Performance.

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number SB038.0105 / SB038.0101 / SB038.0102 / SB038.0106

Action Taken DO PASS AS Amended.

Motion Made By Rep Skarphol Seconded By Rep Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Carlson	X		Rep. Glassheim	X	
Vice Chairman Skarphol	X				
Rep. Monson	X				

Total (Yes) 4 No 0

Absent 0

Floor Assignment Chair Carlson

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

Date: **February 15, 2005**  
Roll Call Vote #: **3**

**2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. HB1015**

House Appropriations - Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

**58038.0112 Majority**  
**58038.0111 Minority**

Action Taken **DO PASS AS AMENDED**

Motion Made By **Rep Carlson**

Seconded By **Rep Thoreson**

<b>Representatives</b>	<b>Yes</b>	<b>No</b>	<b>Representatives</b>	<b>Yes</b>	<b>No</b>
Rep. Ken Svedjan, Chairman	X		Rep. Bob Skarphol	X	
Rep. Mike Timm, Vice Chairman	X		Rep. David Monson	X	
Rep. Bob Martinson		X	Rep. Eliot Glassheim		X
Rep. Tom Brusegaard	X		Rep. Jeff Delzer	X	
Rep. Earl Rennerfeldt	X		Rep. Chet Pollert	X	
Rep. Francis J. Wald	X		Rep. Larry Bellew		X
Rep. Ole Aarsvold	X		Rep. Alon C. Wieland	X	
Rep. Pam Gulleason		X	Rep. James Kerzman		X
Rep. Ron Carlisle		X	Rep. Ralph Metcalf		X
Rep. Keith Kempenich	X				
Rep. Blair Thoreson		X			
Rep. Joe Kroeber		X			
Rep. Clark Williams		X			
Rep. Al Carlson	X				

Total Yes **13** No **10**

Absent **0**

Floor Assignment **Rep Carlson**

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

**Minority report requested by Rep Glassheim**

**REPORT OF STANDING COMMITTEE (MAJORITY)**  
**HB 1015: Appropriations (Rep. K. Svedjan, Chairman)** A MAJORITY of your committee  
(Reps. Svedjan, Timm, Brusegaard, Rennerfeldt, Wald, Aarsvold, Kempenich, Carlson,  
Skarphol, Monson, Delzer, Pollert, Wieland) recommends **AMENDMENTS AS**  
**FOLLOWS** and when so amended, recommends **DO PASS.**

Page 1, line 4, remove "; to create and enact a new subsection to"

Page 1, remove line 5

Page 1, line 6, remove "fund", after "reenact" insert "section 4-28-08," and after the second  
comma insert "54-52.1-06, and"

Page 1, line 7, remove ", and 57-51.1-07.2" and after "to" insert "the state wheat commission  
fund,"

Page 1, line 8, after the first comma insert "and" and replace ", and the permanent oil tax trust  
fund; to repeal section" with "; and to provide an appropriation to the legislative  
assembly."

Page 1, remove lines 9 and 10

Page 2, line 1, replace "(\$1,829,306)" with "(\$1,876,214)"

Page 2, line 3, replace "1,911,000" with "111,000"

Page 2, after line 3, insert:  
"Grants

210,000"

Page 2, line 4, replace "1,337,138" with "1,337,138"

Page 2, remove line 5

Page 2, line 6, replace "\$6,323,982" with "(\$312,926)"

Page 2, line 7, replace "3,794,805" with "(514,476)"

Page 2, line 8, replace "2,529,177" with "201,550"

Page 2, line 15, replace "13,558,925" with "13,512,017"

Page 2, line 17, replace "2,644,000" with "844,000"

Page 2, line 18, replace "179,000" with "389,000"

Page 2, line 19, replace "1,337,138" with "1,337,138"

Page 2, remove line 20

Page 2, line 21, replace "33,952,969" with "27,316,061"

Page 2, line 22, replace "11,683,281" with "7,374,000"

Page 2, line 23, replace "22,269,688" with "19,942,061"

Page 3, remove lines 3 through 31

Page 4, remove lines 1 through 10

Page 5, remove lines 1 through 10

Page 5, line 11, remove "requested by the director of the office of management and budget."

Page 5, line 13, replace "The director may determine what portion of the shortfall will be covered by the" with:

**"SECTION 10. AMENDMENT.** Section 4-28-08 of the North Dakota Century Code is amended and reenacted as follows:

**4-28-08. State wheat commission fund Continuing appropriation.** Each first purchaser shall make quarterly reports and returns to the commission, on or before the twentieth day of the month next succeeding each calendar quarterly period, commencing with the calendar quarter ending September 30, 1995. The commission shall prescribe the forms to be used. With each report and return, the first purchaser shall remit to the commission, in the form of a remittance payable to the state treasurer, the tax due. The commission shall transmit all such payments to the state treasurer to be deposited in the state treasury to the credit of a special revolving fund known as the "state wheat commission fund". All money in the state wheat commission fund is appropriated on a continuing basis to the commission may be spent pursuant to legislative appropriation for carrying out the purposes of this chapter. Expenditures from the fund may be made upon vouchers duly approved by the commission to carry out this chapter. Regular audits of the commission's accounts must be conducted in accordance with chapter 54-10."

Page 5, remove lines 14 and 15

Page 6, remove lines 28 through 31

Page 7, remove lines 1 through 3

Page 7, replace lines 16 through 31 with:

**"SECTION 14. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much of the sum as may be necessary, to the legislative assembly for designing and remodeling the cloak room and bill room and as part of the remodeling project to make a new committee hearing room, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Page 8, remove lines 1 through 10

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1015 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Office of Management and Budget			
Total all funds	\$33,952,969	(\$6,636,908)	\$27,316,061
Less estimated income	11,683,281	(4,309,281)	7,374,000
General fund	\$22,269,688	(\$2,327,627)	\$19,942,061

Legislative Assembly

(2) DESK, (2) COMM

**REPORT OF STANDING COMMITTEE-DIVIDED (430)**  
**February 17, 2005 8:04 a.m.**

**Module No: HR-32-3269**  
**Carrier: Carlson**  
**Insert LC: 58038.0112 Title: .0200**

Total all funds	\$0	\$100,000	\$100,000
Less estimated income			
General fund	\$0	\$100,000	\$100,000
Bill Total			
Total all funds	\$33,952,969	(\$6,536,908)	\$27,416,061
Less estimated income	11,683,281	(4,309,281)	7,374,000
General fund	\$22,269,688	(\$2,227,627)	\$20,042,061

**House Bill No. 1015 - Office of Management and Budget - House Action**

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$13,558,925	(\$46,908)	\$13,512,017
Operating expenses	11,233,906		11,233,906
Capital assets	2,644,000	(1,800,000)	844,000
Grants	179,000	210,000	389,000
Prairie Public Broadcasting	1,337,138		1,337,138
Statewide equity pool	5,000,000	(5,000,000)	
Total all funds	\$33,952,969	(\$6,636,908)	\$27,316,061
Less estimated income	11,683,281	(4,309,281)	7,374,000
General fund	\$22,269,688	(\$2,327,627)	\$19,942,061
FTE	130.50	0.00	130.50

**Dept. 110 - Office of Management and Budget - Detail of House Changes**

	REDUCES COMPENSATION PACKAGE TO 3/4	REMOVES FUNDING FOR ENERGY SAVINGS PROJECT 1	REMOVES FUNDING FOR STATEWIDE EQUITY POOL 2	ADDS FUNDING FOR NORTH CENTRAL COUNCIL OF TV 3	TOTAL HOUSE CHANGES
Salaries and wages	(\$46,908)				(\$46,908)
Operating expenses					
Capital assets		(\$1,800,000)			(1,800,000)
Grants				\$210,000	210,000
Prairie Public Broadcasting					
Statewide equity pool			(\$5,000,000)		(5,000,000)
Total all funds	(\$46,908)	(\$1,800,000)	(\$5,000,000)	\$210,000	(\$6,636,908)
Less estimated income	(9,281)	(1,800,000)	(2,500,000)		(4,309,281)
General fund	(\$37,627)	\$0	(\$2,500,000)	\$210,000	(\$2,327,627)
FTE	0.00	0.00	0.00	0.00	0.00

1 This amendment removes the spending authority for a Capitol complex energy savings program. The program is anticipated to proceed, but spending authority is not needed because it will be funded by a third party. The related section of the bill providing for the establishment of a facility management fund is also removed.

2 This amendment removes \$5 million of funding from this bill for statewide market equity compensation adjustments for classified state employees and related intent regarding state employee salary increases, to be addressed in House Bill No. 1050.

3 This amendment adds grant funding for the North Central Council of School TV.

This amendment removes the section providing for the contingent permanent oil tax trust fund and Bank of North Dakota transfers to the general fund, which is also included in House Bill No. 1443, and removes the statutory change from \$71 million to \$84.5 million related to oil taxes to be deposited in the general fund.

This amendment removes the language providing for the repeal of the budget stabilization fund, which is addressed in House Bill No. 1444.

This amendment removes the North Dakota Wheat Commission continuing appropriation authority and requires the commission to submit a budget to the Legislative Assembly.

**House Bill No. 1015 - Legislative Assembly - House Action**

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Capital assets		<u>\$100,000</u>	<u>\$100,000</u>
Total all funds	\$0	\$100,000	\$100,000
Less estimated income			
General fund	\$0	\$100,000	\$100,000
FTE	0.00	0.00	0.00

**Dept. 150 - Legislative Assembly - Detail of House Changes**

	ADDS FUNDING FOR REMODELING CLOAK AND BILL ROOMS <sup>1</sup>	TOTAL HOUSE CHANGES
Capital assets	<u>\$100,000</u>	<u>\$100,000</u>
Total all funds	\$100,000	\$100,000
Less estimated income		
General fund	\$100,000	\$100,000
FTE	0.00	0.00

<sup>1</sup> This amendment adds \$100,000 to the Legislative Assembly for designing and remodeling the cloak room and bill room and as part of the remodeling project make a new hearing room.

**REPORT OF STANDING COMMITTEE (MINORITY)**

**HB 1015: Appropriations (Rep. K. Svedjan, Chairman)** A MINORITY of your committee (Reps. Glassheim, Martinson, Gulleon, Carlisle, Thoreson, Kroeber, Williams, Bellew, Kerzman, Metcalf) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS**.

Page 1, line 4, remove "; to create and enact a new subsection to"

Page 1, remove line 5

Page 1, line 6, remove "fund", after "reenact" insert "section 4-28-08,", and after the second comma insert "54-52.1-06, and"

Page 1, line 7, remove ", and 57-51.1-07.2" and after "to" insert "the state wheat commission fund,"

Page 1, line 8, after the first comma insert "and" and replace ", and the permanent oil tax trust fund; to repeal section" with "; and to provide an appropriation to the legislative assembly."

Page 1, remove lines 9 and 10

Page 2, line 1, replace "(\$1,829,306)" with "(\$1,876,214)"

Page 2, line 3, replace "1,911,000" with "111,000"

Page 2, after line 3, insert:  
"Grants

210,000"

Page 2, line 6, replace "6,323,982" with "4,687,074"

Page 2, line 7, replace "3,794.805" with "1,985,524"

Page 2, line 8, replace "2,529,177" with "2,701,550"

Page 2, line 15, replace "13,558,925" with "13,512,017"

Page 2, line 17, replace "2,644,000" with "844,000"

Page 2, line 18, replace "179,000" with "389,000"

Page 2, line 21, replace "33,952,969" with "32,316,061"

Page 2, line 22, replace "11,683,281" with "9,874,000"

Page 2, line 23, replace "22,269,688" with "22,442,061"

Page 3, remove lines 22 through 31

Page 4, remove lines 1 through 10

Page 5, remove lines 1 through 10

Page 5, line 11, remove "requested by the director of the office of management and budget."

Page 5, line 13, replace "The director may determine what portion of the shortfall will be covered by the" with:

**"SECTION 11. AMENDMENT.** Section 4-28-08 of the North Dakota Century Code is amended and reenacted as follows:

**4-28-08. State wheat commission fund Continuing appropriation.** Each first purchaser shall make quarterly reports and returns to the commission, on or before the twentieth day of the month next succeeding each calendar quarterly period, commencing with the calendar quarter ending September 30, 1995. The commission shall prescribe the forms to be used. With each report and return, the first purchaser shall remit to the commission, in the form of a remittance payable to the state treasurer, the tax due. The commission shall transmit all such payments to the state treasurer to be deposited in the state treasury to the credit of a special revolving fund known as the "state wheat commission fund". All money in the state wheat commission fund is appropriated on a continuing basis to the commission may be spent pursuant to legislative appropriation for carrying out the purposes of this chapter. Expenditures from the fund may be made upon vouchers duly approved by the commission to carry out this chapter. Regular audits of the commission's accounts must be conducted in accordance with chapter 54-10."

Page 5, remove lines 14 and 15

Page 6, remove lines 28 through 31

Page 7, remove lines 1 through 3

Page 7, replace lines 16 through 31 with:

**"SECTION 15. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much of the sum as may be necessary, to the legislative assembly for designing and remodeling the cloak room and bill room and as part of the remodeling project to make a new committee hearing room, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Page 8, remove lines 1 through 10

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

##### House Bill No. 1015 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Office of Management and Budget			
Total all funds	\$33,952,969	(\$1,636,908)	\$32,316,061
Less estimated income	11,683,281	(1,809,281)	9,874,000
General fund	\$22,269,688	\$172,373	\$22,442,061
Legislative Assembly			
Total all funds	\$0	\$100,000	\$100,000
Less estimated income			
General fund	\$0	\$100,000	\$100,000
Bill Total			
Total all funds	\$33,952,969	(\$1,536,908)	\$32,416,061
Less estimated income	11,683,281	(1,809,281)	9,874,000
General fund	\$22,269,688	\$272,373	\$22,542,061

##### House Bill No. 1015 - Office of Management and Budget - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$13,558,925	(\$46,908)	\$13,512,017
Operating expenses	11,233,906		11,233,906
Capital assets	2,644,000	(1,800,000)	844,000
Grants	179,000	210,000	389,000
Prairie Public Broadcasting	1,337,138		1,337,138
Statewide equity pool	<u>5,000,000</u>		<u>5,000,000</u>
Total all funds	\$33,952,969	(\$1,636,908)	\$32,316,061
Less estimated income	<u>11,683,281</u>	<u>(1,809,281)</u>	<u>9,874,000</u>
General fund	\$22,269,688	\$172,373	\$22,442,061
FTE	130.50	0.00	130.50

**Dept. 110 - Office of Management and Budget - Detail of House Changes**

	REDUCES COMPENSATION PACKAGE TO 3/4	REMOVES FUNDING FOR ENERGY SAVINGS PROJECT <sup>1</sup>	ADDS FUNDING FOR NORTH CENTRAL COUNCIL OF TV <sup>2</sup>	TOTAL HOUSE CHANGES
Salaries and wages	(\$46,908)			(\$46,908)
Operating expenses				
Capital assets		(\$1,800,000)		(1,800,000)
Grants			\$210,000	210,000
Prairie Public Broadcasting				
Statewide equity pool				
Total all funds	(\$46,908)	(\$1,800,000)	\$210,000	(\$1,636,908)
Less estimated income	<u>(9,281)</u>	<u>(1,800,000)</u>		<u>(1,809,281)</u>
General fund	(\$37,627)	\$0	\$210,000	\$172,373
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment removes the spending authority for a Capitol complex energy savings program. The program is anticipated to proceed, but spending authority is not needed because it will be funded by a third party. The related section of the bill providing for the establishment of a facility management fund is also removed.

<sup>2</sup> This amendment adds grant funding for the North Central Council of School TV.

This amendment removes the section providing for the contingent permanent oil tax trust fund and Bank of North Dakota transfers to the general fund, which is also included in House Bill No. 1443, and removes the statutory change from \$71 million to \$84.5 million related to oil taxes to be deposited in the general fund.

This amendment removes the language providing for the repeal of the budget stabilization fund, which is addressed in House Bill No. 1444.

This amendment removes the North Dakota Wheat Commission continuing appropriation authority and requires the commission to submit a budget to the Legislative Assembly.

**House Bill No. 1015 - Legislative Assembly - House Action**

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Capital assets		<u>\$100,000</u>	<u>\$100,000</u>
Total all funds	\$0	\$100,000	\$100,000
Less estimated income			
General fund	\$0	\$100,000	\$100,000
FTE	0.00	0.00	0.00

Dept. 150 - Legislative Assembly - Detail of House Changes

	ADDS FUNDING FOR REMODELING CLOAK AND BILL ROOMS <sup>1</sup>	TOTAL HOUSE CHANGES
Capital assets	<u>\$100,000</u>	<u>\$100,000</u>
Total all funds	\$100,000	\$100,000
Less estimated income	<hr/>	<hr/>
General fund	\$100,000	\$100,000
FTE	0.00	0.00

<sup>1</sup> This amendment adds \$100,000 to the Legislative Assembly for designing and remodeling the cloak room and bill room and as part of the remodeling project make a new hearing room.

The reports of the majority and the minority were placed on the Seventh order of business on the calendar for the succeeding legislative day.

2005 SENATE APPROPRIATIONS

HB 1015

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1015

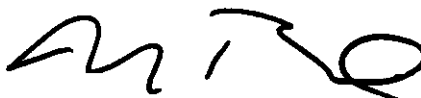
Senate Appropriations Committee

☐ Conference Committee

Hearing Date 03/07/05

Tape Number	Side A	Side B	Meter #
1	x		3120-end
		x	0-3254

Committee Clerk Signature



Minutes: **Chairman Holmberg** opened meeting on HB 1015.

**Pam Sharp, Director OMB** appeared in support of HB 1015. Written testimony was provided, see appendix I. Ms. Sharp went over all 14 sections of their budget request, noting that 1.3 million for Prairie Public Radio is now in their budget, it was previously in IT's budget.

**Sen. Bowman:** Regarding the Oil Tax trust fund, do we have language that would allow a transfer currently?

**Ms. Sharp:** The contingent transfer language is new, however it cannot be spent unless 2/3 majority OK's it. In order for us to draw that money we need the language changed.

**Sen. Thane:** The \$120,000 for the DC consultant, who do they answer too?

**Ms. Sharp:** The Governors office.

**Sheila Peterson, Director of Fiscal Management, OMB** appeared in support, she went over the requested budget of the Fiscal Management division of OMB, written testimony is located in appendix I. Ms. Peterson went over 4 areas of responsibility, budget, accounting, payroll, and

financial reporting. They would like 5 million in the equity pool to be reinstated, either in this bill or in HB 1050.

**Laurie Sterioti Hammron, Director of Human resource Management Services, OMB**

appeared in support of HB 1015. Written testimony is located in appendix I, it was read verbatim. It included their budget request, two hand out were giving to the committee the yellow one is appendix II and the white one is appendix III.

**Sen. Mathern:** Regarding employee salaries, how is that decided and why is it in the other bill?

**Ms. Hammron:** It is up to the legislature, the House made it a new bill, it was originally in HB 1015.

**John Boyle, Director of Facility Management, OMB** appeared in support of HB 1015.

Written testimony was provided, it is located in appendix I. Mr. Boyle went over their budget request, his testimony was read verbatim.

**Sen. Mathern:** Do we have any plans for an underground parking lot?

**Mr. Boyle:** in the 30 mater plan, there is an above ground parking complex.

**Linda Belisle: Director, Central Services Division of OMB,** appeared in support of HB 1015.

Written testimony was provided, it is located in appendix one. Ms Belisle wend over their budget request mentioning the departments of Central services

**Jo Zschomler, Director of Risk Management Division, OMB** appeared in support of HB 1015. Ms. Zschomler provided the committee with written testimony, located in appendix I. It contained an overview of the agency and its purposes, as well as the budget request.

**John Harris, President and CEO of Prairie Public Board casting,** appeared in support of HB 1015. Written testimony was provided, located in appendix I. It contained their budget request.

**Ken Perdy, Human Resources OMB** appeared in support of HB 1015. Mr. Perdy provided the committee with written testimony, located in appendix I. He spoke of the market equity fund.

**Sen. Kringstad:** Corrections needs 4.2 million to get to a mid point, if 5 million was put back into equity what would DOCR get?

**Mr. Perdy:** DOCR would get 2/3 of a million or \$666,000

**Sen Mathern:** When we make the market equity funding, do we change the mid point in salary ranges?

**Mr. Perdy:** There is a three percent increase, but really they stay in the same range.

**Neil Fischer, Administrator of ND Wheat Commission** appeared in support of HB 1015, written testimony was provided see appendix IV. He spoke mainly of the trade case.

**Linda Houfek,** appeared in support of HB 1015. Stating that she is in favor of restoring the state wide market equity adjustments. Written testimony was provided, see appendix V.

**Chairman Holmberg** closed meeting on HB 1015.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1015

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 11, 2005

Tape Number

1

Side A

Side B

x

Meter #

4,751

Committee Clerk Signature



Minutes:

**Chairman Holmberg** discussed the OMB budget and reported the last word on the \$100,000 to remodel the cloak and bill room is for two new committee rooms in that budget. In the Legislative Council, we have \$100,000 to begin the long process of renovating the committee rooms. These are two separate things and at some point the subcommittee will want to go and see exactly what they are doing. They are overcrowded in that room. The other thing is the equity adjustment monies have been removed and the wheat commission issue about the appropriation authority.

The discussion closed.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1015

Senate Appropriations Committee

☐ Conference Committee

Hearing Date April 14, 2005

Tape Number	Side A	Side B	Meter #
2	a		1,915 - 2975

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on HB 1015. He made some announcements indicating he signed some bills as Do Concur and there will be some arguments on the floor. He then indicated that he is bringing forth amendments for HB 1015. We have discovered a serious flaw in the bill and this amendment will eliminate that. OMB asked that we amend the bill regarding providing funding to risk management for services of ITD and will need to wait on that amendment until Senator Grindberg gets back. The amendment he distributed is .0208 which repeals the section of 2015 which deals with teachers at YCC, School for the Blind and School for the Deaf.. Other amendments will be coming. He indicated that Virginia has a mechanism where OMB presents the budget and does revenue forecasts. We will hopefully be looking at this over the next few years.

**Senator Krauter** indicated this is a serious amendment but if you look at the Department of Corrections, there are serious serious flaws that we are ignoring. I don't see how we can concur

with the Department of Corrections and fix one element out of ten. We are under funding of corrections in the current biennium and now we are under funding corrections again. That is wrong. When we take the oath of office to uphold the constitution, why do we turn around and knowingly under fund an agency. We take \$100,000 out of the transition program in Bismarck to move inmates from the prison back to the communities this is a good program. We are neglecting our responsibility.

**Senator Holmberg** indicated we will hear that on the floor.

**Senator Bowman** moved a do pass on amendment .0208, **Senator Schobbing** seconded. A voice vote was taken and the motion carried.

**Senator Mathern** distributed amendment .0201 which will be discussed later.

Amendment .0208

**Chairman Holmberg** closed the hearing indicating if there are other amendments for 1015, make sure they are prepared because we will take up the other amendments when we meet..

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1015

Senate Appropriations Committee

☐ Conference Committee

Hearing Date April 20, 2005

Tape Number	Side A	Side B	Meter #
1	a		5,170

Committee Clerk Signature



Minutes:

**Senator Holmberg** opened the committee meeting on HB 1015. He distributed several amendments for consideration. He asked Laurie to explain the amendments which she did regarding authorization to purchase a server and authorization of \$100,000 of Homeland Security money which for risk management..

**Senator Tallackson** motioned a do pass on .224, **Senator Christmann** seconded. A voice vote was taken and the motion carried.

Senator motioned a do pass on .225 regarding eliminating the continuing appropriation for the wheat commission.

**Senator Tallackson** moved a do pass on .225, the motion was seconded. A voice vote was taken and the motion carried.

Amendment .201 changes the section dealing with budget data. Discussion was held and several

clarifying questions were asked of OMB. **Senator Christmann motioned was made and**

**Senator Mathern seconded to approve .201. A voice vote was taken and motion carried.**

Amendment .209 regarding a contingent additional 1 percent equity salary adjustment for state

employees. Discussion was held and concerns were expressed. **Senator Christmann motioned**

**for a do pass on .209, Senator Fischer seconded. A voice vote was taken and a raise of the**

**hands was shown and the motion failed.**

**Senator Mathern moved a do pass on amendment .0212 regarding an equity pool, Senator**

**Krauter seconded.** Senator Mathern discussed the issues in .0210 indicating this was the

governor's suggestion for an equity pool and general discussion was held. **A voice vote was**

**taken and a roll call vote was taken resulting in 10 no, 5 yes. The motion failed.**

Amendment .0218 was distributed. Senator Holmberg indicated this came from Senator

Stenehjem where members may elect to be reimbursed less than allowed on vouchers and the

Legislative Council may establish guidelines that may result in a reduced maximum

reimbursement.

**Senator Andrist moved a do pass on .0218, Senator Christmann seconded. A voice vote**

**was taken and the motion carried.**

Amendment .0223 repeals section 10 of the corrections bill dealing with an elaborate study.

**Senator Fischer motioned a do pass on .0223, Senator Tallackson seconded. A voice vote**

**was taken and the motion carried.**

Amendment .0215 deals with salary disparity. **Senator Krauter moved a do pass on .0215, Senator Mathern seconded, a roll call vote was taken resulting in 10 no and 5 yes and the motion failed.**

Amendment .0221 dealing with equity and an equity study to be done during the interim.

**Senator Krauter motioned a do pass on .0221, Senator Mathern seconded.** Discussion was held. **A voice vote was taken and the motion carried.**

**Senator Christmann motioned amendment .0205, Senator Bowman seconded.** Discussion was held regarding Governor's recommendation and the budget process. **A voice vote was taken and the motion carried.**

**Senator Grindberg motion a DO PASS on HB 1015 as amended, Senator Fischer seconded.**

**There was no further discussion. A roll call vote was taken resulting in 14 yes and 1 no.**

**Senator Holmberg will carry the bill.**

**Senator Holmberg adjourned the committee meeting.**

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1015

Senate Appropriations Committee

☐ Conference Committee

Hearing Date April 21, 2005

Tape Number	Side A	Side B	Meter #
1	a		0 - end

Committee Clerk Signature



Minutes:

**Senator Holmberg** opened the discussion on HB 1015 with roll call.

**Senator Fischer** moved to reconsider HB 1015. Senator Christmann seconded. A voice vote was taken and the motion carried.

**Senator Holmberg** presented two proposed two amendments, one is for language in the lands and minerals trust fund and transferring of funds. A motion was made and seconded and a voice vote was taken. The motion carried.

**Senator Grindberg** questioned why Senator Nething is proposing this amendment. An explanation was given in response.

**Senator Holmberg** introduced an amendment for the negotiations with the House. This is an equity for the second year of the biennium for those employees whose salaries are farthest from the midpoint.

Page 2

Senate Appropriations Committee

Bill/Resolution Number 1015

Hearing Date April 21, 2005

**Senator Mathern** moved the amendment be approved. Senator Krauter seconded. A voice vote was taken and the motion carried.

**A motion was made for a do pass as amended. A roll call vote was taken and the motion carried with a vote of 15 yes.**

**Senator Holmberg** closed the discussion.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 5, replace "54-52.1-06" with "54-44.1-06"

Page 1, line 7, remove the first "and" and after "radio" insert ", and preparation of budget data"

Page 5, after line 18, insert:

**"SECTION 13. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2005, is amended and reenacted as follows:

**54-44.1-06. (Effective after June 30, 2005) Preparation of the budget data - Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:
  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and
  - b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.
3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.

10. Any other information as the director of the budget determines desirable or as is required by law."

Renumber accordingly

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 5, replace "54-52.1-06" with "54-44.1-06, 54-44.1-06.1"

Page 1, line 7, remove the first "and" and after "radio" insert ", and preparation of budget data"

Page 5, after line 18, insert:

**"SECTION 13. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2005, is amended and reenacted as follows:

**54-44.1-06. (Effective after June 30, 2005) Preparation of the budget data - Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:
  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and
  - b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.
3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.

4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.
5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.
6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.
7. Drafts of a proposed general appropriations act and special appropriations acts for executive branch departments, agencies, and institutions, including institutions of higher education, providing the same funding as approved by the most recently adjourned special or regular session of the legislative assembly and amendments to the drafts of appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.
8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.
9. Any other information as the director of the budget determines desirable or as is required by law.

**SECTION 14. AMENDMENT.** Section 54-44.1-06.1 of the North Dakota Century Code is amended and reenacted as follows:

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 7, after "radio" insert "; to provide legislative intent"

Page 3, after line 7, insert:

**"SECTION 7. LEGISLATIVE INTENT - EQUITY ADJUSTMENTS FOR STATE EMPLOYEES.** It is the intent of the fifty-ninth legislative assembly that in addition to state employee compensation adjustments provided by the legislative assembly, state agencies may provide salary equity adjustments to state employees during the second year of the biennium averaging one percent only to the extent the increase can be paid within the limits of the agency's appropriation. The agency shall report the equity adjustments provided to the office of management and budget."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment allows additional state employee compensation adjustments for salary equity adjustments averaging one percent for the second year of the biennium to be paid from existing agency appropriations.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 5, after the first comma insert "section 54-03-20 as amended by Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly,"

Page 1, line 7, after the comma insert "lodging reimbursement for members of the legislative assembly,"

Page 5, after line 12, insert:

**"SECTION 12. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code, as amended by section 1 of Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-03-20. Compensation and expense reimbursement of members of the legislative assembly.**

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred twenty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed a maximum of nine hundred dollars per calendar month for lodging in state, at the rates and in the manner provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session.

b. Notwithstanding subdivision a:

  - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
  - (2) The legislative council may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member

would be entitled to receive as mileage reimbursement for travel by motor vehicle.

- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed nine hundred dollars per month.
- 4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
- 5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
- 6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
- 7.
  - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option.
  - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
  - c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.
- 8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)]."

Renumber accordingly

**54-44.1-06.1. Contents of capital construction bill.** The office of management and budget shall continue to prepare capital construction budgets and a capital construction bill. ~~All future~~ The capital construction bill may only include projects involving bonding. All other capital projects funded with general fund moneys or special funds must be included in draft amendments to the appropriate agency's appropriation bill."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

The Senate amended North Dakota Century Code Section 54-44.1-06 to provide that the appropriation bills prepared by the Office of Management and Budget for executive branch departments, agencies, and institutions provide the same funding as approved by the most recently adjourned special or regular session of the Legislative Assembly, with amendments presented to reflect the executive recommendation.

In addition, the Senate amended North Dakota Century Code Section 54-44.1-06.1 to provide that the capital construction bill include only projects involving bonding and that all other capital projects be included in draft amendments to the appropriate agency's appropriations bill.



PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 7, after the first semicolon insert "to repeal section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, relating to a legislative council study of the department of corrections and rehabilitation;"

Page 5, after line 30, insert:

**"SECTION 14. REPEAL.** Section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment repeals Section 12 of 2005 Senate Bill No. 2015 relating to a Legislative Council study of the Department of Corrections and Rehabilitation.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 25, replace "(94,850)" with "12,350"

Page 2, line 4, replace "(\$312,926)" with "(\$205,726)"

Page 2, line 5, replace "(514,476)" with "(407,276)"

Page 2, line 14, replace "11,233,906" with "11,341,106"

Page 2, line 18, replace "27,316,061" with "27,423,261"

Page 2, line 19, replace "7,374,000" with "7,481,200"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

The amendment provides \$107,200 of funding from a homeland security grant to risk management for the cost of server hosting services at the information technology department.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 4, remove "section 4-28-08,"

Page 1, line 6, remove "the state wheat commission fund,"

Page 3, remove lines 22 through 31

Page 4, remove lines 1 through 5

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment removes the section which would have required the North Dakota Wheat Commission to submit a budget request to the Legislative Assembly.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 7, after the first semicolon insert "to repeal section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, relating to composite schedules for teacher salaries;"

Page 5, after line 30, insert:

**"SECTION 14. REPEAL.** Section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment repeals Section 9 of 2005 Senate Bill No. 2015 relating to preparation of future composite schedules for teacher salaries.

Date

Roll Call Vote #:

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB

1015

Senate SENATE APPROPRIATIONS

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

208

Action Taken

Motion Made By

Bowman

Seconded By

Schubinger

Senators  
CHAIRMAN HOLMBERG  
VICE CHAIRMAN BOWMAN  
VICE CHAIRMAN GRINDBERG  
SENATOR ANDRIST  
SENATOR CHRISTMANN  
SENATOR FISCHER

Yes No

Senators  
SENATOR KRAUTER  
SENATOR LINDAAS  
SENATOR MATHERN  
SENATOR ROBINSON  
SEN. TALLACKSON

Yes No

SENATOR KILZER  
SENATOR KRINGSTAD  
SENATOR SCHOBINGER  
SENATOR THANE

Total (Yes)

No

Absent

Floor Assignment

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

voice  
vote  
OK

April 14, 2005

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - STATEWIDE EQUITY POOL FOR CLASSIFIED STATE EMPLOYEES.**

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be necessary and from special funds, derived from federal funds and other income, the sum of \$2,500,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing market equity compensation adjustments for classified state employees, for the biennium beginning July 1, 2005, and ending June 30, 2007. The market equity adjustments are to begin with the month of July 2005, to be paid in August 2005. The market equity adjustments are to be independent of any general salary increase provided by the fifty-ninth legislative assembly.

The market equity increases are to be prioritized based on equity for employees whose salaries are furthest from their respective salary range midpoints effective July 1, 2005. Market equity increases may not be given to employees whose salary exceeds the midpoints of their assigned salary range effective July 1, 2005.

Probationary employees are eligible for the market equity increases. Employees whose documented performance levels do not meet standards are not eligible for the market equity increases.

The human resource management services shall provide a model base plan to each agency. Agencies may adopt the model plan, adopt the model plan with exceptions, or offer an alternative plan which meets the intent outlined in this section.

Upon adoption of an appropriate plan and application to the human resource management services, the fiscal management division shall transfer appropriated general fund or special fund spending authority for the increases to the agencies."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

The amendment provides \$5,000,000, of which \$2,500,000 is from the general fund to the Office of Management and Budget for a statewide equity pool.

Date  
Roll Call Vote #:

**2005 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. SB**

Senate **SENATE APPROPRIATIONS**

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

212

Action Taken

Motion Made By

Seconded By

Senators			Senators		
	Yes	No		Yes	No
CHAIRMAN HOLMBERG		/	SENATOR KRAUTER	/	
VICE CHAIRMAN BOWMAN		/	SENATOR LINDAAS	/	
VICE CHAIRMAN GRINDBERG		/	SENATOR MATHERN	/	
SENATOR ANDRIST		/	SENATOR ROBINSON	/	
SENATOR CHRISTMANN		/	SEN. TALLACKSON	/	
SENATOR FISCHER		/			
SENATOR KILZER		/			
SENATOR KRINGSTAD		/			
SENATOR SCHOBINGER		/			
SENATOR THANE		/			

Total (Yes)

5

No

10

Absent

Floor Assignment

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

did not carry

April 18, 2005

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 7, after "radio" insert "; to provide an appropriation to the department of corrections and rehabilitation"

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION - DEPARTMENT OF CORRECTIONS AND REHABILITATION EQUITY SALARY INCREASES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,100,000, or so much of the sum as may be necessary, to the department of corrections and rehabilitation for providing salary equity increases to the department's employees, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment provides an appropriation of \$2.1 million from the general fund to the Department of Corrections and Rehabilitation for salary equity increases for its employees.

