

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

22/2

2005 SENATE EDUCATION

SB 2212

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2212

Senate Education Committee

☐ Conference Committee

Hearing Date 1/26/05

| Tape Number                                    | Side A | Side B | Meter #   |
|--|--------|--------|-----------|
| 1  | x      |        | 0-1600    |
| action on 2212 1                               | x      |        | 2270-2340 |
|  |        |        |           |
| Committee Clerk Signature <i>Patty Wilkins</i> |        |        |           |

**Minutes: Relating to use of a school district tax levy for heating, ventilation, and air-conditioning systems; and to provide an effective date.**

**Senator Layton Freborg, Chairman called the meeting to order on SB 2212**

**Senator Taylor was absent all other members were present.**

**Testimony in support of the Bill:**

**Senator Grindberg :** Introduced the bill, State Senator from Fargo. This is a pretty straight forward change in statue regarding school board levies. SB 2212 does is add heating ventilation and air conditioning systems a statute that if a school board by 2/3 rds vote adopts and use funds for upgrades to school buildings. To provide indoor air quality, subsection 5 allows for separate funds for collection for these purposes, subsection 6 any remaining funds after the work is completed would get transferred to the general fund.

**Senator Freborg :** How many mills are we looking at under this section?

**Senator Grindberg :** Wouldn't this be up to the school board or is there a provision in law?

**Senator Freborg :** If this comes under 57-15-17.1 this would be restricted asbestos abatement and lead paint those things at the maximum of 15 mills. So if you have 5 on one and 5 on another then you would have 5 left for heating and ventilating.

**Senator Grindberg :** I do know that.

**Senator Freborg :** I just want to make sure we all know that we are talking about the same thing. It can't exceed 15 mills, it can be used to bonds, I am assuming that if they had a very major project in a system they would issue bonds and pay the bonds with whatever's left on this 15 mill levy. Isn't that right Senator?

**Senator Seymour :** Do you think this kind of thing is an economic development activity.

**Senator Grindberg :** It is nice to have consistency on economics, that is a broad ?, probably yes.

**Senator Flakoll :** Would this also apply to like hoods in chemistry labs?

**Senator Grindberg :** Good ?, I would say that if a school had a chemistry lab that was below standards on ventilation, that lab could be upgraded as far as this bill would be approved, as long as it is in a school building.

**Senator Freborg :** Is it possible to do this work under the building fund levy?

**Senator Grindberg :** Yes, that is a possibility if they have the funds.

**Senator Freborg :** I know the quick answer would probably be yes. I am more interested in if they can use both of them, at the same time?

**Senator Grindberg :** I will research that.

**Senator Freborg :** How long has it been since you served in this committee?

**Senator Grindberg :** Good ? Senator, we both use to sit right here. Everything I learned as a legislator I learned from you.

**Senator Grindberg :** Mr. Chair I served three session on Education and this is my fourth session on appropriations.

**Senator Freborg :** The bill looks a lot better now Senator Grindberg.

**Bev Neilson :** School Boards Association, and preempting some of your efforts. In conversation with Senator Grindberg, we do support this bill. When schools need work done, someone needs to be hired to get it done. If it means more work will be done that's necessary to be done, we have some schools with really bad heating and cooling ventilation, some do have construction levies, some don't have them. You really don't want to be in a position of having to take \$'s out of the classroom if you need a new boiler or new system. When I was on the Fargo board I remember in some earlier yrs when we needed to make serious cuts. We kept cutting out of our building repair funds so that we could pay our teachers and get through our negotiations, the 4th yr on the board, we had 5 out of our 20 roofs that needed repairing at the same time. We had taken the \$ out of the building fund and we were in bad shape. I think they could use the mills and the construction at the same time. I don't know if the law would prohibit that.

**Senator Freborg :** Bev you said that if they vote down the building fund levy, do we really want them then to say, we know better and then go to this fund and apply 15 mills.

**Bev Neilson :** You know me well enough to know that I will say yes. If they know that their stuff needs to be replaced and they don't have the \$ to do it. In that case I think they may know better than the public, or they are going to have a very unsafe school building. That 15 mills has kind of gotten to be a catch all for different things, and I don't see it as a bad thing because some districts may assess their levy most don't some need it for their alternative schools, some don't have an

alternative school and some really need it to replace their heating and ventilation system, we see it as a positive thing.

