

2009 HOUSE APPROPRIATIONS

HB 1007

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1007

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 1/12/09

Recorder Job Number: 6782

Committee Clerk Signature

Tonya Voegeli

Minutes:

Chairman Delzer opened the hearing on House Bill 1007 to order. Roll call was taken during committee organization with all members present.

Lisa Fair McEvers, Commissioner of Labor, presented her written testimony. See Attachment 1007.1.12.09a. She introduced Robin Bosch the Department's Business Manager. Lisa then gave a brief history of the Department of Labor. She continued with her written testimony explaining the budget.

Chairman Delzer: Did you have overtime in the last biennium's budget?

Fair-McEvers: Yes we did. We had \$10,000 that we budgeted for overtime and we are spending above and beyond that.

Chairman Delzer: How much?

Fair-McEvers: Currently we have spent \$25,000 so at 18 months in we are already 2.5 times what we have budgeted for. While we are still slightly under budget in our salaries, we are not going to have much left in our salaries which are the bulk of our funds to turn back. We do have some things we will be able to turn back at the end of the biennium. We are under budget in the area of operating expenses and so we are projecting that we will be able to turn back

around \$23,000, at the end of the biennium and this is based on numbers at the end of November.

Testimony continued.

Chairman Delzer: Tammy, I am looking at the BARS report. It shows that on the present budget it shows the overtime on \$30,000 and the requested budget of \$10,000. It is just opposite of what Lisa said.

Tammy Dolan, OMB: That is what I see is the appropriation of \$30,000 but initially it was \$10,000 and they had to make internal allocations in order to adjust the overtime.

Chairman Delzer: How come you changed that here? Do they not have authority to move \$50,000 for line transfers?

Tammy Dolan, OMB: Mr. Chairman, I do believe that was taken from within another line item.

Chairman Delzer: Was the 897 actually higher than it was?

Tammy Dolan, OMB: I do not have the budget in that much detail. I will get you that information.

Ms. Fair-McEvers continued her testimony.

Representative Kempenich: Can you roll those unused funds into your salary?

Fair-McEvers: I believe we can do the transfer however I don't think we will have to. We haven't overspent our salaries line yet and I don't project that we will.

Chairman Delzer: The rule is that for any transfer it has to go to the emergency commission but anything over \$50,000 has to go to the Budget Section.

Ms. Fair-McEvers continued her testimony with the proposed appropriation.

Representative Kempenich: What is the case load made up of?

Fair-McEvers: Our case load is made up of several areas. First we have the Wage and Hour Division and we have already resolved 533 wage claims. If it continues at this pace it will be a 22% increase in the wage claims closed for the biennium. More people are filing wage claims than in the previous biennium. In addition we do investigation for human rights, housing discrimination, employment discrimination, public service and public accommodation. In this area the housing discrimination cases are rising the fastest. They're actually projecting a 30% increase for the biennium. But overall in the human rights division at 12% increases in the cases closed during the current biennium. In addition to the number of cases closed, being that the case load has increased, the length of time that it is taking to close the cases is also increasing and that is the part where the public is having to wait longer for our services and to get to the final determination. That is what I am really trying to do is make sure that we are providing a good and timely service and that we are not cutting corners trying to close cases quickly and the citizens of ND a good investigation that they have come to expect from the Department of Labor. Really it is wage claims and housing claims that are the primary. Just for informational purposes, even though the numbers of housing claims have gone up, the number of days to closure on housing has actually gone down because of some of the efficiency measures that we take. We have, both by state law and federal law, a requirement to close all of our housing cases within 100 days. We have actually improved our days to closure in that specific areas trying to comply with both state law and federal law. It is really important that we do that because if we don't close our housing cases within 100 days and they are dual filed with HUD they are going to stop payment. We have moved some of our resources to make sure we are getting full payment. We have a lot of measures that we take to ensure that we

don't lose any federal funds. That also means that some of our other claims have not gotten that same attention.

Representative Kempenich: Is the investigator that you are requesting going to be dual purpose?

Chairman Delzer: I think what we are going to want is a list of how many cases you have had, your average time that you spend on each one of them per division and an organizational chart and duties for each of your staff.

Fair-McEvers: May I answer that it is pretty simple.

Chairman Delzer: I think we want it in writing. This is something that we are going to want to look at while we have deliberation. One of the problems we have is that we are going to hear the overviews, we will do the details on these bills then we are going to take up the bills later on.

Ms Fair- McEvers continued her testimony on page four of the attachment.

Chairman Delzer: Using the internal statistics for unemployment has been satisfactory to the Federal Government?

Fair-McEvers: This is not a Federal requirement it is a state requirement but it has been satisfactory. The Feds don't require us to do that study; they require us to report annually. For HUD we have what is called and Annual Performance review. But that is actually a state requirement,

Chairman Delzer: But you are doing everything you can to get all of the Federal money you can?

Fair-McEvers: Yes.

Ms. Fair-McEvers continued her testimony.

Chairman Delzer: Why \$60,000?

Fair-McEvers: That is based on what it cost last time this study was done. My Business Manager went back to the place that did the original study for the Department of Labor and contacted them and got that information. That is the projected amount that they will charge us.

Chairman Delzer: Did you change the mode of operation at all after the previous study was complete?

Fair-McEvers: I was not here when the study was done. I am not sure. I have only been here since 2005 and the study was done in 2001-2002. I do not know what changes were made following that.

Ms. Fair- McEvers continued with testimony.

Chairman Delzer: How many of your people are paid with Federal money?

Fair-McEvers: Federal money does not pay for a person or a staff member in particular. When I came to the Department, we had staff that was somewhat segregated. We had two doing housing, two doing employment discrimination, one doing wage and hour and one doing public service and public accommodation. We are now having all of our investigative staff cross trained and are receiving complaints and investigate every kind of investigation. Part of the reason we did that, in addition to being more efficient and make sure that everybody knows how to do everything, is to make sure we get all of our federal funds. When we receive those federal funds we can use up to 80% of our federal funds for HUD for housing discrimination.

So it is really a long calculation and I am not sure I can tell you the calculation but what we have done is taken and attributed how much time to spend on housing cases within the

department by each person and then we attribute a portion of their salary to the federal funds.

So there isn't a person that is paid by federal funds, all of my staff has a portion of their salary paid by federal funds.

Chairman Delzer: How do you trigger receiving the federal funds? Is it all from HUD?

Fair-McEvers: No, we also get money from the EEOC. The EEOC does not have such a strict method of what we can apply it to. How we get the funds is that we are allowed to draw it down periodically. So we had a contract with them and the contract says how many cases they will pay us for and that at a certain period of time we can draw down those funds and they are put in a special account and then they can be expended at any time.

Chairman Delzer: Do you have more cases than they require?

Fair-McEvers: On the HUD side, they look at the number of cases we have and pay us for all cases completed regardless of the amount. They will deduct if we go past 100 days so we are really trying to avoid any kind of cases that will cause this. On the EEOC side, they will only pay for a limited number of cases and then a limited percentage of that number of cases. So it is a lot harder to get the money from the EEOC. I think we are budgeted for \$400,000 federal funds and the EEOC is about a quarter of that amount. They will only pay us a percentage and that is really going to vary from year to year. The requests for federal funds are really just a request for spending authority because we don't really know what we are actually going to take in from the Feds until later in the year. Until we have done the case work and they have decided how much they are going to give us.

Chairman Delzer: How close are you in this biennium on your federal money?

Robin Bosch: We are very close.

Representative Kempenich: Is that why you kind of left your 09-11 budgets for federal funding the same as the 07-08.

Fair-McEvers: That is correct

Chairman Delzer: You have never had to go to the emergency commission?

Robin Bosch: Maybe three biennia ago.

Representative Kempenich: Usually when this happens though, you would build it into the next budget if you did increase in federal funds?

Fair-McEvers: We do build it in. We compare. What we try to do is estimate the number of cases that we are projecting and there is a calculation. We make a conservative estimate because federal funding is always speculative. So far we have not had more funds come in than we have had authority to spend. What we would have to do is go to the emergency commission if more funds came in and just ask for spending authority.