Date  
Roll Call Vote #:

**2005 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. SB**

Senate **SENATE APPROPRIATIONS**

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

275

Action Taken

Motion Made By

Seconded By

Senators	Yes	No	Senators	Yes	No
CHAIRMAN HOLMBERG		/	SENATOR KRAUTER	/	
VICE CHAIRMAN BOWMAN		/	SENATOR LINDAAS	/	
VICE CHAIRMAN GRINDBERG		/	SENATOR MATHERN	/	
SENATOR ANDRIST		/	SENATOR ROBINSON	/	
SENATOR CHRISTMANN		/	SEN. TALLACKSON	/	
SENATOR FISCHER		/			
SENATOR KILZER		/			
SENATOR KRINGSTAD		/			
SENATOR SCHOBINGER		/			
SENATOR THANE		/			

Total (Yes)

5

No

10

Absent

Floor Assignment

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

fail

*pass*

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 7, after "radio" insert "; to provide for a legislative council study"

Page 6, after line 5, insert:

**"SECTION 15. LEGISLATIVE COUNCIL STUDY - DEPARTMENT OF CORRECTIONS AND REHABILITATION EMPLOYEE SALARIES.** The legislative council shall consider studying, during the 2005-06 interim, employee salaries of the department of corrections and rehabilitation. The study shall include:

1. Input from the office of management and budget human resource management services division regarding a salary comparison of the department's employees to market, the impact on the salary comparison of the salary increases and equity adjustments authorized for the 2005-07 biennium, and a review of the same information from 1995 through 2005, including a comparison of the salaries for the department of corrections and rehabilitation employees to market and any salary increases and equity adjustments provided during that time.
2. Input from the department of corrections and rehabilitation regarding employee salary increases provided by job classification from 1995 through 2005, employee turnover by job classification, salary equity funding requested and provided, and other relevant information.
3. A review by the legislative council of reasons relating to the divergence of salaries for the department of corrections and rehabilitation employees from market, including the related impact of demands on the department's budget due to growth in inmate populations, increase in contract housing of inmates, budget reductions, and agency turnback.

The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment provides for a Legislative Council study of employee salaries for the Department of Corrections and Rehabilitation.

Date 4/20  
Roll Call Vote #: E

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 1015

Senate SENATE APPROPRIATIONS

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Seconded By

Do Pass amendment

Senators			Senators		
	Yes	No		Yes	No
CHAIRMAN HOLMBERG	/		SENATOR KRAUTER	/	
VICE CHAIRMAN BOWMAN	/		SENATOR LINDAAS	/	
VICE CHAIRMAN GRINDBERG	/		SENATOR MATHERN		/
SENATOR ANDRIST	/		SENATOR ROBINSON	/	
SENATOR CHRISTMANN	/		SEN. TALLACKSON	/	
SENATOR FISCHER	/				
SENATOR KILZER	/				
SENATOR KRINGSTAD	/				
SENATOR SCHOBINGER	/				
SENATOR THANE	/				

Total (Yes)

14

No

1

Absent

Floor Assignment

Holmberg

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

**REPORT OF STANDING COMMITTEE**

**HB 1015, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed HB 1015 was placed on the Sixth order on the calendar.

Page 1, line 4, remove "section 4-28-08,"

Page 1, line 5, remove the first comma, after "sections" insert "54-03-20 as amended by Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly," and replace "54-52.1-06" with "54-44.1-06, 54-44.1-06.1"

Page 1, line 6, remove "the state wheat commission fund,"

Page 1, line 7, remove the first "and" and after "radio" insert ", lodging reimbursement for members of the legislative assembly, and preparation of the budget data; to repeal sections 9 and 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, relating to composite schedules for teacher salaries and a legislative council study of the department of corrections and rehabilitation; to provide for a legislative council study"

Page 1, line 24, replace "(\$1,876,214)" with "(\$1,892,438)"

Page 1, line 25, replace "(94,850)" with "12,350"

Page 2, line 4, replace "(\$312,926)" with "(\$221,950)"

Page 2, line 5, replace "(514,476)" with "(410,608)"

Page 2, line 6, replace "201,550" with "188,658"

Page 2, line 13, replace "13,512,017" with "13,495,793"

Page 2, line 14, replace "11,233,906" with "11,341,106"

Page 2, line 18, replace "27,316,061" with "27,407,037"

Page 2, line 19, replace "7,374,000" with "7,477,868"

Page 2, line 20, replace "19,942,061" with "19,929,169"

Page 3, remove lines 22 through 31

Page 4, remove lines 1 through 5

Page 5, after line 12, insert:

**"SECTION 11. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code, as amended by section 1 of Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-03-20. Compensation and expense reimbursement of members of the legislative assembly.**

- 1.** Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred twenty-five dollars for each calendar day during any organizational, special, or regular legislative

session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.

2.
    - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed a maximum of nine hundred dollars per calendar month for lodging in state, at the rates and in the manner provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session.
    - b. Notwithstanding subdivision a:
      - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
      - (2) The legislative council may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
  3.
    - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
    - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed nine hundred dollars per month.
  4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
  5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or

minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
  - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option.
  - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
  - c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)]."

Page 5, after line 18, insert:

**"SECTION 13. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2005, is amended and reenacted as follows:

**54-44.1-06. (Effective after June 30, 2005) Preparation of the budget data - Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:
  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and
  - b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.
3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.
4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.
5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.
6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.

7. Drafts of a proposed general appropriations act and special appropriations acts for executive branch departments, agencies, and institutions, including institutions of higher education, providing the same funding as approved by the most recently adjourned special or regular session of the legislative assembly and amendments to the drafts of appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.
8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.
9. A financial plan for a prospective period of six years, including the executive budget recommendation for the next biennium, estimates of anticipated general fund and non-general fund revenues prepared for an additional period of four years, and estimates of the general fund and non-general fund appropriations required for each major program for an additional period of four years. In preparing the financial plan, the office of management and budget may utilize estimates prepared by state agencies or such other information as may be deemed necessary.
10. Any other information as the director of the budget determines desirable or as is required by law.

**SECTION 14. AMENDMENT.** Section 54-44.1-06.1 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-06.1. Contents of capital construction bill.** The office of management and budget shall continue to prepare capital construction budgets and a capital construction bill. ~~All future~~ The capital construction bill may only include projects involving bonding. All other capital projects funded with general fund moneys or special funds must be included in draft amendments to the appropriate agency's appropriation bill."

Page 5, after line 30, insert:

**"SECTION 16. REPEAL.** Section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed.

**SECTION 17. REPEAL.** Section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed."

Page 6, after line 5, insert:

**"SECTION 19. LEGISLATIVE COUNCIL STUDY - DEPARTMENT OF CORRECTIONS AND REHABILITATION EMPLOYEE SALARIES.** The legislative council shall consider studying, during the 2005-06 interim, employee salaries of the department of corrections and rehabilitation. The study must include:

1. Input from the office of management and budget human resource management services division regarding a salary comparison of the department's employees to market, the impact on the salary comparison of the salary increases and equity adjustments authorized for the 2005-07 biennium, and a review of the same information from 1995 through 2005, including a comparison of the salaries for the department of corrections and rehabilitation employees to market and any salary increases and equity adjustments provided during that time.
2. Input from the department of corrections and rehabilitation regarding employee salary increases provided by job classification from 1995 through 2005, employee turnover by job classification, salary equity funding requested and provided, and other relevant information.
3. A review by the legislative council of reasons relating to the divergence of salaries for the department of corrections and rehabilitation employees from market, including the related impact of demands on the department's budget due to growth in inmate populations, increase in contract housing of inmates, budget reductions, and agency turnback.

The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1015 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Office of Management and Budget				
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037
Less estimated income	11,683,281	7,374,000	103,868	7,477,868
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169
Legislative Assembly				
Total all funds	\$0	\$100,000	\$0	\$100,000
Less estimated income				
General fund	\$0	\$100,000	\$0	\$100,000
Bill Total				
Total all funds	\$33,952,969	\$27,416,061	\$90,976	\$27,507,037
Less estimated income	11,683,281	7,374,000	103,868	7,477,868
General fund	\$22,269,688	\$20,042,061	(\$12,892)	\$20,029,169

#### House Bill No. 1015 - Office of Management and Budget - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$13,558,925	\$13,512,017	(\$16,224)	\$13,495,793
Operating expenses	11,233,906	11,233,906	107,200	11,341,106
Capital assets	2,644,000	844,000		844,000
Grants	179,000	389,000		389,000
Prairie Public Broadcasting	1,337,138	1,337,138		1,337,138
Statewide equity pool	5,000,000			
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037
Less estimated income	11,683,281	7,374,000	103,868	7,477,868

General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169
FTE	130.50	130.50	0.00	130.50

**Dept. 110 - Office of Management and Budget - Detail of Senate Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	PROVIDES AUTHORITY FOR SERVER HOSTING SERVICES AND HOMELAND SECURITY <sup>2</sup>	TOTAL SENATE CHANGES
Salaries and wages	(\$16,224)		(\$16,224)
Operating expenses		\$107,200	107,200
Capital assets			
Grants			
Prairie Public Broadcasting			
Statewide equity pool			
Total all funds	(\$16,224)	\$107,200	\$90,976
Less estimated income	(3,332)	107,200	103,868
General fund	(\$12,892)	\$0	(\$12,892)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

<sup>2</sup> The Senate added \$107,200 of funding from a homeland security grant to risk management for the cost of server hosting services at the Information Technology Department.

The Senate amendments provided for the following:

- Amends North Dakota Century Code (NDCC) Section 54-03-20 providing for a member of the Legislative Assembly to elect to be reimbursed for less than the amount to which the legislator is entitled.
- Amends NDCC Section 54-44.1-06 providing that appropriation bills prepared by the Office of Management and Budget provide the same funding as approved by the most recently adjourned special or regular session of the Legislative Assembly, with amendments presented to reflect the executive recommendation. This amendment also provides for the Office of Management and Budget to provide the Legislative Assembly with estimated budget information for an additional four-year period beyond the two-year period covered by the executive recommendation.
- In addition, the Senate amended NDCC Section 54-44.1-06.1 to provide that the capital construction bill include only projects involving bonding and that all other capital projects be included in draft amendments to the appropriate agency's appropriations bill.
- Repeals Section 9 of 2005 Senate Bill No. 2015 relating to preparation of future composite schedules for teacher salaries.
- Repeals Section 12 of 2005 Senate Bill No. 2015 relating to a Legislative Council study of the Department of Corrections and Rehabilitation.
- Removes the section which would have required the North Dakota Wheat Commission to submit a budget request to the Legislative Assembly.
- Provides for a Legislative Council study of employee salaries for the Department of Corrections and Rehabilitation.

Date

Roll Call Vote #:

4/21/05  
1

**2005 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. SB 1015**

Senate SENATE APPROPRIATIONS

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Do Pass as Amended

Motion Made By

Mather

Seconded By

Robinson

Senators	Yes	No	Senators	Yes	No
CHAIRMAN HOLMBERG	/		SENATOR KRAUTER	/	
VICE CHAIRMAN BOWMAN	/		SENATOR LINDAAS	/	
VICE CHAIRMAN GRINDBERG	/		SENATOR MATHERN	/	
SENATOR ANDRIST	/		SENATOR ROBINSON	/	
SENATOR CHRISTMANN	/		SEN. TALLACKSON	/	
SENATOR FISCHER	/				
SENATOR KILZER	/				
SENATOR KRINGSTAD	/				
SENATOR SCHOBINGER	/				
SENATOR THANE	/				

Total (Yes)

15

No

0

Absent

Floor Assignment

Holmberg

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

**REPORT OF STANDING COMMITTEE**

**HB 1015, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1015 was placed on the Sixth order on the calendar.

Page 1, line 4, remove "section 4-28-08,"

Page 1, line 5, remove the first comma, after "sections" insert "54-03-20 as amended by Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly," and replace "54-52.1-06" with "54-44.1-06, 54-44.1-06.1"

Page 1, line 6, remove "the state wheat commission fund,"

Page 1, line 7, remove the first "and" and after "radio" insert ", lodging reimbursement for members of the legislative assembly, and preparation of the budget data; to repeal sections 9 and 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, relating to composite schedules for teacher salaries and a legislative council study of the department of corrections and rehabilitation; to provide for a legislative council study; to provide legislative intent"

Page 1, line 24, replace "(\$1,876,214)" with "(\$1,892,438)"

Page 1, line 25, replace "(94,850)" with "12,350"

Page 2, line 4, replace "(\$312,926)" with "(\$221,950)"

Page 2, line 5, replace "(514,476)" with "(410,608)"

Page 2, line 6, replace "201,550" with "188,658"

Page 2, line 13, replace "13,512,017" with "13,495,793"

Page 2, line 14, replace "11,233,906" with "11,341,106"

Page 2, line 18, replace "27,316,061" with "27,407,037"

Page 2, line 19, replace "7,374,000" with "7,477,868"

Page 2, line 20, replace "19,942,061" with "19,929,169"

Page 3, line 11, remove "or such greater amount as may be available"

Page 3, remove lines 22 through 31

Page 4, remove lines 1 through 5

Page 5, after line 12, insert:

**"SECTION 11. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code, as amended by section 1 of Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-03-20. Compensation and expense reimbursement of members of the legislative assembly.**

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred twenty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
  - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed a maximum of nine hundred dollars per calendar month for lodging in state, at the rates and in the manner provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session.
  - b. Notwithstanding subdivision a:
    - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
    - (2) The legislative council may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
  - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
  - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed nine hundred dollars per month.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive

compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7. a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option.

b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.

c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)]."

Page 5, after line 18, insert:

**"SECTION 13. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2005, is amended and reenacted as follows:

**54-44.1-06. (Effective after June 30, 2005) Preparation of the budget data - Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:

  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and

- b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

- 2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.
- 3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.
- 4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.
- 5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.
- 6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the

estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.

7. Drafts of a proposed general appropriations act and special appropriations acts for executive branch departments, agencies, and institutions, including institutions of higher education, providing the same funding as approved by the most recently adjourned special or regular session of the legislative assembly and amendments to the drafts of appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations ~~act~~.
8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.
9. A financial plan for a prospective period of six years, including the executive budget recommendation for the next biennium, estimates of anticipated general fund and non-general fund revenues prepared for an additional period of four years, and estimates of the general fund and non-general fund appropriations required for each major program for an additional period of four years. In preparing the financial plan, the office of management and budget may utilize estimates prepared by state agencies or such other information as may be deemed necessary.
10. Any other information as the director of the budget determines desirable or as is required by law.

**SECTION 14. AMENDMENT.** Section 54-44.1-06.1 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-06.1. Contents of capital construction bill.** The office of management and budget shall continue to prepare capital construction budgets and a capital construction bill. ~~All future~~ The capital construction bill may only include projects involving bonding. All other capital projects funded with general fund moneys or special funds must be included in draft amendments to the appropriate agency's appropriation bill."

Page 5, after line 30, insert:

**"SECTION 16. REPEAL.** Section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed.

**SECTION 17. REPEAL.** Section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed.

**SECTION 18. LEGISLATIVE COUNCIL STUDY - DEPARTMENT OF CORRECTIONS AND REHABILITATION EMPLOYEE SALARIES.** The legislative

council shall consider studying, during the 2005-06 interim, employee salaries of the department of corrections and rehabilitation. The study must include:

1. Input from the office of management and budget human resource management services division regarding a salary comparison of the department's employees to market, the impact on the salary comparison of the salary increases and equity adjustments authorized for the 2005-07 biennium, and a review of the same information from 1995 through 2005, including a comparison of the salaries for the department of corrections and rehabilitation employees to market and any salary increases and equity adjustments provided during that time.
2. Input from the department of corrections and rehabilitation regarding employee salary increases provided by job classification from 1995 through 2005, employee turnover by job classification, salary equity funding requested and provided, and other relevant information.
3. A review by the legislative council of reasons relating to the divergence of salaries for the department of corrections and rehabilitation employees from market, including the related impact of demands on the department's budget due to growth in inmate populations, increase in contract housing of inmates, budget reductions, and agency turnback.

The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly.

**SECTION 19. LEGISLATIVE INTENT - EQUITY ADJUSTMENTS FOR STATE EMPLOYEES.** It is the intent of the fifty-ninth legislative assembly that in addition to state employee compensation adjustments provided by the legislative assembly, state agencies may provide salary equity adjustments to state employees during the second year of the biennium averaging one percent only to the extent the increase can be paid within the limits of the agency's appropriation. The market equity increases are to be prioritized based on equity for employees whose salaries are furthest from their respective salary range midpoints effective July 1, 2005. Market equity increases may not be given to employees whose salary exceeds the midpoints of their assigned salary range effective July 1, 2005. The agency shall report the equity adjustments provided to the office of management and budget."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1015 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Office of Management and Budget				
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037
Less estimated income	11,683,281	7,374,000	103,868	7,477,868
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169
Legislative Assembly				
Total all funds	\$0	\$100,000	\$0	\$100,000
Less estimated income				
General fund	\$0	\$100,000	\$0	\$100,000
Bill Total				
Total all funds	\$33,952,969	\$27,416,061	\$90,976	\$27,507,037

Less estimated income	11,683,281	7,374,000	103,868	7,477,868
General fund	\$22,269,688	\$20,042,061	(\$12,892)	\$20,029,169

**House Bill No. 1015 - Office of Management and Budget - Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$13,558,925	\$13,512,017	(\$16,224)	\$13,495,793
Operating expenses	11,233,906	11,233,906	107,200	11,341,106
Capital assets	2,644,000	844,000		844,000
Grants	179,000	389,000		389,000
Prairie Public Broadcasting	1,337,138	1,337,138		1,337,138
Statewide equity pool	5,000,000			
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037
Less estimated income	11,683,281	7,374,000	103,868	7,477,868
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169
FTE	130.50	130.50	0.00	130.50

**Dept. 110 - Office of Management and Budget - Detail of Senate Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	PROVIDES AUTHORITY FOR SERVER HOSTING SERVICES AND HOMELAND SECURITY <sup>2</sup>	TOTAL SENATE CHANGES
Salaries and wages	(\$16,224)		(\$16,224)
Operating expenses		\$107,200	107,200
Capital assets			
Grants			
Prairie Public Broadcasting			
Statewide equity pool			
Total all funds	(\$16,224)	\$107,200	\$90,976
Less estimated income	(3,332)	107,200	103,868
General fund	(\$12,892)	\$0	(\$12,892)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

<sup>2</sup> The Senate added \$107,200 of funding from a homeland security grant to risk management for the cost of server hosting services at the Information Technology Department.

The Senate amendments provided for the following:

- Amends North Dakota Century Code (NDCC) Section 54-03-20 providing for a member of the Legislative Assembly to elect to be reimbursed for less than the amount to which the legislator is entitled.
- Amends NDCC Section 54-44.1-06 providing that appropriation bills prepared by the Office of Management and Budget provide the same funding as approved by the most recently adjourned special or regular session of the Legislative Assembly, with amendments presented to reflect the executive recommendation. This amendment also provides for the Office of Management and Budget to provide the Legislative Assembly with estimated budget information for an additional four-year period beyond the two-year period covered by the executive recommendation.
- In addition, the Senate amended NDCC Section 54-44.1-06.1 to provide that the capital construction bill include only projects involving bonding and that all other capital projects be included in draft amendments to the appropriate agency's appropriations bill.

- Repeals Section 9 of 2005 Senate Bill No. 2015 relating to preparation of future composite schedules for teacher salaries.
- Repeals Section 12 of 2005 Senate Bill No. 2015 relating to a Legislative Council study of the Department of Corrections and Rehabilitation.
- Removes the section which would have required the North Dakota Wheat Commission to submit a budget request to the Legislative Assembly.
- Provides for a Legislative Council study of employee salaries for the Department of Corrections and Rehabilitation.
- Limits the transfer from the lands and minerals trust fund to the general fund to \$5 million.
- Allows additional state employee compensation adjustments for salary equity adjustments averaging 1 percent for the second year of the biennium to be paid from existing agency appropriations.

2005 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE  
HB 1015

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1015  
Office of Management and Budget

House Appropriations Full Committee

☒ Conference Committee

Hearing Date April 21, 2005

Tape Number

1

Side A

X

Side B

Meter #

#0 - #28.3

Committee Clerk Signature

*Chris Alexander*

Minutes:

**Rep Berg** opened the Conference Committee meeting on HB1015 and the clerk took roll.

Sen. Holmberg reviewed the Senate amendments #.0233 to HB1015. The change in section 11 clarified that legislators can request less than \$900.00 for lodging if their expenses are less. This also says that legislators can develop guidelines if more than one legislator share the same dwelling. In sections 13 and 14 referred to the preparation of budget data. Section 16 repeal the composite schedule for teacher's schedule.

**Rep Berg** asked what schools were used for the composite in this.

**Sen. Holmberg** answered that he was unsure but could get that information. Sen. Holmberg explained that section 17 of the amendment repeals the study in the Department of Corrections and Rehabilitation. The changes in section 18 refers to the study regarding the compensation for state employees in corrections. Section 19 deals with the equity adjustment for state employees.

Agencies could give adjustments to employees who are furthest from the mid range in the second year of the biennium if they found money in their budget to do so.

**Rep Berg** asked if this was similar to the Governor's Budget of 4 and 4 and the second year they would find the 3% and the 1% for equity. This on top of the compensation in HB1050 of 4 and 5..

**Sen. Holmberg** answered that this was correct it would be a 4-4+1. Sen. Holmberg explained that there were additional changes that were made that don't show up in the amendments very clearly like in section 7 of the bill refers to the transfer of funds from the Lands and Mineral Fund. We capped the amount that could be transferred at \$5 million. This shows up in the amendments on the first page where it says "Page 3, line 11, remove 'or such greater amounts as may be available.'"

**Rep Svedjan** asked where the Land and Minerals Issue was listed.

**Sen. Holmberg** answered that it was in the bill itself in section 7.

**Rep Berg** clarified that these amendments were on the .0200 version of the bill and if we looked at these together we would have the current bill.

**Mr. Jim Smith** answered that this was correct.

**Sen. Holmberg** explained that the Senate also restored the continuing appropriation authority for the Wheat Commission and added the Risk Management for additional special fund authority for Homeland Security grants of \$100,000. Sen. Holmberg further explained that there were also things that were not amended because of time we will discuss these as we introduce any new amendments.

**Rep Berg** asked for questions on these amendments

**Rep Svedjan** asked to hear more on why the Senate removed the Study in the Department of Corrections and Rehabilitation.

**Sen. Holmberg** explained that the study was still in HB2015, so it needed to be repealed here.

**Rep Berg** asked for any new amendments to be offered to this committee.

**Rep Boucher and Sen. O'Connell** answered that they had no amendments at this time.

**Sen. Holmberg** commented on 2 issues that needed to be looked at in this conference. 1.) The State Radio is now duplicative of other legislation and these sections need to be reviewed. 2.) The \$100,000 appropriation for reconditioning committee rooms on the last page of this bill is replicated in SB2001, so if SB2001 passes we would need to remove it here.

**Rep Berg** asked if amendments were already drafted on either of these issues

**Mr. Jim Smith** of legislative council answered that there were no amendments as of yet but the sections being referred to are Sections 11-13 of the .0200 bill. We could remove all of these sections because they are covered in HB1016.

**Sen. Stenejhem** explained that there needs to be an amendment that allows the Department of Transportation the spending authority they need to disperse the funds they are currently collecting.

**Rep Berg** asked legislative council about the procedure for the amendments on this bill. It was decided that they would distribute amendments for conversation and decide which ones to keep and then draft one amendment in the end which incorporated all the ideas. Rep Berg then introduced 6 amendments and explained each. 1.) This amendment would allow for restorative work on the pillars in the Great Hall of the Capitol. 2.) This amendment would add an emergency clause to the privacy bill HB1286. 3.) This amendment would have the legislative

council look into a study on employee compensation. 4.) This amendment would address the issue of salary increases provides through roll ups. 5.) This amendment reefers to the wheat check-off and changes the effective date to July 1, 2005. 6.) This amendment concerns the completion of the road repair on Graham's Island. We would need to transfer money into the special roads project.

**Sen. Stenejhem** asked if the Graham's Island project was \$250,000 for special roads fund and then transfer and additional \$250,000 for a total of \$500,000?

**Rep Berg** answered that he would check on this but that he thought that it was the combination of the two things.

**Sen. Stenejhem** commented that he agreed that there needed to be renovation on the pillars in the Great Hall but asked legislative council to check into what kind of renovation had been tried on these pillars before this. .

**Rep Berg** adjourned the meeting until the call of the chair.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1015  
Office of Management and Budget

House Appropriations Full Committee

☒ Conference Committee

Hearing Date April 22, 2005

Tape Number	Side A	Side B	Meter #
1	X		#0 - # end
		X	#0 - # end
2	X		#0 - 32.9

Committee Clerk Signature

*Chris Alexander*

Minutes:

**Rep Berg** opened the Conference Meeting on HB1015 and the clerk took the roll.

**Rep Svedjan** reviewed the amendments in amendment # 0238. These are a culmination of the amendments that were made in the Senate and the amendments that were introduced in the previous conference meeting.

**Rep Berg** introduced 5 new amendments. 1.) Amendment #0239 regarding the legislative council study on the Department of Corrections and Rehabilitation. 2.) Amendment # 0245 regarding a capital project at Lake Region State College 3.) Amendment #0256 regarding oil puts. This would provide appropriation authority that would allow the program that was established two years ago to continue. 4.) Amendment #0236 provides for an appropriation of \$65,000 to Lake Region Child Support Enforcement Unit. 5.) Amendment #0253 changes the effective date of HB1043, regarding the streamlined sales tax, to October 1, 2005.

**Rep Boucher** introduced amendment #0240 which allows for the establishment of a 911 system in district 9. The vote to establish this system was taken a number of years ago on this, but the commission failed to act on it and now the expiration date is coming up on the vote. This bill would allow the expiration date to continue as they get the system in place.

**Sen. Stenejhem** asked why there is a six year expiration date on a vote, or is there a sunset currently on this bill or why would this need to be done to keep the program going?

**Rep Boucher** explained how the electoral vote in the county expires after 6 years and now the six years is almost up and the system is still not in place so we need to extend the expiration date to get this system up and going. Rep Boucher then introduced a second new amendment #0244 which appropriates \$20,000 from the water development trust fund to legislative assembly for paying North Dakota's contribution to Legislator's Forum which is made up of legislator representatives from Manitoba, North Dakota, South Dakota, and Minnesota.

**Sen. Holmberg** introduced amendment #0247 which authorizes Human Services to carry over \$300,000 of its appropriation authority to match \$546,000 of federal Medicaid funds for increasing the funds available for medical assistance grants for Developmental disabilities service for the 2005-07 biennium.

**Rep Berg** asked if this money was in the department's budget.

**Sen. Holmberg** answered that it was one of the items that was cut.

**Rep Berg** recessed the meeting until after the House and Senate Floor Sessions.

**Rep Berg** reopened the conference committee on HB1015. (meter Tape #1, side A, #23.1)

**Sen. Holmberg** introduced amendment #0219 regarding the Lake Region State College Flight Simulator. They have found a new flight simulator and everything is free but the cost of getting

the actual simulator to the college. The cost for this is \$75,000. This came in too late to be put in a bill.

**Rep Berg** introduced amendment #0257 which allows an exemption for nonpublic schools from following the public school schedule. This creates an error in the original education bill.

**Rep Boucher** asked if this is only regarding the professional development days.

**Ms Anita Thomas** from legislative council explained that the school calendar was thought to be part of the legislative approval so we included it in our language in the bill, only to find that current practice showed that there were some schools that were not following the public school calendar and wanted different holidays and other vacation times and should be allowed to do so. This amendment would correct this.

**Rep Boucher** introduced amendment #0241 and explained that this requires all issues regarding legislative compensation or lodging to be first introduced under the recommendation of the legislative compensation commission.

**Sen. Holmberg** asked if this was the same as the verbal amendment introduced at one time by Rep Glassheim.

**Rep Boucher** answered yes and then introduced amendment #0255 which deals with allocation of funds for an animal identification program. All federal dollars utilized for this program would be received and dispersed by the board of animal health. Rep Boucher then introduced amendment #0242 and explained that would establish a Beginning North Dakota pilot program which would develop a data and information process for consulting on economic development for smaller communities. This would be supervised by the Commerce department has an appropriation of \$67,900.

**Sen. Holmberg** asked where the discussion was in here regarding the beginning entrepreneur system.

**Rep Boucher** answered that the Bank of North Dakota and the Commerce department discussed that this is an ideal partnership for that program but it is not specifically referenced in the amendment.

**Rep Berg** asked if there were any more amendments expected for this bill.

**Sen. O'Connell** mentioned that he might have a verbal amendment later.

**Sen. Holmberg** commented that we passed SB2373 which allocates money for the meth program but there is nothing in the bill that allows for the additional FTEs allowed Legislative council has numbers but needs something written.

**Mr. Jim Smith** stated that the amendment would say that the 59th legislative assembly authorizes up to 21 additional positions at the state hospital pursuant to the provisions of SB2373 which is subject to Emergency Commission and Budget Section approval.

**Rep Svedjan** questioned the language "pursuant to the provisions of SB2373." Is this adequate enough to address the question as to whether or not the State Hospital would get the contract for this program.

**Mr. Jim Smith** explained this is intended to address the issue that the state hospital would get the contract. If they do not get the contract, there would be no need for these additional FTEs.

**Rep Berg** asked that the committee go over the packet amendment and determine which sections to keep or remove.

**Rep Svedjan** moved to adopt amendment #0238 to HB1015.

**Sen. O'Connell** seconded

**Rep Svedjan** explained that we should adopt these amendments and then review them and pull out the parts of the amendments that we don't want.

**Sen. Holmberg** asked for clarification and stated that he was not comfortable with the proposed procedure

**Rep Svedjan** withdrew his motion.

**Rep Berg** recommended that he would go through the amendment and as he did this the committee members could say if they had a problem with any of them. The problem areas identified were Sections 16, 21, 26, 27, 28, 29, 30, and 33.

**Rep Svedjan** moved to remove section 30 from the amendment.

**Rep Berg** seconded and explained that the most appropriate thing to do would be to put this in a conference committee with HB1050 as part of the discussion of the overall compensation package. Having said that, he would support section 30 if the committee also put in section 21. And if section 30 is removed then you could remove section 21.

**Sen. Stenejhem** reminded the committee that section 30 was already in the Senate amendments and section 21 was not.

**Rep Boucher** asked if we chose not to approve section 21, then we would need to go back and take out section 30 from the Senate amendments.

**Rep Berg** answered that this could be so moved.

**Sen. Holmberg** asked for clarification. To remove section 21 it would take two votes from the house and two votes from the senate. To remove section 30 it would also take two votes from each chamber. Is this right?

**Rep Berg** explained that amendment #0238 was a working draft that we can go through each section to either keep it in the amendment or not, and then make one motion to accept the one amendment as changed. The committee discussed procedural possibilities with legislative council.

**Rep Boucher** stated that he would need to know which sections were new and which were Senate amendments.

**Rep Berg** agreed with this procedure.

**Mr. John Buringrud** of legislative council explained that the official bill is currently the engrossed bill as it came out of the House.

**Rep Svedjan** withdrew his motion

**Rep Berg** recessed the committee until 9:45.

**Rep Berg** reconvened the committee (meter Tape #1, side B, #10.8) and explained that in the end we need a motion for the Senate to recede from their amendments and adopt amendments that we are compiling here which do include the Senate amendments and then some new ones. To get to this point we would like to identify each section as a Senate amendment or as a new amendment, and then the committee can deal with all the newly added amendments in this packet one at a time. After we have accomplished this, then we will move on through the individual amendments and vote to adopt these or not.. Once the amendments have been identified as included or excluded, then we can vote on the amendment as a whole. Rep Berg continued by identifying the different sections of the packet amendment #0238.

**Rep Svedjan** moved to include everything from the top of page 2 through to section 15.

**Sen. Holmberg** seconded

**Rep Berg** called for a voice vote on the motion. Motion carried.

**Rep Svedjan** moved to include sections 17-21, then withdraws motion for explanation.

**Sen. O'Connell** asked for an explanation of section 16.

**Sen. Holmberg** explained that section 2 of section 16 addresses the issue of having legislators sharing lodging. This allows legislative council to set guidelines of what the payment to the homeowner would be for the shared residency of more than one legislator.

**Sen. Stenejhem** moved to include sections 17-20

**Rep Boucher** seconded

**Rep Berg** called for a voice vote on the motion. Motion carried.

**Sen. Holmberg** moved to include sections 24 and 25.

**Sen. Stenejhem** seconded

**Rep Berg** called for a voice vote on the motion. Motion carried.

**Rep Svedjan** moved to include section 28.

**Sen. O'Connell** seconded

**Rep Boucher** asked why this section was needed if we already had a committee in place that gave recommendations for employee compensation.

**Rep Berg** answered that we needed a comprehensive study on an overall compensation package.

**Rep Svedjan** explained that there needed to be an in depth analysis of new ways to do compensation and benefits.

**Rep Boucher** asked who would be the folks involved in the study.

**Rep Berg** answered that it would be legislators, state employees and a cross section of the caucuses.

**Rep Boucher** commented that it would be legislator's rather than a task force

**Sen. Stenejhem** asked who made up the Benefit Programs Committee.

**Mr. John Buringrud** answered that it was 5 members of the house and 4 members of the senate.

**Sen. Stenejhem** asked if there were any non legislators on this committee

**Mr. John Buringrud** answered no

**Sen. Stenejhem** asked why there needed to be a separate committee.

**Rep Berg** commented that he was comfortable removing the sentence in this section that said it could not be this committee, but he wanted to be sure that the study did not look at the money, but to be a comprehensive study of where salaries and benefits should be.

**Rep Boucher** asked if the language should say that we actually appoint the Benefits Program Committee to do this study.

**Rep Berg** answered that he would like to determine how this is done later. We can leave this open so that as we further discuss this we can make a proper decision on who should be involved.

**Rep Boucher** explained that we should get as many people as possible to discuss the philosophy of this issue and be objective about whether or not our system is fair and competitive for state employees.

**Rep Berg** commented that he agreed and that to get there we needed to take a focused look at this.

**Sen. Holmberg** commented that we should take this sentence out and pass this so that we can move the study along.

**Rep Svedjan and Sen. O'Connell** both commented that it would be fine with them to remove this sentence in this section and then include it in the amendment.

**Rep Berg** commented and called for a voice vote on the motion. Motion carried.

**Rep Svedjan** moved to include sections 31, 32, 34, 35, 36 and the removal of the lines of lines on page 4 and 5 as well as to remove on page 10 lines 1-5.

**Sen. Holberg** seconded

**Rep Berg** called for a voice vote on the motion. Motion carried.

**Sen. Stenejhem** asked to discuss amendment #0257 concerning the schedule for nonpublic schools with his education committee before he voted on this issue.

**Sen. O'Connell** asked if this included home schooled children.

**Rep Berg** answered that it did and commented that this amendment would be set aside for now.

**Rep Svedjan** moved to include amendment #0239 regarding the study on the Department of Corrections and Rehabilitation.

