

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1177

2005 HOUSE APPROPRIATIONS

HB 1177

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1177

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date January 13, 2005

Tape Number 1	Side A x	Side B	Meter # 14.4 to 42.8
Committee Clerk Signature			

Minutes: Chairman Martinson open the hearing on HB1177.

Merl Paaverud, director of State Historical Society of North Dakota testified HB1177 would allow unexpected appropriated funds to be used in the Historical Impact Emergency Fund. (See attached written testimony A1177) Fund now has several hundred dollars in it. Shared an overview of how the emergency fund could be used for mitigation.

Chairman Martinson Is there any money in the fund?

Merl Paaverud \$298. Brief budget overview. The Historical Emergency Fund was put into the Century Code, but never funded. If there are any funds we have left to turn back at the end of the biennium that could be put in this fund we could do some good things.

Chairman Martinson What turn backs do you have this year?

Merl Paaverud I have included on the back page what we projected. (See attached written testimony A1177).

Rep. Aarsvold You do not cap the fund?

Merl Paaverud No, we do not.

A letter was read from **Art Todd, member North Dakota State Historical Board** and State Senator during the 1983, 1985, 1987 and 1989 Legislative Sessions. (See attached written testimony B1177).

Rep. Johnson, from District 37 in Dickinson HB1177 would allow the State Historical Society to place any funds remaining in this appropriations at the end of this biennium into the Historical Impact Emergency Fund. This fund is to be used for emergency mitigation of adverse effects on cultural resources and historical buildings, structures, or object in the state. It is a duty assigned to the Historical Society but one that had no resources to accomplish. The fund was established by the legislature but no dollars were appropriated for the fund. It currently has about \$298. Any funds placed into this account would still have to be authorized to expenditure by the Emergency Commission and the State Historical Society would be require to report the amounts and the usage of the fund to the Appropriations committee at the next session. Great deal of oversight with this bill. I would ask the committee a Do Pass recommendation.

Rep. Gulleson There is not a cap on this. Would you be comfortable if we capped the fund at a certain level, like \$200,000?

Rep. Johnson Yes, we could live with a cap if it was required to get it into place. What they really want is to get some funds in there so if something does come up they have the ability to handle it.

Rep. Wald Usually, if they want to spend that money, they would have to come to the Budget Section because it is going to happen between sessions rather than wait for the next session. Very rare that they are turned down at the Budget Section. Is that something you would be opposed to?

Rep. Johnson No, I would not. Whatever the appropriate procedure is, that would be fine.

Rep. Wald Is that the way it should be, Joe?

OMB It would probably depend on the dollar amount involved. If it is over \$50,000 it would go to the Budget Section just by statute.

Rep. Aarsvold Do we have other provisions in law whereby Emergency Commission can authorize expenditures without the Budget Section?

OMB Once again, if it is under the \$50,000 threshold they can authorize expenditures. The trigger to go to the Budget Commission is that \$50,000 limit. I'm not aware of other specific sections.

Chairman Martinson closed hearing on 1177.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1177

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date January 27, 2005

Tape Number
1

Side A
x

Side B

Meter #
9.5 thru 12.7

Committee Clerk Signature

Robin Pursley

Minutes: Chairman Martinson opened the hearing on HB1177. A couple of questions on this bill. Maybe we should delete the emergency clause because that would take money from their carry over which is built into the budget. Maybe we should limit it to \$200,000.

Vice Chairman Brusegaard I would like to amend HB1177 by deleting section 3.

Chairman Martinson Is that a motion?

Vice Chairman Brusegaard Yes.

Rep. Gulleason Second.

Voice vote - motion on amendment passes.

Vice Chairman Brusegaard \$200,000 or \$250,000?

Chairman Martinson \$250,000 is what they were looking for originally. They were asked in committee if \$200,000 limit was acceptable with them and it was.

Vice Chairman Brusegaard ²¹ I would move that we approve and amend HB1177 by adding a section that states when this fund reaches a level of \$250,000 the unexpended appropriations would go back to the general funds.