Chairman Delzer: You would do it in the same budget cycle not carry it over.

Fair-McEvers: That is correct.

Chairman Delzer: You have not turned down any cases?

Fair-McEvers: There have been cases where there may be a conflict of interest and we will send back to the EEOC so there have been one or two odd cases where we don't investigate because there might be a conflict of interest such as investigating another state agency.

Representative Glassheim: Is there a fixed amount on the HUD? Do they pay you how much per case or is there different kinds of cases in a slotting scale.

Fair-McEvers: They do pay us so much per case. The amount right now is \$2400 per case. That is where it starts from. A cause case can get an additional \$500 so that means if it is one that we have to court for it could get up to \$2900. If we have a case that goes beyond 100 days it then starts getting discounted. If it takes us too long for investigate they will discount our case and pay us less than the \$2400 per case. On the EEOC side, it is \$540 per case but it is

also discounted because they don't pay us a full percentage for every case. They pay \$540 per case but they only pay 92% of the cases that are dual filed.

Representative Glassheim: Is that \$2400 once the case is closed?

Fair-McEvers: Yes we only get paid when the investigation is complete.

Ms. Fair-McEvers continued her testimony.

Chairman Delzer: is there any equity money in this budget?

Robin Bosch: None that we requested.

Tammy Dolan, OMB: The equity that is in the Governor's Budget \$12,668.

Chairman Delzer: Tammy where do we find that.

Tammy Dolan, OMB: In the big budget book there is a schedule that lists each agency and the dollar amount.

Chairman Delzer: We are going to want to know who that is going to and why.

Tammy Dolan, OMB: The equity money was not made on a per person basis. The number of people and their salaries were part of the calculation but we didn't make a determination on which employee would get it. It is up to the directors of the agency.

Chairman Delzer: You mean you did it without knowing what point they are at and the range or anything?

Tammy Dolan, OMB: That was part of the calculation.

Chairman Delzer: How would you do that then if you didn't do it on a per person basis?

Tammy Dolan, OMB: Some of those calculations were done by HRMS so I did not personally do those and I don't have the details right in front of me but I can get those for you.

Chairman Delzer: If you could please.

Representative Kempenich: Wasn't the salary budget adjustment where the equity was last session? You didn't build that into the budgets did you?

Tammy Dolan, OMB: The equity pool last session was in a separate bill related to OMB and there were lines for each agency. This time in the Governor's Recommendation we put that into each agency's budget.

Chairman Delzer: Was there an equity pool two sessions ago?

Tammy Dolan, OMB: No.

Representative Kempenich: We did make adjustments in individual agencies but there was no pool.

Ms. Fair- McEvers continued with her testimony.

Representative Berg: Thank you for your presentation. It seems like there are more housing cases. Quite frankly it seems that there should not be many cases. The laws have not changed and they are pretty straight forward. People in the housing should be following the laws. Is there a way to reduce the number of cases?

Fair-McEvers: I think part of the reason there are increased cases are that it was a new area. We have only been investigating housing cases for nine years. Part of it is programs built over time. I think part of the reason that we have increased case filings could be that we are doing more education. Folks that didn't know where to go for housing discrimination are now filing with us. We also try to do education for land lords. Can I think of anything that we could do to encourage more compliance with the law? I am not sure other than perhaps getting the land lords' attorneys to quit fighting over details. We actually have the most cause findings per case file in the housing area. So not only are there more case filings filed we have more cause

filings. There statistically is more discrimination going on in area of housing. Particular importance in the housing area, the type of claim that is most frequently filed in housing discrimination that creates the most cause findings is in the area of disability. Land lords need to build their buildings that are accessible for the public to use. They need to consider that a person with a disability may need an assistive animal and if that is the case they may need to provide an accommodation to their no pets policy to allow that animal to be with a person that needs that assistive animal. I think education of the land lords would be important. We are out there doing the education that we possibly can. When the Land Lords Associations call, we do our best to try to educate the land lords the best we can.

Chairman Delzer: What is your percentage of cause?

Fair-McEvers: I don't know that I have a percentage.

Chairman Delzer: One of the things that I am going to want to see is a list of the cases, the average time spent on them, the average General Fund cost of them and Federal fund coverage for that and I would like a percentage of those that you found cause in and your take on whether or not you are seeing frivolous cases.

Fair-McEvers: During the last biennium 89 housing cases ten of those were cause. That means one in nine were cause. That does not take into consideration that of those 89 cases, 38 of them settled. Those may or may not have been cause cases, we don't know that. Of those 89 cases 48 were either settled or cause cases.

Chairman Delzer: What was the average time spent on the settled cases?

Fair-McEvers: I don't know that we can break it down on the settled cases. The average days to closure in housing discrimination last biennium was 135 days per case. We have actually improved that during the current biennium. We are now at 106 days per case part of that is because we have more investigators.

Chairman Delzer: And these are the cases that you are supposed to close within 100 days.

Fair-McEvers: That is correct. There are some cases, if they are more complex cases, there can be some exceptions to the 100 day rule. We are doing our best to close those cases within 100 days.

Chairman Delzer: I am going to also want to see an organizational chart as well as the spend down. There must be something that you fill into BARS that tells you where you are.

Robin Bosch: We don't fill it into BARS each month but the PeopleSoft System. As we key vouchers and receive revenue.

Chairman Delzer: We are going to want to see that for every agency as of the last month that you have done.

Robin Bosch: I believe this week the budget reports within PeopleSoft will be available through the end of December.

Chairman Delzer: Do you have any vacant FTE's?

Robin Bosch: No.

Chairman Delzer: Have you had any vacant FTEs in the last two years?

Fair-McEvers: We have had turnover but we have filled those positions. We had an investigator leave last August. We had the other Business Manager leave January 2008 and we had another office assistant that left during the summer months. So we have had three employees leave and we have been able to fill all three positions.

Chairman Delzer: How long were they vacant?

Fair-McEvers: We filled them as soon as we could. The Business Manager position was two halftime positions and we made it one full time position.

Robin Bosch: They were both approximately two months vacant.

Chairman Delzer: Any more questions? This is how I am going to want to handle these overviews. When we get into the bigger budgets they are certainly going to be much more entailed. A good share of that we will try to move into the detail when we go into the detail on them. Some of them like the Labor and Securities and the smaller budgets I am not sure we are going to come back and have a detail hearing on them but we are going to want to get the information that we requested. One thing I forgot to mention is the green sheets that we have for each of these. For the new members especially, these green sheets are very informational. They are done by the Legislative Council. It has most of the stuff on there. On this one there is a part about equity. Is that part of that \$24million or whatever the whole equity pool is or is the second year over and above that?

Sheila Sandness, Legislative Council: That should be included in the whole number.

Sheila Sandness, Legislative Council explained to the committee where they could go to find the fiscal information on the internet.

Chairman Delzer closed the hearing.

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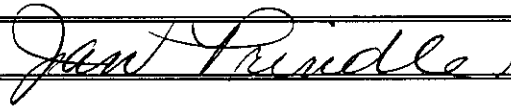
House Appropriations Committee
Government Operations Division

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Hearing Date: **3 February 2009**

Recorder Job Number: 8429 (51:10)

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Minutes:

Labor Commissioner

Chairman Delzer: I would like to have an amendment for the FTE to discuss.

Representative Berg: What was the purpose of the FTE?

Chairman Delzer: I think it was anticipated new cases.

Chairman Delzer: This has the \$60.0 for the discrimination study.

Representative Kempenich: I asked them what they could get for what money. They said 3 options. There is one for \$61.0—a more intense one. Then there is one for \$41.0—which covers a thousand residents. Then there is one for \$23,965—which covers one hundred residents.

Chairman Delzer: What are they trying to do with this?

Representative Kempenich: It's regarding discrimination experience in the workplace, housing, lending, etc.

Chairman Delzer: Who are they sending this to? Just random people?

Representative Kempenich: It's a telephone.

Representative Berg: The problem is that it is required by the feds. They have to do this.