**Sen. Holmberg** seconded

**Rep Berg** called for a voice vote on the motion. Motion passed.

**Sen. Stenejhem** moved to include amendment #0253 regarding the streamlined sales tax.

**Sen. Holmberg** seconded

**Rep Berg** called for a voice vote on the motion. Motion passed.

**Sen. Holmberg** moved to include amendment #0256 regarding the oil puts.

**Rep Svedjan** seconded

**Rep Berg** called for a voice vote on the motion. Motion passed.

**Sen. Holmberg** moved to include amendment #0245 regarding Lake Region College

**Sen. O'Connell** seconded

**Rep Berg** called for a voice vote on the motion. Motion passed.

**Rep Boucher** moved to include amendment # 0240 regarding the establishment of the 911 number.

**Sen. Stenejhem** seconded

**Rep Berg** called for a voice vote on the motion. Motion passed.

**Rep Boucher** moved to include amendment #0242 regarding the Beginning North Dakota pilot program.

**Sen. O'Connell** seconded

**Rep Berg** explained that the amendments with appropriations attached would be set aside for tonight and asked if this motion could be set aside as well so that we can introduce any new amendments and deal with any others without appropriations.

**Rep Boucher** withdraws the motion on amendment #0242 and then explained amendment #0241 regarding the introduction of bills dealing with the compensation and lodging of legislators.

**Rep Svedjan** asked if there was anywhere else in the code that would restrict what could be introduced.

**Sen. Holmberg** explained that retirement issues were similarly done this way.

**Rep Berg** commented that to change any of this it would take just a simple majority. A concern for me is that the committee makes recommendations in one session that is based on current expense costs that may change in the next biennium when it goes into effect. This doesn't effect future critical needs.

**Rep Boucher** withdraws amendment #0241 and introduced amendment #0255 which regards a system for animal identification.

**Sen. Holberg** commented that the repeal in this bill was placed there for a reason and asked if there was any hearing on this issue.

**Rep Boucher** answered that this was significantly discussed throughout the session.

**Sen. Holmberg** asked what the repeal would be

**Rep Boucher** answered that the repeal would be for the section that allows private groups access to those dollars.

**Rep Berg** explained that the repeal is a statute from 2001, section 36-09-25 which states who the allocatur is for the animal identification system.

**Rep Boucher** commented that it should be the board of animal health who allocates this.

**Sen. Stenejhem** asked if this could be set aside until they had the chance to consult others about this.

**Rep Boucher** withdrew the motion.

**Sen. Holmberg** asked if legislative council could walk us through the scenarios regarding the ending fund balance needed at the end of all of this.

**Rep Berg** answered that the approach would be if we end the session with a \$10 million ending fund balance, if there is a shortfall in revenue then this money could be used to offset the shortfall. When this money is used then there would need to be an allotment for all of state government, with the exception of K-12 which has its own budget stabilization fund. If a reduction is made beyond 2.5% then money would be made available through the budget stabilization fund to prevent a further allotment.

**Rep Boucher** introduced amendment #0252 and explained that this was the issue of what amount of money was appropriate to keep in the budget stabilization fund.

**Rep Berg** answered that we would need to get expanded input into this discussion

**Rep Boucher** introduced amendment #0251 and explained that this is an addition of \$5 million to the state foundation aid.

**Rep Boucher** introduced amendment #0243 and explained that this is \$500,000 for nurse consultants to childcare providers.

**Sen. O'Connell** introduced amendment #0259 and explained that this puts back 2 days in the school calendar for teacher's conventions.

**Rep Berg** commented that all of these newly introduced amendments would be held over for a vote in the next conference meeting and adjourned the meeting.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1015

House Appropriations Committee

☒ Check here for Conference Committee

Hearing Date April 23, 2005

Tape Number	Side A	Side B	Meter #
1	X		
1		X	
2	X		

Committee Clerk Signature *Robin Pursley for Chris A.*

**Minutes:** Chairman Berg opened conference committee on HB1015. Objective this morning was to take up bills without(?) appropriations and some of the bills that were requested to hold. The one without an appropriations but with a request to hold are .0257 and .0255.

**Rep. Svedjan** .0259 in addition to those you mentioned. All the rest are appropriations bill.

**Chairman Berg** Let's do .0255 - Animal Id.

**Rep. Boucher** explained the amendment dealing with animal identification. Used to track for the purpose of diseases. (See attached amendment .0255) The identification is a component of monitoring and identifying and isolating very serious animal diseases. I move to accept this amendment.

**Sen. O'Connell** Second.

**Chairman Berg** What we do have in place, with our brand inspection, is one of the best systems in the United States for tracking animals. I don't support adoption of this amendment.

**Rep. Boucher** I totally disagree. I believe this amendment brings it together. We don't need two separate programs.

**Sen. Holmberg** In areas where I do not have a lot of expertise in I rely upon public hearings to hear from all sides. So I will not support this amendment.

**ROLL CALL VOTE 3 YES and 3 NO with 0 absent and not voting. Motion to accept amendment .0255 failed.**

**Chairman Berg .0257.** Question for council, if we act on these two bills, can we act on these two bills subject to that amendment or contingent upon meeting this in 1154?

**John Buringrud** Are you asking if you put this in and then ask us to take it out? If it is in 1154, if you pass this and it is exactly as it is in 1154, it's harmless.

**Sen. Holmberg** I move a do pass.

**Sen. Stenejhem** Second.

**Chairman Berg** My understanding of this amendment is, if 1154 passes, this bill would say that nonpublic schools would not have to follow the same schedule as public schools. This amendment would keep things the way they are currently.

**ROLL CALL VOTE 6 YES and 0 NO with 0 absent and not voting. Motion Do Pass .0257 carries.**

**Chairman Berg** Let's take up .0259. My understanding is that if we pass this and the amendment in 1154 that addresses this passes, this would have no effect. (See attached amendment 0.257)

**Sen. O'Connell** I move a Do Pass.

**Rep. Boucher** Second.

**ROLL CALL VOTE 3 YES and 3 No with 0 absent and not voting. Motion Do Pass on .0259 fails.**

**Chairman Berg** Here is a list of what we have acted on and passed. .0239, .0240, .0245, .0253, .0256, .0257. Let's go to the bills with appropriations on them. Let's start with .0219.

**Sen. Holmberg** I move a do pass on .0219. That adds about \$75,000, that's about half the cost of a flight simulator program at Lake Regions.

**Sen. O'Connell** Second.

**VOICE VOTE 4 YES and 2 NO with 0 absent and not voting. Motion Do Pass .0219 fails.**

**Chairman Berg** .0236, which is \$65,000 for regional child support enforcement unit.

**Rep. Boucher** I move for adoption.

**Sen. O'Connell** Second

**Chairman Berg** supports this motion.

**ROLL CALL VOTE 6 YES and 0 NO with 0 absent and not voting. Motion Do Pass on .0236 carries.**

**Chairman Berg** Moving on to .0242.

**Rep. Boucher** I move for adoption.

**Sen. O'Connell** Second.

**Rep. Boucher** explained this program and his support.

**ROLL CALL VOTE 2 YES and 4 NO with 0 absent and not voting. Motion for Do Pass on .0242 fails.**

**Chairman Berg** We will take up .0243, Dept. Of Human Services.

**Rep. Boucher** I move a Do Pass.

**Sen. O'Connell** Second.

**Rep. Boucher** explained the amendment and his support.

**ROLL CALL VOTE 2 YES and 4 NO with 0 absent and not voting. Motion Do Pass on .0243 fails.**

**Chairman Berg** We'll take up to .0244 which puts \$20,000 for North Dakota's participation in a forum.

**Rep. Boucher** I move a Do Pass.

**Sen. O'Connell** Second.

**Sen. Holmberg** explained the bill and questioned Legislative Council on bill.

**Chairman Berg** Maybe we should hold this bill. Let's move to .0247.

**Sen. Holmberg** I would move .0247.

**Sen. Stenejhem** Second.

**Chairman Berg** explained bill - relates to providing \$546,000 to provide medical assistant grants for DD Services. We will hold this, also. We will then go to .0251 which is \$5 million additional for Foundation Aide.

**Rep. Boucher** I would make the motion but this pertains to 1154 which is still being worked on in the Senate.

**Chairman Berg** We will hold this. Let's go to .0252, that is \$2 million for employees on DD.

**Rep. Boucher** I move a Do Pass on .0252.

**Sen. O'Connell** Second.

**Rep. Boucher** explained amendment for enhancing wages.

**Rep. Svedjan** explained his motives for resisting the amendment.

**ROLL CALL VOTE 2 YES and 4 NO with 0 absent and not voting. Motion Do Pass on .0252 fails.**

**Chairman Berg** Take up .0244 again.

**Rep. Boucher** did not receive any new information.

**Rep. Svedjan** also received no new information.

**Rep. Boucher** moves a Do Pass on .0244.

**Sen. O'Connell** Second.

**ROLL CALL VOTE 6 YES and 0 No with 0 absent and not voting. Motion Do Pass carries.**

**Chairman Berg** About the verbal meth motion we made yesterday, amendment .0260.

**Jim Smith** This amendment applies direction relating to that bill.

**Sen. Stenejhem** Amendment for this bill?

**Jim Smith** Yes.

**Chairman Berg** Let's keep going. Committee wants separate amendment?

**Sen. Holmberg** Yes, that would be nice. Did we approve it?

**Chairman Berg** Yes. Move to .0258. Explained the amendment and his support.

**Sen. Holmberg** Move Do Pass on .0259.

**Sen. Stenejhem** Second.

**ROLL CALL VOTE 6 YES and 0 NO with 0 absent and not voting. Motion Do Pass on .0258 carries.**

**Sen. Holmberg** This is the Vision Services. They have temporary house parents that come and work in the summer programs. We thought it was in but found out it was not in the bill. I move the amendment.

**Chairman Berg** Let's hold this and move the others that we had held - let's go in order - .0247 next dealing with \$200,000 for Medical Assistance. He presented more information clearly showing salaries (see handout).

**Sen. O'Connell** I move a Do Pass on .0247.

**Sen. Stenejhem** Second.

**ROLL CALL VOTE 4 YES and 2 NO with 0 absent and not voting. Motion Do Pass on .0247 fails.**

**Chairman Berg** We now have amendments .0251. Defer to counsel.

**Jim Smith** explained amendment and language needed.

**Chairman Berg** shared his interpretation of what they were trying to get at this morning.

**Rep. Boucher** I move we adopt this amendment.

**Sen. O'Connell** Second.

**Sen. Stenejhem** I don't support this amendment.

**ROLL CALL VOTE 2 YES and 4 No with 0 absent and not voting. Motion Do Pass on .0251 fails.**

**Chairman Berg** discussed pillar restoration - may need around \$50,000.

**Sen. Stenejhem** We looked into this before, need to get a process to make it look decent..

**Chairman Berg** Leave as is now and then get it done correctly. Just opened discussion on emergency clause for 2012, Highway funding bill. Has something to do with bonding.

**Sen. O'Connell** I move emergency clause on 2012.

**Sen. Holmberg** Second.

**Rep. Boucher** explained comments on SB2012.

**ROLL CALL VOTE 6 YES and 0 NO with 0 absent and not voting. Motion Do Pass on  
Emergency Clause for 2012 passes.**

**Chairman Berg** The next on to take up is .0263, relating to Vision Services for the School for the Blind.

**Sen. Holmberg** Explained amendment, temporary salaries for summer program house parents. I move approval.

**Sen. Stenejhem** Second.

**ROLL CALL VOTE 6 YES and 0 No with 0 absent and not voting. Motion Do Pass carries.**

**Chairman Berg** Another issue with amendment .0238 on section 35. Remove section 35, transportation fund.

**Jim Smith** That funding was also added in 2012, so do not need to add it here as well.

**Chairman Berg** Need motion to remove section 35.

**Sen. O'Connell** I move.

**Sen. Holmberg** Second.

**ROLL CALL VOTE 6 YES and 0 NO with 0 absent and not voting to remove section 35 on  
amendment .0238 passes.**

**Sen. O'Connell** New amendment .0264, appropriates \$350,000 for a tower up in Belcourt area for Public Prairie TV and radio. I move that.

**Rep. Boucher** Second.

**ROLL CALL VOTE 2 YES and 4 NO with 0 absent and not voting. Motion Do Pass on .0264 fails.**

**Chairman Berg** Let's go to Section 30 that we talked about in .0238. Comments on employee compensation. I need a motion to delete Section 30 from .0238.

**Rep. Svedjan** So moved.

**Chairman Berg** I turn the chair over to Rep. Svedjan.

**Rep. Berg** I second that motion.

**Chairman Svedjan** I turn the chair back to Rep. Berg.

**Chairman Berg** comments continued on equity and compensation.

**Jim Smith** discussed compensation and where we stand today.

**Chairman Berg** To wrap this up, either I delete Section 21 and Section 30 in or take Section 30 out and Section 21 out of final bill. Take all these amendments that we have approved and put in one packet and bring down here to approve or not. One vote on final packet.

**Sen. Stenejhem** I need some assurance that 1050 will pass. I love section 30 and really hate to have section 21 in. What's the best and what's the worst?

**Chairman Berg** I would be willing to take 1050 up to the floor, have amendments drafted to vote on. If 1050 passes it would include the amendments we talked about and not include section 21 and 30.

**Sen. Stenejhem** Take 1050 to the floor. Do it.

**Sen. Holmberg** How do you plan to treat Section 33 in this packet of amendments coming?

**Chairman Berg** Our objective would be to see what transfer to maintain a \$10 million fund balance.

Hearing Adjourned. Reconvened at call of chair.

**Sen. O'Connell** Question on emergency clause. Is that something we want to look at?

**Chairman Berg** answered questions on whether to go ahead or not. Let's take up amendments.

**Sen. Stenejhem** I think everything is in here that we need. Sect. 25 is .0240.; Sect. 34 is .0263 School for the Blind; Sect. 35 is .0256 appropriation for oil folks; Sect. 36 is .0236; .0244 is Sect. 37; Sect. 40 is .0253; Sect. 41 is .0239; Sect. 42 is the one that we had and took out of other bill. So no number - took out of .0260. Sect. 43 is Lake Region College, .0245; Sect. 44 is .0258. Next is Sect. 45 puts emergency clause in Section 8 of 2012. Last one was .0257, page 2, Sect. 12.

**Chairman Berg** discussion on .0257 concerning whether non public schools have to follow same schedule as public school.

**Sen. Stenejhem** continued to check to make sure all changes were made and all amendments were included. Section 28 that was .0216; then .217 that we had in the bill was Sect. 21 was gone. Sect. 31 was the transfer for the \$250,000 transport info.

**Rep. Svedjan** I would move .0267 to HB1015.

**Sen. Stenejhem** Second.

**ROLL CALL VOTE 6 YES and 0 NO with 0 absent and not voting. Motion Do Pass on .0267 carries.**

Meeting adjourned.

58038.0219  
Title.

*Failed*

Prepared by the Legislative Council staff for  
Senator Syverson  
April 19, 2005

9

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 7, remove the second "and"

Page 1, line 8, after "assembly" insert "; and to provide an appropriation to the state board of higher education"

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$75,000, or so much of the sum as may be necessary, to the state board of higher education for moving a flight simulator to Lake Region state college, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

0219  
Failed 4-2-0

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number **HB1015** (, as (re)engrossed):

Date: **4-23-05**

Your Conference Committee

**House Appropriations**

**For the Senate:**

YES / NO

**For the House:**

YES / NO

Sen. Stenejhem X

Rep. Berg X

Sen. Holmberg X

Rep Svedjan X

Sen. O'Connell X

Rep Boucher X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed)

was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO.

of amendment

LC NO.

of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**MOTION MADE BY:**

**SECONDED BY:**

**VOTE COUNT** \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

58038.0236  
Title.

*Passed*

*Hand*  
Prepared by the Legislative Council staff for  
Representatives D. Johnson and Nicholas  
April 21, 2005

④

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$65,000, or so much of the sum as may be necessary, to the department of human services for providing additional incentive money to the Lake Region child support enforcement unit, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

# 0236  
Passes 6-0-0

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number **HB1015** (, as (re)engrossed):

Date: **4-23-05**

Your Conference Committee **House Appropriations**

**For the Senate:**

YES / NO

**For the House:**

YES / NO

Sen. Stenejem **X**

Rep. Berg

**X**

Sen. Holmberg **X**

Rep Svedjan

**X**

Sen. O'Connell **X**

Rep Boucher

**X**

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_ -- \_\_\_\_\_

\_\_\_\_\_ and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**MOTION MADE BY:**

**SECONDED BY:**

**VOTE COUNT** \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

*Adjusted*

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

That the Senate recede from its amendments as printed on pages \_\_\_\_\_ of the House Journal and pages \_\_\_\_\_ of the Senate Journal and that Engrossed House Bill No. 1015 be amended as follows:

Page 1, line 4, after the semicolon insert "to create and enact a new section to chapter 54-44 of the North Dakota Century Code, relating to prohibiting the use of salary savings from vacant positions" and remove "section 4-28-08,"

Page 1, line 5, remove "subsection 6 of section 37-17.1-06, and", replace "54-23.2-01, 54-52.1-06" with "4-01-21, 15.1-02-02, 26.1-01-09, 27-02-02, 27-05-03, 49-01-05, 54-03-20 as amended by Senate Bill No. 2059, as approved by the fifty-ninth legislative assembly, sections 54-09-05, 54-10-10, 54-11-13, 54-12-11, 54-44.1-06, 54-44.1-06.1, and 57-01-04", and remove "and 57-40.6-12"

Page 1, line 6, after "Code" insert "and section 5 of House Bill No. 1518, as approved by the fifty-ninth legislative assembly", after "to" insert "salaries of elected officials, lodging reimbursement for members of the legislative assembly, to provide salary increases to state employees, preparation of the budget data, and", and replace "fund" with "levy; to repeal sections 9 and 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, relating to composite schedules for teacher salaries and a legislative council study of the department of corrections and rehabilitation; to provide for a legislative council study; to provide legislative intent; to create and enact two new sections to House Bill No. 1286, as approved by the fifty-ninth legislative assembly, relating to open records requests; and to declare an emergency."

Page 1, remove lines 7 and 8

Page 1, line 24, replace "\$1,876,214" with "\$1,892,438"

Page 1, line 25, replace "(94,850)" with "12,350"

Page 2, line 4, replace "(\$312,926)" with "(\$221,950)"

Page 2, line 5, replace "(514,476)" with "(410,608)"

Page 2, line 6, replace "201,550" with "188,658"

Page 2, line 13, replace "13,512,017" with "13,495,793"

Page 2, line 14, replace "11,233,906" with "11,341,106"

Page 2, line 18, replace "27,316,061" with "27,407,037"

Page 2, line 19, replace "7,374,000" with "7,477,868"

Page 2, line 20, replace "19,942,061" with "19,929,169"

Page 3, line 11, replace "\$5,000,000 or such greater amount as may be available" with  
"\$6,800,000"

Page 3, replace lines 22 through 31 with:

**"SECTION 10. AMENDMENT.** Section 4-01-21 of the North Dakota Century Code, as amended by House Bill No. 1009, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**4-01-21. Salary of agriculture commissioner.** The annual salary of the agriculture commissioner is seventy one seventy-two thousand ~~nine~~ six hundred ~~seventy~~ sixty-nine dollars through June 30, 2006, and seventy four seventy-five thousand ~~eight~~ five hundred ~~forty-nine~~ seventy-six dollars thereafter.

**SECTION 11. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code, as amended by House Bill No. 1013, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is seventy nine ~~eighty~~ thousand ~~seven~~ five hundred ~~fifty-seven~~ thirty-one dollars through June 30, 2006, ~~eighty-two~~ and eighty-three thousand ~~nine~~ seven hundred forty seven fifty-three dollars thereafter.

**SECTION 12. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code, as amended by House Bill No. 1010, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**26.1-01-09. Salary of commissioner.** The annual salary of the commissioner is seventy thousand ~~fifty-nine~~ seven hundred thirty-nine dollars through June 30, 2006, and seventy two seventy-three thousand ~~eight~~ five hundred ~~sixty-one~~ sixty-eight dollars thereafter.

**SECTION 13. AMENDMENT.** Section 27-02-02 of the North Dakota Century Code, as amended by Senate Bill No. 2002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**27-02-02. Salaries of justices of supreme court.** The annual salary of each justice of the supreme court is one hundred ~~two~~ three thousand ~~ninety-six~~ eighty-seven dollars through June 30, 2006, and one hundred ~~six~~ seven thousand ~~one~~ two hundred ~~eighty~~ ten dollars thereafter. The chief justice of the supreme court is entitled to receive an additional ~~two~~ three thousand nine hundred eighty six fifteen dollars per annum through June 30, 2006, and three thousand one hundred ~~five~~ thirty-six dollars per annum thereafter.

**SECTION 14. AMENDMENT.** Section 27-05-03 of the North Dakota Century Code, as amended by Senate Bill No. 2002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**27-05-03. Salaries and expenses of district judges.** The annual salary of each district judge is ninety three ninety-four thousand ~~three~~ two hundred ~~ninety-one~~ ninety-eight dollars through June 30, 2006, and ninety seven ninety-eight thousand ~~one~~ hundred twenty seven seventy dollars thereafter. Each district judge is entitled to travel expenses including mileage and subsistence while engaged in the discharge of official duties outside the city in which the judge's chambers are located. The salary and expenses are payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled to receive an additional two thousand seven hundred ~~fifty-two~~ seventy-nine dollars per annum; through June 30, 2006, and two thousand eight hundred ~~sixty-two~~ ninety dollars thereafter.

**SECTION 15. AMENDMENT.** Section 49-01-05 of the North Dakota Century Code, as amended by House Bill No. 1008, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**49-01-05. Salary of commissioners.** The annual salary of a commissioner is seventy one seventy-two thousand ~~nine~~ six hundred ~~seventy~~ sixty-nine dollars through June 30, 2006, and seventy four seventy-five thousand ~~eight~~ five hundred ~~forty-nine~~ seventy-six dollars thereafter. All fees received or charged by any commissioner for any act or service rendered in any official capacity must be accounted for and paid over by the commissioner monthly to the state treasurer and must be credited to the general fund of the state.

**SECTION 16. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code, as amended by section 1 of Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-03-20. Compensation and expense reimbursement of members of the legislative assembly.**

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred twenty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
  - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed a maximum of nine hundred dollars per calendar month for lodging in state, at the rates and in the manner provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session.
  - b. Notwithstanding subdivision a:
    - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
    - (2) The legislative council may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
  - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
  - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of

Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed nine hundred dollars per month.

4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
  - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option.
  - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
  - c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

**SECTION 17. AMENDMENT.** Section 54-09-05 of the North Dakota Century Code, as amended by House Bill No. 1002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-09-05. Salary of secretary of state.** The annual salary of the secretary of state is seventy thousand ~~fifty-nine~~ seven hundred thirty-nine dollars through June 30, 2006, and seventy two thousand seven hundred thirty-eight ~~five~~ hundred ~~sixty-one~~ sixty-eight dollars thereafter.

**SECTION 18. AMENDMENT.** Section 54-10-10 of the North Dakota Century Code, as amended by House Bill No. 1004, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-10-10. Salary of state auditor.** The annual salary of the state auditor is seventy thousand ~~five~~ nine seven hundred thirty-nine dollars through June 30, 2006, ~~seventy two and seventy-three thousand eight five hundred sixty-one~~ sixty-eight dollars thereafter.

**SECTION 19. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code, as amended by House Bill No. 1005, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-11-13. Salary of state treasurer.** The annual salary of the state treasurer is sixty-six thousand ~~one~~ eight hundred ~~sixty two~~ sixty dollars through June 30, 2006, and ~~sixty-eight~~ sixty-nine thousand ~~eight four~~ eight hundred ~~six~~ seventy-four dollars thereafter.

**SECTION 20. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code, as amended by House Bill No. 1003, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-12-11. Salary of attorney general.** The annual salary of the attorney general is ~~seventy six~~ seventy-seven thousand ~~nine~~ six hundred ~~eight~~ fifty-five dollars through June 30, 2006, and ~~seventy nine~~ eighty thousand ~~nine~~ seven hundred ~~eighty-four~~ sixty-one dollars thereafter.

**SECTION 21.** A new section to chapter 54-44 of the North Dakota Century Code is created and enacted as follows:

**Use of salary savings to provide salary increases prohibited.**

Notwithstanding any other provision of law, a state agency, institution, department, board, bureau, or commission may not use salary savings accruing as the result of vacant positions or employee turnover to provide salary increases to other employees employed by that agency, institution, department, board, bureau, or commission.

**SECTION 22. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2005, is amended and reenacted as follows:

**54-44.1-06. (Effective after June 30, 2005) Preparation of the budget data - Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:
  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and
  - b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or

deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.
3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.
4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.
5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.
6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.
7. Drafts of a proposed general appropriations act and special appropriations acts for executive branch departments, agencies, and institutions, including institutions of higher education, providing the same funding as approved by the most recently adjourned special or regular session of the legislative assembly and amendments to the drafts of appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts

recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.

8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.
9. A financial plan for a prospective period of six years, including the executive budget recommendation for the next biennium, estimates of anticipated general fund and non-general fund revenues prepared for an additional period of four years, and estimates of the general fund and non-general fund appropriations required for each major program for an additional period of four years. In preparing the financial plan, the office of management and budget may utilize estimates prepared by state agencies or such other information as may be deemed necessary.
10. Any other information as the director of the budget determines desirable or as is required by law.

**SECTION 23. AMENDMENT.** Section 54-44.1-06.1 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-06.1. Contents of capital construction bill.** The office of management and budget shall continue to prepare capital construction budgets and a capital construction bill. ~~All future~~ The capital construction ~~bill~~ bill may only include projects involving bonding. All other capital projects funded with general fund moneys or special funds must be included in draft amendments to the appropriate agency's appropriation bill.

**SECTION 24. AMENDMENT.** Section 57-01-04 of the North Dakota Century Code, as amended by House Bill No. 1006, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**57-01-04. Salary.** The annual salary of the state tax commissioner is seventy-six thousand ~~thirty-six~~ seven hundred seventy-four dollars through June 30, 2006, and seventy-nine thousand seven hundred eighty-four dollars thereafter.

**SECTION 25. AMENDMENT.** Section 5 of House Bill No. 1518, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**SECTION 5. EFFECTIVE DATE.** The increase in the levy imposed by section 2 of this Act applies to all sales occurring on and after the day of the next calendar quarter occurring at least thirty days after the effective date of this Act July 1, 2005.

**SECTION 26. REPEAL.** Section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed.

**SECTION 27. REPEAL.** Section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed.

**SECTION 28. LEGISLATIVE COUNCIL - STATE EMPLOYEE COMPENSATION STUDY.** The legislative council shall study, during the 2005-06 interim, issues related to state employee compensation. The legislative council shall

report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly. ~~The Legislative Council may not assign this study to the employee benefits programs committee.~~ The study must include the following issues, which do not limit the scope of the legislative council's study of the state employee compensation system:

1. Total state employee compensation, including wages and salaries, annual leave, pay grades, classification, disaster or emergency services volunteers' leave, employee assistance program benefits, family and medical leave, funeral leave, holidays, hours of work, jury and witness leave, leave without pay, the merit system, military leave, overtime compensation, retirement benefits, health insurance benefits, severance pay, sick leave, benefits for temporary employees, time off to vote, and veterans' preferences.
2. The human resources system, including the development and determination of pay grades, classifications, and the relevance and appropriateness of utilizing information from the central states compensation association and job service North Dakota, as opposed to intrastate private sector employers in determining appropriate compensation levels and job classifications.
3. Retirement benefits.
4. Health insurance benefits, including the availability of health savings accounts, self-insurance, healthy lifestyle incentives, and the appropriateness of current health insurance benefits.
5. The feasibility and desirability of implementing equity pay, merit pay, and pay for performance compensation systems.

**SECTION 29. LEGISLATIVE COUNCIL STUDY - DEPARTMENT OF CORRECTIONS AND REHABILITATION EMPLOYEE SALARIES.** The legislative council shall consider studying, during the 2005-06 interim, employee salaries of the department of corrections and rehabilitation. The study must include:

1. Input from the office of management and budget human resource management services division regarding a salary comparison of the department's employees to market, the impact on the salary comparison of the salary increases and equity adjustments authorized for the 2005-07 biennium, and a review of the same information from 1995 through 2005, including a comparison of the salaries for the department of corrections and rehabilitation employees to market and any salary increases and equity adjustments provided during that time.
2. Input from the department of corrections and rehabilitation regarding employee salary increases provided by job classification from 1995 through 2005, employee turnover by job classification, salary equity funding requested and provided, and other relevant information.
3. A review by the legislative council of reasons relating to the divergence of salaries for the department of corrections and rehabilitation employees from market, including the related impact of demands on the department's budget due to growth in inmate populations, increase in contract housing of inmates, budget reductions, and agency turnback.

The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly.

**SECTION 30. LEGISLATIVE INTENT - EQUITY ADJUSTMENTS FOR STATE EMPLOYEES.** It is the intent of the fifty-ninth legislative assembly that in addition to state employee compensation adjustments provided by the legislative assembly, state agencies may provide salary equity adjustments to state employees during the second year of the biennium averaging one percent only to the extent the increase can be paid within the limits of the agency's appropriation. The market equity increases are to be prioritized based on equity for employees whose salaries are furthest from their respective salary range midpoints effective July 1, 2005. Market equity increases may not be given to employees whose salary exceeds the midpoints of their assigned salary range effective July 1, 2005. The agency shall report the equity adjustments provided to the office of management and budget.

**SECTION 31. LEGISLATIVE INTENT - RESTORATION OF PILLARS IN THE MEMORIAL HALL.** It is the intent of the fifty-ninth legislative assembly that the office of management and budget restore the pillars in the memorial hall of the state capitol prior to December 1, 2006.

**SECTION 32. HIGHWAY FUND TRANSFER TO SPECIAL ROAD FUND.** The department of transportation shall transfer from the state highway fund to the special road fund the amount necessary to provide \$500,000 in the special road fund for projects, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 33. TRANSFER.** During the biennium beginning July 1, 2005, and ending June 30, 2007, the director of the office of management and budget shall transfer \_\_\_\_\_ from the permanent oil tax trust fund to the general fund.

**SECTION 34. APPROPRIATION - JUDICIAL BRANCH.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$114,925, or so much of the sum as may be necessary, to the judicial branch for the purpose of providing additional compensation to elected judges and justices, for the biennium beginning July 1, 2005, and ending June 30, 2007.

*Remove*  
**SECTION 35. APPROPRIATION - DEPARTMENT OF TRANSPORTATION.** There is appropriated out of any moneys in the public transportation fund in the state treasury, not otherwise appropriated, the sum of \$1,550,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of providing public transportation grants, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 36.** Two new sections to House Bill No. 1286, as approved by the fifty-ninth legislative assembly, are created and enacted as follows:

**SECTION 13. EFFECTIVE DATE.** Section 7 of this Act is effective for records requests made after December 31, 2004.

**SECTION 14. EMERGENCY.** This Act is declared to be an emergency measure.

**SECTION 37. EMERGENCY.** Section 36 of this Act is declared to be an emergency measure."

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 30

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:****House Bill No. 1015 - Summary of Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Office of Management and Budget						
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037	\$27,407,037	\$0
Less estimated income	11,683,281	7,374,000	103,868	7,477,868	7,477,868	
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169	\$19,929,169	\$0
Legislative Assembly						
Total all funds	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
Less estimated income						
General fund	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
Judicial Branch						
Total all funds	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Less estimated income						
General fund	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Department of Transportation						
Total all funds	\$0	\$0	\$1,550,000	\$1,550,000	\$0	\$1,550,000
Less estimated income			1,550,000	1,550,000		1,550,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Bill Total						
Total all funds	\$33,952,969	\$27,416,061	\$1,655,901	\$29,071,962	\$27,507,037	\$1,564,925
Less estimated income	11,683,281	7,374,000	1,653,868	9,027,868	7,477,868	1,550,000
General fund	\$22,269,688	\$20,042,061	\$2,033	\$20,044,094	\$20,029,169	\$14,925

**House Bill No. 1015 - Office of Management and Budget - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	\$13,558,925	\$13,512,017	(\$16,224)	\$13,495,793	\$13,495,793	
Operating expenses	11,233,906	11,233,906	107,200	11,341,106	11,341,106	
Capital assets	2,644,000	844,000		844,000	844,000	
Grants	179,000	389,000		389,000	389,000	
Prairie Public Broadcasting	1,337,138	1,337,138		1,337,138	1,337,138	
Statewide equity pool	5,000,000					
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037	\$27,407,037	\$0
Less estimated income	11,683,281	7,374,000	103,868	7,477,868	7,477,868	
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169	\$19,929,169	\$0
FTE	130.50	130.50	0.00	130.50	130.50	0.00

**Dept. 110 - Office of Management and Budget - Detail of Conference Committee Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	PROVIDES AUTHORITY FOR SERVER HOSTING SERVICES AND HOMELAND SECURITY <sup>2</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	(\$16,224)		(\$16,224)
Operating expenses		\$107,200	107,200
Capital assets			
Grants			
Prairie Public Broadcasting			
Statewide equity pool			
Total all funds	(\$16,224)	\$107,200	\$90,976
Less estimated income	(3,332)	107,200	103,868
General fund	(\$12,892)	\$0	(\$12,892)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

<sup>2</sup> The conference committee agreed with the Senate amendment to add \$107,200 of funding from a homeland security grant to risk management for the cost of server hosting services at the Information Technology Department.

The conference committee agreed with the Senate amendments relating to the following:

- Amends North Dakota Century Code (NDCC) Section 54-03-20 providing for a member of the Legislative Assembly to elect to be reimbursed for less than the amount to which the legislator is entitled.
- Amends NDCC Section 54-44.1-06 providing that appropriation bills prepared by the Office of Management and Budget provide the same funding as approved by the most recently adjourned special or regular session of the Legislative Assembly, with amendments presented to reflect the executive recommendation. This amendment also provides for the Office of Management and Budget to provide the Legislative Assembly with estimated budget information for an additional four-year period beyond the two-year period covered by the executive recommendation.
- In addition, the Senate amended NDCC Section 54-44.1-06.1 to provide that the capital construction bill include only projects involving bonding and that all other capital projects be included in draft amendments to the appropriate agency's appropriations bill.
- Repeals Section 9 of 2005 Senate Bill No. 2015 relating to preparation of future composite schedules for teacher salaries.
- Repeals Section 12 of 2005 Senate Bill No. 2015 relating to a Legislative Council study of the Department of Corrections and Rehabilitation.
- Removes the section which would have required the North Dakota Wheat Commission to submit a budget request to the Legislative Assembly.
- Provides for a Legislative Council study of employee salaries for the Department of Corrections and Rehabilitation.
- Allows additional state employee compensation adjustments for salary equity adjustments averaging 1 percent for the second year of the biennium to be paid from existing agency appropriations.

**House Bill No. 1015 - Legislative Assembly - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Capital assets		<u>\$100,000</u>	<u>(\$100,000)</u>		<u>\$100,000</u>	<u>(\$100,000)</u>
Total all funds	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
Less estimated income						
General fund	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Dept. 150 - Legislative Assembly - Detail of Conference Committee Changes**

	REMOVES FUNDING FOR MEETING ROOM REMODELING PROJECT <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Capital assets	<u>(\$100,000)</u>	<u>(\$100,000)</u>
Total all funds	(\$100,000)	(\$100,000)
Less estimated income		
General fund	(\$100,000)	(\$100,000)
FTE	0.00	0.00

<sup>1</sup> The conference committee removed the funding for the meeting room remodeling project.