Rep. Aarsvold Second. My recollection is that initially the conversation was the special fund was to be at \$200,000.

Chairman Martinson Yes.

Voice vote - motion on amendment passes.

Vice Chairman Brusegaard I move a Do Pass As Amended on HB1177.

Rep. Aarsvold Second.

VOTE: 4 YES and 0 NO with 2 absent. DO PASS AS AMENDED. Rep. Brusegaard will carry bill to full committee.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1177
State Historical Society
Unexpended Appropriations

House Appropriations Full Committee

☐ Conference Committee

Hearing Date February 1, 2005

Tape Number
1

Side A

Side B
X

Meter #
#5.0 - #16.8

Committee Clerk Signature

Chris Alexander

Minutes:

Rep. Ken Svedjan, Chairman opened the hearing on HB1177.

Rep. Tom Brusegaard explained that the Historical Society is asking for permission to use its turnback moneys to build up the Historical Impact Emergency Fund until it reached \$250,000.

This fund was established 20 years ago but no funding was ever approved to go in it. This would allow them to use their turnback funds beginning with the 2005-07 biennium to build up this fund. No moneys could be spent from this fund without permission from the Emergency Commission.

Rep. Mike Timm, Vice Chairman asked where the \$250,000 shows up in the bill.

Rep. Tom Brusegaard answered that it is in the amendment recommended by the education sub committee to limit the fund to \$250,000.00.

Rep. Al Carlson asked for clarification of the procedure that they would follow for new construction or major repair and improvements.

Rep. Tom Brusegaard answered that any dollars spent from this fund would have to be approved by the Emergency Commission. The language for this comes from chapter 55-02.09 of the Century code from when they established the fund 20 years ago. This bill only deals with the turnback dollars.

Mr. Joe Morrisette clarified that this section is deal with the canceling of appropriations at the end of the biennium by OMB with the exception to that being that if there is a construction project in progress then they can carry the money over. The language that the Historical Society wants added there is language that would allow them to carry over their money into this fund instead of having it be canceled by OMB. (meter Tape #1, side B, #9.7)

Rep. Jeff Delzer In essence is that any money they have left over they want to carry over into this fund, but the question then becomes what do they use that money for and by what authority to they have to spend it.

Rep. Tom Brusegaard answered that page 2 of the bill clearly states that the fund is to be used for emergency mitigation of adverse effects on cultural resources and historic buildings, structures or objects in the state, and they cannot spend any money without the consent of the Emergency Commission, so there are limits to how they spend these funds.

Rep. Ken Svedjan, Chairman summarizes by saying that the emergency clause has been removed and the turnback is limited to \$250,000 and any extra beyond that becomes turnback again. And in order for them to spend any of the fund it would have to be approved by the Emergency Commission and therefore the Budget Section if its more than \$50,000.

Rep. Al Carlson asked what the turnback for the last biennium.

Rep. Tom Brusegaard answered that it was about \$50,000.00. (meter Tape #1, side B, #12.7)

Rep. Jeff Delzer asked if they had a contingency line in their budget.

Mr. Joe Morrisette answered that they do not.

Rep. Tom Brusegaard moved to accept the amendment to HB1174 as recommended by the education and environment subcommittee.

Rep. Eliot Glassheim seconded.

Rep. Ken Svedjan, Chairman called for a voice vote to accept the amendment. Motion carried

Rep. Tom Brusegaard moved a Do Pass As Amended for HB1177.

Rep. Bob Martinson seconded.

Rep. Jeff Delzer noted that he would oppose the bill because there was no compelling reason to bypass the legislative process and if you are talking about \$50,000 then there is always the contingency line in the Governor's Office that the Emergency Commission can access if there is a viable cause. (meter Tape #1, side B, #14.7)

Rep. Ken Svedjan, Chairman called for a roll call vote on the Do Pass As Amended motion for HB1177. Motion carried with a vote of 12 yeas, 8 neas, and 3 absent. Rep Brusegaard will carry the bill to the house floor.