Chairman Delzer: What is your take on how often that is required?

Representative Berg: I am sure that like everything is that it is required whether they have the money, etc. to do it. My concern from the Labor Department is the amount of overtime—almost 1300 hours last year. They are not getting their work done. I don't know how they do it.

Chairman Delzer: I would guess that is why the request for the FTE and that has nothing to do with the survey.

Representative Kempenich: One of the things we did last session is that we provide money for an attorney in their professional line item and they used very little of it this time.

Chairman Delzer: Their income comes from \$2400 per case from the feds.

Representative Kempenich: Yes.

Chairman Delzer: They have very few that go to court. Did they say how many have to go to court?

Representative Kempenich: They are looking at 23,000 for turn back.

Chairman Delzer: I think we need the four options on the study: \$60.0, \$41.0, \$23.0 and 0.

Representative Dosch: My notes on that \$60,000 study are that it is a state required study not a federal study.

Chairman Delzer: It does not say at what time you have to do it or what it amounts. It could simply a report from the operations they do.

Representative Kaldor: Apparently the last study was done in 2001-1002 so we are 6-7 years off. That is a policy decision that we have to make whether we do this now or wait another biennium to do it. It is statutory.

Representative Berg: Maybe we need to figure that out, whether that is mandated by state law or federal law. It looks like state.

Chairman Delzer: Shelia can you have someone check that.

Representative Meyer: You requested that from them.

Chairman Delzer: Did you get that.

Tammy Dolan, OMB: It is a state statute.

Representative Kaldor: It's the Human Rights Act in ND Century Code and the Housing Discrimination Act.

Chairman Delzer: Do those Century Codes say anything about Federal requirements?

Representative Kaldor: I am not sure. The codes are: 14-02.4-22 and 14-02.5-15

Chairman Delzer: Do those reference federal law?

Representative Kaldor: That I don't know.

Chairman Delzer: The real question to me is what value is it to do it. Obviously they have their caseloads and where they come from. That is a study of its own sort.

Representative Berg: That is a great point. If this is a benchmark to see if there are fewer people discriminated against and we are using the 2002 benchmark to see if they are doing a better job that might be of value. If they are just going out there and reporting what they find, it doesn't serve much purpose.

Chairman Delzer: I don't see any reference to federal mandates. (He read from the Century Code.)

Chairman Delzer: Is there anything else in the budget we want to look at?

Representative Kempenich: What do you want to do with that study?

Chairman Delzer: We have the four options. I have a note to reduce professional services by 50,000. Is that too much? What is their spend down?

Representative Kempenich: The only spent \$16.0 this last biennium. They have \$136.0 in there. We appropriated \$84.0 two biennia ago and they had a case and they went over so we

upped it \$50.0 but they only spent \$16.0 this time. It's hit and miss on this professional service.

Chairman Delzer: They do have the option to go to the Emergency Commission. I think we should have an amendment offered to reduce that by \$50.0

Representative Kaldor: Would it be your intention that we make that reduction and your purpose is that they do not do the study.

Chairman Delzer: No that 50,000 is not part of the study.

Tammy Dolan, OMB: It is in operation.

Chairman Delzer: It would be separate from the studies.

Sheila Sandness, Legislative Council: So with the operating line it would be 50,000 or 60,000.

Chairman Delzer: This \$60.0 in section 2 of the bill also resides in the overall operating expenses of \$372.0?

Tammy Dolan, OMB: Yes, it does. If you look at the fees for professional services budget we added the 60,000 for the study because it was an optional request.

Chairman Delzer: Then we would need another for an operating reduction of \$20.0 and do away with the \$60.0 one.

Representative Kempenich: How come they would have it in another section of the bill?

Tammy Dolan, OMB: Section two just identified the one-time funding items that are in the budget. They are not separate appropriations.

Chairman Delzer: That's the way all bills are set up?

Tammy Dolan, OMB: Yes.

Chairman Delzer: Anything further on the labor commissioner.

Representative Meyer: Just to clarify—the one amendment that Rep. Kempenich was taking about was to travel. You are removing \$20.0 from travel?

Chairman Delzer: It would be travel and other lines in operating.

Representative Meyer: Just to keep in mind their travel is required federally.

Representative Kaldor: So we are looking at the 50,000 the 20,000 and the 60,000 reduction.

Chairman Delzer: In all honesty, I would say we are looking at the \$50.0. We will do the study first and whatever level we end up on the study comes out of the operating line. Then we will look at the \$20.0 and the \$60.0 with the \$20.0 first.

Representative Kempenich: Who is going to carry this?

Chairman Delzer: Representative Kaldor.

There was discussion about visiting the cyber crime lab at 3:30.

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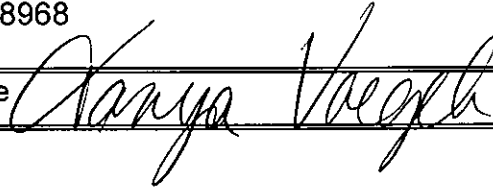
House Appropriations Committee
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Hearing Date: 2/9/09

Recorder Job Number: 8968

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Minutes:

Chairman Delzer: I think the amendment offers that we have before us is the FTE position and we need to make a decision on the study and I think there is also a couple different offers of reductions of operating expenses. I think that has to do with the fact that there was money put in a couple sessions ago for a case that cost them a lot that biennium. Last biennium there was money left in there, like \$130,000 and they have only spent \$16,000 of it. Is there any discussion? Let's go ahead and take the study first.

Representative Kempenich: I will move that.

Chairman Delzer: There are four different levels. I guess if we are going to deal with them I would say we should deal with the no funding at all first because that is the highest amount. If that comes out then we don't have to do the rest.

Representative Kempenich: I was thinking that it is more by statute that anything that these studies are done but I think they could probably get a handle on it. I was going to move the \$23,000 because it drops it down and they go from like 1100 to 850. They don't tag quite as many people but it does show some good faith on trying to find out where their services were going with it. I will move that one.

Chairman Delzer: We have a motion is there a second?

Representative Berg: Second.

Chairman Delzer: Discussion by the committee?

Representative Glassheim: So the full price got you 1100 people?

Representative Kempenich: The full price got you 1100 contacts and the motion gets you 850. It is pretty much based on what they did three or four years ago when they did it. It just changes the contact number.

Representative Glassheim: You would still have the study and it would be relatively robust.

Representative Dosch: I am going to resist that motion. This is put in by statute. What are we going to learn? Just this weekend I saw their ads for the equal housing discrimination ads running. So the word is getting out. I think that if they want a study is look at their internal workload and see how the cases have been going and just get their own internal statistics. I am not sure what they are going to do with any of this information that they would collect anyway that they can't learn by looking at their own internal statistics. It seems like we put it in statute and we are just creating more paperwork for a report that someone is going to look at and then toss in a drawer. Look at your internal statistics and that should tell you your trends and everything else.

Chairman Delzer: So if I am reading right, your preference would be to remove it all.

Representative Dosch: That is correct.

Representative Glassheim: The testimony was first of all that they haven't done a statewide study for it will be ten years by 2011. Second of all they say that this will go out and try to assess there are people who believe they are being discriminated against for cultural or logistical or other reasons. So these would be people not being captured now who perhaps should be. That is the point of it so they wouldn't be able to find them through internal statistics because they are already getting who they are getting but we don't know who they are not

getting. So they are saying every decade or so we should do the study to find out if our services are reaching people who deserve to have the services but may or may not be getting them.

Representative Dosch: But on the other side of that if we weren't doing advertising and weren't reaching out I guess I would agree but and I don't know if any one else saw the ads over the weekend or the ones that are running now but it says hey if you think that you have been discriminated against for housing or this or that, contact the North Dakota Department of Labor and here is the number. It is pretty point blank so I think if anyone has issues the information is being put out there. To do a random survey and spend this kind of money for a random survey I think they are getting the word out right now I guess is what I am trying to say and I don't think that spending any more money on a survey is going to give us any more information that we do now. If they are not responding to the ads that are running, these were prime time ads too. It was during the news. I thought wow, here again, I can't afford those time slots and here the Department of Labor apparently can afford them. So they are prime time good slots. So I would make a substitute motion that we take out the whole sixty thousand.