## House Bill No. 1015 - Judicial Branch - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages			<u>\$114,925</u>	<u>\$114,925</u>		<u>\$114,925</u>
Total all funds	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Less estimated income						
General fund	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
FTE	0.00	0.00	0.00	0.00	0.00	0.00

### Dept. 180 - Judicial Branch - Detail of Conference Committee Changes

	PROVIDES FUNDING FOR PROVIDING SALARY INCREASES TO JUDGES <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	<u>\$114,925</u>	<u>\$114,925</u>
Total all funds	\$114,925	\$114,925
Less estimated income		
General fund	\$114,925	\$114,925
FTE	0.00	0.00

<sup>1</sup> The conference committee provided an appropriation from the general fund for the increased cost to the judicial branch of providing judges and justices a 4 percent salary increase for each year of the biennium rather than a 3 percent for the first year and 4 percent the second year.

## House Bill No. 1015 - Department of Transportation - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Grants			<u>\$1,550,000</u>	<u>\$1,550,000</u>		<u>\$1,550,000</u>
Total all funds	\$0	\$0	\$1,550,000	\$1,550,000	\$0	\$1,550,000
Less estimated income			<u>1,550,000</u>	<u>1,550,000</u>		<u>1,550,000</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

### Dept. 801 - Department of Transportation - Detail of Conference Committee Changes

	PROVIDES FUNDING FOR PUBLIC TRANSPORTATION GRANTS <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Grants	<u>\$1,550,000</u>	<u>\$1,550,000</u>
Total all funds	\$1,550,000	\$1,550,000
Less estimated income	<u>1,550,000</u>	<u>1,550,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> The conference committee authorized \$1,550,000 from the public transportation fund to the Department of Transportation for providing additional public transportation grants.

The conference committee made the following changes:

- Added a section appropriating \$1,550,000 from the public transportation fund to the Department of Transportation for providing additional public transportation grants.
- Added sections making the statutory changes to provide elected officials, except the Governor and Lieutenant Governor, a 4 percent salary increase for each year of the biennium. An appropriation section is added providing \$114,925 from the general fund for the increased cost to the judicial branch of providing judges and justices a 4 percent salary increase for each year of the biennium rather than 3 percent for the first year and 4 percent for the second year.

- Added a section providing a transfer from the permanent oil tax trust fund to the general fund.
- Added a section requiring the Department of Transportation to transfer funds from the state highway fund to a special road fund to make available \$500,000 in the special road fund for projects during the 2005-07 biennium.
- Provides for a transfer of \$6,800,000 from the lands and minerals trust fund to the general fund. The Senate amendment limited the transfer to \$5,000,000.
- Removed sections relating to the transfer of State Radio to the Division of Emergency Management.
- Removed the appropriation for the Legislative Council to remodel meeting rooms.
- Provided intent for the Office of Management and Budget to restore the pillars in Memorial Hall.
- Created two new sections to House Bill No. 1286 relating to open records request and to declare an emergency.
- Provided for Legislative Council study of state employee compensation.
- Provided for a section prohibiting the use of salary savings to provide salary increases for state employees.
- Changed the effective date for the increase in the wheat tax levy.

KS/Berg  
Motion  
Employee Compensation  
Remove sect 30  
on 2238

No Action  
Yet

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

4-23-05

Bill Number HB1015 (, as (re)engrossed):

Date:

Your Conference Committee House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejem	X	Rep. Berg	X
Sen. Holmberg	X	Rep Svedjan	X
Sen. O'Connell	X	Rep Boucher	X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

MOTION MADE BY:

SECONDED BY:

VOTE COUNT \_\_\_\_\_ YES \_\_\_\_\_ NO \_\_\_\_\_ ABSENT

Revised 4/1/05

passed

- Handed out -

Prepared by the Legislative Council staff for  
Representative Berg  
April 22, 2005

(P)

## PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

That the Senate recede from its amendments as printed on pages 1857-1862 of the House Journal and pages 1548-1554 of the Senate Journal and that Engrossed House Bill No. 1015 be amended as follows:

Page 1, line 6, after "Code" insert "and section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly"

Page 1, line 7, remove the first "and" and after "radio" insert ", and a legislative council study of the department of corrections and rehabilitation"

Page 5, after line 30, insert:

**"SECTION 14. AMENDMENT.** Section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

### **SECTION 12. LEGISLATIVE COUNCIL STUDY - STRATEGIC PLAN FOR DEPARTMENT OF CORRECTIONS AND REHABILITATION'S INCARCERATION AND CORRECTIONAL FACILITY NEEDS.**

1. The legislative council shall appoint an interim committee, during the 2005-06 interim, to develop a legislative strategic plan, including site and facilities' plans, for the department of corrections and rehabilitation's incarceration and correctional facility needs.
2. The legislative council shall appoint a minimum of ten members of the house of representatives and a minimum of five members of the senate. The legislative council shall appoint the chairman of the appropriations committee of the house of representatives or the senate or the assistant majority leader of the house of representatives or the senate as the chairman of the committee.
3. The committee shall:
  - a. Receive information from the department of corrections and rehabilitation, regional authorities with regional corrections centers, counties with county jails, cities with city jails, corporations operating private correctional facilities, and others the committee considers necessary to develop a strategic plan for the state's incarceration and correctional facility needs for the next twenty years.
  - b. Consider using existing facilities; other available state facilities; and county, local, or private facilities.
  - c. Consider any cost and benefits of replacing all or parts of existing correctional facilities or other state property with a modern all-encompassing facility.
  - d. Consider state-operated facilities compared to contract-operated state facilities.

- e. Consider contracting with a private entity to provide all or part of the state's correctional and rehabilitation needs.
  - f. Consider the impact to the department of corrections and rehabilitation of changing sentencing guidelines, increasing fines as an alternative to incarceration for nonviolent or minor drug offenders, and utilizing alternatives to incarceration and treatment programs, including receiving information regarding the efficiency of treatment programs.
  - g. Develop a strategic plan based on the information received by the committee.
4. 3. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly."

Renumber accordingly

*passed*

(6)

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 5, after the third comma insert "57-40.6-02,"

Page 1, line 7, remove the first "and" and after "radio" insert ", and voter approval of imposition of fees for emergency services communication systems"

Page 5, after line 18, insert:

**"SECTION 13. AMENDMENT.** Section 57-40.6-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-40.6-02. Authority of counties or cities to impose fee on telephone exchange access service and on wireless service - Procedure.** The governing body of a county or city may impose a fee on the use of telephone exchange access service and on the use of wireless service in accordance with the following requirements:

1. The governing body shall adopt a resolution that proposes the adoption of the fee permitted under this section. The resolution must specify an effective date for the fee which is no more than two years before the expected implementation date of the emergency services communication system to be funded by the fee. The resolution must include a provision for submitting the proposed fee to the electors of the county or city before the imposition of the fee is effective. The resolution must specify a fee that does not exceed one dollar per month per telephone access line and per wireless access line.
2. The question of the adoption of the fee must be submitted on a ballot on which the ballot title of the proposition includes the maximum monthly rate of the proposed fee authorized under subsection 1. The question of the adoption of the fee may be submitted to electors at a general, primary, or special election or at a school district election if the boundaries of the school district are coterminous with the boundaries of the governing body adopting the resolution proposing the adoption of the fee. The fee is not effective unless it is approved by a majority of the electors voting on the proposition. The ballot must be worded so that a "yes" vote authorizes imposition of the fee for an initial six-year period.
3. If the electors have approved imposition of a fee under this section before July 1, 2005, and the governing body of the city or county has not implemented that fee by June 30, 2005, the approval by the electors remains valid until the fee is implemented and, upon implementation, the fee may be imposed for a six-year period and is subject to reimposition under subsection 4.
4. Any political subdivision that desires to increase the fee, subject to the limitations in subsection 1, before the end of the six-year term, must use the same ballot procedure originally used to authorize the fee. The new ballot question may apply to only the proposed increase and not to the original amount or the original term. If the increase is approved, the new amount may be collected for the balance of the original six-year term. If

the fee authorized by this section is approved by the electors, the fee may be reimposed for six additional years without resubmitting the question to the electors.

4. 5. In any geographic area, only one political subdivision may impose the fee and imposition must be based on the subscriber service address.
5. 6. In the interest of public safety, where the subscriber's telephone exchange access service boundary and the boundary of the political subdivision imposing the fee do not coincide, and where all of the political subdivisions within the subscriber's telephone exchange access service boundary have not complied with subsection 1, and where a majority of the E911 subscribers within the subscriber's telephone exchange access service boundary have voted for the fee, a telephone exchange access service subscriber whose subscriber service address is outside the political subdivision may receive E911 services by signing a contract agreement with the political subdivision providing the emergency services communications system. The telephone exchange access service provider may collect an additional fee, equal in amount to the basic fee on those subscribers within the exchange boundary. The additional fee amounts collected must be remitted as provided in this chapter.
6. 7. A fee imposed under this section before August 1, 2001, may be extended to all wireless service at each subscriber service address within the area in which the fee is imposed only if that extension of the fee has been approved by a majority vote of the governing body of the city or county upon at least thirty days' prior notice in the official newspaper of the city or county that the governing body will consider the issue or by majority vote of the electors of the city or county voting on the question upon placement of the question on the ballot by the governing body of the city or county at a regular or special city or county election."

Renumber accordingly

*Failed*

11

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

That the Senate recede from its amendments as printed on pages 1857-1862 of the House Journal and pages 1548-1554 of the Senate Journal and that Engrossed House Bill No. 1015 be amended as follows:

Page 1, line 4, after the semicolon insert "to create and enact a new section to chapter 54-03 of the North Dakota Century Code, relating to legislation affecting the compensation of members of the legislative assembly;"

Page 5, after line 12, insert:

**"SECTION 12.** A new section to chapter 54-03 of the North Dakota Century Code is created and enacted as follows:

**Legislative compensation and lodging reimbursement - Consideration of measures - Limitation.** A legislative measure that increases the amount of legislative session lodging reimbursement or the compensation of members of the legislative assembly may not be considered by the legislative assembly or any committee of the legislative assembly unless the measure was introduced as a recommendation of the legislative compensation commission."

Renumber accordingly

April 22, 2005

(13)

Failed

## PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 4, after the semicolon insert "to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to creation of the beginning again North Dakota pilot program;"

Page 1, line 5, remove ", 54-52.1-06,"

Page 1, line 7, remove the second "and"

Page 1, line 8, after "assembly" insert "; to provide a continuing appropriation; to provide an appropriation to the department of commerce; and to provide an expiration date"

Page 5, after line 18, insert:

**"SECTION 13.** A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

**Beginning again North Dakota pilot program - Report to legislative council  
- Continuing appropriation.**

1. The department shall implement and administer a beginning again North Dakota pilot program. The purpose of the program is to develop a data base of skills and other assets of communities and residents to be used to advance the internal and external attitude and image of this state and the communities in this state. The department shall implement this program in one city with a population of not more than five hundred, one city with a population of more than five hundred but not more than one thousand five hundred, and one city with a population of more than one thousand five hundred and not more than three thousand.
2. The department shall assemble state and local asset data from a broad range of sources. The sources for data may include the department, Bank of North Dakota, game and fish department, state historical society, Indian affairs commission, job service North Dakota, parks and recreation department, department of public instruction, university system, workforce safety and insurance, and state and local public or private entities. The nature of the data regarding skills and other assets may cover a broad range of information that may be valuable to advance the attitude or image of the state and communities in the state. The data may include natural resources, real estate, educational resources, cultural resources, vocational resources, financial resources, and infrastructure resources.
3. The department shall use the information assembled in the data base to assist in strategic plans for development. Additionally, the department may use the information in the data base to assist local developers in strategic plans for development.
4. The department may contract with a public or private third party to provide any or all of the services necessary to implement and administer the program. The department may solicit support and contributions from public and private sources for the purpose of furthering the program. The

department shall deposit in a special account in the general fund of the state treasury all funds collected under this subsection. All funds deposited under this section are appropriated to the department on a continuing basis for the purpose of furthering the program.

5. During the 2007-08 interim, the commissioner shall provide a report to the legislative council regarding the implementation of the program, any successes and failures of the program, and whether the program should be continued or be continued and expanded to additional communities."

Page 6, after line 5, insert:

**"SECTION 16. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$67,900, or so much of the sum as may be necessary, to the department of commerce for implementing and administering a beginning again North Dakota pilot program, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 17. EXPIRATION DATE.** Section 16 of this Act is effective through July 31, 2009, and after that date is ineffective."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment provides for a beginning again North Dakota pilot program by which the Department of Commerce develops a data base of skills and other assets of three North Dakota communities and provides an appropriation of \$67,900 to implement the program.

# 0242

Failed

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number **HB1015** (, as (re)engrossed):

Date: **4-23-05**

Your Conference Committee **House Appropriations**

**For the Senate:**

**For the House:**

YES / NO

YES / NO

Sen. Stenejem	X	Rep. Berg	X
Sen. Holmberg	X	Rep. Svedjan	X
Sen. O'Connell	X	Rep. Boucher	X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted  
Statement of purpose of amendment

**MOTION MADE BY:**

**SECONDED BY:**

**VOTE COUNT**    \_\_\_ YES    \_\_\_ NO    \_\_\_ ABSENT

Revised 4/1/05

*Failed*

16

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES.**

There is appropriated out of any moneys in the health care trust fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing four equal grants to organizations that administer the healthy child America program in North Dakota which provides assistance to child care providers, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

A section is added appropriating \$500,000 from the health care trust fund to the Department of Human Services for providing four equal grants to organizations administering the Healthy Child America program.

# 0243

Failed

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number **HB1015** (, as (re)engrossed):

Date:

4-23-05

Your Conference Committee:

House Appropriations

**For the Senate:**

YES / NO

**For the House:**

YES / NO

Sen. Stenejhem	X	Rep. Berg	X
Sen. Holmberg	X	Rep. Svedjan	X
Sen. O'Connell	X	Rep. Boucher	X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_ -- \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted  
Statement of purpose of amendment

**MOTION MADE BY:**

**SECONDED BY:**

**VOTE COUNT** \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

Passed

7

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION - LEGISLATIVE ASSEMBLY.** There is appropriated out of any moneys in the water development trust fund in the state treasury, not otherwise appropriated, the sum of \$20,000, so so much of the sum as may be necessary, to the legislative assembly for the purpose of paying North Dakota's contribution to the legislators' forum for Manitoba, Minnesota, North Dakota, and South Dakota, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

A section is added appropriating \$20,000 from the water development trust fund to the Legislative Assembly for paying North Dakota's contribution to the Legislators' Forum.

# 0244

Passed

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

Bill Number HB1015 (, as (re)engrossed):

Date: 4-23-05

Your Conference Committee House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejhem	X	Rep. Berg	X
Sen. Holmberg	X	Rep Svedjan	X
Sen. O'Connell	X	Rep Boucher	X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_ and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

MOTION MADE BY:

SECONDED BY:

VOTE COUNT \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

*passed*

2

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. LAKE REGION STATE COLLEGE NORTH HALL.** Lake region state college is authorized to change the scope of the project approved by the 2003 legislative assembly to allow for the renovation of the north hall residence facility to include complete remodeling of the entire facility."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

House Bill No. 1003 (2003) authorized \$375,000 in revenue bond authority for Lake Region State College to renovate one-half of North Hall, including reconfiguration into suites. Due to higher than anticipated bids, the project is proposed to be revised to include remodeling of the entire facility, without a reconfiguration into suites. The total cost is not expected to exceed the \$375,000 previously authorized.

*Failed*

8

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 7, remove the second "and"

Page 1, line 8, after "assembly" insert "; and to declare an emergency"

Page 6, after line 5, insert:

**"SECTION 15. DEPARTMENT OF HUMAN SERVICES - APPROPRIATION.**

There is appropriated from federal funds, the sum of \$546,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing medical assistance grants for developmental disabilities services, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 16. EXEMPTION.** The appropriation contained in section 1 of chapter 33 of the 2003 Session Laws is not subject to the provisions of section 54-44.1-11 for an amount of up to \$300,000, and this amount may be used for the state share of medical assistance grants for developmental disabilities services, for the biennium beginning July 1, 2003, and ending June 30, 2005.

**SECTION 17. EMERGENCY.** Section 16 of this Act is declared to be an emergency measure."

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment authorizes the Department of Human Services to carry over \$300,000 of its 2003-05 biennium unspent general fund appropriation authority to use to match \$546,000 of federal medicaid funds for increasing the funding available for medical assistance grants for developmental disabilities services for the 2005-07 biennium. This amendment will reduce the department's estimated 2003-05 biennium general fund turnback from \$5.1 million to \$4.8 million.

# 0247 Failed

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

Bill Number HB1015 (, as (re)engrossed):

Date:

4-23-05

Your Conference Committee

House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejhem X

Rep. Berg X

Sen. Holmberg X

Rep Svedjan X

Sen. O'Connell X

Rep Boucher X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

MOTION MADE BY:

SECONDED BY:

VOTE COUNT \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

*Failed*

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION.** There is appropriated out any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing additional funding for state school aid, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

#0251  
Failed  
REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

Bill Number HB1015 (, as (re)engrossed):

Date: 4-23-05

Your Conference Committee House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejhem

X

Rep. Berg

X

Sen. Holmberg

X

Rep Svedjan

X

Sen. O'Connell X

Rep Boucher X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed)

was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO.

of amendment

LC NO.

of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

MOTION MADE BY:

SECONDED BY:

VOTE COUNT \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

*Failed*

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES.**

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,000,000, or so much of the sum as may be necessary, and from special funds derived from federal funds or other income, the sum of \$3,650,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing additional funding for medical assistance grants to increase the average wage of employees of developmental disabilities service providers, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

A section is added appropriating \$5,650,000, of which \$2,000,000 is from the general fund, to the Department of Human Services for providing additional funding for medical assistance grants to increase the average wage of employees of developmental disabilities service providers.

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number **HB1015** (, as (re)engrossed):

Date:

**4-23-05**

Your Conference Committee

**House Appropriations**

**For the Senate:**

YES / NO

**For the House:**

YES / NO

Sen. Stenejem

X

Rep. Berg

X

Sen. Holmberg

X

Rep Svedjan

X

Sen. O'Connell

X

Rep Boucher

X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_ -- \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed)

was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO.

of amendment

LC NO.

of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**MOTION MADE BY:**

**SECONDED BY:**

**VOTE COUNT** \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

*passed*

April 22, 2005

5

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 6, after "Code" insert "and section 20 of House Bill No. 1043, as approved by the fifty-ninth legislative assembly"

Page 1, line 7, remove the first "and" and after "radio" insert ", and the effective date of streamlined sales tax agreement complying amendments"

Page 5, after line 30, insert:

**"SECTION 14. AMENDMENT.** Section 20 of House Bill No. 1043, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**SECTION 20. EFFECTIVE DATE - EXPIRATION DATE.** Section 13 of this Act is effective for taxable events occurring from January 1, 2006 October 1, 2005, through June 30, 2007, and is thereafter ineffective. The remainder of this Act is effective for taxable events occurring after December 31 September 30, 2005."

Renumber accordingly

mark

Passed

Replace "and" with a comma

After " " insert "and to declare an emergency"

**SECTION . EMERGENCY.** Section 8 of Senate Bill No. 2012, as approved by the fifty-ninth legislative assembly, is declared to be an emergency measure.

Written Amend Emerg Clause on 2012

passed

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

Bill Number HB1015 (, as (re)engrossed):

Date:

4-23-05

Your Conference Committee

House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejhem X

Rep. Berg

X

Sen. Holmberg X

Rep Svedjan

X

Sen. O'Connell X

Rep Boucher

X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed)

was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO.

of amendment

LC NO.

of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

MOTION MADE BY:

SECONDED BY:

VOTE COUNT \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

April 22, 2005

(12)

## PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 4, after the semicolon insert "to create and enact a new section to chapter 36-01 of the North Dakota Century Code, relating to the administration of an animal identification program;"

Page 1, line 7, after the semicolon insert "to repeal section 36-09-25 of the North Dakota Century Code, relating to administration of the animal identification program;"

Page 4, after line 5, insert:

**"SECTION 11.** A new section to chapter 36-01 of the North Dakota Century Code is created and enacted as follows:

**Animal identification program - Administration - Allocation of moneys.**

The board of animal health shall serve as the state's administrator for any federally sponsored animal identification program. If the board of animal health receives any moneys in conjunction with a federally sponsored animal identification program, the board may allocate those moneys in any manner the board determines appropriate."

Page 6, after line 5, insert:

**"SECTION 16. REPEAL.** Section 36-09-25 of the North Dakota Century Code is repealed."

Renumber accordingly

# 0255

Failed  
3-3-0

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number **HB 1015** (, as (re)engrossed):

Date:

Your Conference Committee **House Appropriations**

**For the Senate:**

**For the House:**

YES / NO

YES / NO

Sen. Stenejhem X

Rep. Berg

X

Sen. Holmberg X

Rep Svedjan

X

Sen. O'Connell X

Rep Boucher

X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted  
Statement of purpose of amendment

**MOTION MADE BY:**

**SECONDED BY:**

**VOTE COUNT** \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

*Passed*

③

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, for the biennium beginning July 1, 2005, and ending June 30, 2007, such amounts as may be necessary, but not to exceed the additional general fund revenues that will become available pursuant to the sale of oil put options as provided for in section 1 of chapter 491 of the 2003 Session Laws, to the office of management and budget to purchase oil put options through the state investment board."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment provides for the Office of Management and Budget to purchase oil put options.

*Passed*

10

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 4, replace "section" with "sections" and after the comma insert "15.1-06-06,"

Page 1, line 6, after the second comma insert "school calendars,"

Page 4, after line 5, insert:

**"SECTION 11. AMENDMENT.** Section 15.1-06-06 of the North Dakota Century Code, as amended and reenacted by House Bill No. 1154, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**15.1-06-06. Approval of public and nonpublic schools.** Each public and nonpublic school in this state offering elementary or secondary education to students must be approved by the superintendent of public instruction. Except as otherwise provided by law, the superintendent may not approve a school unless:

1. Each classroom teacher is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;
2. Each classroom teacher is teaching only in those course areas or fields for which the teacher is licensed or for which the teacher has received an exception under section 2 of House Bill No. 1076, as approved by the fifty-ninth legislative assembly;
3. The students are offered all subjects required by law; and
4. The school is in compliance with the calendar requirements set forth in section 15.1-06-04; and
5. The school is in compliance with all local and state health, fire, and safety laws."

Renumber accordingly

#0251

Passes  
6-0-0

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

4-23-05

Bill Number HB1015 (, as (re)engrossed):

Date:

Your Conference Committee

House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejem X

Rep. Berg

X

Sen. Holmberg X

Rep Svedjan

X

Sen. O'Connell X

Rep Boucher

X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_ and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed)

was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO.

of amendment

LC NO.

of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

MOTION MADE BY:

SECONDED BY:

VOTE COUNT \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

*Passed*

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE  
AND HEALTH SCIENCES - PERFORMANCE AUDIT.** Notwithstanding North Dakota  
Century Code section 54-10-01, the state auditor may not conduct a performance audit  
of the university of North Dakota school of medicine and health sciences until the  
completion of the school's accreditation process."

Renumber accordingly

*Add language  
that this is  
effective for  
2005-07 Biennium  
only -*

Passed

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

Bill Number HB1015 (, as (re)engrossed):

Date:

4-23-05

Your Conference Committee

House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejem X

Rep. Berg X

Sen. Holmberg X

Rep Svedjan X

Sen. O'Connell X

Rep Boucher X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed)

was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO.

of amendment

LC NO.

of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

MOTION MADE BY:

SECONDED BY:

VOTE COUNT \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

*Fails*

17

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 4, after the semicolon insert "to create and enact a new section to chapter 15.1-09 of the North Dakota Century Code, relating to attendance at educational conferences;", replace "section" with "sections", and after the comma insert "15.1-06-04, and 15.1-27-35,"

Page 1, line 7, remove the second "and"

Page 1, line 8, after "assembly" insert "; and to provide an effective date"

Page 4, after line 5, insert:

**"SECTION 11. AMENDMENT.** Section 15.1-06-04 of the North Dakota Century Code, as amended and reenacted by House Bill No. 1154, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**15.1-06-04. School calendar - Length.**

1. During each school year, a school district shall provide for a school calendar of at least one hundred eighty days, apportioned as follows:
  - a. One hundred seventy-three full days of instruction;
  - b. Three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;
  - c. Two days for the attendance of teachers at the North Dakota education association instructional conference; and
  - d. Up to two full days during which parent-teacher conferences are held or which are deemed by the school board to be compensatory time for parent-teacher conferences held outside regular school hours; ~~and~~
  - ~~e.~~ Two days for professional development activities.
2. ~~a.~~ In meeting the requirements for two days of professional development activities under subsection 1, a school district may require that its teachers attend the North Dakota education association instructional conference and may pay teachers for attending the conference, provided attendance is verified.  
~~b.~~ In meeting the requirements for two days of professional development activities under subsection 1, a school district may consider attendance at the North Dakota education association instructional conference to be optional, elect not to pay teachers for attending the instructional conference, and instead direct any resulting savings toward providing alternate professional development opportunities.
- ~~3.~~ A school district may not require the attendance of teachers in school or at any school sponsored, school directed, school sanctioned, or school

related activities and may not schedule classroom instruction time nor alternate professional development activities on any day that conflicts with the North Dakota education association instructional conference.

4. A full day of instruction consists of:
  - a. At least five and one-half hours for elementary students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction; and
  - b. At least six hours for high school students, during which time the students are required to be in attendance for the purpose of receiving curricular instruction.
5. 3. If a school's calendar provides for an extension of each schoolday beyond the statutorily required minimum number of hours, and if the extensions when aggregated over an entire school year amount to more than eighty-four hours of additional classroom instruction during the school year, the school is exempt from having to make up six hour of instruction time lost as a result of weather-related closure. In order to make up lost classroom instruction time beyond the six hours, the school must extend it normal school calendar day by at least thirty minutes.
6. 4. A school that does not qualify under the provisions of subsection 3 must extend its normal schoolday by at least thirty minutes to make up classroom instruction time lost as a result of weather-related closure.
7. 5. If because of weather a school must dismiss before completing a full day of instruction, the school is responsible for making up only those hours and portions of an hour between the time of early dismissal and the conclusion of a full day of classroom instruction.

**SECTION 12.** A new section to chapter 15.1-09 of the North Dakota Century Code is created and enacted as follows:

**Educational meetings - Attendance by school district personnel.** The board of a school district shall allow each district superintendent, principal, and teacher to attend the North Dakota education association's annual instructional conference or the North Dakota council of educational leaders' annual conference without loss of pay.

**SECTION 13. AMENDMENT.** Section 15.1-27-35 of the North Dakota Century Code, as amended and reenacted by House Bill No. 1154, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**15.1-27-35. Average daily membership - Calculation.** Average daily membership is calculated by adding the total number of days that each student in a given classroom, school, or school district is in attendance during a school calendar and the total number of days that each student in a given classroom, school, or school district is absent during a school calendar, and then dividing the sum by one hundred eighty. For purposes of calculating average daily membership, all students are deemed to be in attendance on:

1. The three holidays listed in subdivisions b through j of subsection 1 of section 15.1-06-02 and selected by the school board in consultation with district teachers;
2. The two days set aside for professional development activities under section 15.1-06-04 the attendance of teachers at the North Dakota education association instructional conference; and

3. The two full days, or portions thereof, during which parent-teacher conferences are held or which are deemed by the board of the district to be compensatory time for parent-teacher conferences held outside regular school hours."

Page 6, after line 5, insert:

**"SECTION 18. EFFECTIVE DATE.** Sections 11, 12, and 13 of this Act become effective on July 1, 2006."

Renumber accordingly

#0259

Fails

3-3-0

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

Bill Number HB1015 (, as (re)engrossed):

Date:

4-23

Your Conference Committee

House Appropriations

For the Senate:

YES / NO

For the House:

YES / NO

Sen. Stenejhem	X	Rep. Berg	X
Sen. Holmberg	X	Rep Svedjan	X
Sen. O'Connell	X	Rep Boucher	X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

MOTION MADE BY:

SECONDED BY:

VOTE COUNT \_\_\_\_\_ YES \_\_\_\_\_ NO \_\_\_\_\_ ABSENT

Revised 4/1/05

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

That the Senate recede from its amendments as printed on pages 1857-1862 of the House Journal and pages 1548-1554 of the Senate Journal and that Engrossed House Bill No. 1015 be amended as follows:

Page 1, line 4, after the semicolon insert "to create and enact a new section to chapter 54-44 of the North Dakota Century Code, relating to prohibiting the use of salary savings from vacant positions;" and remove "section 4-28-08,"

Page 1, line 5, remove "subsection 6 of section 37-17.1-06, and" and replace "54-23.2-01, 54-52.1-06, and 57-40.6-12" with "4-01-21, 15.1-02-02, 26.1-01-09, 27-02-02, 27-05-03, 49-01-05, and 54-03-20 as amended by Senate Bill No. 2059, as approved by the fifty-ninth legislative assembly, and sections 54-09-05, 54-10-10, 54-11-13, 54-12-11, 54-44.1-06, 54-44.1-06.1, 57-01-04, and 57-40.6-02"

Page 1, line 6, after "Code" insert "and section 5 of House Bill No. 1518, section 12 of Senate Bill No. 2015, and section 20 of House Bill No. 1043, as approved by the fifty-ninth legislative assembly", after "to" insert "salaries of elected officials, lodging reimbursement for members of the legislative assembly, preparation of the budget data, voter approval of imposition of fees for emergency services communication systems,", and replace "fund, the division of" with "levy, a legislative council study of the department of corrections and rehabilitation, and the effective date of streamlined sales tax agreement complying amendments; to repeal section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, relating to composite schedules for teacher salaries; to provide for a legislative council study; to provide legislative intent; to create and enact two new sections to House Bill No. 1286, as approved by the fifty-ninth legislative assembly, relating to open records requests; and to declare an emergency."

Page 1, remove lines 7 and 8

Page 1, line 24, replace "\$1,876,214" with "\$1,892,438"

Page 1, line 25, replace "(94,850)" with "12,350"

Page 2, line 4, replace "\$312,926" with "\$221,950"

Page 2, line 5, replace "(514,476)" with "(410,608)"

Page 2, line 6, replace "201,550" with "188,658"

Page 2, line 13, replace "13,512,017" with "13,495,793"

Page 2, line 14, replace "11,233,906" with "11,341,106"

Page 2, line 18, replace "27,316,061" with "27,407,037"

Page 2, line 19, replace "7,374,000" with "7,477,868"

Page 2, line 20, replace "19,942,061" with "19,929,169"

Page 3, line 11, replace "\$5,000,000 or such greater amount as may be available" with "\$6,800,000"

Page 3, replace lines 22 through 31 with:

**"SECTION 10. AMENDMENT.** Section 4-01-21 of the North Dakota Century Code, as amended by House Bill No. 1009, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**4-01-21. Salary of agriculture commissioner.** The annual salary of the agriculture commissioner is ~~seventy one~~ seventy-two thousand ~~nine~~ six hundred ~~seventy~~ sixty-nine dollars through June 30, 2006, and ~~seventy four~~ seventy-five thousand ~~eight~~ five hundred ~~forty-nine~~ seventy-six dollars thereafter.

**SECTION 11. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code, as amended by House Bill No. 1013, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is ~~seventy nine~~ eighty thousand ~~seven~~ five hundred ~~fifty-seven~~ thirty-one dollars through June 30, 2006, ~~eighty-two~~ and eighty-three thousand ~~nine~~ seven hundred ~~forty~~ fifty-three dollars thereafter.

**SECTION 12. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code, as amended by House Bill No. 1010, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**26.1-01-09. Salary of commissioner.** The annual salary of the commissioner is ~~seventy thousand~~ fifty-nine seven hundred thirty-nine dollars through June 30, 2006, and ~~seventy two~~ seventy-three thousand ~~eight~~ five hundred ~~sixty-one~~ sixty-eight dollars thereafter.

**SECTION 13. AMENDMENT.** Section 27-02-02 of the North Dakota Century Code, as amended by Senate Bill No. 2002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**27-02-02. Salaries of justices of supreme court.** The annual salary of each justice of the supreme court is one hundred ~~two~~ three thousand ~~ninety-six~~ eighty-seven dollars through June 30, 2006, and one hundred ~~six~~ seven thousand ~~one~~ two hundred ~~eighty ten~~ eighty dollars thereafter. The chief justice of the supreme court is entitled to receive an additional ~~two~~ three thousand nine hundred eighty six ~~fifteen~~ thirty-six dollars per annum through June 30, 2006, and three thousand one hundred ~~five~~ thirty-six dollars per annum thereafter.

**SECTION 14. AMENDMENT.** Section 27-05-03 of the North Dakota Century Code, as amended by Senate Bill No. 2002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**27-05-03. Salaries and expenses of district judges.** The annual salary of each district judge is ninety three ~~ninety-four~~ ninety thousand ~~three~~ two hundred ~~ninety-one~~ ninety-eight dollars through June 30, 2006, and ninety seven ~~ninety-eight~~ seventy thousand ~~one~~ two hundred twenty seven ~~seventy~~ seventy-nine dollars thereafter. Each district judge is entitled to travel expenses including mileage and subsistence while engaged in the discharge of official duties outside the city in which the judge's chambers are located. The salary and expenses are payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled to receive an additional two thousand seven hundred ~~fifty-two~~ seventy-nine dollars per annum, through June 30, 2006, and two thousand eight hundred ~~sixty-two~~ ninety dollars thereafter.

**SECTION 15. AMENDMENT.** Section 49-01-05 of the North Dakota Century Code, as amended by House Bill No. 1008, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**49-01-05. Salary of commissioners.** The annual salary of a commissioner is ~~seventy one~~ seventy-two thousand ~~nine~~ six hundred ~~seventy six~~ seventy-nine dollars through June 30, 2006, and ~~seventy four~~ seventy-five thousand ~~eight five~~ eight hundred ~~forty nine~~ seventy-six dollars thereafter. All fees received or charged by any commissioner for any act or service rendered in any official capacity must be accounted for and paid over by the commissioner monthly to the state treasurer and must be credited to the general fund of the state.

**SECTION 16. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code, as amended by section 1 of Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-03-20. Compensation and expense reimbursement of members of the legislative assembly.**

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred twenty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.

2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed a maximum of nine hundred dollars per calendar month for lodging in state, at the rates and in the manner provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session.

b. Notwithstanding subdivision a:

(1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.

(2) The legislative council may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.

3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.

b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of

Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed nine hundred dollars per month.

4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
  - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option.
  - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
  - c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

**SECTION 17. AMENDMENT.** Section 54-09-05 of the North Dakota Century Code, as amended by House Bill No. 1002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-09-05. Salary of secretary of state.** The annual salary of the secretary of state is seventy thousand ~~five~~ nine seven hundred thirty-nine dollars through June 30, 2006, and ~~seventy~~ eighty two thousand seven hundred ~~eight~~ five hundred ~~sixty-one~~ sixty-eight dollars thereafter.

**SECTION 18. AMENDMENT.** Section 54-10-10 of the North Dakota Century Code, as amended by House Bill No. 1004, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-10-10. Salary of state auditor.** The annual salary of the state auditor is seventy thousand ~~fifty-nine~~ seven hundred thirty-nine dollars through June 30, 2006, ~~seventy-two and seventy-three thousand eight~~ five hundred ~~sixty-one~~ sixty-eight dollars thereafter.

**SECTION 19. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code, as amended by House Bill No. 1005, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-11-13. Salary of state treasurer.** The annual salary of the state treasurer is sixty-six thousand ~~one~~ eight hundred ~~sixty-two~~ dollars through June 30, 2006, and ~~sixty-eight~~ sixty-nine thousand ~~eight~~ four hundred ~~six~~ seventy-four dollars thereafter.