**Senator Freborg :** So you are not positive about mixing the two?

**Bev Neilson :** Tom is in the room, I don't know why you couldn't do that, if you had enough money in the construction fund and didn't have earmarked for other things, I am not sure why you would add additional levies if you didn't have to. I don't know that there is anything in law that doesn't preclude that from happening.

**Senator Freborg :** Do you have any idea how many of these funds are 10 or 15 mills now?

**Bev Neilson :** I do not know.

**Perry Schmidt :** Principle of Energy services group with an engineering consultant firm and have done a little bit of work at various agency throughout ND. Also working currently with or have in the past with over a dozen school districts throughout the state. We help clients develop and implement comprehensive facility management plans, as part of those there are 3 components. One is energy efficiency and energy technology, and if there is any energy savings in these facilities, as part of that comprehensive facility management plan to help address deferred maintenance and put together long range plan for addressing some of those needs. The third thing is to look at indoor air quality and determine current conditions and what upgrades need to be done to be in compliance with current standards. When working with various school districts the common theme, there is new energy technologies that are available to help with energy efficiency, deferred maintenance's. One of the most prevalent is the lack of ventilation in school districts, in there facilities, unless the building has been built recently there has been major remodeling modifications. There is not even ventilation being introduced, and might be

because of the original design of the aging facilities when ventilation was introduced or what we found in some cases, goes back to the 70's during the oil embargo time. When there was a big energy efficiency crunch, air dampers were closed off, and to this date haven't been opened up. This bill is to districts with alternative funding sources that really address indoor air quality in the facilities.

**See attached: written testimony**

**Senator Flakoll :** Can you give us any indication of the scope and sweep of cost savings due to improved efficiencies in some cases where they were placed out.

**Perry Schmidt :** It really varies on designs of the ventilation systems that would be installed, in some cases there is elementary schools where there's 15 unit ventilators, some of our designs are looking at just replacing unit ventilators with new ventilator that would bring in the proper amount of ventilation, in some cases we found that there are better designs actually that go to central air handling systems sometimes those ( meter 980) It is really hard to put a gauge on the cost. As you bring in more outside air, in some cases you have outside the boiler system, (meter 988) this gets a little difficult to put together the range of cost. It does vary from facility to facility.

**Mary Wahl :** ND Council of Educational Leaders, Rise in support of expanding this levy to allow for heat pool and air conditioning system. My experience as a school board member, there was never enough money to even begin to address the building needs in our district. An issue has been raised has been raised, what if this is in contrary to what the district actually wants the school board to be doing, if in other words if there is a vote and the building fund establishment or expansion has been denied this would be a way then that the school board could say well, on

the other hand with a 2/3 rds vote we can make this happen and we can get these things done regardless of what you think. If they did the people would have to appropriately set them straight as to who's school district it is and who they work for. Ends my testimony.

**Senator Freborg :** any ?'s

**Tom Decker :** We support this bill, we always feel it is good to have more options to be able to deal with a variety of issues that districts are faced with in terms of maintenance. There are several things that they would be able to use this money for, we could get you the data that you would need. Indoor air quality is a very realistic issue, that has been low on school district priority lists, so low that it is invisible in many cases. Lots of our buildings are aging, and we get calls several times of the year about indoor air quality, you may use the building fund and this levy in conjunction with each other to do a project.

**Senator Freborg :** In the school district mill levies, under remodeling does that include, both 17.1 and the building fund levy under remodeling, the reason I ask that I notice some districts are over 15 mills, there one in here at 19 mills.

**Tom Decker :** My understanding has always been that the building fund can go up to 20 mills. The board and can and does have authority to levy up to what they need for current projects. They can also through another process in law, identify or tag some of those mills to dedicate to being loans or bonds on a specific project.

**Senator Freborg :** The reason I ask Tom is if under the headings here, right in a row, is asbestos, remodeling and alternative education. Which comes under 17.1 and that maximum was 15 mills, but we have schools under here at 19 mills and 16 mills, so evidently remodeling under that heading includes the building fund as well as the 15 mills in 17.1. Which takes in all of these.



