

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1075

2005 HOUSE POLITICAL SUBDIVISIONS

HB 1075

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1075

House Political Subdivisions Committee

☐ Conference Committee

Hearing Date January 6, 2005

Tape Number	Side A	Side B	Meter #
1	x		1.8 to 11.8

Committee Clerk Signature



Minutes: Rep.Devlin, Chairman opened the hearing on HB 1075. HB 1075, a bill for an act to amend and reenact section 54-10-14 of the North Dakota Century Code, relating to the payment of audit fees by political subdivisions.

Paul Welk (3.7), Audit Manager - Office of the State Auditor testified in support of HB 1075.

A copy of his prepared testimony is attached.

REP. KOPPELMAN (5.3) Do the remittances for other entities other than Political subdivisions come directly to you ?

Paul Welk: Currently state law provides that those remittances go directly to the State Treasure's office.

REP. KOPPELMAN : Does the State Auditor's office bill any other political entities besides the political subdivisions ?

Paul Welk : We bill other state agencies and those remittances come directly to our office. This only applies to only political subdivision fees.

REP. KOPPELMAN : Have you talked to anyone in the State Treasurer's office to get their feeling on this ?

Paul Welk: Yes, they are only more than happy to. --- there is no dispute there.

Rep. Ekstrom : (6.1) Why does the state law provide currently for these payments to be made to the State Treasurer?

Paul Welk : I really do know unless at sometime all payment were made to the State Treasurer and a change was made which did not include these payments -- I really don't know.

There being no further question from the Committee and there being no one appearing in opposition to HB 1075, Rep.Devlin, Chairman closed the hearing.

Note: The committee proceeded to call for hearing on the next bill; however, when the sponsors and no one was present to testify on the next bill, Rep.Devlin, Chairman recessed that hearing and reopened HB 1075 for consideration and action. Following a brief discussion, **Rep.**

Maragos

moved a ' Do Pass ' motion for HB 1075. **Rep. N. Johnson** seconded the motion. On a roll call vote the motion carried **12 ayes 0 nays 0 absent**. **Rep. Maragos** was designated to carry the bill on the floor.

End of record (11.8)

FISCAL NOTE
Requested by Legislative Council
12/22/2004

Bill/Resolution No.: HB 1075

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
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

The passage of this bill will have no fiscal impact.

Audit fees will be sent to the State Auditor's Office before they are deposited with the State Treasurer.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

No fiscal effect.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

No fiscal effect.

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

No fiscal effect.

Name: Ed Nagel
Phone Number: 328-4782

Agency: State Auditor's Office
Date Prepared: 12/22/2004

Date: 11/06/05
Roll Call Vote:

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1075

House POLITICAL SUBDIVISIONS

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Do Pass
Rep. Maragos

Seconded By

Rep. N. Johnson

Representatives	Yes	No	Representatives	Yes	No
Rep. Devlin, Chairman	✓		Rep. Ekstrom	✓	
Rep. Herbel, Vice Chairman	✓		Rep. Kaldor	✓	
Rep. Dietrich	✓		Rep. Zaiser	✓	
Rep. Johnson	✓				
Rep. Koppelman	✓				
Rep. Kretschmar	✓				
Rep. Maragos	✓				
Rep. Pietsch	✓				
Rep. Wrangham	✓				

Total (Yes)

12

No

0

Absent

0

Floor Assignment

Rep. Maragos

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

REPORT OF STANDING COMMITTEE (410)
January 6, 2005 1:24 p.m.

Module No: HR-03-0154
Carrier: Maragos
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1075: Political Subdivisions Committee (Rep. Devlin, Chairman) recommends DO PASS (12 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1075 was placed on the Eleventh order on the calendar.

2005 SENATE POLITICAL SUBDIVISIONS

HB 1075

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1075

Senate Political Subdivisions Committee

☐ Conference Committee

Hearing Date February 11, 2005

Tape Number
1

Side A
X

Side B

Meter #
0 - 404

Committee Clerk Signature



Minutes:

Vice Chairman Hacker called the Senate Political Subdivisions to order. Five members present
One absent (Senator Cook testifying on another bill).