**SECTION 20. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code, as amended by House Bill No. 1003, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-12-11. Salary of attorney general.** The annual salary of the attorney general is ~~seventy-six~~ seventy-seven thousand ~~nine~~ six hundred ~~eight~~ fifty-five dollars through June 30, 2006, and ~~seventy-nine~~ eighty thousand ~~nine~~ seven hundred ~~eighty-four~~ sixty-one dollars thereafter.

**SECTION 21. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2005, is amended and reenacted as follows:

**54-44.1-06. (Effective after June 30, 2005) Preparation of the budget data - Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:
  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and
  - b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and

estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.

3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.
4. Detailed comparative statements of expenditures and requests for appropriations by funds; budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.
5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.
6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.
7. Drafts of a proposed general appropriations act and special appropriations acts for executive branch departments, agencies, and institutions, including institutions of higher education, providing the same funding as approved by the most recently adjourned special or regular session of the legislative assembly and amendments to the drafts of appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.
8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must

include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.

9. A financial plan for a prospective period of six years, including the executive budget recommendation for the next biennium, estimates of anticipated general fund and non-general fund revenues prepared for an additional period of four years, and estimates of the general fund and non-general fund appropriations required for each major program for an additional period of four years. In preparing the financial plan, the office of management and budget may utilize estimates prepared by state agencies or such other information as may be deemed necessary.
10. Any other information as the director of the budget determines desirable or as is required by law.

**SECTION 22. AMENDMENT.** Section 54-44.1-06.1 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-06.1. Contents of capital construction bill.** The office of management and budget shall continue to prepare capital construction budgets and a capital construction bill. ~~All future~~ The capital construction ~~bill~~ bill may only include projects involving bonding. All other capital projects funded with general fund moneys or special funds must be included in draft amendments to the appropriate agency's appropriation bill.

**SECTION 23. AMENDMENT.** Section 57-01-04 of the North Dakota Century Code, as amended by House Bill No. 1006, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**57-01-04. Salary.** The annual salary of the state tax commissioner is seventy-six thousand ~~thirty-six~~ seven hundred seventy-four dollars through June 30, 2006, and seventy-nine thousand ~~seventy-seven~~ eight hundred forty-five dollars thereafter.

**SECTION 24. AMENDMENT.** Section 57-40.6-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-40.6-02. Authority of counties or cities to impose fee on telephone exchange access service and on wireless service - Procedure.** The governing body of a county or city may impose a fee on the use of telephone exchange access service and on the use of wireless service in accordance with the following requirements:

1. The governing body shall adopt a resolution that proposes the adoption of the fee permitted under this section. The resolution must specify an effective date for the fee which is no more than two years before the expected implementation date of the emergency services communication system to be funded by the fee. The resolution must include a provision for submitting the proposed fee to the electors of the county or city before the imposition of the fee is effective. The resolution must specify a fee that does not exceed one dollar per month per telephone access line and per wireless access line.
2. The question of the adoption of the fee must be submitted on a ballot on which the ballot title of the proposition includes the maximum monthly rate of the proposed fee authorized under subsection 1. The question of the adoption of the fee may be submitted to electors at a general, primary, or special election or at a school district election if the boundaries of the school district are coterminous with the boundaries of the governing body adopting the resolution proposing the adoption of the fee. The fee is not

effective unless it is approved by a majority of the electors voting on the proposition. The ballot must be worded so that a "yes" vote authorizes imposition of the fee for an initial six-year period.

3. If the electors have approved imposition of a fee under this section before July 1, 2005, and the governing body of the city or county has not implemented that fee by June 30, 2005, the approval by the electors remains valid until the fee is implemented and, upon implementation, the fee may be imposed for a six-year period and is subject to reimposition under subsection 4.
4. 4. Any political subdivision that desires to increase the fee, subject to the limitations in subsection 1, before the end of the six-year term, must use the same ballot procedure originally used to authorize the fee. The new ballot question may apply to only the proposed increase and not to the original amount or the original term. If the increase is approved, the new amount may be collected for the balance of the original six-year term. If the fee authorized by this section is approved by the electors, the fee may be reimposed for six additional years without resubmitting the question to the electors.
4. 5. In any geographic area, only one political subdivision may impose the fee and imposition must be based on the subscriber service address.
5. 6. In the interest of public safety, where the subscriber's telephone exchange access service boundary and the boundary of the political subdivision imposing the fee do not coincide, and where all of the political subdivisions within the subscriber's telephone exchange access service boundary have not complied with subsection 1, and where a majority of the E911 subscribers within the subscriber's telephone exchange access service boundary have voted for the fee, a telephone exchange access service subscriber whose subscriber service address is outside the political subdivision may receive E911 services by signing a contract agreement with the political subdivision providing the emergency services communications system. The telephone exchange access service provider may collect an additional fee, equal in amount to the basic fee on those subscribers within the exchange boundary. The additional fee amounts collected must be remitted as provided in this chapter.
6. 7. A fee imposed under this section before August 1, 2001, may be extended to all wireless service at each subscriber service address within the area in which the fee is imposed only if that extension of the fee has been approved by a majority vote of the governing body of the city or county upon at least thirty days' prior notice in the official newspaper of the city or county that the governing body will consider the issue or by majority vote of the electors of the city or county voting on the question upon placement of the question on the ballot by the governing body of the city or county at a regular or special city or county election.

**SECTION 25. AMENDMENT.** Section 5 of House Bill No. 1518, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**SECTION 5. EFFECTIVE DATE.** The increase in the levy imposed by section 2 of this Act applies to all sales occurring on and after the day of the next calendar quarter occurring at least thirty days after the effective date of this Act July 1, 2005.

**SECTION 26. REPEAL.** Section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed.

**SECTION 27. LEGISLATIVE COUNCIL - STATE EMPLOYEE COMPENSATION STUDY.** The legislative council shall study, during the 2005-06 interim, issues related to state employee compensation. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly. The study must include the following issues, which do not limit the scope of the legislative council's study of the state employee compensation system:

1. Total state employee compensation, including wages and salaries, annual leave, pay grades, classification, disaster or emergency services volunteers' leave, employee assistance program benefits, family and medical leave, funeral leave, holidays, hours of work, jury and witness leave, leave without pay, the merit system, military leave, overtime compensation, retirement benefits, health insurance benefits, severance pay, sick leave, benefits for temporary employees, time off to vote, and veterans' preferences.
2. The human resources system, including the development and determination of pay grades, classifications, and the relevance and appropriateness of utilizing information from the central states compensation association and job service North Dakota, as opposed to intrastate private sector employers in determining appropriate compensation levels and job classifications.
3. Retirement benefits.
4. Health insurance benefits, including the availability of health savings accounts, self-insurance, healthy lifestyle incentives, and the appropriateness of current health insurance benefits.
5. The feasibility and desirability of implementing equity pay, merit pay, and pay for performance compensation systems.

**SECTION 28. LEGISLATIVE COUNCIL STUDY - DEPARTMENT OF CORRECTIONS AND REHABILITATION EMPLOYEE SALARIES.** The legislative council shall consider studying, during the 2005-06 interim, employee salaries of the department of corrections and rehabilitation. The study must include:

1. Input from the office of management and budget human resource management services division regarding a salary comparison of the department's employees to market, the impact on the salary comparison of the salary increases and equity adjustments authorized for the 2005-07 biennium, and a review of the same information from 1995 through 2005, including a comparison of the salaries for the department of corrections and rehabilitation employees to market and any salary increases and equity adjustments provided during that time.
2. Input from the department of corrections and rehabilitation regarding employee salary increases provided by job classification from 1995 through 2005, employee turnover by job classification, salary equity funding requested and provided, and other relevant information.
3. A review by the legislative council of reasons relating to the divergence of salaries for the department of corrections and rehabilitation employees from market, including the related impact of demands on the department's budget due to growth in inmate populations, increase in contract housing of inmates, budget reductions, and agency turnback.

The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly.

**SECTION 29. LEGISLATIVE INTENT - EQUITY ADJUSTMENTS FOR STATE EMPLOYEES.** It is the intent of the fifty-ninth legislative assembly that in addition to state employee compensation adjustments provided by the legislative assembly, state agencies may provide salary equity adjustments to state employees during the second year of the biennium averaging one percent only to the extent the increase can be paid within the limits of the agency's appropriation. The market equity increases are to be prioritized based on equity for employees whose salaries are furthest from their respective salary range midpoints effective July 1, 2005. Market equity increases may not be given to employees whose salary exceeds the midpoints of their assigned salary range effective July 1, 2005. The agency shall report the equity adjustments provided to the office of management and budget.

**SECTION 30. LEGISLATIVE INTENT - RESTORATION OF PILLARS IN THE MEMORIAL HALL.** It is the intent of the fifty-ninth legislative assembly that the office of management and budget restore the pillars in the memorial hall of the state capitol prior to December 1, 2006.

**SECTION 31. HIGHWAY FUND TRANSFER TO SPECIAL ROAD FUND.** The department of transportation shall transfer from the state highway fund to the special road fund the amount necessary to provide \$500,000 in the special road fund for projects, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 32. TRANSFER.** During the biennium beginning July 1, 2005, and ending June 30, 2007, the director of the office of management and budget shall transfer \_\_\_\_\_ from the permanent oil tax trust fund to the general fund.

**SECTION 33. APPROPRIATION - JUDICIAL BRANCH.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$114,925, or so much of the sum as may be necessary, to the judicial branch for the purpose of providing additional compensation to elected judges and justices, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 34. APPROPRIATION - DEPARTMENT OF TRANSPORTATION.** There is appropriated out of any moneys in the public transportation fund in the state treasury, not otherwise appropriated, the sum of \$1,550,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of providing public transportation grants, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 35. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, for the biennium beginning July 1, 2005, and ending June 30, 2007, such amounts as may be necessary, but not to exceed the additional general fund revenues that will become available pursuant to the sale of oil put options as provided for in section 1 of chapter 491 of the 2003 Session Laws, to the office of management and budget to purchase oil put options through the state investment board.

**SECTION 36.** Two new sections to House Bill No. 1286, as approved by the fifty-ninth legislative assembly, are created and enacted as follows:

**SECTION 13. EFFECTIVE DATE.** Section 7 of this Act is effective for records requests made after December 31, 2004.

**SECTION 14. EMERGENCY.** This Act is declared to be an emergency measure.

**SECTION 37. AMENDMENT.** Section 20 of House Bill No. 1043, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**SECTION 20. EFFECTIVE DATE - EXPIRATION DATE.** Section 13 of this Act is effective for taxable events occurring from January 1, 2006 ~~October 1, 2005~~, through June 30, 2007, and is thereafter ineffective. The remainder of this Act is effective for taxable events occurring after ~~December 31~~ September 30, 2005.

**SECTION 38. AMENDMENT.** Section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**SECTION 12. LEGISLATIVE COUNCIL STUDY - STRATEGIC PLAN FOR DEPARTMENT OF CORRECTIONS AND REHABILITATION'S INCARCERATION AND CORRECTIONAL FACILITY NEEDS.**

1. The legislative council shall appoint an interim committee, during the 2005-06 interim, to develop a legislative strategic plan, including site and facilities' plans, for the department of corrections and rehabilitation's incarceration and correctional facility needs.
2. The legislative council shall appoint a minimum of ten members of the house of representatives and a minimum of five members of the senate. The legislative council shall appoint the chairman of the appropriations committee of the house of representatives or the senate or the assistant majority leader of the house of representatives or the senate as the chairman of the committee.
3. The committee shall:
  - a. Receive information from the department of corrections and rehabilitation, regional authorities with regional corrections centers, counties with county jails, cities with city jails, corporations operating private correctional facilities, and others the committee considers necessary to develop a strategic plan for the state's incarceration and correctional facility needs for the next twenty years.
  - b. Consider using existing facilities; other available state facilities; and county, local, or private facilities.
  - c. Consider any cost and benefits of replacing all or parts of existing correctional facilities or other state property with a modern all-encompassing facility.
  - d. Consider state-operated facilities compared to contract-operated state facilities.
  - e. Consider contracting with a private entity to provide all or part of the state's correctional and rehabilitation needs.
  - f. Consider the impact to the department of corrections and rehabilitation of changing sentencing guidelines, increasing fines as an alternative to incarceration for nonviolent or minor drug offenders, and utilizing alternatives to incarceration and treatment programs, including receiving information regarding the efficiency of treatment programs.
  - g. Develop a strategic plan based on the information received by the committee.

- 4- 3. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly.

**SECTION 39. DEPARTMENT OF HUMAN SERVICES - STATE HOSPITAL EMPLOYEE POSITIONS.** The fifty-ninth Legislative Assembly authorizes up to twenty-one additional full-time equivalent employee positions at the state hospital relating to the provisions of Senate Bill No. 2373, subject to approval by the emergency commission and the budget section.

**SECTION 40. LAKE REGION STATE COLLEGE NORTH HALL.** Lake region state college is authorized to change the scope of the project approved by the 2003 legislative assembly to allow for the renovation of the north hall residence facility to include complete remodeling of the entire facility.

**SECTION 41. EMERGENCY.** Section 36 of this Act is declared to be an emergency measure."

Page 4, remove lines 1 through 30.

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 5

Renumber accordingly

# **STATEMENT OF PURPOSE OF AMENDMENT:**

## **House Bill No. 1015 - Summary of Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Office of Management and Budget						
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037	\$27,407,037	\$0
Less estimated income	11,683,281	7,374,000	103,868	7,477,868	7,477,868	
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169	\$19,929,169	\$0
Legislative Assembly						
Total all funds	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
Less estimated income						
General fund	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
Judicial Branch						
Total all funds	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Less estimated income						
General fund	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Department of Transportation						
Total all funds	\$0	\$0	\$1,550,000	\$1,550,000	\$0	\$1,550,000
Less estimated income			1,550,000	1,550,000		1,550,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Bill Total						
Total all funds	\$33,952,969	\$27,416,061	\$1,655,901	\$29,071,962	\$27,507,037	\$1,564,925
Less estimated income	11,683,281	7,374,000	1,653,868	9,027,868	7,477,868	1,550,000
General fund	\$22,269,688	\$20,042,061	\$2,033	\$20,044,094	\$20,029,169	\$14,925

## **House Bill No. 1015 - Office of Management and Budget - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	\$13,558,925	\$13,512,017	(\$16,224)	\$13,495,793	\$13,495,793	

Operating expenses	11,233,906	11,233,906	107,200	11,341,106	11,341,106	
Capital assets	2,644,000	844,000		844,000	844,000	
Grants	179,000	389,000		389,000	389,000	
Prairie Public Broadcasting	1,337,138	1,337,138		1,337,138	1,337,138	
Statewide equity pool	5,000,000					
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037	\$27,407,037	\$0
Less estimated income	11,683,281	7,374,000	103,868	7,477,868	7,477,868	
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169	\$19,929,169	\$0
FTE	130.50	130.50	0.00	130.50	130.50	0.00

**Dept. 110 - Office of Management and Budget - Detail of Conference Committee Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	PROVIDES AUTHORITY FOR SERVER HOSTING SERVICES AND HOMELAND SECURITY <sup>2</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	(\$16,224)		(\$16,224)
Operating expenses		\$107,200	107,200
Capital assets			
Grants			
Prairie Public Broadcasting			
Statewide equity pool			
Total all funds	(\$16,224)	\$107,200	\$90,976
Less estimated income	(3,332)	107,200	103,868
General fund	(\$12,892)	\$0	(\$12,892)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

<sup>2</sup> The conference committee agreed with the Senate amendment to add \$107,200 of funding from a homeland security grant to risk management for the cost of server hosting services at the Information Technology Department.

The conference committee agreed with the Senate amendments relating to the following:

- Amends North Dakota Century Code (NDCC) Section 54-03-20 providing for a member of the Legislative Assembly to elect to be reimbursed for less than the amount to which the legislator is entitled.
- Amends NDCC Section 54-44.1-06 providing that appropriation bills prepared by the Office of Management and Budget provide the same funding as approved by the most recently adjourned special or regular session of the Legislative Assembly, with amendments presented to reflect the executive recommendation. This amendment also provides for the Office of Management and Budget to provide the Legislative Assembly with estimated budget information for an additional four-year period beyond the two-year period covered by the executive recommendation.
- In addition, the Senate amended NDCC Section 54-44.1-06.1 to provide that the capital construction bill include only projects involving bonding and that all other capital projects be included in draft amendments to the appropriate agency's appropriations bill.
- Repeals Section 9 of 2005 Senate Bill No. 2015 relating to preparation of future composite schedules for teacher salaries.
- Removes the section which would have required the North Dakota Wheat Commission to submit a budget request to the Legislative Assembly.
- Provides for a Legislative Council study of employee salaries for the Department of Corrections and Rehabilitation.
- Allows additional state employee compensation adjustments for salary equity adjustments averaging 1 percent for the second year of the biennium to be paid from existing agency appropriations.

### House Bill No. 1015 - Legislative Assembly - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Capital assets		<u>\$100,000</u>	<u>(\$100,000)</u>		<u>\$100,000</u>	<u>(\$100,000)</u>
Total all funds	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
Less estimated income						
General fund	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

### Dept. 150 - Legislative Assembly - Detail of Conference Committee Changes

	REMOVES FUNDING FOR MEETING ROOM REMODELING PROJECT <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Capital assets	<u>(\$100,000)</u>	<u>(\$100,000)</u>
Total all funds	<u>(\$100,000)</u>	<u>(\$100,000)</u>
Less estimated income		
General fund	<u>(\$100,000)</u>	<u>(\$100,000)</u>
FTE	0.00	0.00

<sup>1</sup> The conference committee removed the funding for the meeting room remodeling project.

### House Bill No. 1015 - Judicial Branch - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages			<u>\$114,925</u>	<u>\$114,925</u>		<u>\$114,925</u>
Total all funds	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Less estimated income						
General fund	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
FTE	0.00	0.00	0.00	0.00	0.00	0.00

### Dept. 180 - Judicial Branch - Detail of Conference Committee Changes

	PROVIDES FUNDING FOR PROVIDING SALARY INCREASES TO JUDGES <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	<u>\$114,925</u>	<u>\$114,925</u>
Total all funds	<u>\$114,925</u>	<u>\$114,925</u>
Less estimated income		
General fund	<u>\$114,925</u>	<u>\$114,925</u>
FTE	0.00	0.00

<sup>1</sup> The conference committee provided an appropriation from the general fund for the increased cost to the judicial branch of providing judges and justices a 4 percent salary increase for each year of the biennium rather than a 3 percent for the first year and 4 percent the second year.

### House Bill No. 1015 - Department of Transportation - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Grants			<u>\$1,550,000</u>	<u>\$1,550,000</u>		<u>\$1,550,000</u>
Total all funds	\$0	\$0	\$1,550,000	\$1,550,000	\$0	\$1,550,000
Less estimated income			<u>1,550,000</u>	<u>1,550,000</u>		<u>1,550,000</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Dept. 801 - Department of Transportation - Detail of Conference Committee Changes**

	PROVIDES FUNDING FOR PUBLIC TRANSPORTATION GRANTS <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Grants	<u>\$1,550,000</u>	<u>\$1,550,000</u>
Total all funds	\$1,550,000	\$1,550,000
Less estimated income	<u>1,550,000</u>	<u>1,550,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> The conference committee authorized \$1,550,000 from the public transportation fund to the Department of Transportation for providing additional public transportation grants.

The conference committee made the following changes:

- Adds a section appropriating \$1,550,000 from the public transportation fund to the Department of Transportation for providing additional public transportation grants.
- Adds sections making the statutory changes to provide elected officials, except the Governor and Lieutenant Governor, a 4 percent salary increase for each year of the biennium. An appropriation section is added providing \$114,925 from the general fund for the increased cost to the judicial branch of providing judges and justices a 4 percent salary increase for each year of the biennium rather than 3 percent for the first year and 4 percent for the second year.
- Adds a section providing a transfer from the permanent oil tax trust fund to the general fund.
- Adds a section requiring the Department of Transportation to transfer funds from the state highway fund to a special road fund to make available \$500,000 in the special road fund for projects during the 2005-07 biennium.
- Provides for a transfer of \$6,800,000 from the lands and minerals trust fund to the general fund. The Senate amendment limited the transfer to \$5,000,000.
- Removes sections relating to the transfer of State Radio to the Division of Emergency Management.
- Provides intent for the Office of Management and Budget to restore the pillars in Memorial Hall.
- Creates two new sections to House Bill No. 1286 relating to open records request and to declare an emergency.
- Provides for Legislative Council study of state employee compensation.
- Changes the effective date for the increase in the wheat tax levy.
- Amends Section 12 of 2005 Senate Bill No. 2015 relating to a Legislative Council study of the Department of Corrections and Rehabilitation.
- Amends Section 20 of 2005 House Bill No. 1043 relating to the effective date of streamlined sales tax agreement complying amendments.
- Authorizes change in the scope of the North Hall renovation project at Lake Region State College.
- Adds a section allowing the Office of Management and Budget to purchase oil put options.
- Amends Section 57-40.6-02 relating to voter approval of imposition of fees for emergency services communication systems.

58038.0263  
Title.

Y/W  
B  
R  
RB

Passed

Prepared by the Legislative Council staff for  
Senator Holmberg  
April 23, 2005

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 6, after line 5, insert:

**"SECTION 15. APPROPRIATION - NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND.** There is appropriated out any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$20,000, or so much of the sum as may be necessary, to the North Dakota vision services - school for the blind for the purpose of providing additional funding for temporary salaries, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

0263

passes

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number **HB1015** (, as (re)engrossed):

Date:

4-23-05

Your Conference Committee

**House Appropriations**

**For the Senate:**

**For the House:**

YES / NO

YES / NO

Sen. Stenejem **X**

Rep. Berg

**X**

Sen. Holmberg **X**

Rep Svedjan

**X**

Sen. O'Connell **X**

Rep Boucher

**X**

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed)

was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO.

of amendment

LC NO.

of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**MOTION MADE BY:**

**SECONDED BY:**

**VOTE COUNT** \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

*Failed*

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 2, line 3, replace "1,337,138" with "1,687,138"

Page 2, line 4, replace "(\$312,926)" with "\$37,074"

Page 2, line 6, replace "201,550" with "551,550"

Page 2, line 17, replace "1,337,138" with "1,687,138"

Page 2, line 18, replace "27,316,061" with "27,666,061"

Page 2, line 20, replace "19,942,061" with "20,292,061"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1015 - Summary of Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Office of Management and Budget						
Total all funds	\$33,952,969	\$27,316,061	\$350,000	\$27,666,061	\$27,407,037	\$259,024
Less estimated income	<u>11,683,281</u>	<u>7,374,000</u>		<u>7,374,000</u>	<u>7,477,868</u>	<u>(103,868)</u>
General fund	\$22,269,688	\$19,942,061	\$350,000	\$20,292,169	\$19,929,169	\$362,892
Legislative Assembly						
Total all funds	\$0	\$100,000	\$0	\$100,000	\$100,000	\$0
Less estimated income						
General fund	\$0	\$100,000	\$0	\$100,000	\$100,000	\$0
Bill Total						
Total all funds	\$33,952,969	\$27,416,061	\$350,000	\$27,507,061	\$27,507,037	\$259,024
Less estimated income	<u>11,683,281</u>	<u>7,374,000</u>		<u>7,374,000</u>	<u>7,477,868</u>	<u>(103,868)</u>
General fund	\$22,269,688	\$20,042,061	\$350,000	\$20,392,061	\$20,029,169	\$362,892

**House Bill No. 1015 - Office of Management and Budget - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	\$13,558,925	\$13,512,017		\$13,512,017	\$13,495,793	\$16,224
Operating expenses	11,233,906	11,233,906		11,233,906	11,341,106	(107,200)
Capital assets	2,644,000	844,000		844,000	844,000	
Grants	179,000	389,000		389,000	389,000	
Prairie Public Broadcasting	1,337,138	1,337,138	\$350,000	1,687,138	1,337,138	350,000
Statewide equity pool	<u>5,000,000</u>					
Total all funds	\$33,952,969	\$27,316,061	\$350,000	\$27,666,061	\$27,407,037	\$259,024
Less estimated income	<u>11,683,281</u>	<u>7,374,000</u>		<u>7,374,000</u>	<u>7,477,868</u>	<u>(103,868)</u>
General fund	\$22,269,688	\$19,942,061	\$350,000	\$20,292,061	\$19,929,169	\$362,892
FTE	130.50	130.50	0.00	130.50	130.50	0.00

# Dept. 110 - Office of Management and Budget - Detail of Conference Committee Changes

	ADDS FUNDING FOR PRAIRIE PUBLIC TELEVISION AND RADIO <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages		
Operating expenses		
Capital assets		
Grants		
Prairie Public Broadcasting	\$350,000	\$350,000
Statewide equity pool		
Total all funds	\$350,000	\$350,000
Less estimated income		
General fund	\$350,000	\$350,000
FTE	0.00	0.00

<sup>1</sup> This amendment appropriates \$350,000 from the general fund for Prairie Public Broadcasting to make improvements to radio and television tower equipment in order to reach Rolette County.

0264

Failed

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number **HB1015** (, as (re)engrossed):

Date:

4-23-05

Your Conference Committee **House Appropriations**

**For the Senate:**

**For the House:**

YES / NO

YES / NO

Sen. Stenejem	X	Rep. Berg	X
Sen. Holmberg	X	Rep Svedjan	X
Sen. O'Connell	X	Rep Boucher	X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_ -- \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**MOTION MADE BY:**

**SECONDED BY:**

**VOTE COUNT** \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

Remove  
Seet 35  
#0268

passed

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

Bill Number HB1015 (, as (re)engrossed):

Date: 4-23-05

Your Conference Committee House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejhem	X	Rep. Berg	X
Sen. Holmberg	X	Rep Svedjan	X
Sen. O'Connell	X	Rep Boucher	X

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE:

CARRIER:

LC NO. \_\_\_\_\_ of amendment

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted  
Statement of purpose of amendment

MOTION MADE BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

VOTE COUNT \_\_\_\_ YES \_\_\_\_ NO \_\_\_\_ ABSENT

Revised 4/1/05

#0267

Passed

REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)

Bill Number HB1015 (, as (re)engrossed):

Date:

4-23-05

Your Conference Committee

House Appropriations

For the Senate:

For the House:

YES / NO

YES / NO

Sen. Stenejhem X

Rep. Berg

Sen. Holmberg X

Rep Svedjan

Sen. O'Connell X

Rep Boucher

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1857 -- 1862

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

X, adopt (further) amendments as follows, and place 1015 on the  
Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged  
and a new committee be appointed.

((Re)Engrossed) HB1015 was placed on the Seventh order of business on the calendar.

DATE: 4-23-05

CARRIER: Rep Berg

LC NO. 58038 of amendment . 0267

LC NO. \_\_\_\_\_ of engrossment

Emergency clause added or deleted  
Statement of purpose of amendment

MOTION MADE BY: ~~Rep~~ Rep Svedjan

SECONDED BY: Sen. Stenejhem

VOTE COUNT 6 YES 0 NO 0 ABSENT

Revised 4/1/05

**REPORT OF CONFERENCE COMMITTEE**

**HB 1015, as engrossed:** Your conference committee (Sens. Stenehjem, Holmberg, O'Connell and Reps. Berg, Svedjan, Boucher) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1857-1862, adopt amendments as follows, and place HB 1015 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1857-1862 of the House Journal and pages 1548-1554 of the Senate Journal and that Engrossed House Bill No. 1015 be amended as follows:

Page 1, line 4, after the semicolon insert "to create and enact two new sections to House Bill No. 1286, as approved by the fifty-ninth legislative assembly, and a new section to Senate Bill No. 2012, as approved by the fifty-ninth legislative assembly, relating to open records requests and to interpretation of provisions relating to refunds of certain fuels taxes paid by native Americans;" and remove "section 4-28-08,"

Page 1, line 5, remove "subsection 6 of section 37-17.1-06, and" and replace "54-23.2-01, 54-52.1-06, and 57-40.6-12" with "4-01-21, 15.1-02-02, 15.1-06-06, 26.1-01-09, 27-02-02, 27-05-03, 49-01-05, 54-03-20, 54-09-05, 54-10-10, 54-11-13, 54-12-11, 54-44.1-06, 54-44.1-06.1, 57-01-04, and 57-40.6-02"

Page 1, line 6, after "Code" insert "and section 5 of House Bill No. 1518, section 12 of Senate Bill No. 2015, and section 20 of House Bill No. 1043, as approved by the fifty-ninth legislative assembly", after "to" insert "salaries of elected officials, school calendars, lodging reimbursement for members of the legislative assembly, preparation of the budget data, voter approval of imposition of fees for emergency services communication systems," and replace "fund, the division of" with "levy, a legislative council study of the department of corrections and rehabilitation, and the effective date of streamlined sales tax agreement complying amendments; to repeal section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, relating to composite schedules for teacher salaries; to provide for a legislative council study; to provide legislative intent; and to declare an emergency."

Page 1, remove lines 7 and 8

Page 1, line 24, replace "(\$1,876,214)" with "(\$1,892,438)"

Page 1, line 25, replace "(94,850)" with "12,350"

Page 2, line 4, replace "(\$312,926)" with "(\$221,950)"

Page 2, line 5, replace "(514,476)" with "(410,608)"

Page 2, line 6, replace "201,550" with "188,658"

Page 2, line 13, replace "13,512,017" with "13,495,793"

Page 2, line 14, replace "11,233,906" with "11,341,106"

Page 2, line 18, replace "27,316,061" with "27,407,037"

Page 2, line 19, replace "7,374,000" with "7,477,868"

Page 2, line 20, replace "19,942,061" with "19,929,169"

Page 3, line 11, replace "\$5,000,000 or such greater amount as may be available" with "\$6,800,000"

Page 3, replace lines 22 through 31 with:

**"SECTION 10. AMENDMENT.** Section 4-01-21 of the North Dakota Century Code, as amended by House Bill No. 1009, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**4-01-21. Salary of agriculture commissioner.** The annual salary of the agriculture commissioner is seventy one thousand ~~nine~~ six hundred ~~seventy~~ sixty-nine dollars through June 30, 2006, and seventy four thousand ~~eight~~ five hundred ~~forty-nine~~ seventy-six dollars thereafter.

**SECTION 11. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code, as amended by House Bill No. 1013, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is seventy nine thousand ~~seven~~ five hundred ~~fifty-seven~~ thirty-one dollars through June 30, 2006, ~~eighty-two~~ and eighty-three thousand ~~nine~~ seven hundred forty seven fifty-three dollars thereafter.

**SECTION 12. AMENDMENT.** Section 15.1-06-06 of the North Dakota Century Code, as amended and reenacted by House Bill No. 1154, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**15.1-06-06. Approval of public and nonpublic schools.** Each public and nonpublic school in this state offering elementary or secondary education to students must be approved by the superintendent of public instruction. Except as otherwise provided by law, the superintendent may not approve a school unless:

1. Each classroom teacher is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board;
2. Each classroom teacher is teaching only in those course areas or fields for which the teacher is licensed or for which the teacher has received an exception under section 2 of House Bill No. 1076, as approved by the fifty-ninth legislative assembly;
3. The students are offered all subjects required by law; and
4. The school is in compliance with the calendar requirements set forth in section 15.1-06-04; and
5. The school is in compliance with all local and state health, fire, and safety laws.

**SECTION 13. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code, as amended by House Bill No. 1010, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**26.1-01-09. Salary of commissioner.** The annual salary of the commissioner is seventy thousand ~~fifty-nine~~ seven hundred thirty-nine dollars through June 30, 2006, and ~~seventy-two~~ seventy-three thousand ~~eight~~ five hundred ~~sixty-one~~ sixty-eight dollars thereafter.

**SECTION 14. AMENDMENT.** Section 27-02-02 of the North Dakota Century Code, as amended by Senate Bill No. 2002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**27-02-02. Salaries of justices of supreme court.** The annual salary of each justice of the supreme court is one hundred ~~two~~ three thousand ~~ninety-six~~ ninety-seven dollars through June 30, 2006, and one hundred ~~six~~ seven thousand ~~one~~ two hundred ~~eighty~~ ten dollars thereafter. The chief justice of the supreme court is entitled to receive an additional ~~two~~ three thousand ~~nine~~ nine hundred ~~eighty-six~~ fifteen dollars per annum through June 30, 2006, and three thousand one hundred ~~five~~ thirty-six dollars per annum thereafter.

**SECTION 15. AMENDMENT.** Section 27-05-03 of the North Dakota Century Code, as amended by Senate Bill No. 2002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**27-05-03. Salaries and expenses of district judges.** The annual salary of each district judge is ~~ninety-three~~ ninety-four thousand ~~three~~ two hundred ~~ninety-one~~ ninety-eight dollars through June 30, 2006, and ~~ninety-seven~~ seventy thousand ~~one~~ one hundred ~~twenty-seven~~ seventy dollars thereafter. Each district judge is entitled to travel expenses including mileage and subsistence while engaged in the discharge of official duties outside the city in which the judge's chambers are located. The salary and expenses are payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled to receive an additional two thousand seven hundred ~~fifty-two~~ seventy-nine dollars per annum, through June 30, 2006, and two thousand eight hundred ~~sixty-two~~ ninety dollars thereafter.

**SECTION 16. AMENDMENT.** Section 49-01-05 of the North Dakota Century Code, as amended by House Bill No. 1008, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**49-01-05. Salary of commissioners.** The annual salary of a commissioner is ~~seventy-one~~ seventy-two thousand ~~nine~~ six hundred ~~seventy~~ sixty-nine dollars through June 30, 2006, and ~~seventy-four~~ seventy-five thousand ~~eight~~ five hundred ~~forty-nine~~ seventy-six dollars thereafter. All fees received or charged by any commissioner for any act or service rendered in any official capacity must be accounted for and paid over by the commissioner monthly to the state treasurer and must be credited to the general fund of the state.

**SECTION 17. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code, as amended by section 1 of Senate Bill No. 2059 as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-03-20. Compensation and expense reimbursement of members of the legislative assembly.**

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred twenty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed a maximum of nine hundred dollars per calendar month for lodging in state, at the rates

and in the manner provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session.

b. Notwithstanding subdivision a:

(1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.

(2) The legislative council may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.

3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.

b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed nine hundred dollars per month.

4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.

5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.

7. a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option.
- b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
- c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

**SECTION 18. AMENDMENT.** Section 54-09-05 of the North Dakota Century Code, as amended by House Bill No. 1002, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-09-05. Salary of secretary of state.** The annual salary of the secretary of state is seventy thousand ~~fifty-nine~~ seven hundred thirty-nine dollars through June 30, 2006, and seventy two seventy-three thousand ~~eight~~ eight five hundred ~~sixty-one~~ sixty-eight dollars thereafter.

**SECTION 19. AMENDMENT.** Section 54-10-10 of the North Dakota Century Code, as amended by House Bill No. 1004, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-10-10. Salary of state auditor.** The annual salary of the state auditor is seventy thousand ~~fifty-nine~~ seven hundred thirty-nine dollars through June 30, 2006, ~~seventy two~~ and seventy-three thousand ~~eight~~ eight five hundred ~~sixty-one~~ sixty-eight dollars thereafter.

**SECTION 20. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code, as amended by House Bill No. 1005, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-11-13. Salary of state treasurer.** The annual salary of the state treasurer is sixty-six thousand ~~one~~ eight hundred ~~sixty two~~ sixty two dollars through June 30, 2006, and ~~sixty-eight~~ sixty-nine thousand ~~eight~~ eight four hundred ~~six~~ seventy-four dollars thereafter.