Chairman Delzer: Is there a second?

Vice Chairman Thoreson: Second.

Representative Kaldor: I would resist the substitute motion in favor of the original motion. Mainly for this reason, I think probably some of the more urban areas of the state are probably having more interaction with the labor commissioner on these issues. The study as it is described in the detail is to assess whether or not there are areas of the state that are not communicating with or being served or assessing their level of service to some of those other areas of the state. Right or wrong they have been delegated with this responsibility statutorily and I think they do need to assess from time to time, maybe what their study will find out is that

they have better saturation than they thought they did and they don't have to run those ads on TV as they have been in the past. I think Representative Kempenich's compromise position is superior to this motion.

Representative Meyer: Just to reference the ads, it was my understanding but in order to get some of their federal funding, similar to the HAVA act with the Secretary of State for example, in order to be in compliance to get their federal funding that these ads have to be run. Whether that is incorrect or not I don't know but I was always under the assumption that those ads are paid for by federal dollars.

A motion was made by Representative Dosch, seconded by Vice Chairman Thoreson to adopt an amendment removing the funding for the research study. The vote was 5 yeas, 3 nays and 0 absent and not voting. AMENDMENT ADOPTED.

Chairman Delzer: Further offers on the Labor Commissioner. I think the next thing is that we have two different options on the operating. Does anyone care to make any comments or motions on the operating?

Representative Kaldor: Just a comment. As we were discussing the reductions in operating, I know there was a discussion about the travel budget. I did a little investigation and I have some material that I am going to hand out as just an indication that if we are thinking that they are going to cut for example \$20,000 on the travel, that is probably not a very viable alternative so if it is going to come from someplace else that is fine but I wanted the committee to be aware of the circumstances that they have relative to travel. Basically the lion's share of their travel or a significant portion of it is federally required. So when the Labor Commissioner visited with me about this she said the areas that, she said that if you are going to cut my travel

budget, cut the NAGLO and ILSA expenditures, there is \$8800 there but she said the motor pool and human rights director from Bismarck to Fargo travel, she said I can't do without that, I have to have those. The federal dollars, obviously, if those are federally required and they are federally funded for the most part, there is a little bit of state funding. I just wanted to share that as information. What we do with it is up to us but if that is the area that we are thinking that we can make the most impact. She has got about \$24,000 that she controls with her one budget. Probably only about \$8800 of that is something that she can wipe out. She didn't suggest that it is a great idea for her not to go to the NAGLO meeting or the ILSA meeting but she said if it has to come to that that is fine. That is where she would rather see the cut.

Chairman Delzer: I think one of the issues that we have with the travel is not so much what it is and what not. I think there is some concern that the forty cents a mile is not going to stay there. It really shouldn't. I think the motor pool adjusts that every 6 months.

Representative Kempenich: The interesting part of that is that there are some agencies that built their budget at thirty cents and seemed to be working all right. It depended on what time of the budgeting process you put numbers together but there were two agencies that built their numbers on travel on thirty cents. That all becomes discretionary. The other issue is that there is room in that budget. Last session we put in \$50,000 on their professional services and we have discussed the travel but I would assume that if we need some adjustment it would be more in that line item.

Chairman Delzer: The fact of the matter is that everything that is under operating is comingled. If they want to move between travel and professional services they have that opportunity. They don't even have to report that to OMB do they?

Tammy Dolan, OMB: No.

Chairman Delzer: I understand also in some of these smaller budgets that sometimes things can get a little tight but that was the professional services was one of the issues I had. I do believe there is going to be some adjustments on the travel because most of these budgets were done in July when gas was \$3.50 almost \$4.00 a gallon.

Representative Meyer: Just so that I know. When they are doing those budgets, do they have to take the DOT recommendation or not. Can they just say well we are going to spend ten cents or a dollar?

Chairman Delzer: If they do motor pool, they have to pay whatever motor pool requires at that time. I believe motor pool adjusts that throughout the biennium. It is meant to cover the expenses plus the purchase of the vehicles.

Representative Meyer: So when they put in a budget request for forty cents a mile that came from the DOT they didn't just randomly pick a number.

Representative Kempenich: It all depends on when they did the budget for this.

Chairman Delzer: This was probably one of the ones that did it later.

Representative Kempenich: There is a chart there. They started out last May it was like at thirty cents then it went up to forty cents then their costs back in October again were down to thirty-one cents. It all depends on when you were asking for the number.

Chairman Delzer: I don't think we have a motion on the floor for this.

Representative Kempenich: I will make the motion that we reduce it by \$20,000.

Representative Glassheim: Second.

A motion was made by Representative Kempenich, seconded by Representative Glassheim for a motion to reduce the operating line of the Labor Commissioner's budget by \$20,000. The amendment was adopted by voice vote.

Chairman Delzer: OK. Now we have the issue with the compliance investigator, the FTE position. Is there discussion by the committee?

Representative Kempenich: I move that we remove the FTE and related operating.

Vice Chairman Thoreson: I will second it.

Representative Kaldor: I think one of the things that is happening in the Labor Commissioner's office is that they are suffering from a lot of over time. I don't remember if this FTE was intended to address that or not. They have significant issues with working their people. I know we talked about this last week. They have 1282 hours of overtime. The number of cases pending has increased nearly to 200 and claims' waiting to be resolved has increased by 45% despite the additional hours being worked by investigative staff. If we don't give the Labor Department this FTE it is my understanding that we can just expect either it will be a lot more hours of overtime and/or a combination of more cases pending and less cases resolved. Maybe that is our intention but I don't think it is a really good idea.

Chairman Delzer: If I remember the discussion correctly certainly had to do with overtime but when we questioned them about cases pending and the level that they were handling the cases, I do not remember that there was any discussion of being out of compliance in any way, shape or form. I thought they were doing pretty well. Now I agree that their overtime spending is pretty high. If we did take this position out I think there was an extra ten or twenty thousand put into the overtime. I think the overtime is listed at \$30,000 now.

Tammy Dolan, OMB: There was an additional amount that was moved to overtime however when the budget was submitted to OMB, the agency had an optional request for another \$27,672. They asked us for that or the position.

Chairman Delzer: So if we removed the position we should put into either temporary or overtime \$27,000

Tammy Dolan, OMB: That is what the agency had asked for because of what they are projecting to need to spend for overtime hours.

Chairman Delzer: I think we should remove the position and then add a little money to temporary salaries or overtime.

Representative Meyer: According to their testimony, their case load has gone up from 131 to 191 cases pending. So there are another 60 cases to deal with.

Chairman Delzer: Further discussion?

A motion was made by Representative Kempenich, seconded by Vice Chairman Thoreson to remove the FTE compliance Investigator and related operating. The amendment was adopted by voice vote.

Representative Kempenich: Did that amendment increase the overtime?

Chairman Delzer: No, that was not part of it.

Representative Kempenich: I will make a motion that we increase the overtime to \$27,000.

Chairman Delzer: Roxanne, when you put it into overtime that is the same as temporary in the line item?

Roxanne Woeste, Legislative Council: It would go into Salaries and Wages and they would be able to use it for temporary or overtime.

Chairman Delzer: OK. Is there a second?

Representative Kaldor: I will second that.

Chairman Delzer: Discussion?

Roxanne Woeste, Legislative Council: I just want to clarify, the motion is an increase of \$27,000.

Representative Kempenich: They increased \$20,000 over last biennium.

Chairman Delzer: There is \$30,000 in there currently. This would change that to \$57,000.

Representative Kempenich: Did they want \$57,000 total?

Tammy Dolan, OMB: Yes, that is how much they expect to have to spend for 09-11.

Representative Kempenich: Why don't we make it \$20,000 increase then?

Chairman Delzer: Is that a substitute motion?

Representative Kempenich: Yes.

Representative Dosch: Second.

A motion was made by Representative Kempenich, seconded by Representative Dosch to adopt an amendment to increase the salaries and wages line by \$20,000. Amendment adopted by voice vote.