**Tom Decker :** It is pretty clear that there is a 15 mill on the asbestos fund whatever you use it for, if they are levying more than that for these projects one would have to assume that they ran out of their building fund, but we can check on that if we know district is involved.

**Senator Freborg :** Tom there is a building fund besides on your spread sheet. So now we have the remodeling and building heading. I am assuming that the remodeling is the fund we are talking about with 15 mills in the 17.1. The building fund or 20 mill maximum that they can go to. How can we have districts, here is one remodeling 32 mills?

**Tom Decker :** Is there a sinking interest levy there?

**Senator Freborg :** Sinking interest is separate.

**Tom Decker :** I would need to check on that to find out what are the definition of what the heading includes.

**Senator Freborg :** I guess it would have nothing to do with this bill.

**Testimony in opposition of the Bill:**

**No Opposition on SB 2212**

**Senator Freborg :** closed the hearing on SB 2212

**Senator Erbele,** made a motion for a Do Pass on SB 2212

Second by **Senator G. Lee**

There was no further discussion

There being no further discussion the roll call was taken. **5 yea 0 nay and 1 absent**

**Senator G. Lee** to carry the bill

The meeting was adjourned.

Date: 1/26/05  
Roll Call Vote #: /

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2212

Senate SENATE EDUCATION Committee

☐ Check here for Conference Committee

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

Action Taken Do Pass.

Motion Made By Sen. Erbele Seconded By Sen. Lee

| Senators             | Yes | No | Senators        | Yes | No |
|----------------------|-----|----|-----------------|-----|----|
| CH- SENATOR FREBORG  | ✓   |    | SENATOR SEYMOUR | ✓   |    |
| V-CH- SENATOR G. LEE | ✓   |    | SENATOR TAYLOR  |     |    |
| SENATOR ERBELE       | ✓   |    |                 |     |    |
| SENATOR FLAKOLL      | ✓   |    |                 |     |    |
|                      |     |    |                 |     |    |
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|                      |     |    |                 |     |    |

Total (Yes) 5 No 0

Absent 1

Floor Assignment Sen Lee

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

**REPORT OF STANDING COMMITTEE (410)**  
January 26, 2005 12:34 p.m.

**Module No: SR-17-1087**  
**Carrier: G. Lee**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2212: Education Committee (Sen. Freborg, Chairman) recommends DO PASS**  
**(5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2212 was placed on the**  
**Eleventh order on the calendar.**

2005 HOUSE FINANCE AND TAXATION

SB 2212

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **SB 2212**

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date **February 28, 2005**

| Tape Number                                   | Side A   | Side B | Meter #     |
|---|----------|--------|-------------|
| <b>1</b>                                      | <b>X</b> |        | <b>12.4</b> |
|   |          |        |             |
|   |          |        |             |
| Committee Clerk Signature <i>Janice Stein</i> |          |        |             |

Minutes:

**REP. WES BELTER, CHAIRMAN** Called the committee hearing to order.

**SEN. TONY GRINDBERG, DIST. 41** Introduced the bill.

This bill adds heating, ventilation and air-conditioning systems to the authority under the school board levy. It provides for caring for heating, ventilation and air-conditioning systems. It would transfer from the general fund of the local school boards. There is a companion bill which will be heard tomorrow which also talks about a performance contract for lighting.

**REP. BELTER** The original intent of this was for asbestos, so we added lead paint, and earlier in the session had a bill which added mercury, now we are adding heating, ventilation and air-conditioning, which are school expenses, but they don't fall under the category of emergency health concerns, are we pushing the envelope a little bit with the items you are asking for?

**SEN. GRINDBERG** I don't know if pushing the envelope is the issue, I know there are concerns and issues that have been raised with various schools, the heating systems, for

example, need to be upgraded, from a boiler to modern heat, a boiler is a thing of the past. It is just addressing the needed upgrades in old buildings.

**REP. BELTER** My concern is that heating, ventilation and air-conditioning would be a normal school expenditure, where a problem with asbestos and those types of things were unforeseen, so the original intent was to take care of those unforeseen expenditures.

**SEN. GRINDBERG** Maybe someone from the schools can answer that.

**REP. GRANDE** Related to page 2, section 5, stating the purpose for indoor air quality, if it is poor, the children become ill. Related to her junior high school that she attended.