Rep. Ken Svedjan, Chairman closed the discussion on HB1177.

FISCAL NOTE

Requested by Legislative Council
02/04/2005

Amendment to: HB 1177

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.*

With the amendment to the bill which eliminates the emergency clause, this bill will not now have a fiscal impact on the 05-07 biennium. The nature of the bill calls for the transfer and use of funds, previously appropriated to the State Historical Society, that would be intended for turn-back to the general fund at the end of the biennium. There is no fiscal impact projected for the 07-09 biennium since no turn-back projections have been made by OMB. Without the emergency clause, no transfer of turnback funds would be considered until the end of the 05-07 biennium.

HB 1177 calls for the authorization to transfer and use unexpended general funds at the end of the biennium for purposes set forth in chapter 55-02-09 for the Historical Impact Fund. It is impossible at this time to know either the amount that might be available at the end of the biennium or the number of projects that might need attention in any particular year. Approval for the expenditures for any Historical Impact projects would require Emergency Commission approval. Also any projects over \$50,000 approved by the Emergency Commission would also be reviewed by the Budget Section.

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.*

N/A

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.*

N/A

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.*

N/A



Name: Bob Schlobohm
Phone Number: 328-2666

Agency: State Historical Society of ND
Date Prepared: 02/08/2005



FISCAL NOTE

Requested by Legislative Council
01/13/2005

REVISION

Bill/Resolution No.: HB 1177

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	(\$50,000)	\$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.

This bill would have a fiscal impact on the 05-07 biennium, because of the emergency clause. The nature of the bill calls for the transfer and use of funds, previously appropriated to the State Historical Society, that would be intended for turn-back to the general fund at the end of the biennium. The \$50,000 was the projection made by the agency for turn-back and used by OMB for revenue projections. If there was no emergency clause, there would be no fiscal impact since no turn-back projections would be made by OMB in the future.

HB 1177 calls for the authorization to transfer and use unexpended general funds at the end of the biennium for purposes set forth in chapter 55-02-09 for the Historical Impact Fund. It is impossible at this time to know either the amount that might be available at the end of the biennium or the number of projects that might need attention in any particular year. Approval for the expenditures for any Historical Impact projects would require Emergency Commission approval. Also any projects over \$50,000 approved by the Emergency Commission would also be reviewed by the Budget Section.

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.

N/A

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.

N/A

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.

N/A

Name: Bob Schlobohm
Phone Number: 701-328-2666

Agency: State Historical Society of ND
Date Prepared: 01/10/2005

FISCAL NOTE

Requested by Legislative Council
01/07/2005

Bill/Resolution No.: HB 1177

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.*

There is no fiscal impact indicated, because the nature of the bill calls for the transfer and use of funds, previously appropriated to the State Historical Society, that would be intended for turn-back to the general fund at the end of the biennium.

HB 1177 calls for the authorization to transfer and use unexpended general funds at the end of the biennium for purposes set forth in chapter 55-02-09 for the Historical Impact Fund. It is impossible at this time to know either the amount that might be available at the end of the biennium or the number of projects that might need attention in any particular year. Approval for the expenditures for any Historical Impact projects would require Emergency Commission approval.

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.*

N/A

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.*

N/A

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.*

N/A

Name: Bob Schlobohm

Agency: State Historical Society of ND

Phone Number:

701-328-2666

Date Prepared: 01/10/2005

|

Date: 1.27.05
Roll Call Vote #:

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1177

House Appropriations Education and Environment

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken DO PASS AS AMENDED

Motion Made By Rep. Brusegaard Seconded By Rep. Aarsvold

Representatives	Yes	No	Representatives	Yes	No
Chairman Martinson	X		Rep. Aarsvold	X	
Vice Chairman Brusegaard	X		Rep. Gulleeson	X	
Rep. Rennerfeldt	absent				
Rep. Wald	absent				

Total 6 (Yes) 4 No 0

Absent 2

Floor Assignment Rep. Brusegaard

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

Date: **February 1, 2005**
Roll Call Vote #: **1**

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1177

House Appropriations - Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number **50420.0101**