**SECTION 21. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code, as amended by House Bill No. 1003, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**54-12-11. Salary of attorney general.** The annual salary of the attorney general is seventy six seventy-seven thousand ~~nine~~ six hundred ~~eight~~ fifty-five dollars through June 30, 2006, and seventy nine eighty thousand ~~nine~~ seven hundred ~~eighty-four~~ sixty-one dollars thereafter.

**SECTION 22. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2005, is amended and reenacted as follows:

**54-44.1-06. (Effective after June 30, 2005) Preparation of the budget data - Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by the detailed schedules of assets and liabilities as the director of the budget determines desirable, which must include the following:
  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and
  - b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.
3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.
4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable

differences among the amounts recommended, with any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.

5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.
6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.
7. Drafts of a proposed general appropriations act and special appropriations acts for executive branch departments, agencies, and institutions, including institutions of higher education, providing the same funding as approved by the most recently adjourned special or regular session of the legislative assembly and amendments to the drafts of appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.
8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.
9. A financial plan for a prospective period of six years, including the executive budget recommendation for the next biennium, estimates of anticipated general fund and non-general fund revenues prepared for an additional period of four years, and estimates of the general fund and non-general fund appropriations required for each major program for an additional period of four years. In preparing the financial plan, the office of management and budget may utilize estimates prepared by state agencies or such other information as may be deemed necessary.
10. Any other information as the director of the budget determines desirable or as is required by law.

**SECTION 23. AMENDMENT.** Section 54-44.1-06.1 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-06.1. Contents of capital construction bill.** The office of management and budget shall continue to prepare capital construction budgets and a capital construction bill. ~~All future~~ The capital construction ~~bill~~ bill may only include projects involving bonding. All other capital projects funded with general fund moneys or special funds must be included in draft amendments to the appropriate agency's appropriation bill.

**SECTION 24. AMENDMENT.** Section 57-01-04 of the North Dakota Century Code, as amended by House Bill No. 1006, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**57-01-04. Salary.** The annual salary of the state tax commissioner is seventy-six thousand ~~thirty-six~~ seven hundred seventy-four dollars through June 30, 2006, and seventy-nine thousand seven hundred eighty-four dollars thereafter.

**SECTION 25. AMENDMENT.** Section 57-40.6-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-40.6-02. Authority of counties or cities to impose fee on telephone exchange access service and on wireless service - Procedure.** The governing body of a county or city may impose a fee on the use of telephone exchange access service and on the use of wireless service in accordance with the following requirements:

1. The governing body shall adopt a resolution that proposes the adoption of the fee permitted under this section. The resolution must specify an effective date for the fee which is no more than two years before the expected implementation date of the emergency services communication system to be funded by the fee. The resolution must include a provision for submitting the proposed fee to the electors of the county or city before the imposition of the fee is effective. The resolution must specify a fee that does not exceed one dollar per month per telephone access line and per wireless access line.
2. The question of the adoption of the fee must be submitted on a ballot on which the ballot title of the proposition includes the maximum monthly rate of the proposed fee authorized under subsection 1. The question of the adoption of the fee may be submitted to electors at a general, primary, or special election or at a school district election if the boundaries of the school district are coterminous with the boundaries of the governing body adopting the resolution proposing the adoption of the fee. The fee is not effective unless it is approved by a majority of the electors voting on the proposition. The ballot must be worded so that a "yes" vote authorizes imposition of the fee for an initial six-year period.
3. If the electors have approved imposition of a fee under this section before July 1, 2005, and the governing body of the city or county has not implemented that fee by June 30, 2005, the approval by the electors remains valid until the fee is implemented and, upon implementation, the fee may be imposed for a six-year period and is subject to reimposition under subsection 4.

4. Any political subdivision that desires to increase the fee, subject to the limitations in subsection 1, before the end of the six-year term, must use the same ballot procedure originally used to authorize the fee. The new ballot question may apply to only the proposed increase and not to the original amount or the original term. If the increase is approved, the new amount may be collected for the balance of the original six-year term. If the fee authorized by this section is approved by the electors, the fee may be reimposed for six additional years without resubmitting the question to the electors.
4. 5. In any geographic area, only one political subdivision may impose the fee and imposition must be based on the subscriber service address.
5. 6. In the interest of public safety, where the subscriber's telephone exchange access service boundary and the boundary of the political subdivision imposing the fee do not coincide, and where all of the political subdivisions within the subscriber's telephone exchange access service boundary have not complied with subsection 1, and where a majority of the E911 subscribers within the subscriber's telephone exchange access service boundary have voted for the fee, a telephone exchange access service subscriber whose subscriber service address is outside the political subdivision may receive E911 services by signing a contract agreement with the political subdivision providing the emergency services communications system. The telephone exchange access service provider may collect an additional fee, equal in amount to the basic fee on those subscribers within the exchange boundary. The additional fee amounts collected must be remitted as provided in this chapter.
6. 7. A fee imposed under this section before August 1, 2001, may be extended to all wireless service at each subscriber service address within the area in which the fee is imposed only if that extension of the fee has been approved by a majority vote of the governing body of the city or county upon at least thirty days' prior notice in the official newspaper of the city or county that the governing body will consider the issue or by majority vote of the electors of the city or county voting on the question upon placement of the question on the ballot by the governing body of the city or county at a regular or special city or county election.

**SECTION 26. AMENDMENT.** Section 5 of House Bill No. 1518, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**SECTION 5. EFFECTIVE DATE.** The increase in the levy imposed by section 2 of this Act applies to all sales occurring on and after the day of the next calendar quarter occurring at least thirty days after the effective date of this Act July 1, 2005.

**SECTION 27. REPEAL.** Section 9 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is repealed.

**SECTION 28. LEGISLATIVE COUNCIL - STATE EMPLOYEE COMPENSATION STUDY.** The legislative council shall study, during the 2005-06 interim, issues related to state employee compensation. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly. The study must include the following issues, which do not limit the scope of the legislative council's study of the state employee compensation system:

1. Total state employee compensation, including wages and salaries, annual leave, pay grades, classification, disaster or emergency services volunteers' leave, employee assistance program benefits, family and medical leave, funeral leave, holidays, hours of work, jury and witness leave, leave without pay, the merit system, military leave, overtime compensation, retirement benefits, health insurance benefits, severance pay, sick leave, benefits for temporary employees, time off to vote, and veterans' preferences.
2. The human resources system, including the development and determination of pay grades, classifications, and the relevance and appropriateness of utilizing information from the central states compensation association and job service North Dakota, as opposed to intrastate private sector employers in determining appropriate compensation levels and job classifications.
3. Retirement benefits.
4. Health insurance benefits, including the availability of health savings accounts, self-insurance, healthy lifestyle incentives, and the appropriateness of current health insurance benefits.
5. The feasibility and desirability of implementing equity pay, merit pay, and pay for performance compensation systems.

**SECTION 29. LEGISLATIVE COUNCIL STUDY - DEPARTMENT OF CORRECTIONS AND REHABILITATION EMPLOYEE SALARIES.** The legislative council shall consider studying, during the 2005-06 interim, employee salaries of the department of corrections and rehabilitation. The study must include:

1. Input from the office of management and budget human resource management services division regarding a salary comparison of the department's employees to market, the impact on the salary comparison of the salary increases and equity adjustments authorized for the 2005-07 biennium, and a review of the same information from 1995 through 2005, including a comparison of the salaries for the department of corrections and rehabilitation employees to market and any salary increases and equity adjustments provided during that time.
2. Input from the department of corrections and rehabilitation regarding employee salary increases provided by job classification from 1995 through 2005, employee turnover by job classification, salary equity funding requested and provided, and other relevant information.
3. A review by the legislative council of reasons relating to the divergence of salaries for the department of corrections and rehabilitation employees from market, including the related impact of demands on the department's budget due to growth in inmate populations, increase in contract housing of inmates, budget reductions, and agency turnback.

The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly.

**SECTION 30. LEGISLATIVE INTENT - RESTORATION OF PILLARS IN THE MEMORIAL HALL.** It is the intent of the fifty-ninth legislative assembly that the office

of management and budget restore the pillars in the memorial hall of the state capitol prior to December 1, 2006.

**SECTION 31. HIGHWAY FUND TRANSFER TO SPECIAL ROAD FUND.**

The department of transportation shall transfer from the state highway fund to the special road fund the amount necessary to provide \$500,000 in the special road fund for projects, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 32. TRANSFER.** During the biennium beginning July 1, 2005, and ending June 30, 2007, the director of the office of management and budget shall transfer \$55,300,000 from the permanent oil tax trust fund to the general fund.

**SECTION 33. APPROPRIATION - JUDICIAL BRANCH.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$114,925, or so much of the sum as may be necessary, to the judicial branch for the purpose of providing additional compensation to elected judges and justices, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 34. APPROPRIATION - NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND.** There is appropriated out any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$20,000, or so much of the sum as may be necessary, to the North Dakota vision services - school for the blind for the purpose of providing additional funding for temporary salaries, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 35. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, for the biennium beginning July 1, 2005, and ending June 30, 2007, such amounts as may be necessary, but not to exceed the additional general fund revenues that will become available pursuant to the sale of oil put options as provided for in section 1 of chapter 491 of the 2003 Session Laws, to the office of management and budget to purchase oil put options through the state investment board.

**SECTION 36. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$65,000, or so much of the sum as may be necessary, to the department of human services for providing additional incentive money to the Lake Region child support enforcement unit, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 37. APPROPRIATION - LEGISLATIVE ASSEMBLY.** There is appropriated out of any moneys in the water development trust fund in the state treasury, not otherwise appropriated, the sum of \$20,000, or so much of the sum as may be necessary, to the legislative assembly for the purpose of paying North Dakota's contribution to the legislators' forum for Manitoba, Minnesota, North Dakota, and South Dakota, for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 38.** Two new sections to House Bill No. 1286, as approved by the fifty-ninth legislative assembly, are created and enacted as follows:

**SECTION 13. EFFECTIVE DATE.** Section 7 of this Act is effective for records requests made after December 31, 2004.

**SECTION 14. EMERGENCY.** This Act is declared to be an emergency measure.

**SECTION 39.** A new section to Senate Bill No. 2012, as approved by the fifty-ninth legislative assembly, is created and enacted as follows:

**LEGISLATIVE INTENT REGARDING INTERPRETATION.** Sections 13 and 16 of this Act may not be construed to preclude claims for motor vehicle and special fuel tax refunds by tribal members or tribal entities for taxes on purchases made before January 1, 2005.

**SECTION 40. AMENDMENT.** Section 20 of House Bill No. 1043, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**SECTION 20. EFFECTIVE DATE - EXPIRATION DATE.** Section 13 of this Act is effective for taxable events occurring from January 1, 2006 October 1, 2005, through June 30, 2007, and is thereafter ineffective. The remainder of this Act is effective for taxable events occurring after December 31 September 30, 2005.

**SECTION 41. AMENDMENT.** Section 12 of Senate Bill No. 2015, as approved by the fifty-ninth legislative assembly, is amended and reenacted as follows:

**SECTION 12. LEGISLATIVE COUNCIL STUDY - STRATEGIC PLAN FOR DEPARTMENT OF CORRECTIONS AND REHABILITATION'S INCARCERATION AND CORRECTIONAL FACILITY NEEDS.**

1. The legislative council shall appoint an interim committee, during the 2005-06 interim, to develop a legislative strategic plan, including site and facilities' plans, for the department of corrections and rehabilitation's incarceration and correctional facility needs.
2. The legislative council shall appoint a minimum of ten members of the house of representatives and a minimum of five members of the senate. The legislative council shall appoint the chairman of the appropriations committee of the house of representatives or the senate or the assistant majority leader of the house of representatives or the senate as the chairman of the committee.
3. The committee shall:
  - a. Receive information from the department of corrections and rehabilitation, regional authorities with regional corrections centers, counties with county jails, cities with city jails, corporations operating private correctional facilities, and others the committee considers necessary to develop a strategic plan for the state's incarceration and correctional facility needs for the next twenty years.
  - b. Consider using existing facilities; other available state facilities; and county, local, or private facilities.
  - c. Consider any cost and benefits of replacing all or parts of existing correctional facilities or other state property with a modern all-encompassing facility.
  - d. Consider state-operated facilities compared to contract-operated state facilities.
  - e. Consider contracting with a private entity to provide all or part of the state's correctional and rehabilitation needs.

- f. Consider the impact to the department of corrections and rehabilitation of changing sentencing guidelines, increasing fines as an alternative to incarceration for nonviolent or minor drug offenders, and utilizing alternatives to incarceration and treatment programs, including receiving information regarding the efficiency of treatment programs.
  - g. Develop a strategic plan based on the information received by the committee.
4. 3. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly.

**SECTION 42. DEPARTMENT OF HUMAN SERVICES - STATE HOSPITAL EMPLOYEE POSITIONS.** The fifty-ninth Legislative Assembly authorizes up to twenty-one additional full-time equivalent employee positions at the state hospital relating to the provisions of Senate Bill No. 2373, subject to approval by the emergency commission and the budget section.

**SECTION 43. LAKE REGION STATE COLLEGE NORTH HALL.** Lake region state college is authorized to change the scope of the project approved by the 2003 legislative assembly to allow for the renovation of the north hall residence facility to include complete remodeling of the entire facility.

**SECTION 44. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES - PERFORMANCE AUDIT.** Notwithstanding North Dakota Century Code section 54-10-01, the state auditor may not conduct a performance audit during the 2005-07 biennium of the university of North Dakota school of medicine and health sciences until the completion of the school's accreditation process.

**SECTION 45. EMERGENCY.** Section 38 of this Act and section 8 of Senate Bill No. 2012, as approved by the fifty-ninth legislative assembly, is declared to be an emergency measure."

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 5

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1015 - Summary of Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Office of Management and Budget						
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037	\$27,407,037	\$0
Less estimated income	11,683,281	7,374,000	103,868	7,477,868	7,477,868	
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169	\$19,929,169	\$0
Legislative Assembly						
Total all funds	\$0	\$100,000	(\$80,000)	\$20,000	\$100,000	(\$80,000)
Less estimated income			20,000	20,000		20,000

**REPORT OF CONFERENCE COMMITTEE (420)**  
**April 23, 2005 8:54 p.m.**

**Module No: SR-76-8770**

**Insert LC: 58038.0267**

General fund	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
Judicial Branch						
Total all funds	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Less estimated income						
General fund	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Vision Services - School for the Blind						
Total all funds	\$0	\$0	\$20,000	\$20,000	\$0	\$20,000
Less estimated income						
General fund	\$0	\$0	\$20,000	\$20,000	\$0	\$20,000
DHS - Program/Policy						
Total all funds	\$0	\$0	\$65,000	\$65,000	\$0	\$65,000
Less estimated income						
General fund	\$0	\$0	\$65,000	\$65,000	\$0	\$65,000
Bill Total						
Total all funds	\$33,952,969	\$27,416,061	\$210,901	\$27,626,962	\$27,507,037	\$119,925
Less estimated income	11,683,281	7,374,000	123,868	7,497,868	7,477,868	20,000
General fund	\$22,269,688	\$20,042,061	\$87,033	\$20,129,094	\$20,029,169	\$99,925

**House Bill No. 1015 - Office of Management and Budget - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	\$13,558,925	\$13,512,017	(\$16,224)	\$13,495,793	\$13,495,793	
Operating expenses	11,233,906	11,233,906	107,200	11,341,106	11,341,106	
Capital assets	2,644,000	844,000		844,000	844,000	
Grants	179,000	389,000		389,000	389,000	
Prairie Public Broadcasting	1,337,138	1,337,138		1,337,138	1,337,138	
Statewide equity pool	5,000,000					
Total all funds	\$33,952,969	\$27,316,061	\$90,976	\$27,407,037	\$27,407,037	\$0
Less estimated income	11,683,281	7,374,000	103,868	7,477,868	7,477,868	
General fund	\$22,269,688	\$19,942,061	(\$12,892)	\$19,929,169	\$19,929,169	\$0
FTE	130.50	130.50	0.00	130.50	130.50	0.00

**Dept. 110 - Office of Management and Budget - Detail of Conference Committee Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	PROVIDES AUTHORITY FOR SERVER HOSTING SERVICES AND HOMELAND SECURITY <sup>2</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	(\$16,224)		(\$16,224)
Operating expenses		\$107,200	107,200
Capital assets			
Grants			
Prairie Public Broadcasting			
Statewide equity pool			
Total all funds	(\$16,224)	\$107,200	\$90,976
Less estimated income	(3,332)	107,200	103,868
General fund	(\$12,892)	\$0	(\$12,892)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

<sup>2</sup> The conference committee agreed with the Senate amendment to add \$107,200 of funding from a homeland security grant to risk management for the cost of server hosting services at the Information Technology Department.

The conference committee agreed with the Senate amendments relating to the following:

- Amends North Dakota Century Code (NDCC) Section 54-03-20 providing for a member of the Legislative Assembly to elect to be reimbursed for less than the amount to which the legislator is entitled.
- Amends NDCC Section 54-44.1-06 providing that appropriation bills prepared by the Office of Management and Budget provide the same funding as approved by the most recently adjourned special or regular session of the Legislative Assembly, with amendments presented to reflect the executive recommendation. This amendment also provides for the Office of Management and Budget to provide the Legislative Assembly with estimated budget information for an additional four-year period beyond the two-year period covered by the executive recommendation.
- In addition, the Senate amended NDCC Section 54-44.1-06.1 to provide that the capital construction bill include only projects involving bonding and that all other capital projects be included in draft amendments to the appropriate agency's appropriations bill.
- Repeals Section 9 of 2005 Senate Bill No. 2015 relating to preparation of future composite schedules for teacher salaries.
- Removes the section which would have required the North Dakota Wheat Commission to submit a budget request to the Legislative Assembly.
- Provides for a Legislative Council study of employee salaries for the Department of Corrections and Rehabilitation.

**House Bill No. 1015 - Legislative Assembly - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Operating expenses			\$20,000	\$20,000		\$20,000
Capital assets		<u>\$100,000</u>	<u>(\$100,000)</u>		<u>\$100,000</u>	<u>(\$100,000)</u>
Total all funds	\$0	\$100,000	(\$80,000)	\$20,000	\$100,000	(\$80,000)
Less estimated income			<u>20,000</u>	<u>20,000</u>		<u>20,000</u>
General fund	\$0	\$100,000	(\$100,000)	\$0	\$100,000	(\$100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Dept. 150 - Legislative Assembly - Detail of Conference Committee Changes**

	REMOVES FUNDING FOR MEETING ROOM REMODELING PROJECT <sup>1</sup>	ADDS FUNDING FOR LEGISLATORS' FORUM <sup>2</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Operating expenses		\$20,000	\$20,000
Capital assets	<u>(\$100,000)</u>		<u>(\$100,000)</u>
Total all funds	(\$100,000)	\$20,000	(\$80,000)
Less estimated income		<u>20,000</u>	<u>20,000</u>
General fund	(\$100,000)	\$0	(\$100,000)
FTE	0.00	0.00	0.00

<sup>1</sup> The conference committee removed the funding for the meeting room remodeling project.

<sup>2</sup> The conference committee added a section appropriating \$20,000 from the water development trust fund to the Legislative Assembly for paying North Dakota's contribution to the Legislators' Forum.

**House Bill No. 1015 - Judicial Branch - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages			<u>\$114,925</u>	<u>\$114,925</u>		<u>\$114,925</u>
Total all funds	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
Less estimated income						
General fund	\$0	\$0	\$114,925	\$114,925	\$0	\$114,925
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Dept. 180 - Judicial Branch - Detail of Conference Committee Changes**

	PROVIDES FUNDING FOR PROVIDING SALARY INCREASES TO JUDGES <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	<u>\$114,925</u>	<u>\$114,925</u>
Total all funds	\$114,925	\$114,925
Less estimated income		
General fund	\$114,925	\$114,925
FTE	0.00	0.00

<sup>1</sup> The conference committee provided an appropriation from the general fund for the increased cost to the judicial branch of providing judges and justices a 4 percent salary increase for each year of the biennium rather than a 3 percent for the first year and 4 percent the second year.

**House Bill No. 1015 - Vision Services - School for the Blind - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages			<u>\$20,000</u>	<u>\$20,000</u>		<u>\$20,000</u>
Total all funds	\$0	\$0	\$20,000	\$20,000	\$0	\$20,000
Less estimated income						
General fund	\$0	\$0	\$20,000	\$20,000	\$0	\$20,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Dept. 253 - Vision Services - School for the Blind - Detail of Conference Committee Changes**

	ADDS FUNDING FOR TEMPORARY SALARIES <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	<u>\$20,000</u>	<u>\$20,000</u>
Total all funds	\$20,000	\$20,000
Less estimated income		

General fund	\$20,000	\$20,000
FTE	0.00	0.00

<sup>1</sup> The conference committee provided a \$20,000 general fund appropriation to North Dakota Vision Services - School for the Blind for providing additional funding for temporary salaries.

**House Bill No. 1015 - DHS - Program/Policy - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Operating expenses			<u>\$65,000</u>	<u>\$65,000</u>		<u>\$65,000</u>
Total all funds	\$0	\$0	\$65,000	\$65,000	\$0	\$65,000
Less estimated income						
General fund	\$0	\$0	\$65,000	\$65,000	\$0	\$65,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Dept. 328 - DHS - Program/Policy - Detail of Conference Committee Changes**

	ADDS FUNDING FOR INCENTIVE MONEY <sup>1</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Operating expenses	<u>\$65,000</u>	<u>\$65,000</u>
Total all funds	\$65,000	\$65,000
Less estimated income		
General fund	\$65,000	\$65,000
FTE	0.00	0.00

<sup>1</sup> The conference committee provided an appropriation to the Department of Human Services for providing additional incentive money to the Lake Region child support enforcement unit.

The conference committee made the following changes:

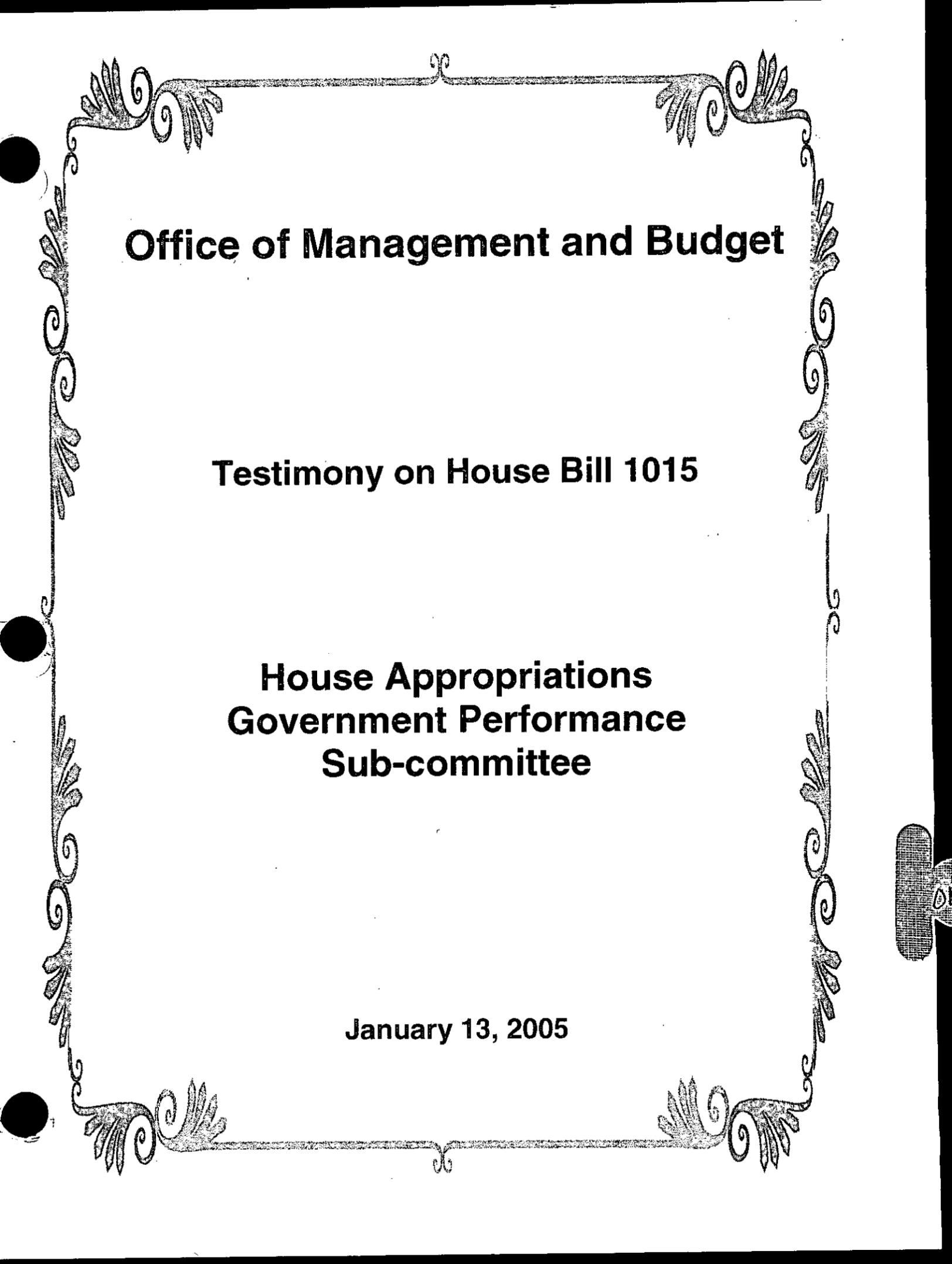
- Adds sections making the statutory changes to provide elected officials, except the Governor and Lieutenant Governor, a 4 percent salary increase for each year of the biennium. An appropriation section is added providing \$114,925 from the general fund for the increased cost to the judicial branch of providing judges and justices a 4 percent salary increase for each year of the biennium rather than 3 percent for the first year and 4 percent for the second year.
- Adds a section providing a transfer from the permanent oil tax trust fund to the general fund.
- Adds a section requiring the Department of Transportation to transfer funds from the state highway fund to a special road fund to make available \$500,000 in the special road fund for projects during the 2005-07 biennium.
- Provides for a transfer of \$6,800,000 from the lands and minerals trust fund to the general fund. The Senate amendment limited the transfer to \$5,000,000.
- Removes sections relating to the transfer of State Radio to the Division of Emergency Management.

- Provides intent for the Office of Management and Budget to restore the pillars in Memorial Hall.
- Creates two new sections to House Bill No. 1286 relating to open records request and to declare an emergency.
- Provides for Legislative Council study of state employee compensation.
- Changes the effective date for the increase in the wheat tax levy.
- Amends Section 12 of 2005 Senate Bill No. 2015 relating to a Legislative Council study of the Department of Corrections and Rehabilitation.
- Amends Section 20 of 2005 House Bill No. 1043 relating to the effective date of streamlined sales tax agreement complying amendments.
- Authorizes change in the scope of the North Hall renovation project at Lake Region State College.
- Adds a section allowing the Office of Management and Budget to purchase oil put options.
- Amends Section 57-40.6-02 relating to voter approval of imposition of fees for emergency services communication systems.
- Amends Section 15.1-06-06 relating to the approval of public and nonpublic schools.
- A section is added making section 8 of Senate Bill No. 2012, the Department of Transportation bill, relating to issuing bonds for the United States Highway 2 and Liberty Memorial Bridge projects an emergency.
- A section is added providing that the State Auditor's office may not conduct a performance audit of the University of North Dakota School of Medicine and Health Sciences until the completion of the school's accreditation process.
- A section is added providing a \$20,000 general fund appropriation to Vision Services - School for the Blind for providing additional funding for temporary salaries.
- A section is added providing legislative intent regarding fuels tax refund by Native Americans.

Engrossed HB 1015 was placed on the Seventh order of business on the calendar.

2005 TESTIMONY

HB 1015



**Office of Management and Budget**

**Testimony on House Bill 1015**

**House Appropriations  
Government Performance  
Sub-committee**

**January 13, 2005**

Testimony on HB 1015  
Pam Sharp, Director  
**Office of Management and Budget**  
January 13, 2005

This morning I will cover the narrative sections of the appropriation bill, highlight the enhancements we have requested, and review our audit recommendations with you. Each of the division directors will present information on their respective divisions, which include Fiscal Management, Human Resource Management Services, Central Services, Facility Management, and Risk Management. Prairie Public Broadcasting will then provide their testimony. Finally, I will provide information to you regarding OMB's continuing appropriations and present an amendment to you for HB 1015.

**SECTION 1** of HB 1015 is the original appropriation for the Office of Management and Budget. As I mentioned in the overview before the full House Appropriations Committee, our adjusted appropriation is considerably different than the original appropriation.

**SECTION 2** details the adjustments necessary to the original appropriation to get to the Governor's executive recommendation for the Office of Management and Budget.

**SECTION 3** provides the appropriation by line item for all of OMB. This appropriation excludes State Radio, which has previously been part of OMB. Later in HB 1015, you will see language moving State Radio to the Division of Emergency Management. Another deviation from the current appropriation is the inclusion of Prairie Public Broadcasting. Previously, Prairie Public Broadcasting was included in the Information Technology Department's budget. Finally, the appropriation also includes a statewide equity pool, which I will discuss later.

**SECTION 4** allows \$25,000 to be spent from the capitol building fund for the Capitol Grounds Planning Commission.

**SECTION 5** allows Fiscal Management to carry over any unexpended funds for continued development and operating costs of accounting, management and payroll systems. At the beginning of the current biennium, \$1.5 million was carried over. We estimate that we will have approximately \$630,000 to carry over at the end of the current biennium. The carryover funds have been used for ConnectND and for the SIBR upgrade to BARS.

**SECTION 6** provides for a \$5 million statewide equity pool for classified state employees. Half of this pool is funded from the general fund and the other half is special fund and federal fund appropriation authority. The market equity adjustments are to begin with the month of July 2005 to be paid August 2005 and are to be independent of any general salary increase provided by the legislature.

Only employees whose salaries are furthest from their respective salary range midpoints are eligible. The market equity increase may not be given to any employee whose salary exceeds the midpoint of their salary range.

The Human Resource Management Services division of OMB will provide a model for the plan. Agencies may adopt the model plan or offer an alternative plan which meets the intent of the market equity increase.

**SECTION 7** relates to state employee compensation adjustments. The language provides for a four percent increase beginning July 2005 and a three percent increase beginning July 2006. Although only three percent is funded for the second year of the biennium, agencies may provide a four percent increase to the extent the increase can be paid within the limits of the agency's appropriation – in other words – they must find savings to provide the additional one percent.

**SECTION 8** provides line item transfer authority to the director of the Office of Management and Budget to transfer funds between lines for agencies should they need it in order to provide a four percent salary increase the second year of the biennium.

**SECTION 9** relates to the special items included in the Administration budget. These include \$53,000 for boys and girls club work, \$500,000 for the Emergency Commission use on state contingencies, \$477,860 for state memberships and related expenses, \$126,000 for the Firemen's Association, \$1.5 million for unemployment insurance, ~~\$25,000~~ for the Capitol Grounds Planning Commission and \$120,000 for a state consultant in Washington DC.

**SECTION 10** provides for a transfer of \$5 million or greater if it is available, from the land and minerals trust fund to the general fund.

**SECTION 11** provides funding to the Firemen's Association from the fire and tornado fund.

**SECTION 12** provides for a \$60 million transfer from the Bank of North Dakota to the general fund.

**SECTION 13** provides for contingent transfers to the general fund in the case of a revenue shortfall. If a revenue shortfall occurs, the first contingent transfer would come from the permanent oil tax trust fund. If additional funds are needed after a transfer from the permanent oil tax trust fund, an additional transfer of up to \$10 million could come from the Bank of North Dakota. Any transfer from the Bank of North Dakota could not reduce the Bank's capital structure below \$150 million.

The director of the Office of Management and Budget could determine what portion of a revenue shortfall would be covered by transfers and what portion would be covered by an allotment.

**SECTIONS 14 and 15** provide that State Radio will be under the control of the Division of Emergency Management instead of the Office of Management and Budget.

**SECTION 16** allows OMB to establish a special fund for performance contracting in order to make energy efficiency improvements in the capitol building. We have since learned that establishing this fund is not necessary, as we will not actually receive the money up front. Removal of this section is included in my amendment.

**SECTION 17** is another amendment that was required for the transfer of State Radio. This section provides that the adjutant general make an appointment to a committee instead of the Office of Management and Budget.

**SECTION 18** is an amendment to Section 57-51.1-07.2 which provides for the permanent oil tax trust fund. This amendment provides for no transfer of revenue to the permanent oil tax trust fund for the 2005-07 biennium by increasing the limit to \$84.5 million.

**SECTION 19** repeals Section 54-27.2-02 which provides for a transfer to the budget stabilization fund. For the past several bienniums, we have relied on the Bank of North Dakota should we have a revenue shortfall, rather than rely on the budget stabilization fund. The philosophy of both the executive and legislative branches for several bienniums has been to rely on the Bank of North Dakota should there be a revenue shortfall.

The executive budget assumes that the entire projected ending balance of \$126 million for the current biennium will be available for appropriation for the 2005-07 biennium. Without the repeal of this section (or a change in the language) everything over \$65 million would have to be deposited into the budget stabilization fund. Below is the section to be repealed.

**Section 54-27.2-02. Certain general fund revenues to be deposited in the budget stabilization fund.** Notwithstanding any other provision of law except section 54-27.2-01, any amount in the state general fund in excess of sixty-five million dollars at the end of any biennium must be transferred by the state treasurer to the budget stabilization fund. For purposes of this section, "at the end of any biennium" means after cancellation of unexpended appropriations under section 54-44.1-11."

I would like to submit an amendment to HB 1015. Included in the Governor's recommendation is a transfer from the health care trust fund to the general fund in the amount of \$16.9 million. This transfer language was erroneously excluded. The attached amendment provides that language, and also removes Section 16, which we have since determined to not be necessary.

Office of Management and Budget  
January 13, 2005

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1015

Page 5, after line 15, insert:

"SECTION 14. HEALTH CARE TRUST FUND – TRANSFER TO GENERAL  
FUND. The office of management and budget shall transfer \$16,900,000 from the health  
care trust fund to the general fund during the biennium beginning July 1, 2005 and ending  
June 30, 2007."

Page 6, removes lines 28 through 31

Page 7, remove lines 1 through 3

Renumber accordingly

**Continuing Appropriations Narrative**  
**00110 OFFICE OF MANAGEMENT AND BUDGET**  
**Version 2005B0100110**  
**Project 1 Risk fund to timely settle claims and lawsuits**

Page 1 of 1  
Date: 1/3/2005  
Time: 11:03:48

**CONTINUING APPROPRIATION JUSTIFICATION**

The Risk Management Fund must be in a position to timely pay claims when settled or when an award is granted by a court. As a result of performing the State's operations, there will be incurred but unreported losses that cannot be identified during the budget process. In order to forecast the probable amount the Fund will be required to pay in a biennium and to ensure the financial viability of the Fund, an actuarial review is done on a biennial basis.

ion **NDCC 32-12.2** Number **1**

Description **Risk fund to timely settle claims and lawsuits**

Statutory authority **NDCC 32-12.2**

Special fund number and name **288** **Risk Management Fund**

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	5,528,480				
Revenues	1,290,137	2,845,045	1,996,047	3,734,341	3,213,234
Total available					
Expenditures	3,355,012	4,079,321	1,308,974	3,024,977	3,381,166
Ending balance					

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

**Continuing Appropriations Narrative**  
**00110 OFFICE OF MANAGEMENT AND BUDGET**  
**Version 2005B0100110**  
**Project 2 Workers' Compensation for state employees**

Page 1 of 1  
Date: 1/3/2005  
Time: 11:03:56

**CONTINUING APPROPRIATION JUSTIFICATION**

The Risk Management Workers Compensation Fund must be in a position to timely pay claims when settled or when an award is granted by a court. As a result of performing the State's operations, there will be incurred but unreported losses that cannot be identified during the budget process. Workforce Safety and Insurance using the combined payroll, premium, and loss history of selected agencies determines future experience rates, dividends, assessments, and premiums for the Fund.