**PERRY SCHMIDT, ENERGY SERVICES GROUP, CONSULTING FIRM**, Testified in support of the bill. See written testimony.

**REP. KELSH** Who determined the standard of fifteen cubic feet?

**PERRY SCHMIDT** American Society of Heating and Refrigeration systems.

**REP. CONRAD** Do you live in Minot?

**PERRY SCHMIDT** I have been to Minot, we are doing work with the whole district up there, we are currently working with Surrey right now.

**TOM DECKER ? (NOT SURE OF THE NAME)**

Testified in support of the bill. The levy for fifteen mills for asbestos, has run out, as the original purpose is served. As the years go by, we see more and more complaints with problems in school regarding air quality. Many of the buildings are aging, with worn out systems, shut downs. Back in the 80's, a lot of those ventilating systems were shut off, with the view that this would reduce heating costs, and they were never reactivated. Research is pretty clear that indoor

air quality affects learning. At least a minimal amount of circulation or ventilation needs to take place, and there are lots of problems related to diseases, as Rep. Grande referred to, mold, etc.

**REP. BRANDENBURG** Related to the funding of it, maybe we could get some state dollars.

**TOM D** There are no state funds available, and that's a problem. There are very few federal funds available.

**MARY WAHL, NORTH DAKOTA COUNCIL OF EDUCATION LEADERS** Testified in support of the bill. We do believe it is a health issue. It could help ADA problems. We believe indoor air quality is a health issue. Rep. Grande talked about her junior high, that happens to be my junior high, we had a ten mill levy there for building, yet, we have five elementary schools, a junior high and the high school, and the amount of money we could generate with that ten mills was hardly enough to put a new roof on one of the smaller schools. With our indoor air problem, we did bandaid things. We are always concerned about taxpayers' money, school boards will use this power very judiciously.

**REP. SCHMIDT** Do the school boards call these folks in to test their ventilation system, or do they come on their own?

**MARY WAHL** I don't know, perhaps, a member from the industry could answer that.

Someone answered from the sidelines, stating it is a combination of things, if there is a problem, they might bring in a professional.

**REP. SCHMIDT** Are there any schools that are O.K., where you don't have to do anything?

**PERRY SCHMIDT** Yes, some have made investments to keep their equipment up.

**REP. KELSH** Does indoor air quality fall under ADA or does it fall under another building code?

**PERRY SCHMIDT** I do not believe it falls under ADA.

**REP. IVERSON** The federal quality, doesn't that fall under the white house, don't they determine that?

**PERRY SCHMIDT** I can't answer that for sure.

**REP. IVERSON** As far as you know, there are no federal standards requiring air flow in a school?

**PERRY SCHMIDT** In some cases, I don't specifically know with North Dakota, there are states who will add codes themselves, for proper ventilation.

**REP. FROELICH TO MARY WAHL** Right now we have a mill levy for asbestos, and as I understand, asbestos is gone, is that mill levy still on then?

**MARY WAHL** The levy that we are talking about, is a fifteen mill levy and it can be used for asbestos, lead and ADA, this would be one more thing it could be used for. All of those things are included as possible uses for the fifteen mill levy.

**REP. BELTER TO TOM D.** What percentage of the schools are levying the full fifteen mills?

**TOM D** It is a relatively small number of the 210 districts that have any levy in this category, probably 40 or less.

**REP. BELTER** Whoever is thinking of putting a new furnace in, will be jumping on this one, if we pass it.

**TOM D** As long as it is related to specifically, indoor air quality, they would have to demonstrate an indoor air quality problem, before they could go that way.

**REP. DROVDAL** Who are they going to demonstrate this indoor quality to, it is up to the school board to decide by two thirds vote, to put it on, who will question it?



Page 5

House Finance and Taxation Committee

Bill/Resolution Number **SB 2212**

Hearing Date **February 28, 2005**

**TOM D** If they are prudent, they will get an engineer or someone from the health department in to check the problem.

**REP. DROVDAL** The question was asked earlier, does North Dakota have an air quality standard on the books, that they could follow?