Vice Chairman Hacker opened the hearing on SB 1075 relating to payment of audit fees by
political subdivisions.

Paul Welk, Audit Manager, State Auditor's Office testified in support of HB 1075. (See
attachment #1)

Kelly Smith, State Treasurer, testified in support of HB 1075. All this bill does is bring
efficiency into the process of what we are doing and therefore our agency is in support of the bill.

No further testimony in opposition or in support of the bill.

Vice Chairman Hacker closed the hearing on SB 1075.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1075

Senate Political Subdivisions Committee

☐ Conference Committee

Hearing Date February 25, 2005

Tape Number
1

Side A
X

Side B

Meter #
1217 - 1399

Committee Clerk Signature



Minutes:

Chairman Cook opened the discussion and action on HB 1075. All members (6) present.

Senator Hacker motioned a Do Pass

Senator Fairfield seconded the motion

Discussion

Roll call vote: Yes 6 No 0 Absent 0

Carrier: **Senator Hacker**

Date: 2-25-05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1075

Senate Political Subdivisions

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass

Motion Made By Senator Hacker Seconded By Senator Fairfield

Senators	Yes	No	Senators	Yes	No
Senator Dwight Cook, Chairman	X				
Senator Nicholas P. Hacker, VC	X				
Senator Dick Dever	X				
Senator Gary A. Lee	X				
Senator April Fairfield	X				
Senator Constance Triplett	X				

Total Yes 6 No 0

Absent

Floor Assignment Senator Hacker

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

REPORT OF STANDING COMMITTEE (410)
February 25, 2005 1:18 p.m.

Module No: SR-35-3715
Carrier: Hacker
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1075: Political Subdivisions Committee (Sen. Cook, Chairman) recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1075 was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

HB 1075



STATE OF NORTH DAKOTA
OFFICE OF THE STATE AUDITOR
STATE CAPITOL
600 E. BOULEVARD AVE. - DEPT. 117
BISMARCK, ND 58505

**TESTIMONY BEFORE THE HOUSE
POLITICAL SUBDIVISIONS COMMITTEE**
January 6, 2005

House Bill No. 1075

Testimony - Presented by Paul Welk
Audit Manager

Chairman Devlin, members of the committee, my name is Paul Welk. I am here to testify in support of House Bill No. 1075.

This bill amends Section 54-10-14 of the North Dakota Century Code (NDCC), relating to the responsibility for the deposit of political subdivision audit fees.

The NDCC currently requires political subdivisions to make payments to the State Treasurer for audits performed by the State Auditor. The State Treasurer deposits the payments into the State Auditor operating account. With the implementation of the state's Peoplesoft accounting system, this method is no longer practical. The State Auditor is responsible for billing political subdivisions for audits using the Peoplesoft accounts receivable module. When these payments are collected, they must be input into the Peoplesoft accounts receivable module by the State Auditor. The State Treasurer does not have computer access rights to the State Auditor's accounts receivable module.

Another advantage of having the payments received by the State Auditor is the ability to reduce input errors. In the past the State Treasurer input the payments into the state's accounting system and at times used the wrong accounting code or accounting period which required the State Auditor to prepare a correcting journal voucher. Having the State Auditor perform the original coding will reduce the likelihood of errors.

I urge your favorable consideration of this bill and will answer any questions you may have regarding this bill.

Thank you.

STATE AUDITOR
ROBERT R. PETERSON



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STATE OF NORTH DAKOTA
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STATE CAPITOL
600 E. BOULEVARD AVE., - DEPT. 117
BISMARCK, ND 58505

**TESTIMONY BEFORE THE SENATE
POLITICAL SUBDIVISIONS COMMITTEE**

February 11, 2005

House Bill No. 1075

Testimony - Presented by Paul Welk
Audit Manager

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Thank you.