Session **2005-2007** Number **2**

Description **Workers' Compensation for state employees**

Statutory authority **NDCC 65-04-03.1**

Special fund number and name **275** **Risk Management Workers Compensation Fund**

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	0				
Revenues	0	5,749,591	3,422,899	6,000,000	6,300,000
Total available					
Expenditures	0	3,266,429	2,570,144	3,880,000	4,600,000
Ending balance					

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

## CONTINUING APPROPRIATION JUSTIFICATION

The Human Resource Management Services (HRMS) training fund was created through legislative action in 1985. NDCC 54-44-11 was amended to add the following: "The Office of Management and Budget shall establish a state personnel training and development operating fund to be used for coordination of employee training and career development . . ." The fund was originally created to provide training in the American Management Association for Performance Management Training. The fund varies from year to year based on demand for training; however, NDCC 54-44-11 states: "Any surplus in this fund in excess of twenty-five thousand dollars on June thirtieth of each year must be transferred to the state general fund."

HRMS consults with agencies to meet their specific needs. These needs can result in 1) abbreviated/introductory training programs to fit an agency's current need; 2) a one-time program designed for an agency's unique request; or 3) formal discussion with an agency resulting in other recommendations, where training is found not to be the primary issue (i.e. performance/management issues).

The Training Fund should have a continuing appropriation because of the following:

- It allows agency flexibility in providing training to employees when it is needed as well as allowing flexibility in scheduling staff for training because the resources are immediately available.
- It provides availability of funds to develop training programs based on long-term or immediate need at a very low cost.
- It provides a stability of training resources that can be relied upon without biennium budget constraints
- It provides increased attractability to vendors due to assurance of available training dollars

sion  Number   
 Description   
 Statutory authority   
 Special fund number and name

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	12,559	14,196	14,126	14,126	14,126
Revenues	201,593	191,116	34,353	200,000	210,000
Total available	214,152	205,312	48,479	214,126	224,126
Expenditures	199,962	190,880	28,030	200,000	210,000
Ending balance	14,190	14,432	20,449	14,126	14,126

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

CONTINUING APPROPRIATION JUSTIFICATION

Facility Management is responsible for conducting Capitol Grounds Planning Commission (Commission) meetings on a regular basis. This fund is used to pay for Commission approved projects and reimburse the Commission members their expenses. The spending limit, without Legislative approval, by the Commission during a biennium is \$50,000. The remaining balance in this fund will increase with each year. The Commission will use these funds to renovate the south entrance of the Capitol.

Session **2005-B-01-00110** Number **4**Description **Capital Grounds Planning Fund**Statutory authority **NDCC 48-10**Special fund number and name **251** **Capital Grounds Planning Fund**

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	0				0
Revenues	0	0	0	50,000	50,000
Total available				50,000	50,000
Expenditures	0	0	0	50,000	50,000
Ending balance					

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

**CONTINUING APPROPRIATION JUSTIFICATION**

The office of management and budget is responsible for making funds available to all state agencies, institutions, and departments from a preliminary planning revolving fund for studies, planning, architectural programming, schematic designs, and cost estimates relating to proposed new capital improvements and major remodeling of existing facilities. State agencies, institutions, and departments interested in obtaining planning moneys shall submit a written request detailing the scope and purpose of such project to the director of the office of management and budget. Funds may be advanced only in the event that an authorization has first been received from the budget section. Such funds advanced must be repaid to the preliminary planning revolving fund, as moneys become available through legislative appropriation or other sources for the commencement of the project. The actual number of projects submitted varies from biennium to biennium. The amount of approved projects cannot exceed the available funds in the account.

Session **2005-2007** Number **5**

Description **Preliminary Planning Revolving Fund**

Statutory authority **NDCC 54-27-22**

Special fund number and name **460 Preliminary Planning Revolving Fund**

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	200,000	3,500	37,250	37,250	95,000
Revenues	0	201,500	37,250	37,250	95,000
Total available	200,000	205,000	74,500	74,500	190,000
Expenditures	191,500	85,180	411	116,000	140,000
Ending balance	8,500	119,820	74,089	58,500	50,000

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

**Continuing Appropriations Narrative**  
**00110 OFFICE OF MANAGEMENT AND BUDGET**  
**Version 2005B0100110**  
**Project 6 Postage Revolving Fund**

Page 1 of 1  
Date: 1/3/2005  
Time: 11:04:19

**CONTINUING APPROPRIATION JUSTIFICATION**

The office of management and budget is responsible for processing the mail for all state agencies, Legislative Council and Supreme Court. During the biennium, over \$1,300,000 of mail will be processed. This fund is used to purchase postage for the two postage machines located in the Central Mailroom. The fluctuating price of mail prevents Facility Management from estimating a specific amount to request for each biennium.

Session **2005-2007** Number **6**

Description **Postage Revolving Fund**

Statutory authority **NDCC 48-06**

Special fund number and name **701** **Postage Revolving Fund**

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	2,659				
Revenues	1,393,367	1,253,612	465,566	1,300,000	1,350,000
Total available	1,396,026	1,256,264	468,222		
Expenditures	1,400,853	1,239,344	452,513	1,300,000	1,350,000
Ending balance			15,709		

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

**CONTINUING APPROPRIATION JUSTIFICATION**

The moneys deposited into the indigent civil legal services fund are distributed quarterly to legal services programs in the state which provide civil legal assistance to indigent individuals. The distributions vary somewhat each quarter depending on collections by the District Courts. Fifteen dollars of the filing fee for a civil case is paid by the district courts to the State Treasurer for deposit into the indigent civil legal services fund. It is this fund from which OMB makes the distributions. Any fees collected which exceed four hundred thousand dollars in a biennium must be deposited into the General Fund in accordance with NDCC 27-05.2-03. Because of the ceiling on the amount of fees deposited into this fund, the distributions out of this fund are also limited to \$400,000 per biennium.

Division **2005-B-01-00110** Number **7**

 Description **Indigent Civil Legal Services**

 Statutory authority **NDCC54-06-20**

 Special fund number and name **237** **Indigent Civil Legal Services Fund**

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	0				
Revenues	400,000	400,000	92,180	400,000	400,000
Total available	400,000	400,000	92,180	400,000	400,000
Expenditures	400,000	400,000	92,180	400,000	400,000
Ending balance					

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

**Continuing Appropriations Narrative**  
**00110 OFFICE OF MANAGEMENT AND BUDGET**  
**Version 2005B0100110**  
**Project 8 Central Supply Revolving Fund**

Page 1 of 1  
Date: 1/3/2005  
Time: 11:04:32

**CONTINUING APPROPRIATION JUSTIFICATION**

OMB Central Services Division-Central Supply is responsible for providing for the procurement and distribution of office supplies to state agencies. The value of office supply distributions varies from year to year so an appropriated amount is not set. Agencies request their office supplies as needed, are billed for them, and the receipts deposited to the fund for future purchases.

Version  Number   
 Description   
 Statutory authority   
 Special fund number and name

	Actual 1999-2001	Actual 2001-03	2003-05 As Of 3/31/04	Estimated 2003-05	Estimated 2005-07
Beginning balance	39,888				
Revenues	1,054,837	1,144,177	373,004	1,050,000	1,080,000
Total available					
Expenditures	1,099,946	1,144,167	366,941	1,050,000	1,080,000
Ending balance					

Use the narrative button to explain the justification for continuing the statutory authority for this continuing appropriation.

Testimony on HB 1015  
Pam Sharp, Director  
**Office of Management and Budget**  
March 7, 2005

This afternoon I will cover the narrative sections of the appropriation bill and highlight the enhancements we have requested. Each of the division directors will present information on their respective divisions, which include Fiscal Management, Human Resource Management Services, Central Services, Facility Management, and Risk Management. John Harris, from Prairie Public Broadcasting will then provide his testimony.

**SECTION 1** of HB 1015 is the original appropriation for the Office of Management and Budget. However, our adjusted appropriation is considerably different than the original appropriation.

**SECTION 2** details the adjustments necessary to the original appropriation to get to the Governor's executive recommendation for the Office of Management and Budget.

**SECTION 3** provides the appropriation by line item for all of OMB. This appropriation excludes State Radio, which has previously been part of OMB. Later in HB 1015, you will see language moving State Radio to the Division of Emergency Management. Another deviation from the current appropriation is the inclusion of Prairie Public Broadcasting. Previously, Prairie Public Broadcasting was included in the Information Technology Department's budget.

**SECTION 4** allows \$25,000 to be spent from the capitol building fund for the Capitol Grounds Planning Commission.

**SECTION 5** allows Fiscal Management to carry over any unexpended funds for continued development and operating costs of accounting, management and payroll systems. At the beginning of the current biennium, \$1.5 million was carried over. We estimate that we will have approximately \$630,000 to carry over at the end of the current biennium. The carryover funds have been used for ConnectND and for the SIBR upgrade to BARS.

**SECTION 6** relates to the special items included in the Administration budget. These include \$53,000 for boys and girls club work, \$500,000 for the Emergency Commission use on state contingencies, \$477,860 for state memberships and related expenses, \$126,000 for the Firemen's Association, \$1.5 million for unemployment insurance, \$15,000 for the Capitol Grounds Planning Commission and \$120,000 for a state consultant in Washington DC.

**SECTION 7** provides for a transfer of \$5 million or greater if it is available, from the land and minerals trust fund to the general fund. A \$5 million transfer is included in the revenue forecast.

**SECTION 8** provides funding to the Firemen's Association from the fire and tornado fund.

**SECTION 9** provides for a \$60 million transfer from the Bank of North Dakota to the general fund and states that any transfer authorized may only be made to the extent the transfer does not reduce the Bank's capital structure below \$150 million.

**SECTION 10** is an amendment added to this bill by the House and relates to the State Wheat Commission. This section takes away the Wheat Commission's continuing appropriation authority and requires them to submit a budget and go through the appropriation process. A major concern with this amendment is that it provides no continuing appropriation for the 2005-07 biennium, and also no legislative appropriation for 2005-07. It is not clear how the Wheat Commission would operate in the 2005-07 biennium. Neal Fisher from the Wheat Commission is here to discuss this amendment from his perspective.

From OMB's perspective, we believe that taking away the Wheat Commission's continuing appropriation authority is not necessary. An alternative could be to require some reporting to an interim committee rather than to make this drastic change.

**SECTIONS 11, 12 and 13** makes the necessary statute changes that provide that State Radio will be under the control of the Division of Emergency Management instead of the Office of Management and Budget.

**SECTION 14** is a section added by the House and appropriates \$100,000 to the legislative assembly for remodeling the cloak room and the bill room to make a new committee hearing room. Worth noting is that \$100,000 has been added to Legislative Council's budget for the same purpose.

OMB's original budget request included the state employee compensation package. The sections relating to this were removed by the house and it is being addressed in HB 1050. In addition to the compensation package, an equity pool for state employees was also requested. This equity pool consisted of \$2.5 million of general fund authority and \$2.5 million of special fund authority. This section was removed and was not reinstated anywhere.

An equity pool for state employees is vitally important, thus we are requesting that the equity pool be reinstated. Ken Purdy from Human Resources Management Services is here to address that issue and will follow after the division directors and John Harris from Prairie Public.

OMB's original bill also included language for contingent transfers from the Permanent Oil Tax Trust Fund and the Bank of North Dakota in the event of a revenue shortfall. The language provided that if a revised revenue projection showed that general fund revenue collections will not meet the revenues as forecast in the March 2005 forecast, the director of the office of management and budget could transfer funds, up to the revenue shortfall, from the permanent oil tax trust fund. If additional funds were required, up to \$10 million could be transferred from the earnings and accumulated and undivided profits of the Bank of North Dakota. The language also provided that the director of OMB could determine what part of the shortfall would be covered by transfers and what part would be covered by an allotment. We still believe this is good policy and would be happy to provide you with the original language relating to the proposed contingent transfers.

The following is a summary of OMB's major general fund funding requests:

1. \$1,337 138 for Prairie Public Radio – previously in ITD's budget.
2. \$1,500,000 for ongoing maintenance and support for ConnectND.
3. \$600,000 for implementation of additional modules for ConnectND.
4. \$122,234 for a new FTE in Central Services – Procurement Office.
5. \$118,492 for a new FTE in Fiscal management for ConnectND.

Each of the division directors will discuss these requests in more detail.

Testimony on HB 1015  
Sheila Peterson, Director  
**OMB Fiscal Management Division**  
January 13, 2005

Good Morning Mr. Chairman, and members of the House Appropriations Government Performance Sub-committee.

My name is Sheila Peterson. I am the Director of the Fiscal Management Division of OMB.

The Fiscal Management Division has four major areas of responsibility: budget, accounting, payroll, and financial reporting.

These past two years have been busy for us. I think you are well aware that we have completely replaced all of our financial systems. It was a tremendous undertaking and my staff and the fiscal staff of all state agencies are to be commended on a successful implementation.

We measure our success in terms of peer evaluation. Our peer evaluations come through the Government Finance Officers Association (GFOA) of the United States and Canada. Our last Comprehensive Annual Financial Report (CAFR) again received the GFOA Certificate of Achievement for Excellence in Financial Reporting and our last budget documents again received the GFOA Distinguished Budget Presentation Award.

The Fiscal Management Division currently has 20.00 FTE. We are requesting an additional FTE to assist with the ongoing operations of the PeopleSoft financial system. The new financial systems are much more robust and include features and functions not previously available. This, however, requires additional staff to assist agencies in fully and accurately using the system. All total, we are requesting \$11,360,344 for next biennium. This is a substantial increase from our current budget; \$5 million of this amount is the statewide equity pool. Two other major changes include a \$1.5 million increase to fund the ongoing operations of the new financial systems and \$600,000 for the implementation of additional PeopleSoft modules.

Ninety-one percent of the Fiscal Management budget falls into two categories - data processing and salaries. All of our functions depend on computers - accounting, payroll, budget, and financial reports - and people. The remainder of our bigger expenses includes consultants and printing. Consultants are hired for revenue forecasting, cost allocation, and assisting us in the statewide comprehensive annual financial reports. Printing expenses include the CAFR and all budget documents.

Mr. Chairman, that concludes my remarks. I would be happy to answer any questions.

Testimony on HB 1015  
Sheila Peterson, Director  
**OMB Fiscal Management Division**  
March 7, 2005

Good afternoon Mr. Chairman, and members of the Senate Appropriations Committee.

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Ninety-one percent of the Fiscal Management budget falls into two categories - data processing and salaries. All of our functions depend on computers - accounting, payroll, budget, and financial reports - and people. The remainder of our bigger expenses includes consultants and printing. Consultants are hired for revenue forecasting, cost allocation, and assisting us in the statewide comprehensive annual financial reports. Printing expenses include the CAFR and all budget documents.

Mr. Chairman, that concludes my remarks. I would be happy to answer any questions.

*Same given to Senate*

Testimony HB 1015  
Laurie Sterioti Hammeren, Director  
**OMB Human Resource Management Services**  
January 13, 2005

Good morning, Chairman Carlson and members of the House Appropriations Government Performance Sub-committee. I am Laurie Sterioti Hammeren, Director of Human Resource Management Services, a division of the Office of Management and Budget.

Human Resource Management Services has 10.50 FTE positions and is responsible for maintaining a unified system of human resource management covering more than 50 agencies and 6,409 classified employees. Our mission is to actively promote effective management in North Dakota State government by providing leadership and expertise in human resource services. We provide an array of services in four broad functional areas:

- Classification and Compensation
- Human Resource Consulting and Coaching
- Employment Services to include mediation
- Training and Development

Significant resources and technical support are provided to agencies including the continued development and maintenance of the HRMS web site, [www.state.nd.us/hrms](http://www.state.nd.us/hrms), which includes:

- Job Openings
- Supervisor's Guide
- Administrative Rules
- 2004 ND State Employee Compensation Report
- Job Class Index & Descriptions
- Employment Application & other HR Forms
- Training Course Listings
- ND State Employee Fact Sheet (Dec.-2004)

We measure our performance through a variety of means:

- Quarterly meetings with State agency human resource contacts where we provide information and receive feedback to determine our direction
- Surveys regarding special needs, topics, requested services, and customer service
- Statistical data to monitor the effectiveness of technical assistance provided, to plan for future service needs, and to measure the accomplishment of performance goals.

Our budget request for this next biennium is \$1,352,360 from the general fund, including the compensation package for next biennium. Ninety-three percent of HRMS' program costs are salaries for 10.50 FTE positions. All of the Division's services require human capital. Operating expenses account for seven percent of HRMS' program costs with IT, communications, printing and professional development being the primary items. Operating expenses focus on the services provided to agencies through printing, website and maintaining staff expertise. Staff is

encouraged to participate in programs and organizations contributing directly to HRMS' ability to provide services to agencies.

Mr. Chairman, members of the Committee, this concludes my remarks. I am available to answer any questions.

*Same given to Senate*

Testimony HB 1015  
Linda Belisle, Director  
**OMB Central Services Division**  
January 13, 2005

Chairman Carlson and members of the Committee, my name is Linda Belisle. I'm the director of the Central Services Division of OMB.

Central Services Division consists of four distinct and diverse programs. They are:

1. Central Duplicating Services – (NDCC §46-01 and NDCC §46-02) provides printing services for state agencies and departments by operating a print shop located in the capitol building. Services include printing of letterhead, envelopes, business cards, brochures and forms, graphic design, and delivery of printing and supply orders in the capitol complex.
2. Central Supply – (NDCC §54-44-04.19) offers agencies the convenience of an on-site source for commonly used office supplies and equipment. Items purchased from state term contracts at the best price possible are stocked and re-sold to agencies.
3. State Procurement Office – (NDCC §54-44.4) provides purchasing services for and assistance to agencies and departments for the purchase of goods and services.
4. State and Federal Surplus Property – (NDCC §54-44-04.6 and NDCC §54-44-04.5)
  - a. Provides disposal services for state agencies and departments of their fixed assets and allows for the transfer of fixed assets between state agencies.
  - b. Responsible for the acquisition of federal personal property surplus to the needs of the federal government and distribution of that property to eligible recipients as defined by federal law.

Each of the programs is committed to providing economical and timely services through the administration of its programs. Performance is measured through the use of customer satisfaction surveys and other feedback from agencies and departments.

Central Services Division's total budget request is \$5,662,931. Eighty-five percent of that or \$4,795,224 is special fund authority for the Division's three service funds – Central Duplicating, Central Supply, and Surplus Property. Expenditures for these operations are recovered through billings of direct and indirect costs for the services performed.

The remaining 15 percent or \$867,707 is general fund appropriation for the State Procurement Office. This appropriation will fund normal operating at the 2003-05 biennium level and includes funding for one additional FTE. The FTE is needed due to the increased workload related to changes in the procurement statutes with the passage of HB 1180 during the 2003 legislative session, which made the State Procurement Office the regulatory agency for services as well as commodities. The State Procurement Office now has oversight responsibility for approximately \$335 million in goods and services.

This concludes my testimony and I will be happy to answer any questions you may have.

Testimony on HB 1015  
John Boyle, Director  
**OMB Facility Management Division**  
January 13, 2005

Good morning Chairman Carlson and members of the House Appropriations Government Performance Sub-committee. My name is John Boyle, Director of the Facility Management Division within the Office of Management and Budget.

The Facility Management Division is currently comprised of 66 full-time employees. These employees provide security, central mailroom and tour guide services as well as custodial work, grounds & landscaping, and maintenance within the Capitol Complex. These state employees ensure the public, elected officials, appointed officials, and other state employees working within the Capitol Complex are provided a safe, clean and friendly environment.

We are requesting \$13,220,535 in spending authority for the next biennium. This equates to \$8,265,535 in the general fund, \$1,800,000 in special funds and \$3,155,000 in bonding authority for the next biennium. The amount requested from the general fund is a one-half of one percent increase from the budgeted amount requested two years ago. This minimal increase is attributed to the reduction in 4.00 FTE positions transferring to Highway Patrol plus the increase in salary and benefits for the remaining 62 employees.

Ninety-one percent of my Division's general fund budget falls into two categories-operating expenses and salaries. The three largest items within the operating expenses are monthly utilities, daily repairs and daily maintenance. The remaining nine percent of the budget accounts for our extraordinary repairs, maintenance and equipment. The two largest items within this category include the installation of a new parking lot south of the Liberty Memorial Library and road and sidewalk repairs.

The new parking lot will consist of 72 parking stalls and will reduce the number of state employees parking along the Capitol mall loop road. This parking lot will also provide six additional handicap-parking stalls for state employees and visitors to the Heritage Center.

Road and sidewalk repair expenses include an overlay to the east portion of the Judicial Wing parking lot and repairs to the State Office Building parking lot.

The \$1,800,000 in requested special fund spending authority provides Facility Management the ability to enter into a performance contract with Energy Services Group (ESG) to develop and implement energy savings programs throughout the Capitol Complex. The preliminary analysis of the Capitol Complex projects annual savings of approximately \$180,000. A detailed assessment of the Capitol Complex will commence in July 2005 and be completed by December 2005.

In a separate bill, OMB is requesting \$3,155,000 in bonding authority for design and installation of a fire suppression system in the Capitol. This request is in SB 2023.

Facility Management takes pride in providing a safe, clean and friendly environment to all those using the Capitol Complex. It is our goal to ensure that we maintain these standards each biennium. Facility Management measures our effectiveness by utilizing our work order management system and by conducting surveys.

Mr. Chairman, that concludes my prepared remarks. At this time, I would be happy to answer any of your questions.

**Performance Contract: \$1,800,000**

Facility Management has contracted with Energy Services Group (ESG) to develop and implement energy savings programs throughout the Capitol Complex. The preliminary analysis of the Capitol Complex projected annual savings of approximately \$180,000. A detailed assessment of the Capitol Complex will commence in June 2005 and be completed by October 2005.

Preliminary energy savings projects	<u>Cost</u>	<u>Savings</u>
Temperature Controls and Energy Management Systems	\$400,000	\$55,000
Electrical Systems		
Variable Speed Drives	\$180,000	\$25,000
Energy Efficient Transformers	\$320,000	\$40,000
Mechanical Systems		
Heat pump replacement	\$600,000	\$25,000
Heating system improvements	\$100,000	\$13,000
Kitchen Systems		
Kitchen Improvements	\$100,000	\$10,000
Water Conservation	\$100,000	\$12,000
<b>Total costs and annual savings</b>	<b>\$1,800,000</b>	<b>\$180,000</b>

Testimony on HB 1015  
John Boyle, Director  
**OMB Facility Management Division**  
March 7, 2005

Good afternoon Chairman Holmberg and members of the Senate Appropriations Committee. My name is John Boyle, Director of the Facility Management Division within the Office of Management and Budget.

The Facility Management Division is currently comprised of 66 full-time employees. These employees provide security, central mailroom and tour guide services as well as custodial work, grounds and landscaping, and maintenance within the Capitol Complex. These state employees ensure the public, elected officials, appointed officials, and other state employees working within the Capitol Complex are provided a safe, clean and friendly environment.

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Mr. Chairman, that concludes my prepared remarks. At this time, I would be happy to answer any of your questions.

*Same  
given to  
Senate*

Testimony on HB 1015  
Jo Zschomler, Director  
**OMB Risk Management Division**  
January 13, 2005

Mr. Chairman, and members of the House Appropriations Government Performance Subcommittee, my name is Jo Zschomler. I am the Director of the Risk Management Division of OMB.

The Risk Management Division was established to promote safety and reduce loss resulting from the state's tort liability and employee injury claims by identifying and measuring risks of loss and implementing appropriate measures to address those risks.

The Division staff consists of the director, the manager of the risk management workers compensation program, a claims manager, a loss control analyst, and an administrative assistant. On the tort liability side, the Division administers all claims and lawsuits filed against the state and state employees through the Risk Management Fund. Contribution rates for the fund are determined by an actuarial review of each state entity's loss history. The entities can reduce their required contributions by 10 percent if they can document that they have developed the pro-active loss control criteria established by the Division that was developed to reduce the number and severity of claims and lawsuits.

On the workers compensation side, the risk management workers compensation program continues to save premium workers compensation dollars due to the establishment of the account that consolidated 143 state agency accounts, authorized a \$100,000 deductible per claim, and facilitated the cross agency return-to-work program. Workforce Safety and Insurance estimates that for the three-year period of July 1, 2001 (the inception of our program) until June 20, 2004, the savings in premiums paid to WSI by state agencies was \$2,261,258.

The Division has been able to pass some of those savings on to state agencies by: Enhancing the WSI discount program up to a 15 percent reduction to emphasize claims management, prompt claims reporting, and the return to work program. Savings for fiscal year 2005 will be \$462,693.

Establishing a designated medical provider program that for fiscal year 2004 reduced the deductible payment for each claim by \$100; and will eliminate the deductible for fiscal year 2005 on claims that comply with the program requirements. Savings for fiscal year 2004 were \$19,600.

To reward pro-active workers compensation loss control, the Division has adopted a dividend program based on an incurred loss ratio (paid losses plus reserves divided by premium.) This program reduced agency premiums to be paid in fiscal year 2005 by another \$219,881.

The Division measures its performance by benchmarking against its own loss history and participating in a cost of risk survey with other state governmental entities. The survey report for fiscal 2003 showed North Dakota's tort liability program costs were .07 percent of the state's Operating Expenditures in a range of .02 percent to .24 percent; our workers compensation program was .122 percent of Operating Expenditures in a range of .105 percent to .41 percent. Costs for our automobile liability program were fourth at \$633,000 in a range from \$441,000 to \$2,989,000.

Incurred losses for tort and automobile liability and workers compensation were the lowest of the 12 participating states.

The 2003 Legislature appropriated \$889,779 for the Division's budget. Our requested budget for 2005-2007 biennium is \$937,057.

Thank you.

**Presentation by John Harris, President & CEO  
Prairie Public Broadcasting  
House Appropriations Sub-committee  
January 13, 2005**

Mr. Chairman and members of the committee, thank you for the opportunity to speak with you today about the budget request for Prairie Public Broadcasting, North Dakota's public broadcasting network.

I am John Harris, President and CEO of Prairie Public Broadcasting.

In my remarks today I will comment on Prairie Public's record of services, the status of our conversion to digital technology, and on the appropriation recommended in the Governor's budget.

First, I will give you a brief summary Prairie Public Broadcasting's service to the state.

Each week, over 300,000 people use the services provided by Prairie Public Television and North Dakota Public Radio.

The citizens of North Dakota depend on Prairie Public Television for award-winning, non-commercial, primetime television programming, and for more than seven hours each day of non-violent, educational children's shows. Families can tune to Prairie Public together, young and old alike, and be assured they'll find the quality programming for which public television is known and trusted.

In addition to broadcasting PBS national offerings such as *NOVA*, *Nature* and *Masterpiece Theatre*, in the last fiscal year, Prairie Public produced over 70 hours of television programming that focused on the Prairie Region. And, in the current fiscal year, we will produce more than 80 hours of regional programming.

Serving our regional audiences, to strengthen our community and help it prosper, is at the top of our agenda and our productions cover topics ranging from local community events to rural health care issues to legislative news.

Some of the programs produced have been, *More Precious than Gold*, *Building Our Future* and *RiverWatch*. Also, a weekly informational television production titled *Prairie Pulse* provides a statewide forum for topics that reflect each of our community's interest and concerns.

North Dakota Public Radio continues to be a vital source of information and music programming for citizens statewide and this year, as in years past, North Dakota Public Radio's news team was honored with numerous North Dakota Associated Press Broadcasters Association awards.

NDPR's news programs and web site are a reliable source for international, regional and local news from the worlds of politics, business, science and the arts.

In fact, our network of television, radio and online services were the most comprehensive sources for statewide election coverage and debates during the 2004 election.

Prairie Public also has a very strong commitment to outreach and community service. Two such examples are:

*Ready To Learn*, which is a national initiative that trains early childhood educators, daycare providers and parents in interactive learning techniques that help prepare children for their formal learning experience.

And,

*Teacherline*, which is a program offering highly regarded, locally facilitated online professional development courses for teachers to update their credentials and/or skills necessary to prepare students for a successful future.

The State of North Dakota has, for years, played a vital supporting role in the operation of these television, radio and outreach services. While the appropriation from the state does not cover all these expenses, these services would not be possible without state support. The State of North Dakota provides a foundation for support from many other sources.

Below you will see a breakdown of our revenue sources and expenditures and we want to make certain that you know that PPB is actively seeking

revenue from other sources, in order to maximize the investment from the state of North Dakota.

### **Prairie Public Broadcasting Funding Sources**

Members/Business	34%
Earned Income	20%
CPB	18%
Production/Federal Grants	15%
North Dakota	10%
Minnesota	3%

### **Prairie Public Broadcasting Expenses**

Programs	45%
G & A	19%
Engineering	19%
Fund Raising	10%
Development	7%

At the present time I can report that Prairie Public Broadcasting has almost 17,000 members that contribute annually to help support the programming expenses for the organization. These citizens know the importance of a strong and viable Public Broadcasting entity for their communities.

Before I close, I will summarize the progress Prairie Public has made toward the ambitious federal mandate for TV broadcasters to convert operations to digital.

Thanks in part to your past support, PPB has been a leader in the state for conversion to digital broadcasting. We have signed on seven digital transmitters and plan to have an eighth digital transmitter operating by Fall 2005. As you will see from an attachment on Matching Grants History, PPB has used part of your funding to "match" federal grants from the Department of Commerce and has received additional matching grants totaling over \$14 million in the past 5 years, with over \$10 million of that coming from the

federal sources. The dollars from the state of North Dakota in the coming biennium can once again help us access these matching funds and bring more dollars back to North Dakota.

PPB continues to build the infrastructure to connect all these transmitters with a digital microwave path. You will see the digital coverage map attached as an exhibit in your handout. While tremendous progress has been made by Prairie Public, it will still require over \$15 million additional dollars to complete the digital build out.

I cannot express enough the thanks Prairie Public and its members extend to you for your past support. In the 40 years Prairie Public has been broadcasting, technology has changed, but our mission to provide services that educate, involve and inspire has not.

I believe we are earning the state of North Dakota's trust and financial support every day. Indeed, I hope we are exceeding expectations.

In House Bill 1015 of this biennium's budget, the Governor has recommended \$1,337,138 for the operation of Prairie Public Broadcasting, the same amount received from the last biennium.

I hope you will support this recommendation, as it allows us to operate the infrastructure required to provide public television, public radio and educational services to homes, schools and workplaces throughout the state.

Mr. Chairman and Members of the Committee thank you for your time and consideration.

**Prairie Public Broadcasting  
Matching Grants History for Digital Conversion  
1/10/2005**

<b>Name of Project</b>	<b>Year</b>	<b>Project Cost</b>	<b>Federal Award</b>	<b>Federal %</b>	<b>Local Match</b>
<b>Digital DTV Grants</b>					
Digital Microwave Bismarck	1999	1,252,847	939,635	75%	313,212
Bismarck DTV	2000	1,521,736	1,141,302	75%	380,434
Digital Microwave TRF (Towers)	2001	536,698	359,587	67%	177,111
Fargo DTV	2001	1,368,203	916,696	67%	451,507
Digital Microwave TRF (Radio)	2002	630,587	422,493	67%	208,094
Crookston DTV	2002	1,455,478	975,170	67%	480,308
Crookston Building (DDF)	2002	120,000	90,000	75%	30,000
Minot DTV (DDF)	2002	948,898	711,674	75%	237,225
Ellendale DTV (DDF)	2002	384,435	288,326	75%	96,109
Dickinson DTV (DUSF)	2002	400,000	300,000	75%	100,000
Williston DTV (DUSF)	2002	400,000	300,000	75%	100,000
Western ND Microwave (USDA)	2004	2,000,000	2,000,000	100%	0
Master Control Monitoring (DDF)	2004	150,315	112,736	75%	37,579
KGFE Digital STL	2004	327,272	219,272	67%	108,000
Devils Lake DTV Tower/Microwave	2004	1,343,533	900,167	67%	443,366
Devils Lake DTV TX (DDF)	2004	666,639	499,979	75%	166,660
HD Encoder (DDF)	2004	53,720	40,290	75%	13,430
Digital Microwave (DDF)	2005	455,271	341,453	75%	113,818
<b>Digital Total</b>		<b>14,015,632</b>	<b>10,558,780</b>	<b>75%</b>	<b>3,456,851</b>



Testimony on HB 1015  
John Harris, President & CEO  
**Prairie Public Broadcasting**  
March 7, 2005

Mr. Chairman and members of the committee, thank you for the opportunity to speak with you today about the budget request for Prairie Public Broadcasting, North Dakota's public broadcasting network.

I am John Harris, President and CEO of Prairie Public Broadcasting.

In my remarks today I will comment on Prairie Public's record of services, the status of our conversion to digital technology, and on the appropriation recommended in the Governor's budget.

First, I will give you a brief summary Prairie Public Broadcasting's service to the state.

Each week, over 300,000 people use the services provided by Prairie Public Television and North Dakota Public Radio.

The citizens of North Dakota depend on Prairie Public Television for award-winning, non-commercial, primetime television programming, and for more than seven hours each day of non-violent, educational children's shows. Families can tune to Prairie Public together, young and old alike, and be assured they'll find the quality programming for which public television is known and trusted.

In addition to broadcasting PBS national offerings such as *NOVA*, *Nature* and *Masterpiece Theatre*, in the last fiscal year, Prairie Public produced over 70 hours of television programming that focused on the Prairie Region. And, in the current fiscal year, we will produce more than 80 hours of regional programming.

Serving our regional audiences, to strengthen our community and help it prosper, is at the top of our agenda and our productions cover topics ranging from local community events to rural health care issues to legislative news.

Some of the programs produced have been, *More Precious than Gold*, *Building Our Future* and *RiverWatch*. Also, a weekly informational television production titled *Prairie Pulse* provides a statewide forum for topics that reflect each of our community's interest and concerns.

North Dakota Public Radio continues to be a vital source of information and music programming for citizens statewide and this year, as in years past, North Dakota Public Radio's news team was honored with numerous North Dakota Associated Press Broadcasters Association awards.

Also, included in your handout is our most recent Annual Report.

At the present time I can report that Prairie Public Broadcasting has almost 17,000 members that contribute annually to help support the programming expenses for the organization. These citizens know the importance of a strong and viable Public Broadcasting entity for their communities.

Before I close, I will summarize the progress Prairie Public has made toward the ambitious federal mandate for TV broadcasters to convert operations to digital.

Thanks in part to your past support, PPB has been a leader in the state for conversion to digital broadcasting. We have signed on seven digital transmitters and plan to have an eighth digital transmitter operating by Fall 2005. As you will see from an attachment on Matching Grants History, PPB has used part of your funding to "match" federal grants from the Department of Commerce and has received additional matching grants totaling over \$14 million in the past 5 years, with over \$10 million of that coming from the federal sources. The dollars from the state of North Dakota in the coming biennium can once again help us access these matching funds and bring more dollars back to North Dakota.