**TOM D** I don't know the specifics of uniform building codes to that degree, I am reasonably certain that in uniform building codes, there are minimum air circulation standards for a variety of buildings including schools.

With no further testimony, the committee hearing was closed.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **SB 2212**

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date **February 28, 2005**

| Tape Number               | Side A | Side B | Meter # |
|---------------------------|--------|--------|---------|
| 2                         |        | X      | 38      |
|                           |        |        |         |
|                           |        |        |         |
| Committee Clerk Signature |        |        |         |

Minutes:

**COMMITTEE ACTION**

**REP. WEILER** Asked for a review of the bill as he was not in committee when the testimony was given. Rep. Grande reviewed the bill for him.

**REP. GRANDE** Made a motion for a Do Pass.

**REP. CONRAD** Second the motion.

During discussion some committee members felt it was a way of raising taxes. Some committee members felt the schools needed the ventilating systems as many children had asthma probably from bad ventilating systems. Some committee members felt this will keep expanding and will never go away, they will always find something to use the mills for.

**REP. KELSH** Requested the opportunity to check out the uniform building code.

The motions were withdrawn and the bill will be acted on at a later date.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2212

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date **March 1, 2005**

| Tape Number               | Side A | Side B | Meter # |
|---------------------------|--------|--------|---------|
| 2                         |        | X      | 34      |
|                           |        |        |         |
|                           |        |        |         |
| Committee Clerk Signature |        |        |         |

Minutes:

**COMMITTEE ACTION**

**REP. GRANDE** Made a motion for a Do Pass.

**REP. CONRAD** Second the motion. Motion failed.

**REP. KELSH** Stated the engineer in his testimony stated that they recommended 15 cubic feet per minute per person in school, and the person he checked with stated it is in the mechanical building code.

**REP. WRANGHAM** Made a motion for a **do not pass**.

**REP. IVERSON** Second the motion. **MOTION CARRIED.**

9 yes                      4 no                      1 absent

**REP. WEILER** Was given the floor assignment.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **SB 2212**

House Finance and Taxation Committee

☐ Conference Committee

Hearing Date **March 9, 2005**

| Tape Number               | Side A   | Side B | Meter #    |
|---------------------------|----------|--------|------------|
| <b>2</b>                  | <b>X</b> |        | <b>0.5</b> |
|                           |          |        |            |
|                           |          |        |            |
| Committee Clerk Signature |          |        |            |

Minutes:

**COMMITTEE ACTION**

**REP. BRANDENBURG** Made a motion to reconsider the action by which the bill was passed out of the committee.

**REP. OWENS** Second the motion. Motion carried by voice vote.

**REP. GRANDE** Reviewed the bill for some of the committee members who were absent during testimony.

The bill will utilize mills for good quality air for the schools. Some of the committee members felt that heating and ventilating should come under the maintenance budget of each school.

**REP. BRANDENBURG** Made a motion for a **do pass**.

**REP. GRANDE** Second the motion.

**REP. IVERSON** Wanted to offer an amendment to have schools follow the building code in regard to ventilation of school.