Action Taken **DO PASS AS AMENDED**

Motion Made By **Rep Brusegaard** Seconded By **Rep Martinson**

Representatives	Yes	No	Representatives	Yes	No
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	AB		Rep. Chet Pollert		X
Rep. Francis J. Wald	AB		Rep. Larry Bellew		X
Rep. Ole Aarsvold	X		Rep. Alon C. Wieland		X
Rep. Pam Gulleason	AB		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 **12** No **8**

Absent **3**

Floor Assignment **Rep. Brusegaard**

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

R - EE - Do Pass As Amended - Brusegaard

REPORT OF STANDING COMMITTEE

HB 1177: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 8 NAYS, 3 ABSENT AND NOT VOTING). HB 1177 was placed on the Sixth order on the calendar.

Page 1, line 2, remove the semicolon

Page 1, line 3, remove "and to declare an emergency"

Page 1, line 15, remove "Unexpended appropriations for the state historical society are not subject"

Page 1, remove lines 16 and 17

Page 1, line 18, remove "legislative assembly."

Page 3, line 4, after the period insert "The historical impact emergency fund may not receive moneys from the state historical society's unexpended appropriations when the fund balance is greater than two hundred fifty thousand dollars. When the historical impact emergency fund balance is greater than two hundred fifty thousand dollars, any unexpended appropriations for the state historical society are canceled."

Page 3, remove line 7

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment removes the emergency clause from the bill and provides that when the historical impact emergency fund balance is more than \$250,000, the historical society's unexpended appropriations are canceled.

2005 SENATE APPROPRIATIONS

HB 1177

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1177

Senate Appropriations Committee

☐ Conference Committee

Hearing Date February 24, 2005

Tape Number	Side A	Side B	Meter #
1	a		0

Committee Clerk Signature



Minutes:

Vice Chairman Grindberg called the hearing to order on HB 1177.

Representative Nancy Johnson, District 37, Dickinson, testified in support of HB 1177. She indicated the purpose of HB 1177 was to provide for the State Historical Society to place unexpended funds in the State Historical Impact Emergency Fund up to \$250,000. She urged a DO PASS to this bill.

Questions were raised as to whether the cap was a one time cap or annual cap, and what specifically the fund would be used for.

Merl Paaverud, Director, State Historical Society of North Dakota, provided written testimony and testified in support of HB 1177. He discussed the NDCC as it currently reads for 55-02-09 and described the various projects that the emergency fund would be used for in historic preservation.

Page 2

Senate Appropriations Committee

Bill/Resolution Number 1177

Hearing Date February 24, 2005

Questions were raised about the turn back monies and the historic information as to turn back monies, and concern about the passage of this bill making the savings a priority.

Bob Schlobohm, State Historical Society, presented an overview of the monies turned back and indicated it could take one or three biennium's to build the fund to \$250,000.

No further questions were asked.

Vice Chairman Grindberg closed the hearing on HB 1177.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1177

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 23, 2005

Tape Number	Side A	Side B	Meter #
1	a	.	2,626

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the discussion on HB 1177

Senator Grindberg moved a DO PASS on HB 1177, **Senator Tallackson** seconded.

Discussion followed about the carryover funds and the cap that had been established. **A roll call vote was taken with 12 yes, 2 no and 1 absent. The motion carried. Senator Mathern will carry the bill.**

Chairman Holmberg closed the discussion on HB 1177.

Date 3/23/05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 1177

Senate SENATE APPROPRIATIONS

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Do Pass

Motion Made By

Grindberg

Seconded By

Tallackson

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)

12

No

2

Absent

1

Floor Assignment

Mather

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

REPORT OF STANDING COMMITTEE (410)
March 23, 2005 3:47 p.m.