The chairman ended the committee work for the morning.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1007

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 2/13/09

Recorder Job Number: 1007

Committee Clerk Signature

Tonya Voegle

Minutes:

Chairman Delzer opened the discussion of amendments on House Bill 1007.

Chairman Delzer reviewed the amendment.

Representative Kaldor: I just want to be on record opposing these amendments. I feel that we do need to do the study and I am actually concerned about the operating expense reduction because the Labor Commissioner's budget is quite tight and I feel that she has been a pretty conservative operator in my assessment of how things have run. I want to be on record in opposition to these amendments.

Chairman Delzer: For the study and the operating?

Representative Kaldor: Yes.

Representative Glassheim: I would also oppose of taking the FTE out. It seems to me that the testimony was that there is vastly increasing demands for them to do investigations and it is almost a deliberate crippling of the operation to take out the FTE. It is not a department that has been growing by leaps and bounds or building an empire. If they say they need somebody I think they need somebody.

A motion was made by Representative Kempenich, seconded by Vice Chairman Thoreson to adopt amendment 98008.0101 to House Bill 1007. The amendment was adopted by voice vote.

A motion was made by Representative Kempenich, seconded by Vice Chairman Thoreson for a DO PASS AS AMENDED recommendation for House Bill 1007 to the House Appropriations Full Committee. The vote was 5 yeas, 3 nays and 0 absent and not voting. The carrier will be Representative Kempenich.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1007

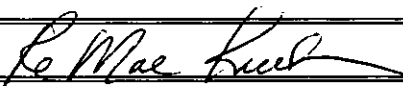
House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 16, 2009

Recorder Job Number: 9589

Committee Clerk Signature



Minutes:

Rep. Kempenich distributed and explained amendment .0101 (Attachment A). This is the Labor Commissioner's budget. They came in asking for one FTE, a compliance investigator. The majority of the House subsection decided not to fund that at this time. That reduced the budget by \$113,000. On the rest of it, we left the \$20,000 for overtime. We did actually increase the funding \$10,000 from \$20,000 to \$30,000. The committee removed the study at \$60,000 and decreased the operating line item by \$20,000. Where the operating was coming from was professional services.

I move the amendments to HB 1007.

Rep. Berg: Seconded.

Rep. Kaldor: The committee was divided on this budget bill. The concerns that caused division on this budget, although the discrimination study was done in 2001, we feel it is time to do this again. But, we had strong reservations about the FTE for compliance investigator position included in the Executive Budget. The Labor Commissioner needs this position. The Labor Commissioner runs a tight ship and I was impressed. The issue they are dealing with – they run into severe overtime. We put them in an awkward position. For that reason we resisted these amendments as stated.

Voice vote taken. (Vote 1) Motion carries. Amendments are adopted.

Rep. Kempenich moved Do Pass as amended.

Rep. Delzer: Seconded.

A Roll Call vote was taken. (Vote 2) **Yes: 19, No: 5, Absent: 1**, (Representative Kerzman).

Representative Kempenich will carry the bill.

Motion carries.

98008.0101
Title.0200
Fiscal No. 2

Prepared by the Legislative Council staff for
House Appropriations - Government
Operations

February 9, 2009

VR
2/17/09
182

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1007

Page 1, line 2, remove "; and to provide legislative intent"

Page 1, line 11, replace "284,511" with "193,627" and replace "1,525,872" with "1,434,988"

Page 1, line 12, replace "63,100" with "(20,000)" and replace "372,330" with "289,230"

Page 1, line 13, replace "347,611" with "173,627" and replace "1,898,202" with "1,724,218"

Page 1, line 15, replace "336,201" with "162,217" and replace "1,485,451" with "1,311,467"

Page 1, line 16, replace "1.00" with "0.00" and replace "12.00" with "11.00"

Page 1, remove lines 17 through 24

Page 2, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98008.0101 FN 2

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1007 - Labor Commissioner - House Action**

	Executive Budget	House Changes	House Version
Salaries and wages	\$1,525,872	(\$90,884)	\$1,434,988
Operating expenses	372,330	(83,100)	289,230
Total all funds	\$1,898,202	(\$173,984)	\$1,724,218
Less estimated income	412,751	0	412,751
General fund	\$1,485,451	(\$173,984)	\$1,311,467
FTE	12.00	(1.00)	11.00

Department No. 406 - Labor Commissioner - Detail of House Changes

	Removes New FTE ¹	Increases Funding for Overtime²	Removes One- Time Funding for a Discrimination Study ³	Decreases Funding for Operating Expenses⁴	Total House Changes
Salaries and wages	(\$110,884)	\$20,000			(\$90,884)
Operating expenses	(3,100)		(60,000)	(20,000)	(83,100)
Total all funds	(\$113,984)	\$20,000	(\$60,000)	(\$20,000)	(\$173,984)
Less estimated income	0	0	0	0	0
General fund	(\$113,984)	\$20,000	(\$60,000)	(\$20,000)	(\$173,984)
FTE	(1.00)	0.00	0.00	0.00	(1.00)

¹ The amendment removes a new FTE compliance investigator position added in the executive budget, including \$110,884 for salaries and wages and \$3,100 for related operating expenses.

² The amendment increases funding for overtime by \$20,000 from \$10,000 as provided for in the executive budget to \$30,000.

³ The amendment removes one-time funding of \$60,000 from the general fund included in the executive budget for costs associated with procuring an updated research study for the perception and extent of discrimination in the state.

⁴ The amendment decreases funding for operating expenses by \$20,000 from the general fund.

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 98008.0101 "Click here to type Amendment Number"

Action Taken Adopt Amendment

☒ Voice Vote

☐ Roll Call Vote

Motion Made By Representative Kempenich: Seconded By Representative Berg:

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Representative Glassheim		
Vice Chairman Thoreson			Representative Meyer		
Representative Kempenich			Representative Kaldor		
Representative Berg					
Representative Dosch					

Total (Yes) "Click here to type Yes Vote" No "Click here to type No Vote"

Absent _____

Floor Assignment "Click here to type Floor Assignment"

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

Consider one time funding for costs associated with procuring an updated research funding
\$23,000

SUB-MOTION PLACED- vote number 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number "Click here to type Amendment Number"

Action Taken Adopt Amendment

☒ Voice Vote

☐ Roll Call Vote

Motion Made By Representative Dosch: Seconded By Vice Chairman Thoreson:

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	x		Representative Glassheim		X
Vice Chairman Thoreson	X		Representative Meyer		X
Representative Kempenich	X		Representative Kaldor		X
Representative Berg	X				
Representative Dosch	X				

Total (Yes) 5 No 3

Absent _____

Floor Assignment "Click here to type Floor Assignment"

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

Consider one time funding for costs associated with procuring an updated research funding
NO FUNDING

Adopted amendment

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number "Click here to type Amendment Number"

Action Taken Adopt Amendment

☒ Voice Vote

☐ Roll Call Vote

Motion Made By Representative Kempenich: Seconded By Vice Chairman Thoreson:

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Representative Glassheim		
Vice Chairman Thoreson			Representative Meyer		
Representative Kempenich			Representative Kaldor		
Representative Berg					
Representative Dosch					

Total (Yes) "Click here to type Yes Vote" No "Click here to type No Vote"

Absent _____

Floor Assignment "Click here to type Floor Assignment"

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

Remove the FTE Compliance Investigator and related operating.

ADOPT AMENDMENT

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number "Click here to type Amendment Number"

Action Taken Adopt Amendment

☒ Voice Vote

☐ Roll Call Vote

Motion Made By Representative Kempenich: Seconded By Representative Glassheim:

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Representative Glassheim		
Vice Chairman Thoreson			Representative Meyer		
Representative Kempenich			Representative Kaldor		
Representative Berg					
Representative Dosch					

Total (Yes) "Click here to type Yes Vote" No "Click here to type No Vote"

Absent _____

Floor Assignment "Click here to type Floor Assignment"

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

Reduce operating \$20,000

Amendment Adopted

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number "Click here to type Amendment Number"

Action Taken Adopt Amendment

☒ Voice Vote

☐ Roll Call Vote

Motion Made By Representative Kempenich: Seconded By Representative Dosch:

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Representative Glassheim		
Vice Chairman Thoreson			Representative Meyer		
Representative Kempenich			Representative Kaldor		
Representative Berg					
Representative Dosch					

Total (Yes) "Click here to type Yes Vote" No "Click here to type No Vote"

Absent _____

Floor Assignment "Click here to type Floor Assignment"

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

Increase the overtime to Salaries and Wages by \$20,000 for a total of 50,000

Amendment Adopted.