**REP. NICHOLAS** Suggested that maybe someone should check on what the building codes are.

**REP. BRANDENBURG AND REP. GRANDE** Withdrew their motions for more information.

**COMMITTEE ACTION** Later in the day.

**REP. BRANDENBURG** Made a motion for a **do pass**.

**REP. GRANDE** Second the motion. **MOTION CARRIED.**

10 YES    4 NO    0 ABSENT

**REP. GRANDE** Was given the floor assignment.

Date: 3-1-05  
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2212

House FINANCE & TAXATION

Committee

☐ Check here for Conference Committee

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

Action Taken

Do I Pass

Motion Made By

Rep. Grande

Seconded By

Rep. Conrad

| Representatives         | Yes | No | Representatives | Yes | No |
|-------------------------|-----|----|-----------------|-----|----|
| BELTER, WES, CHAIRMAN   |     | ✓  |                 |     |    |
| DROVDAL, DAVID, V-CHAIR |     | ✓  |                 |     |    |
| BRANDENBURG, MICHAEL    | ✓   |    |                 |     |    |
| CONRAD, KARI            | ✓   |    |                 |     |    |
| FROELICH, ROD           |     | ✓  |                 |     |    |
| GRANDE, BETTE           | ✓   |    |                 |     |    |
| HEADLAND, CRAIG         |     | ✓  |                 |     |    |
| IVERSON, RONALD         |     | ✓  |                 |     |    |
| KELSH, SCOT             | ✓   |    |                 |     |    |
| NICHOLAS, EUGENE        |     | ✓  |                 |     |    |
| OWENS, MARK             | ✓   |    |                 |     |    |
| SCHMIDT, ARLO           |     | ✓  |                 |     |    |
| WEILER, DAVE            |     | ✓  |                 |     |    |
| WRANGHAM, DWIGHT        |     | ✓  |                 |     |    |

Total (Yes)

5

No

9

Absent \_\_\_\_\_

Floor Assignment

Rep.

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

Date: 3-1-05  
Roll Call Vote #: 2

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2212

House FINANCE & TAXATION

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Seconded By

| Representatives         | Yes | No | Representatives | Yes | No |
|-------------------------|-----|----|-----------------|-----|----|
| BELTER, WES, CHAIRMAN   | ✓   |    |                 |     |    |
| DROVDAL, DAVID, V-CHAIR | ✓   |    |                 |     |    |
| BRANDENBURG, MICHAEL    |     | ✓  |                 |     |    |
| CONRAD, KARI            |     | ✓  |                 |     |    |
| FROELICH, ROD           | ✓   |    |                 |     |    |
| GRANDE, BETTE           | ✓   |    |                 |     |    |
| HEADLAND, CRAIG         | ✓   |    |                 |     |    |
| IVERSON, RONALD         | ✓   |    |                 |     |    |
| KELSH, SCOT             |     | ✓  |                 |     |    |
| NICHOLAS, EUGENE        | ✓   |    |                 |     |    |
| OWENS, MARK             |     | ✓  |                 |     |    |
| SCHMIDT, ARLO           | ✓   |    |                 |     |    |
| WEILER, DAVE            | ✓   |    |                 |     |    |
| WRANGHAM, DWIGHT        | ✓   |    |                 |     |    |

Total (Yes)

9

No

4

Absent

Floor Assignment

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

Date: 3-9-05  
Roll Call Vote #: 3

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2212

House FINANCE & TAXATION

Committee

☐ Check here for Conference Committee

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

Action Taken

Do Pass

Motion Made By

Rep. Brandenburg

Seconded By

Rep. Grande

| Representatives         | Yes | No | Representatives | Yes | No |
|-------------------------|-----|----|-----------------|-----|----|
| BELTER, WES, CHAIRMAN   | ✓   |    |                 |     |    |
| DROVDAL, DAVID, V-CHAIR |     | ✓  |                 |     |    |
| BRANDENBURG, MICHAEL    | ✓   |    |                 |     |    |
| CONRAD, KARI            | ✓   |    |                 |     |    |
| FROELICH, ROD           | ✓   |    |                 |     |    |
| GRANDE, BETTE           | ✓   |    |                 |     |    |
| HEADLAND, CRAIG         | ✓   |    |                 |     |    |
| IVERSON, RONALD         |     | ✓  |                 |     |    |
| KELSH, SCOT             | ✓   |    |                 |     |    |
| NICHOLAS, EUGENE        | ✓   |    |                 |     |    |
| OWENS, MARK             | ✓   |    |                 |     |    |
| SCHMIDT, ARLO           | ✓   |    |                 |     |    |
| WEILER, DAVE            |     | ✓  |                 |     |    |
| WRANGHAM, DWIGHT        |     | ✓  |                 |     |    |

Total (Yes)

10

No

4

Absent

0

Floor Assignment

Rep. Grande

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



**REPORT OF STANDING COMMITTEE (410)**  
March 9, 2005 1:09 p.m.

**Module No: HR-43-4505**  
**Carrier: Grande**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2212: Finance and Taxation Committee (Rep. Belter, Chairman) recommends DO PASS (10 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). SB 2212 was placed on the Fourteenth order on the calendar.**

**2005 TESTIMONY**

SB 2212

TO: Senator Holmberg & Senate Education Committee Members  
FROM: Joe Sykora, Business Manager - Jamestown Public Schools  
RE: SB 2212 - District Levy for HVAC  
DATE: January 25, 2005

*Joe Sykora  
Business Manager  
Jamestown Public Schools*

On behalf of Jamestown Public Schools, we are in support of the proposed changes outlined in SB 2212 which gives the opportunity by local school districts to levy for HVAC improvements. However, I would like to propose an additional minor change to the language on page 1, line # 13; it notes the levy cannot be extended "for a period not longer than fifteen years." This means at some point in the future school districts will be unable to levy for asbestos, alternative, lead paint, etc. once the levy starts; or we will be unable to sell bonds for projects to pay for facility upgrades beyond the 15<sup>th</sup> year after starting the levy.