PPB continues to build the infrastructure to connect all these transmitters with a digital microwave path. You will see the digital coverage map attached as an exhibit in your handout. While tremendous progress has been made by Prairie Public, it will still require over \$15 million additional dollars to complete the digital build out.

I cannot express enough the thanks Prairie Public and its members extend to you for your past support. In the 40 years Prairie Public has been broadcasting, technology has changed, but our mission to provide services that educate, involve and inspire has not.

I believe we are earning the state of North Dakota's trust and financial support every day. Indeed, I hope we are exceeding expectations.

In House Bill 1015 of this biennium's budget, the Governor has recommended \$1,337,138 for the operation of Prairie Public Broadcasting, the same amount received from the last biennium.

I hope you will support this recommendation, as it allows us to operate the infrastructure required to provide public television, public radio and educational services to homes, schools and workplaces throughout the state.

Mr. Chairman and Members of the Committee thank you for your time and consideration.

NDPR's news programs and web site are a reliable source for international, regional and local news from the worlds of politics, business, science and the arts.

In fact, our network of television, radio and online services were the most comprehensive sources for statewide election coverage and debates during the 2004 election.

Prairie Public also has a very strong commitment to outreach and community service. Two such examples are:

*Ready To Learn*, which is a national initiative that trains early childhood educators, daycare providers and parents in interactive learning techniques that help prepare children for their formal learning experience.

And,

*Teacherline*, which is a program offering highly regarded, locally facilitated online professional development courses for teachers to update their credentials and/or skills necessary to prepare students for a successful future.

The State of North Dakota has, for years, played a vital supporting role in the operation of these television, radio and outreach services. While the appropriation from the state does not cover all these expenses, these services would not be possible without state support. The State of North Dakota provides a foundation for support from many other sources.

Below you will see a breakdown of our revenue sources and expenditures and we want to make certain that you know that PPB is actively seeking revenue from other sources, in order to maximize the investment from the state of North Dakota.

### **Prairie Public Broadcasting Funding Sources**

Members/Business	34%
Earned Income	20%
CPB	18%
Production/Federal Grants	15%
North Dakota	10%
Minnesota	3%

### **Prairie Public Broadcasting Expenses**

Programs	45%
G & A	19%
Engineering	19%
Fund Raising	10%
Development	7%

**Prairie Public Broadcasting  
Matching Grants History for Digital Conversion  
1/10/2005**

<b>Name of Project</b>	<b>Year</b>	<b>Project Cost</b>	<b>Federal Award</b>	<b>Federal %</b>	<b>Local Match</b>
<b>Digital DTV Grants</b>					
Digital Microwave Bismarck	1999	1,252,847	939,635	75%	313,212
Bismarck DTV	2000	1,521,736	1,141,302	75%	380,434
Digital Microwave TRF (Towers)	2001	536,698	359,587	67%	177,111
Fargo DTV	2001	1,368,203	916,696	67%	451,507
Digital Microwave TRF (Radio)	2002	630,587	422,493	67%	208,094
Crookston DTV	2002	1,455,478	975,170	67%	480,308
Crookston Building (DDF)	2002	120,000	90,000	75%	30,000
Minot DTV (DDF)	2002	948,898	711,674	75%	237,225
Ellendale DTV (DDF)	2002	384,435	288,326	75%	96,109
Dickinson DTV (DUSF)	2002	400,000	300,000	75%	100,000
Williston DTV (DUSF)	2002	400,000	300,000	75%	100,000
Western ND Microwave (USDA)	2004	2,000,000	2,000,000	100%	0
Master Control Monitoring (DDF)	2004	150,315	112,736	75%	37,579
KGFE Digital STL	2004	327,272	219,272	67%	108,000
Devils Lake DTV Tower/Microwave	2004	1,343,533	900,167	67%	443,366
Devils Lake DTV TX (DDF)	2004	666,639	499,979	75%	166,660
HD Encoder (DDF)	2004	53,720	40,290	75%	13,430
Digital Microwave (DDF) (Pending)	2005	455,271	341,453	75%	113,818
<b>Digital Total</b>		<b>14,015,632</b>	<b>10,558,780</b>	<b>75%</b>	<b>3,343,033</b>

# 2003 Annual Report Prairie Public Broadcasting, Inc.

Contact  
PPB for  
a copy

Be more Prairie Public

**Prairie Public  
Television**



**North Dakota  
Public Radio**

(Fiscal Year 2003 began October 1, 2002, and ended September 30, 2003.)

**TESTIMONY TO THE  
HOUSE APPROPRIATIONS COMMITTEE**

**January 13, 2005**

**HOUSE BILL 1015**

**ERIC HARDMEYER - BANK OF NORTH DAKOTA**

**BND Financial Highlights (millions)**

	<u>2001</u>	<u>2002</u>	<u>2003</u>	Unaudited <u>2004</u>	Projected <u>2005</u>
Assets	\$2,107	\$1,974	\$1,953	\$2,015	\$2,000
Loans	\$1,276	\$1,330	\$1,392	\$1,456	\$1,506
Capital	\$ 170	\$ 149	\$ 153	\$ 153	\$ 160
Ratio	8.07%	7.55%	7.83%	7.75%	8.00%
Income	\$33.1	\$32.2	\$31.7	\$34.2	\$35.0
GF transfer	\$50.0	\$30.0	\$34.0	\$30.0	\$30.0
ROE	19.5%	21.6%	20.7%	22.4%	21.9%

Assets have remained fairly constant over the last 4 years, although loan volume has increased each year. The loan portfolio is diversified into four main categories: business, agriculture, student loans, and residential. The breakdown is as follows: business - \$480 million, agriculture - \$236 million, student loans - \$417 million, and residential - \$322 million. Additionally over the last three years, the Bank has sold over \$134 million in loans to the Student Loan Trust.

BND capital or equity has dropped from \$170 million in 2001 to current levels of \$153 million. This is attributed to the one time transfer of \$18 million to assist with the budget shortfall in the 2001-03 biennium. For the last five biennium's, the Bank has transferred to the general fund nearly \$270 million, making it the fifth largest source of revenue to the state.

The Bank of North Dakota is adequately capitalized at 7.75%. According to Federal Reserve regulations, to qualify as "well-capitalized" a financial institution must have at least 5% capital. A nation-wide comparison for banks of similar size is 8.16%, while the North Dakota average for all banks is 9.96%. Our internal goal is for BND to have equity of 8%.

Bank of North Dakota

Earnings have been consistent over the last four years, with BND achieving a record profit in 2004 of \$34.2 million (unaudited at this point). Earnings over the current biennium will be approximately \$67 million, allowing BND to grow capital by \$7 million after the general fund transfers.

The return on equity ratio, which averages over 21% for the last four years, represents the state's return on its investment in the Bank.

In November, 2004, Moody's Investor Service, a national rating agency, raised ND's issuer rating to Aa2 from Aa3. They cited as reasons: a history of conservative management, strong financial results, and a low debt burden. They also stated "the upgrade is based on a reassessment of benefits and potential risk from the operations of the Bank of North Dakota, the nation's only state-owned financial institution".



600 E Boulevard Ave., Dept. 602  
Bismarck, ND 58505-0020

**Testimony of  
Agriculture Commissioner Roger Johnson  
HB 1015  
House Appropriations Subcommittee on Government Performance  
January 17, 2005**

Chairman Carlson and members of the Appropriations Committee, I am Agriculture Commissioner Roger Johnson. I am here today in support of HB 1015 which is the state employee compensation bill.

Our agency has lost ten employees in the first eighteen months of the current biennium, and the lack of raises for state employees was a significant factor in this extremely high turnover rate. All but one employee went to positions outside state government. In the previous biennium, only four employees left our agency. Two of these went to positions outside state government, one retired and one left as a result of disciplinary action.

We strongly encourage you to support the recommendations of the State Employee Compensation Commission regarding raises of four percent per year without any decrease in employee benefits or increase in employee contribution for benefits and the creation of a \$5 million salary equity pool.

Thank you for the opportunity to testify. I'd be happy to answer any questions that you have.



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BISMARCK, NORTH DAKOTA 58501-3396

NORTH DAKOTA  
PUBLIC EMPLOYEES ASSOCIATION

701-223-1964  
1-800-472-2698

AMERICAN FEDERATION  
OF TEACHERS LOCAL 4660 AFL-CIO



EMAIL: [comments@ndpea.org](mailto:comments@ndpea.org)  
WEBSITE: [www.ndpea.org](http://www.ndpea.org)

Good morning Chairman Carlson and members of the Government Improvement Committee, my name is Gary Feist and I am president of the North Dakota Public Employees Association AFT 4660. I have been a state employee for the past 14 years as an auditor in the Tax Department. I currently also represent classified employees on the State Employee Compensation Commission (SECC). I would like to thank you for scheduling this hearing today, a day when state employees could come and listen to the discussion and testify about the need for this legislature to pass the 4% and 4% salary increase without taking annual leave.

North Dakota has quality public employees providing quality services to the citizens of North Dakota each and every day of the year. We have quality employees that maintain and plow the roads we drive, highway patrol and correctional officers that keep us safe, and auditors like me, which help collect the revenue for the state by administering the laws passed by the legislature. I believe this legislature must pass the 4% and 4% salary proposal to remain competitive in recruiting and maintaining quality employees. Passing the 4% and 4%, establishing a \$5 million equity pool for employees that are furthest behind their midpoint with the most years of service, and maintaining the family health insurance plan as recommended by the SECC to Governor Hoeven will be a step in the right direction to achieving the state's goal of maintaining a quality workforce. In passing the 4% and 4% the state will also be making an investment in its greatest asset, its people.

*Quality Services from Quality People*

# Testimony

The 2004 ND State Employee compensation report released by North Dakota Human Resource Management Services (NDHRMS) states that North Dakota classified employees have fallen further behind the market over the last two years and now are 13.3% to 30.4% below market. The report also shows that to maintain the State's goal of keeping its pay ranges at 95% of market, the midpoints would have to be moved 10.5% to 24%. If the ranges were moved, Ken Purdy from NDHRMS has stated that it would cost \$2 million a year to bring employees to the new minimums and \$25 million to keep employees at their same position within their pay ranges. State employees realize that we cannot make up these differences over night, but the state must start to close the gap if it wants to be competitive in maintaining its quality workforce.

NDPEA and all state employees are appreciative of the state paying 100% of the premium of a family health insurance plan. Maintaining the fully funded family plan is also critical in keeping the state competitive. In the NDHRMS compensation report it is also noted that in comparing total compensation North Dakota is 11.1% below the 10-state average.

Passing the 4% and 4%, funding the \$5 million equity pool, and maintaining the health insurance will go a long way to improving the morale of public employees and providing a feeling to public employees that the quality services they provide to the citizens of ND are valued by this legislature and the citizens of North Dakota. NDPEA and all state employees request that this committee and the legislature support public employees by passing the 4% and 4%.

Thank you for the opportunity to testify before you today and I am available to answer any questions you may have.

January 17, 2005

Members of the Committee

Good morning. My name is Jim Collins Jr.. I have worked for the state of North Dakota for 13 years.

I would like to point out my main concern in regards to the pay raise that is being considered within the Governor's budget, HB 1050 and this OMB bill. (HB 1015)

I have been a team leader for four years now. I have also interviewed approximately 15 candidates for a position that the Health Department has in Fargo. We have had two people leave for better paying opportunities in another state. Both employees partly attributed the move to the low salary conditions

One of those former employees took a second job in order to make her car payments. She subsequently quit her second job because of the demands of her state job. It wasn't long after when she took her three years of experience and left for another state. Yes, she was replaced, however, I could not replace the valuable training she had received. This set my team back approximately two years.

It used to be potential employees went to work, gained experience then came to work at the state. Now we are the training ground and it is getting costly.

The state has some very dedicated people working for it, especially on my team and I would like to keep them if possible.

I urge the members of this committee to give this bill a unanimous Do Pass recommendation.

Respectfully submitted,

Jim Collins Jr.

TESTIMONY ON HB 1015  
HOUSE APPROPRIATIONS COMMITTEE  
GOVERNMENT PERFORMANCE SUB-COMMITTEE

January 17, 2005

Mr. Chairman and members of the committee, my name is Tom Tupa and I am representing the Independent ND State Employee's Association (INDSEA). I am here in urging your support for HB 1015.

In 2004 INDSEA established four objectives for its membership. One was to seek a "reasonable salary increase applied equitably to all State employees". We think HB 1015 is a good beginning.

In 2003, there was an attempt to provide a slight salary adjustment but, that effort did not become a reality. While most, if not all, Higher Education employees did get their increases, few, if any classified employees in the Executive branch got their's. (The exception might be a few reclassifications or promotions.)

We applaud Higher Education for giving salary adjustments in the last biennium. Now it is time for the Career Service Employees to get some consideration for their adjustments.

INDSEA believes the Governor's proposal in HB 1015 is a good place to start. By now, most employees and legislators have seen or heard of the Compensation report put together by the ND Human Resource Management Services Office of OMB. The information contained in that report, shows ND state employee salaries far behind most other states and the private market. I am not going to get into the details of that report. But I would like to make some general comments.

I was humbled and honored to give the following testimony before the House Government Performance committee on 1/17/05:

My name is Tanya Stebbins and I am a ND state employee statistic. The day I began my job with the Dept. of Health tears of pride welled up in my eyes as I passed the state trooper memorial flags. I was humbled with thoughts of ND history - could I make a difference. I was full of hopeful possibility. Sixteen months later, as I passed that same memorial on my last day of work with tear filled eyes; I felt worn out, used up, and taken advantage of. Your employees may not express these feeling to you because they are intimidated, but the capital is full of people with these feelings.

I know as legislators you have an awesome and daunting task of juggling everyone's issues. I am here to remind you that state employees are not just another issue. They are real people, families, with hopes and dreams of making a life on this harsh ND prairie. They want to stay here. As the glue that holds our state together, they remain here at the capital long after you have gone, and they are here to greet you should you return. They are the reason you are here. They are the innovators, the developers, the maintainers - the hope of our great state.

As one of the largest employers in ND - state government needs to be the example, set the standard of expectations for other corporations in our state. Wal-Mart is being criticized nation wide for its employee compensation. Their employees are said to be the working poor; qualifying for federal subsidies. Well, as my husband Mike stated earlier, after 17 years of being a faithful servant to the state of ND, giving up one holiday after another, being available year round to keep our highways safe, working long hours under hazardous conditions - my husband's current salary qualifies for federal and state subsidies. How can we expect our great state to survive, much less thrive, when we place no more value than that on our own employees.

It is time for a new attitude. Employee compensation must be the first priority of EVERY session, not just sessions when there is criticism. NDPEA has done your homework for you - use the information they have compiled and set a new standard. Campaign for your employees harder than you campaigned for yourself every session. Don't be a republican or a democrat, be an advocate. Show pride in our state and do the right thing. 4% and 4% is only a start when there are market deficits of 25-30% in some departments. And please be logical about benefits packages too. If employees have to pay for insurance you are actually cutting their pay. Remember, SD, MN, and MT have prairies to live on too. Do your part to keep our people home where they want to be.

Thank you.  
Tanya Stebbins

MASTED  
EQ II

BISMARCK  
DIST

I am a 17 year veteran of the dept. of transportation, stationed in the Underwood section - highway 83. I missed both Christmas and New years celebrations with my family to keep the highways open and safe, for you and your family. My assistance, on my current salary. 2307

I know I deserve a fair wage! 4% x 4% is a start. PLEASE support pay raises and fully funded health insurance! Thank you.

Michael Stebbins employee # 0299587

HAD NO RADIO To call home My truck broke down

My 14 year old SAID first there not paying him enough to have trying to kill him.

27  
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House

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# **Historical Perspective for Salary Planning and Market/Equity Fund** **Senate Appropriations** **March 7, 2005**

## **Requesting Restoration of \$5.0 million Market/Equity Fund**

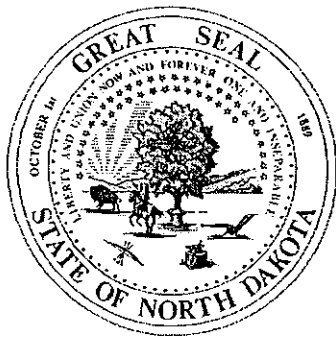
1996	- State began designating part of the General Increase as across-the-board (atb) and part for merit & equity.	1996	Salary Increase History	
	- HRMS provided spreadsheet modeling tools to encourage and help agencies to use the discretionary portions effectively.	1997	2% atb, 1% perf & eqty	
		1998	\$30 atb, remainder of 3% perf & eqty	
		1999	Same as 1997	
		2000	\$35 atb, remainder of 2% perf & eqty + \$5.4 mill Mkt/Equity Fund	
		2001	\$35 atb, remainder of 2% perf & eqty	
		2002	\$35 atb, remainder of 3% perf & eqty	
1997	- State ranges were inconsistent when measured against market, some midpoints were slightly ahead of market and some were over 13% behind market. During the interim a plan was developed to simplify the compensation structure by reducing the 44 grades into 20.	2003	\$35 atb, remainder of 2% perf & eqty	
		2004	0	
1999	- Implemented the new pay structure of 20 grades.			
	- Widened the ranges to the current 66% (from Minimum to Maximum) to reduce the cost of bringing employees to the new minimums.			
	- The new ranges set the midpoints at 95% of 1998 market averages			
	- \$5.4 million Market/Equity fund was distributed by formula based on most experienced and lowest in range; 3,593 of 6,456 (56%) employees received increases from the fund:			
		39	Employees	5.8% Increase
		312		4.3%
		1,657		2.8%
		1,585		1.4%
2001	- Recalculated the ranges and reset the midpoints at 95% of 2000 market averages.			
	- \$5.0 Market Equity fund again distributed by formula based on most experienced and lowest in range; 4,226 of 6,572 (64%) employees received increases from the fund:			
		65	Employees	4.8% Increase
		386		3.4%
		2,058		2.1%
		1,717		0.9

## **An example of the effectiveness of the Market/Equity Fund**

HRMS recently reviewed a sample of correctional staff salaries in response to a legislative request. We found that in 2001:

- Overall, 64% of classified employees received increases from the Market/Equity Fund but in DOCR 92% of classified staff received additional increases from the Fund.
- General increase appropriations in 2001 were 3%; the sampled correctional staff received increases ranging from 4.2% to over 7% due to the Market/Equity Fund

This example demonstrates that the Market/Equity Fund approach is an effective tool at directing salary dollars where most appropriate.



## DEPARTMENT OF CORRECTIONS AND REHABILITATION

3100 Railroad Avenue, PO Box 1898 • Bismarck, ND 58502-1898  
(701) 328-6390 • FAX (701) 328-6651 • TDD 1-800-366-6888  
Website: [www.discovernd.com/docr](http://www.discovernd.com/docr)

### Senate Appropriations Committee

### House Bill 1015

Mr. Chairman and members of the Committee, I am Linda Houfek, the Human Resources Director for the Department of Corrections and Rehabilitation. I am here today to ask your consideration to restore the funding for the statewide market equity compensation adjustments for classified state employees.

The DOCR has approximately 650 authorized staff and on average about 40 temporary employees. We employ staff in several job categories including administrators/management, professional, para professional, protective service staff, administrative services staff, skilled craft and service/maintenance staff. These staff are located in four separate facilities and in fourteen regional locations throughout the State.

In 1999, the DOCR received \$557,186 from the market equity appropriated by the legislature. This allowed us to provide equity increases to 79% of our staff. These increases averaged about 2%. In 2001, the DOCR received \$576,000 and used this to provide equity increases that averaged about 2% to 92% of our staff. This along with the general adjustments that were given, assisted administrators in relieving some of the compression of staff salaries at the low end of the pay ranges and allowed for some movement into the ranges.

Currently in our department many of the staff, hired as long ago as mid January 2002, are making the same salary as staff hired in late 2004. This has again caused severe compression at the lower end of salary ranges. We anticipate that if the market equity dollars were appropriated we again would see a move in staff salaries away from the compression at the lower end of the ranges, and staff would see some recognition for service as their salaries would reflect some movement in their pay ranges.

**Lee, Judy E.**

**From:** Tom Newberger [tnewberger@rrhsf.org]  
**Sent:** Thursday, April 21, 2005 4:59 PM  
**To:** Lee, Judy E.  
**Cc:** Fischer, Tom L.  
**Subject:** RE: 1012

Sen. Lee,

My figures are correct. The difference is & added 33% percent for benefits on top of the wages as follows:

	<u>Year 1</u>	<u>Year 2</u>	<u>Total</u>
2.65% inflation	.24	.25	.49
Wage increase	<u>.15</u>	<u>.20</u>	<u>.35</u>
<b>Total:</b> is thinking of	<b>.39</b>	<b>.45</b>	<b>.84</b> Note: this is what amounts Sen. Fischer
33% for benefits	.13	.15	.28
Total after benefits:	.52	.60	1.12

Representative Delzer confirmed the above today on the floor of the House in response to a question from Rep Hawken.

**Tom Newberger, C.E.O.**

**Red River Human Services Foundation**

**(701) 235-0971**

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**From:** Lee, Judy E. [mailto:jlee@state.nd.us]

4/22/2005

Lee, Judy E.

From: Tom Newberger [tnewberger@rrhsf.org]  
Sent: Thursday, April 21, 2005 12:32 PM  
To: Lee, Judy E.  
Subject: RE: 1012

Sen. Lee,

We have not made any decisions on how we will implement the new funding as we need to evaluate the new money coming in from the state verses money going out to staff. My biggest concern is how to manage the increased cost of health insurance, which for us, went from \$754.90 per month for a family plan to \$841.60 per month for an 11½ % increase.

New funding from state appears to be 52 cents/hr (24 cents from inflation + 15 cent wages + 13 cent in benefits) which gives us \$1,081.60/year per employee (52 cents x 2080 hr). Offsetting this amount is \$1,040.40 in increased health insurance costs for a family plan (\$841.60-754.90 x 12 months).

Options for us:

1. If we decide to fully fund the increase in health insurance costs, then
  - Staff that receive a family plan would receive \$41.20 per year in wage increases (\$1,081.60/yr - \$1,040.40/yr) or 2 cents/hr.
  - Staff that have a single plus dependent plan would receive 17 cents per hour (\$1,081.60/yr - \$732/yr increase in health insurance costs/2080 hrs)
  - Staff with a single plan would receive 33 cents per hour (\$1,081.60/yr - \$398/yr increase in health insurance costs/2080 hrs)
2. If we decide to pass on the 39 cents in wage increases to all staff (24 cents from inflation plus 15 cent/hr), then we'd need to look at passing some or all of the higher health insurance costs onto staff or reduce benefits again.

Let me know if you need anything else.

Tom Newberger, C.E.O.

Red River Human Services Foundation

(701) 235-0971

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## DD Standard Wage Allowances for Fiscal Years Beginning in 2004:

### Group Homes \*:

First Approved FTE	\$11.50
Second Approved FTE	\$10.33
Remaining Approved FTE	\$8.78
Approved Awake Night FTE (1.6 FTE)	\$8.78
Standby FTE (1.6 FTE)	\$7.30

Day Services Approved FTE	\$9.30
Extended Services (Approved Job Coaches)	\$9.30
Family Support Services	\$9.30
ISLA	\$9.30

Family Subsidy (Excess Child Care)	N/A
Infant Development	N/A
Professional (Administrative and General Client)	N/A
Supported Living Arrangements	N/A

\* Group Homes include: ICFs/MR--Adult, Children & Physically Handicapped; Congregate Care; Minimally Supervised Living Arrangements; Specialized Placement; Transitional Community Living Facilities.

## Salary Increase History

Date	Amount	Specific Provisions
7/1/83	2%	Retirement Contribution in lieu of salary increase
5/1/84	\$60/mo	Not appropriated but allowed by Governor within available agency funds
7/1/84	2%	Retirement Contribution in lieu of salary increase
4/1/85	5.50%	Minimum increase of \$50
7/1/86	4%	Minimum increase of \$50
7/1/87	0	
7/1/88	0	
7/1/89	7.10%	Minimum increase of \$50
7/1/90	0	
7/1/91	4%	Minimum increase of \$50
7/1/92	\$40/mo	Averaged approximately 2%
7/1/93	\$60/mo	Averaged approximately 3.2%
7/1/94	3%	
7/1/95	2%	
7/1/96	3%	2% across the board; 1% for performance, range compression, & equity
7/1/97	3%	\$30 across the board; remainder of 3% appropriation based on merit & equity
7/1/98	3%	Same as 1997
7/1/99	2%	\$35 across the board; remainder of 2% appropriation based on merit & equity; plus a \$5.4 million Market/Equity Fund
7/1/00	2%	\$35 across the board; remainder of 2% appropriation based on merit & equity (additional 1% allowed with funding from existing appropriations)
7/1/01	3%	\$35 across the board; remainder of 3% appropriation based on merit & equity; plus a \$5.0 million Market/Equity Fund
7/1/02	2%	\$35 across the board; remainder of 2% appropriation based on merit & equity
7/1/03	0	
7/1/04	0	

**Human Resource Management Services (HRMS)** is a division of the **Office of Management and Budget**. The 2003 Legislative Assembly changed the name from Central Personnel to more accurately reflect the role of promoting and supporting effective human resource management practices in North Dakota state government.

**HRMS Mission**  
To actively promote effective management in North Dakota state government by providing leadership and expertise in human resource services.

**HRMS's** primary responsibility is to provide "... a unified system of personnel administration for the classified service ..."

Beyond the basic framework of human resource management policies (rules), job classification, and salary ranges, **HRMS** provides assistance to agencies in their ongoing management of human resources. **HRMS** services include:

- Management Consulting
- Supervisor/Employee Training
- Employee Compensation Services
- Recruitment/Selection Assistance
- Mediation
- Legislative & Regulatory Compliance
- Performance Management Tools
- Model Policies, Handbooks, & Guides

**HRMS** also makes current information readily available to agencies via the world wide web at:

[www.discovernd.com/hrms](http://www.discovernd.com/hrms)

**HRMS offices are located on the 14th Floor of the State Capitol.**

**Phone Number:** (701) 328-3290

**FAX:** (701) 328-1475

**Please feel free to contact any HRMS staff member:**

Name	Phone	Name	Phone
Laurie Sterioti-Hammeren	328-4735	Ken Purdy	328-4739
Linda Jensen	328-3299	Lee Lundberg	328-1638
Virginia Rivinius	328-3374	Kim Wassim	328-4737
Jan Kolding	328-3347	Leanne Schmidt	328-4738
Bill Gumeringer	328-3345	Maureen Vosberg	328-3293

# NORTH STATE EMPLOYEE DAKOTA Fact Sheet

December 2004

This fact sheet is provided by **Human Resource Management Services (HRMS)** to give a snapshot of state employment. Data is from a variety of sources and over several months. While details of employment change daily, this data is an accurate overall reflection of State employment.

The 6,409 state employees in positions classified by **HRMS** are employed in over 50 separate state agencies. 87% of classified employees work in the 13 largest agencies:

Dept of Human Services	2,003
Dept of Transportation	1,038
Dept of Corrections & Rehab	589
Job Service ND	348
Health Dept	298
Information Technology Dept	244
Highway Patrol	178
Dept of Public Instruction	169
Bank of ND	152
Office of Mgmt & Budget	150
Game & Fish Dept	142
Attorney General's Office	132
Tax Dept	122

## Average Classified State Employee

	Years of Age	Years of Service	Annual Salary	Actual Increase	Approp'd Comp Ratio
Jan 1993	42.0	9.5	\$ 22,189		
Jan 1994	42.0	11.0	22,812	2.8%	\$60/mo
Jan 1996	46.0	11.4	25,476	11.7%	5.0%
Jan 1997	43.0	12.2	26,273	3.1%	3.0%
Jan 1998	43.8	12.1	27,034	2.9%	3.0%
Aug 1998	44.0	12.1	27,963	3.4%	3.0%
Nov 1999	44.2	12.2	28,860	3.2%	2.0%
Aug 2000	44.4	12.3	29,993	3.9%	2 + 1%
Aug 2001	44.8	12.5	31,467	4.9%	3.0%
Dec 2002	45.4	12.9	32,262	2.5%	2.0%
Dec 2003	45.7	13.2	32,627	1.1%	0.0
Dec 2004	45.9	13.2	32,604	0.0%	0.0%

# NORTH DAKOTA State Employee Fact Sheet

Classified employees under HRMS (ND's Civil Service) are covered by basic 'rules' adopted by HRMS. The rules ensure reasonably consistent employment conditions regardless of size, function, or location of agency. Generally, the rules provide for equitable pay, open & competitive selection, and protection from arbitrary personnel actions.

Classified employees under the University System are covered by and subject to the policies adopted by the State Board of Higher Education.

Non-Classified employees do NOT have grievance appeal rights under HRMS. The terms and conditions of employment vary by agency, category of employee, or even by individual employee.

Classified Employee Salary Distribution	# of Employees	Percent
up to \$10,000	0	0.0%
\$10,000 to \$15,000	11	0.2%
\$15,000 to \$20,000	613	9.6%
\$20,000 to \$25,000	1,157	18.1%
\$25,000 to \$30,000	1,192	18.6%
\$30,000 to \$35,000	1,229	19.2%
\$35,000 to \$40,000	790	12.3%
\$40,000 to \$45,000	561	8.8%
\$45,000 to \$50,000	358	5.6%
\$50,000 to \$55,000	227	3.5%
\$55,000 to \$60,000	103	1.6%
\$60,000 to \$65,000	71	1.1%
\$65,000 to \$70,000	63	1.0%
\$70,000 to \$75,000	19	0.3%
\$75,000 to \$80,000	11	0.2%
\$80,000 to \$85,000	2	0.0%
\$85,000 to \$90,000	2	0.0%
	6,409	

In the North Dakota general workforce:

- 84% of workers have completed high school
- 22% have bachelor's degrees or beyond

In the Classified workforce of the State:

- 99% have completed high school
- 82% have formal education or trade school beyond hs
- 54% have a bachelor's degree or beyond

14,005 Total Employees

10,388 Classified Employees (i.e. Civil Service)

6,409 Employees classified under HRMS

5,189 In Cabinet Agencies reporting to the Governor  
603 In Agencies reporting to Boards & Commissions  
617 In Elected Official's Agencies

3,979 Employees classified under the ND University System

3,617 Non-Classified Employees

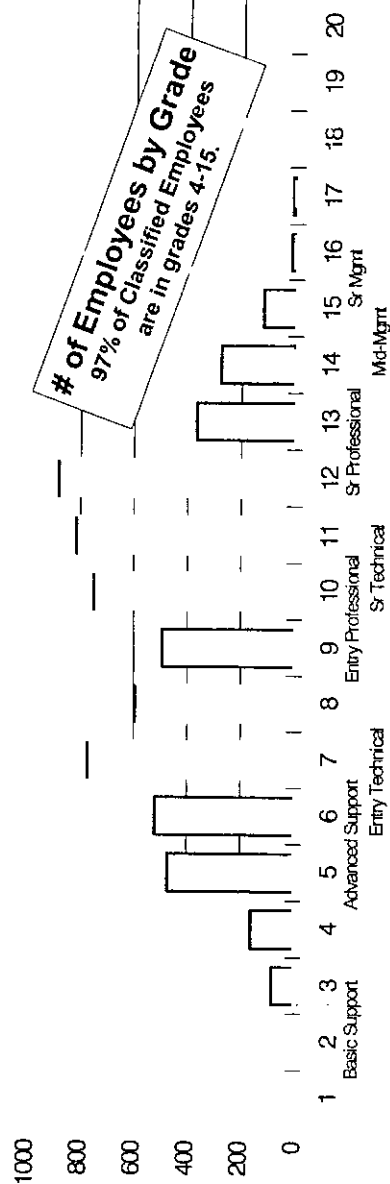
87 State Officials

13 Elected  
48 Appointed  
26 Deputies & Assistants

820 Other Non-Classified

31 Legislative Council  
329 ND Court System  
216 Workforce Safety & Insurance  
49 Department of Commerce  
20 Physicians & Dentist  
27 Assistant Attorney's General  
51 Teachers  
97 Miscellaneous (Statutory, SPB Action, & Gov Staff)

2,710 University System Officials & Faculty



## What are employees saying about working for state government?

"Working for the State of North Dakota is a rewarding experience because every employee can and does make a difference."

"After 33 years, I find there to be challenges every day that make it a joy to come to work."

"I like that what I am doing results in saving lives. It's more than just a job. It's a profession, which offers the opportunity for a satisfying life of service."

"I am proud that in a rural state like North Dakota, we can provide a level of service that is as good or better than larger states."

"The State has been good to me. I have been promoted within my agency several times."

"The State provides me with the latest technology and training to perform my job."



**ND Human Resource Management Services**  
600 East Boulevard Avenue, Dept. 113  
Bismarck ND 58505-0120  
(701) 328-3290, TTY: 1-800-366-6888  
[www.discovernd.com/hrms](http://www.discovernd.com/hrms)

NORTH DAKOTA STATE GOVERNMENT

**STATE EMPLOYEES  
TOUCH THE LIVES OF  
ALL ND CITIZENS**

*Make a difference through public service!*

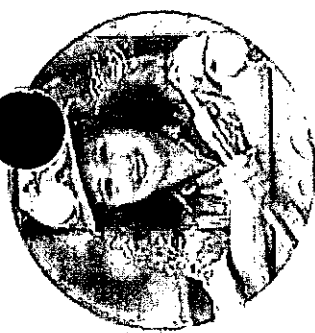


For more information on career opportunities in state government, contact:

**ND Human Resource  
Management Services**  
(701) 328-3290

[www.discovernd.com/hrms](http://www.discovernd.com/hrms)

# MAKE A DIFFERENCE THROUGH PUBLIC SERVICE!



◆ **Do you drive on any roads or highways in North Dakota?**

State employees design and maintain roads and highways. State employees patrol those roads and highways to ensure your safety and protection.

◆ **Do you buy gas at a gas station?**

State employees inspect and test the gas pumps to make sure you receive an actual gallon of gas.

◆ **Do you buy food at the grocery store?**

State employees test the scales to make sure you receive an exact pound of meat or grapes (or whatever you're weighing).

◆ **Do you like to eat out at a favorite restaurant?**

State employees inspect restaurants to make sure they are following safe and proper food handling techniques.

◆ **Do you have a loved one in a nursing home?**

State employees inspect the nursing homes to ensure your loved one is receiving quality care.

◆ **Do you like to fly when you travel?**

State employees inspect the airports to make sure you have a safe journey and coordinate funding for maintenance and improvements to airports.

◆ **Are you married and/or have children?**

State employees record these major events in your life.

◆ **Do you like to hunt or fish?**

State employees ensure an abundance of our state's wildlife resources.

◆ **Do you like to explore North Dakota state parks?**

State employees maintain our state parks for all to enjoy.

◆ **Do you have children or grandchildren in school?**

State employees coordinate and enhance educational opportunities for all ND citizens.

◆ **Do your children or grandchildren attend college in North Dakota?**

State employees provide a world class education to our students. And, state employees process 18,000 loan requests each year so our children can attend college.

◆ **Do you drink milk?**

State employees inspect milk to ensure you're drinking a safe product.

◆ **Do you drink water?**

State employees monitor the quality of the water we drink.

◆ **Do you like to visit Medora or any other state tourist attraction?**

State employees promote the beauty of our state nationally and internationally.

◆ **Do you enjoy attending events at the Capitol?**

State employees successfully coordinate these events and maintain the Capitol and grounds as a showcase for visitors.

◆ **Do you farm or ranch?**

State employees promote ND's agricultural commodities throughout our nation and worldwide.

◆ **Do you have children in daycare?**

State employees license daycare providers to ensure a safe environment for your children.