Module No: SR-53-5955
Carrier: Mathern
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1177, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)
recommends **DO PASS** (12 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING).
Engrossed HB 1177 was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

HB 1177

HB 1177
House Appropriations Committee
January 13, 2005

310
AB 1177

Testimony by Merl Paaverud
State Historical Society of North Dakota

Introduction

My Chairman and members of the Committee, my name is Merl Paaverud and I am director of the State Historical Society of North Dakota. I am here today to present my testimony on House Bill 1177 that would allow unexpended appropriated funds to be used in the Historical Impact Emergency Fund.

Section 55-02-09 became part of the North Dakota Century code in ¹⁹⁸⁵~~1985~~. As it is written, the fund is intended for use to mitigate adverse effects on cultural resources and historic buildings structures or objects in the state. Originally, a \$200,000 appropriation request was made, but not appropriation ever came to be. The fund now only has several hundred dollars that came in as a donation.

This section now reads as follows:

55-02-09. Historical impact emergency fund-Administration by director of state historical society-Emergency commission authorization. The director of the state historical society shall administer the historical impact emergency fund for the purpose of emergency mitigation of adverse effects on cultural resources and historical buildings, structures, or objects in the state. The director may use the moneys in the historical impact emergency fund only after the emergency commission has authorized the proposed use and expenditure. The historical impact emergency fund may receive moneys by legislative appropriation and by gift, grant, devise, or bequest of any money or property in the fund. The fund is not subject to section 55-44.1-11 and all income and money derived from the investment of the fund must be credited to the fund.

Overview

Here are examples of how the emergency fund could be used for mitigation:

1. Following natural disasters such as floods, tornados, fires, funding could have assisted with restoring or mitigating adverse effects. Although Historic Preservation funds were used for Festival Hall in Fessenden, North Dakota after it burned, emergency funds would have helped here as well. The same situation would apply to Grand Forks and Turtle River State Park after the flood.
2. Beacon Island located on the edge of Lake Sakakawea is now exposed due to drought conditions. Significant Paleo-Indian remains have been documented on this property, but funding is not available to complete the work.

3. Provide ADA compliance to courthouses and other public buildings by completing planning for access while still working to preserve the historical integrity of the structure.
4. Funding could be used to develop alternate uses for significant properties that are proposed for demolition or abandonment.
5. The fund could provide incentive funding for rehabilitation of buildings that can be reused for other purposes.

Budget Overview

Since this would involve funds already appropriated for the Society, a new appropriation would not be necessary. Originally, \$200,000 was requested for the fund. I request that the fund be at least built up to this amount so that adequate funding could be available to effectively mitigate projects.

Conclusion

The Historical Impact Emergency Fund was put into the Century Code, but never funded. We have an opportunity now to do this and allow mitigation efforts to proceed as was originally intended. I ask for your support for this worthwhile effort.

Mr. Chairman, I will be happy to answer any questions you might have.

General Fund Turn-back by Biennium

2001-2003 Biennium

Balance at end of biennium	\$297,097.96
Confluence Exhibit Carryover	(\$250,000.00)
Total Turn-back	\$47,097.96

1999-2001 Biennium

Balance at end of biennium	\$816,119.06
Confluence and Totten capital projects Carryover	(\$667,000.00)
Total Turn-back	\$149,119.00

Testimony Regarding House Bill 1177

B1177

Committee members, for the record, my name is Art Todd and I am from Jamestown North Dakota. I am a member of the North Dakota State Historical Board and I was a State Senator during the 1983, 1985, 1987 and 1989 Legislative Sessions.

In the 1985 session I was the Prime Sponsor of Senate Bill 2312 which established an historical impact fund which was intended to be a resource that the State Historical Society might have available to help deal with emergency situations in which historic and archeological resources are facing some sort of significant impact that threatens the survival or viability of the resource.

At the time the bill was introduced it contained an appropriation request for \$200,000 from the general fund to establish the fund and allow it to provide resources for potential impacts. The process that was established by the bill required that the Emergency Commission approve any expenditure that might be made from the fund. The bill was passed during the session, but during the process the requested appropriation was removed from the bill. The fund was established by statute but no seed money was included to allow it to function. As the State Historical Society will indicate there have been several situations during the interim between 1985 and the present where a resource of this nature could have offered some assistance to entities to local governments to assist with emergency impacts to historical or archeological resources under their jurisdiction.