Below indicates how Jamestown has used the asbestos levy. As a part of our Middle School remodeling project in Jamestown, we experienced a significant cost for asbestos abatement, so much in fact that we had to sell bonds to cover the expenses. Because we sold the bonds in year eight, we are limited to eight years on the term of the bond, because of the fifteen year limit would be exceeded. Myron Knutson, our bond council representative in Fargo noted this limitation. I guess in some respects we were lucky in this situation that we were not in year 10 or 11 of establishing the levy.

| Year # | School Year | # of Mills Levied |
|--------|-------------|-------------------|
| 1      | 1997-1998   | 1                 |
| 2      | 1998-1999   | 1                 |
| 3      | 1999-2000   | 1                 |
| 4      | 2000-2001   | 2                 |
| 5      | 2001-2002   | 1                 |
| 6      | 2002-2003   | 0                 |
| 7      | 2003-2004   | 3                 |
| 8      | 2004-2005   | 7 - bonds sold    |

I ask the committee to take a few moments to review the 15 year limitation and make a change. The overall intent of the bill does not change, but, it does "clean up" some language which can be reviewed and corrected at this point. Jamestown was almost caught in a "tight" spot last year when it came to the 15 year limitation; hopefully a change can be made to provide flexibility and stability for districts that desire for on-going projects in maintaining safe facilities for students.



The ultimate resource for objective facility solutions

## **Senate No. 2212**

### ***Legislative Proposal Modifying Century Code 57-15-17.1***

#### **School Board Levies for Building Modifications**

### **Legislative Proposal**

This proposal would provide school districts with an additional local funding source to address indoor air quality (IAQ) within their facilities' by upgrading their mechanical and electrical systems. Current statute allows a school board to levy funds for asbestos and lead paint removal; for remodeling to meet American with Disabilities Act and fire marshal requirements; and for alternative education requirements. This legislation would modify the existing legislation to allow a school board to levy funds to improve the indoor air quality in schools by upgrading/repairing/replacement of existing heating, ventilation or air-conditioning systems. This would provide a much needed funding source to address school facilities lack of proper indoor air quality and by addressing deficient mechanical and electrical systems prior to it becoming an emergency situation.

The North Dakota School Board Association has been contacted and they are supportive of this proposal. An informal survey of a few K-12 school districts has found that they are also very supportive of this legislation.

### **Background**

Energy Services Group (ESG) is a engineering consulting firm that has had significant experience working with North Dakota K-12 school districts evaluating their facilities including their mechanical, ventilation and electrical systems. Based on this experience, it is quite apparent that many districts throughout the state are in similar situations with inadequate funding to address deferred maintenance and infrastructure needs of their facilities. Moreover, we have found many instances where school district's facilities are providing little, if any, ventilation for the students. Because of the lack of funding available, most school districts are addressing their facilities' deferred maintenance and infrastructure improvement needs on an "emergency basis" only with their indoor air quality needs going unaddressed.

### **Health concerns**

The National Department of Education has reported that approximately one in five U.S. public school buildings have unsatisfactory indoor air quality. Ventilation which impacts indoor air quality is unsatisfactory in approximately one in four public school buildings. There are numerous health concerns with inadequate ventilation systems and poor indoor air quality. Students are particularly at risk for health problems such as asthma and allergies, which have been linked to indoor pollutants commonly found in schools. Infectious diseases are more likely to be spread in indoor environments that are inadequately ventilated. In addition, studies have shown that school performance is hindered in classrooms with inadequate ventilation. This legislative proposal would help provide a funding source to the school districts to help address these ventilation and indoor air quality issues.

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