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 98008.0101

Action Taken Adopt Final Amendment

☒ Voice Vote

☐ Roll Call Vote

Motion Made By Representative Kempenich: Seconded By Vice Chairman Thoreson:

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer			Representative Glassheim		
Vice Chairman Thoreson			Representative Meyer		
Representative Kempenich			Representative Kaldor		
Representative Berg					
Representative Dosch					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Amendment Attached

ADOPTED

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 98008.0101

Action Taken Do Pass As Amended

☐ Voice Vote

☒ Roll Call Vote

Motion Made By Representative Kempenich: Seconded By Vice Chairman Thoreson:

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X		Representative Glassheim		X
Vice Chairman Thoreson	X		Representative Meyer		X
Representative Kempenich	X		Representative Kaldor		X
Representative Berg	X				
Representative Dosch	X				

Total (Yes) 5 No 3

Absent 0

Floor Assignment Representative Kempenich:

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

Date: 2/16/09
Roll Call Vote #: _____

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

Day 30

Full House Appropriations Committee

☐ Conference Committee

Legislative Council amendment Number adopt 98008.0101

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ As Amended

Motion Made By: Kempnich Seconded By: Ben

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempnich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total Yes _____ No _____

Absent _____

Floor Assignment: _____

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

Vote - carries

Date: 2/16/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

Full House Appropriations Committee

☐ Conference Committee

Legislative Council amendment Number 0101

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ As Amended

Motion Made By: Kempnich Seconded By: Delzer

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempnich	✓				
Rep. Skarphol	✓		Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer	✓		Rep. Glassheim		✓
Rep. Thoreson	✓		Rep. Kaldor		✓
Rep. Berg	✓		Rep. Meyer		✓
Rep. Dosch	✓				
Rep. Pollert	✓		Rep. Ekstrom		✓
Rep. Bellew	✓		Rep. Kerzman		✓
Rep. Kreidt	✓		Rep. Metcalf		✓
Rep. Nelson	✓				
Rep. Wieland	✓				

Total Yes 19 No 5

Absent 1

Floor Assignment: Rep. Kempnich

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

REPORT OF STANDING COMMITTEE

HB 1007: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "; and to provide legislative intent"

Page 1, line 11, replace "284,511" with "193,627" and replace "1,525,872" with "1,434,988"

Page 1, line 12, replace "63,100" with "(20,000)" and replace "372,330" with "289,230"

Page 1, line 13, replace "347,611" with "173,627" and replace "1,898,202" with "1,724,218"

Page 1, line 15, replace "336,201" with "162,217" and replace "1,485,451" with "1,311,467"

Page 1, line 16, replace "1.00" with "0.00" and replace "12.00" with "11.00"

Page 1, remove lines 17 through 24

Page 2, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98008.0101 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

VR
2/18/09
1083

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1007

Page 1, line 2, remove "; and to provide legislative intent"

Page 1, line 11, replace "284,511" with "151,736" and replace "1,525,872" with "1,393,097"

Page 1, line 12, replace "63,100" with "(20,000)" and replace "372,330" with "289,230"

Page 1, line 13, replace "347,611" with "131,736" and replace "1,898,202" with "1,682,327"

Page 1, line 14, replace "11,410" with "4,359" and replace "412,751" with "405,700"

Page 1, line 15, replace "336,201" with "127,377" and replace "1,485,451" with "1,276,627"

Page 1, line 16, replace "1.00" with "0.00" and replace "12.00" with "11.00"

Page 1, remove lines 17 through 24

Page 2, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98008.0102 FN 3

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1007 - Labor Commissioner - House Action**

	Executive Budget	House Changes	House Version
Salaries and wages	\$1,525,872	(\$132,775)	\$1,393,097
Operating expenses	372,330	(83,100)	289,230
Total all funds	\$1,898,202	(\$215,875)	\$1,682,327
Less estimated income	412,751	(7,051)	405,700
General fund	\$1,485,451	(\$208,824)	\$1,276,627
FTE	12.00	(1.00)	11.00

Department No. 406 - Labor Commissioner - Detail of House Changes

	Removes New FTE Position¹	Reduces Funding for Anticipated Salary Savings²	Removes Salary Equity Funding³	Increases Funding for Overtime⁴	Removes One-Time Funding for a Discrimination Study⁵	Decreases Funding for Operating Expenses⁵
Salaries and wages	(\$110,884)	(\$28,023)	(\$13,868)	\$20,000		
Operating expenses	(3,100)				(60,000)	(20,000)
Total all funds	(\$113,984)	(\$28,023)	(\$13,868)	\$20,000	(\$60,000)	(\$20,000)
Less estimated income	0	(7,051)	0	0	0	0
General fund	(\$113,984)	(\$20,972)	(\$13,868)	\$20,000	(\$60,000)	(\$20,000)
FTE	(1.00)	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	(\$132,775)
Operating expenses	(83,100)
Total all funds	(\$215,875)
Less estimated income	(7,051)
General fund	(\$208,824)
FTE	(1.00)

¹ The amendment removes a new FTE compliance investigator position added in the executive budget, including \$110,884 for salaries and wages and \$3,100 for related operating expenses.

² This amendment reduces salaries and wages funding to recognize anticipated savings from vacant positions and employee turnover.

³ This amendment removes funding added in the executive budget for state employee salary equity adjustments.

⁴ The amendment increases funding for overtime by \$20,000 from \$10,000 as provided for in the executive budget to \$30,000.

⁵ The amendment removes one-time funding of \$60,000 from the general fund included in the executive budget for costs associated with procuring an updated research study for the perception and extent of discrimination in the state.

⁶ The amendment decreases funding for operating expenses by \$20,000 from the general fund.

REPORT OF STANDING COMMITTEE

HB 1007: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "; and to provide legislative intent"

Page 1, line 11, replace "284,511" with "151,736" and replace "1,525,872" with "1,393,097"

Page 1, line 12, replace "63,100" with "(20,000)" and replace "372,330" with "289,230"

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Page 1, remove lines 17 through 24

Page 2, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98008.0102 FN 3

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

2009 SENATE APPROPRIATIONS

HB 1007

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1007

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: March 2, 2009

Recorder Job Number: 9933

Committee Clerk Signature



Minutes:

Chairman Holmberg called the committee hearing to order on HB 1007 which is an appropriation for the labor commissioner.

Chairman Holmberg reminded everyone that the Senate has already stated its position on equity and salaries at a funded five and five, so there is no need to talk about that because the committee will be doing their work on all budgets.

Lisa Fair McEvers, Commissioner of Labor

Written attached testimony # 1.

The department has two primary areas of responsibilities; establishing and enforcing rules relating to the wages and working conditions of employees and administering and enforcing human rights under the ND Human Rights Act and the ND Housing Discrimination Act.

Senator Robinson: On page 5, you reference the long work weeks that the human rights director is working consistently, and it appears not to be the exception but the rule. Providing we can get the equity dollars reinstated, is that another case where at least some of that compensation could be mitigated. Is there an equity problem in that classification or pay grade?

Lisa Fair McEvers said that pay wise there's not an equity problem but she's concerned about working her the long extended hours.

Senator Robinson asked that even with the additional FTE, there's still not a lot of breathing room. You're still playing catch-up?

Lisa Fair McEvers: Yes, that is correct.

Senator Warner asked about the complaint inquiry process.