It is always difficult to find moneys to fund requests of this nature but in my opinion the concept which is currently proposed makes a great deal of sense. Being able to utilize funds that have already been appropriated to the agency but for whatever reason become surplus at the end of a biennium to support this fund would be of a great deal of assistance to the agency to deal with those situations where a significant impact is anticipated. It is quite possible that over time some significant historical resources can be either saved or possibly stabilized until a permanent solution to a given emergency facing the resource can be generated.

At present there is a very nominal amount of money in the fund and it is insufficient to be of any assistance. The money came from an individual donation for use for the intended purpose. I truly believe that there is a significant need by the State Historical Society for a resource of this nature and I additionally believe that the proposed method of providing resources to make this fund viable makes sense. I request your favorable consideration of HB 1177 and in the event I can be of any assistance in your deliberations regarding this legislation please feel free to contact me.

Thank you for your consideration.

Art Todd
520 8th St. S.W.
Jamestown, ND 58401
Phone 701-252-4570 Email atodd@csicable.com

HB 1177
Senate Appropriations Committee
February 24, 2005

Testimony by Merl Paaverud
State Historical Society of North Dakota

Introduction

My Chairman and members of the Committee, my name is Merl Paaverud and I am director of the State Historical Society of North Dakota. I am here today to present my testimony on House Bill 1177 that would allow the Society's unexpended appropriated funds to be used in the Historical Impact Emergency Fund.

Section 55-02-09 became part of the North Dakota Century code in 1985. As it is written, the fund is intended for use to mitigate adverse effects on cultural resources and historic buildings structures or objects in the state. Originally, a \$200,000 appropriation request was made, but an appropriation was not included. The fund now only has several hundred dollars that came as a donation from historical society staff.

This section now reads as follows:

55-02-09. Historical impact emergency fund-Administration by director of state historical society-Emergency commission authorization. The director of the state historical society shall administer the historical impact emergency fund for the purpose of emergency mitigation of adverse effects on cultural resources and historical buildings, structures, or objects in the state. The director may use the moneys in the historical impact emergency fund only after the emergency commission has authorized the proposed use and expenditure. The historical impact emergency fund may receive moneys by legislative appropriation and by gift, grant, devise, or bequest of any money or property in the fund. The fund is not subject to section 55-44.1-11 and all income and money derived from the investment of the fund must be credited to the fund.

Overview

Here are examples of how the emergency fund could be used for mitigation:

1. Following natural disasters such as floods, tornados, fires, funding could have assisted with restoring or mitigating adverse effects. Although Historic Preservation funds were used for Festival Hall in Fessenden, North Dakota after it burned, emergency funds would have helped here as well. The same situation would apply to Grand Forks and Turtle River State Park after the flood.
2. Beacon Island located on the edge of Lake Sakakawea is now exposed due to drought conditions. Significant Paleo-Indian remains have been documented on this property, but funding is not available to complete the work.

3. Provide ADA compliance to courthouses and other public buildings by completing planning for access while still working to preserve the historical integrity of the structure.
4. Funding could be used to develop alternate uses for significant properties that are proposed for demolition or abandonment.
5. The fund could provide incentive funding for rehabilitation of buildings that can be reused for other purposes.

Budget Overview

Since this would involve funds already appropriated for the Society, a new appropriation would not be necessary. A \$250,000 cap has been recommended for the fund. This will provide adequate funding to effectively mitigate preservation projects. The Society's turn back funds would not be used for this purpose until the end of the 2005-07 Biennium.

Conclusion

The Historical Impact Emergency Fund was put into the Century Code, but never funded. We have an opportunity now to do this and allow mitigation efforts to proceed as was originally intended. I ask for your support for this worthwhile effort.

Mr. Chairman, I will be happy to answer any questions you might have.