Lisa Fair McEvers said the complaint inquiries process is often a situation where an employee hasn't received their final paycheck or they believe they are not being paid their overtimes. She explained the complaint inquiry process and once employers are contacted, many don't know the law or don't realize that they need to pay out vacation, or something of that nature. Being pro-active has helped to keep formal complaints down.

Senator Warner asked for the number of cases that have been resolved by the department being pro-active and was informed that they are listed on page 2 of the testimony.

Senator Warner asked her to explain the policy on HB 1092.

HB 1092 was a bill brought by the Department of Labor asking for the definition in the ND Human Rights Act of the term "disability" as it is defined, and wanted to use the same language that is used by the EEOC (Equal Employment Opportunity Commission) under the Americans with Disabilities Act. The Americans with Disabilities Act was amended in September 2008 and effective January 1, so now the EEOC is using a different interpretation of the term "disability" than we are using. I'm asking for these to be the same because we do investigations for the EEOC. So someone could possibly be classified as disabled under a federal law through the ADA and not disabled under state law because of this difference in policy as it is interpreted. So every case we receive that we investigate for the EEOC has to be dual filed. We have to do analysis under state law and a separate one under federal law. It will take us significantly longer to handle every employment case involving disability. Forty

three percent of our caseload involves employees with disabilities. It's a big part of our workload, but House killed the bill.

Bruce Murry, Lawyer, ND Protection and Advocacy Project

Testified in favor of HB 1007. No written testimony.

Chairman Holmberg closed the hearing on HB 1007.

Senator Warner asked the Legislative Council to draft an amendment to correct the definition of "disability" as interpreted between state and federal laws.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1007

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: March 13, 2009

Recorder Job Number: **10893 (starting at 7:53) Vote**

10895 (starting at 2:45) Reconsideration

Committee Clerk Signature



Chairman Holmberg opened discussion on HB 1007 which concerned the Labor Commissioner.

Senator Krauter gave overview of the agency saying they had 11 FTEs and the governor's recommendation was to put it to 12. He presented amendment .0202 and discussed budget saying the Labor Department has seen a large increase in workload. There is the Wage and Hour division and the Human Rights division.

Discussed the workings of the amendments.

Senator Krauter moved Do Pass on amendments .0202.

Senator Wardner seconded.

Chairman Holmberg: This is a small agency. There operating expenses last time were \$309,000. Next time with various increases and costs it is \$289,000. Is there anything I'm leaving out of operating? They were held even in the governor's budget?

Tammy Dolan, Fiscal Analyst, OMB: The initial request was to hold even. At the least, we added \$3100 dollars to operating expenses for the compliance investigator. Then there was a

\$60,000 increase for the discrimination study. We did not, in the executive recommendation, make any other adjustments, and they were comfortable holding their budget even prior to the investigation and the study. Their budget is very tight at all times.

Senator Krauter: I was impressed with the cross training. They do that with all eleven staff there. So they aren't divided into two divisions. They try to manage those caseloads back and forth.

Chairman Holmberg: There was a formula used for salaries, and they were nine and under. At eleven, they got hit for the underfunding.

Senator Fischer: Am I to understand that we're going to have an increase because of sexual orientations. Could you tell me, other than wage and equity, what the wage complaints would be?

Senator Krauter gave an example.

Senator Christmann asked if they could divide the amendments.

Division A – restore the FTE position – **passed**.

Division B – restores onetime funding for a discrimination study – **passed**.

Division C - everything else - **passed**.

Senator Christmann moved to remove \$20,000 from salary and wages line.

V. Chair Bowman seconded.

Voice Vote Failed.

Senator Krauter moved Do Pass as Amended on HB 1007.

Senator Seymour seconded.

A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 1

Senator Krauter will carry the bill.

1007 – Labor Commissioner reconsidered - Job # 10895 – (2:45)

Chairman Holmberg: Senator Warner would like us to go back to HB 1007 for a correction.

Senator Warner: I'm distributing an amendment .0201. The Labor Commissioner in her testimony had asked for a change in policy to reconcile federal and state law. At the time, I prepared the amendment, which was March 2, and had forgotten about it at the time we considered the budget. I would like to introduce this amendment for consideration. What the amendment does is to reconcile the state and federal definitions of disability under the Americans for Disabilities Act, so they're not defending two different levels of disability within the agency. She said this way they could make one single determination and it would cut their work in half.

Senator Warner moved to reconsider HB 1007.

Senator Robinson seconded.

Voice vote approved.

Senator Warner moved Do Pass on amendment 98008.0201 and this is in addition to previous amendments.

Senator Wardner seconded.

Senator Warner: It deals with policy issues, not appropriations. It was requested by the commissioner. I had it prepared and wanted to bring it forward for discussion.

Senator Christmann: I don't know if it has substantial implications or not here. Subsection 5 out of a section in the Century Code and as I read it, it appears to leave the three lines that we have in subsection 5 as they are and just emphasize that we interpret consistently, but it seems like a policy issue that should have been addressed as a policy not just thrown in on the

second house to hear the bill in your budget. I'm a little concerned about policy implications here.

Senator Kilzer: I think we have to be very careful about putting definitions in code because, for example, disability and impairment, as dealt with in workers compensation or medical areas. That completely gives precise and different meanings. The terms are not interchangeable and to say that a disability is a physical impairment is self contradictory.

Senator Warner: My understanding from the commissioner's testimony was that it's just identical terms two places in law, but at different definitions. The word "impairment" never entered into the discussion. It was the word "disability" in both places and that their agency was charged with examining and defining two different areas. One level of disability was state code and the other was federal code and they were required to do both. It would ease their burden if the definitions were synonymous. The definition of the single word "disability" and then "impairment" have no play in this.

Chairman Holmberg: Do you know if this was introduced to the House or to anyone else?

Senator Warner: I honestly don't. I just picked it out of her testimony that this was something she would like us to do.

Senator Krauter: I apologize. I didn't go into this issue because I didn't think there were any fiscal additions or deletions, but Senator Warner is correct. If you read the testimony on page 3, it relates to dual filed cases and the additional time that it takes because of the dual filed cases under this definition to make it consistent with the federal disabilities act. It would allow them not to do two investigations or two workloads.

Chairman Holmberg: That was predicated upon a bill that was defeated, so it's a second reach for the brass ring.

Senator Christmann: Is this what HB 1092 proposed to do? Or is this a different stab at it?

Chairman Holmberg: Eleven voted for it in the House, and eighty voted against it.

Senator Warner: I have no huge amount of capital invested in this. It was mentioned in her testimony that this would be useful to her department to increase efficiency.

Chairman Holmberg: I would come down on the side that I would go with policy committee which they obviously, with a vote of 80-11, they probably had a do not pass on it.

Senator Krauter: We do have the additional \$20,000 in there that we voted on and left in. They should have the resources and the new FTE to get this done. I don't have a lot of heartburn by leaving it out, but I will go up to the Labor Department and revisit this issue. If it's something real glaring, I will come back, but if not, I'm feeling comfortable on the way we passed it out of here.

Senator Warner: Could I ask that we hold this bill one legislative day before we send it up?

Chairman Holmberg: It won't be ready to send up.

Senator Warner: Then I withdraw my motion.

Everything is withdrawn.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

Page 1, line 2, after "commissioner" insert "; and to amend and reenact subsection 5 of section 14-02.4-02 of the North Dakota Century Code, relating to the definition of disability under the North Dakota Human Rights Act"

Page 1, after line 16, insert:

"SECTION 2. AMENDMENT. Subsection 5 of section 14-02.4-02 of the North Dakota Century Code is amended and reenacted as follows:

5. "Disability" means a physical or mental impairment that substantially limits one or more major life activities, a record of this impairment, or being regarded as having this impairment. The term disability shall be interpreted consistently with those terms used by the Americans with Disabilities Act of 1990 as amended by the ADA Amendments Act of 2008 [Pub. L. 110-325; 122 Stat. 3553]."

Renumber accordingly

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

Page 1, line 2, after "commissioner" insert "; and to provide legislative intent"

Page 1, line 11, replace "151,736" with "304,511" and replace "1,393,097" with "1,545,872"

Page 1, line 12, replace "(20,000)" with "63,100" and replace "289,230" with "372,330"

Page 1, line 13, replace "131,736" with "367,611" and replace "1,682,327" with "1,918,202"

Page 1, line 14, replace "4,359" with "11,410" and replace "405,700" with "412,751"

Page 1, line 15, replace "127,377" with "356,201" and replace "1,276,627" with "1,505,451"

Page 1, line 16, replace "0.00" with "1.00" and replace the second "11.00" with "12.00"

Page 1, after line 16, insert:

**"SECTION 2. ONE-TIME FUNDING - EFFECTIVE ON BASE BUDGET -
REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY.** The following amounts
reflect the 2009-11 one-time funding items included in the appropriation in section 1 of
this Act:

<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
Discrimination study	\$0	\$60,000
Total general fund	\$0	\$60,000

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The labor commissioner shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98008.0202 FN 1

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1007 - Labor Commissioner - Senate Action**

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$1,525,872	\$1,393,097	\$152,775	\$1,545,872
Operating expenses	372,330	289,230	83,100	372,330
Total all funds	\$1,898,202	\$1,682,327	\$235,875	\$1,918,202
Less estimated income	412,751	405,700	7,051	412,751
General fund	\$1,485,451	\$1,276,627	\$228,824	\$1,505,451
FTE	12.00	11.00	1.00	12.00

Department No. 406 - Labor Commissioner - Detail of Senate Changes

	Restores New FTE Position¹	Restores Funding Relating to Anticipated Salary Savings²	Restores Salary Equity Funding³	Restores One- Time Funding for a Discrimination Study⁴	Restores Funding for Operating Expenses⁵	Total Senate Changes
Salaries and wages	\$110,884	\$28,023	\$13,868			\$152,775
Operating expenses	3,100			60,000	20,000	83,100
Total all funds	\$113,984	\$28,023	\$13,868	\$60,000	\$20,000	\$235,875
Less estimated income	0	7,051	0	0	0	7,051
General fund	\$113,984	\$20,972	\$13,868	\$60,000	\$20,000	\$228,824
FTE	1.00	0.00	0.00	0.00	0.00	1.00

¹ This amendment restores the new FTE compliance investigator position added in the executive budget and removed by the House, including \$110,884 for salaries and wages and \$3,100 for related operating expenses.

² This amendment restores funding for salaries and wages removed by the House to recognize anticipated savings from vacant positions and employee turnover.

³ This amendment restores salary equity funding removed by the House.

⁴ This amendment restores one-time funding of \$60,000 from the general fund included in the executive budget and removed by the House for costs associated with procuring an updated research study for the perception and extent of discrimination in the state.

⁵ This amendment restores funding removed by the House for operating expenses.

Date: 3-13-09

Roll Call Vote # 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

Senate Senate Appropriations

Committee

*voice
vote
passed*

☐ Check here for Conference Committee

Legislative Council Amendment Number .0202 amendment

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Krauter Seconded By Wardner

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Chairman			Sen. Aaron Krauter		
Sen. Bill Bowman, VCh			Sen. Elroy N. Lindaas		
Sen. Tony S. Grindberg, VCh			Sen. Tim Mathern		
Sen. Randel Christmann			Sen. Larry J. Robinson		
Sen. Tom Fischer			Sen. Tom Seymour		
Sen. Ralph Kilzer			Sen. John Warner		
Sen. Karen K. Krebsbach					
Sen. Rich Wardner					

Total Yes _____ No _____

Absent _____

Floor Assignment _____

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

Date: 3-13-09Roll Call Vote # 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1007

Senate Senate Appropriations Committee☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ AmendedMotion Made By Krauter Seconded By Seymour

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Chairman	☒		Sen. Aaron Krauter	☒	
Sen. Bill Bowman, VCh	☒		Sen. Elroy N. Lindaas <i>A</i>		
Sen. Tony S. Grindberg, VCh	☒		Sen. Tim Mathern	☒	
Sen. Randel Christmann	☒		Sen. Larry J. Robinson	☒	
Sen. Tom Fischer	☒		Sen. Tom Seymour	☒	
Sen. Ralph Kilzer	☒		Sen. John Warner	☒	
Sen. Karen K. Krebsbach	☒				
Sen. Rich Wardner	☒				

Total Yes 13 No 0Absent 1Floor Assignment Krauter

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

REPORT OF STANDING COMMITTEE

HB 1007, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 2, after "commissioner" insert "; and to provide legislative intent"

Page 1, line 11, replace "151,736" with "304,511" and replace "1,393,097" with "1,545,872"

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Page 1, after line 16, insert:

"SECTION 2. ONE-TIME FUNDING - EFFECTIVE ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
Discrimination study	<u>\$0</u>	<u>\$60,000</u>
Total general fund	<u>\$0</u>	<u>\$60,000</u>

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The labor commissioner shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98008.0202 FN 1

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

2009 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1007

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1007

House Appropriations Committee
Government Operations Division

☒ Check here for Conference Committee

Hearing Date: 4/17/09

Recorder Job Number: 11958

Committee Clerk Signature

Janette Cook

Minutes:

Representative Kempenich opened the discussion on House Bill 1007. All conferees were present.

Representative Kempenich: The Senate wants to go over the changes.

Senator Krauter explained the amendments. He stated that they restored the \$60,000 for the discrimination study.

Representative Kempenich: Did you talk of any levels other than the \$60,000 depending on the depth of the study?

Senator Krauter: No, we did not go to that level of it. We relied on the judgment of the Department because of the two categories, the human rights discrimination issues and the housing discrimination issues. The funding issues are on the fiscal note. We restored one FTE because the work load is there. The salaries, the equity study, discrimination study and the operating expenses are on there.

Representative Kempenich: I think that is one of the reasons that the operating was reduced was because it was on the high side. The salary issues won't get solved in this committee; it is something larger than what we are going to deal with today. On the FTE position I think it was

the feeling of the House committee that we should fund the overtime rather than adding an FTE.

Senator Krauter: I didn't see here where you increased the salaries and overtime.

Representative Kempenich: It is number 4 on the House amendments. It was increased. We are about that \$20,000 over the Governor's budget.

Senator Christmann: At least some of the thought was that we can push people to work overtime, but some don't care for that. Then we have turnover. Two things then happen. We end up replacing them, and it takes even more overtime because they are not as quick at handling cases and getting things done. This is kind of a service agency for when someone has been wronged or feels that they have been wronged. Even though they might be able to duck in under the wire by working the week-end, these are people's lives, and they need to be handled in a timely fashion. That is important too.

Representative Kempenich: On the study part there were three different levels depending on how in depth it was. In the end we took that all out. We felt that it was something that probably was warranted to a degree, but in the end the committee didn't know if it was something that *needed* to be done or something that someone *wanted* done.

Representative Dosch: I guess just to follow up on that, it was put into statute by the legislature. It is a good idea for us to study this once in awhile, but we didn't know what would be accomplished by it. They are doing a good job now, and we think it is adequate.

Senator Kilzer: I think an increasing case load can mean one of two things. Either the programs are popular and more people are using them, or that the problem is growing and does need to be studied and have changes made. I think that is what the study would do, is look at it from that point of view. I think there is a need for the study. Another reason would be the federal requirements.

Representative Dosch: It is my understanding that we are complying to federal regulations right now. This study is not mandated by the feds. This is something we would do for our own purposes. So, the question is whether it is worth spending the time and money. If the department is busy... if they need another person there...I don't know where we should go with it.

Senator Krauter: One of the components emphasized the services that are out there, and are they being accessed. The study would provide that. The last study was done in 2001. A lot has changed since then. If we are going to have this in statute, we should address it at least once every ten years.

Representative Kempenich: It basically came down to how many people you were going to contact in the funding part of it. It is a survey. I think we understand the salary savings part in number two. That was something that was rolled up in the vacant FTEs. I think we kind of know where you are at, and where you are coming from. It is basically the Governor's budget. We will have to look at adding the FTE back in.

Unannounced: In some of the other budgets you cut the travel by half. Is that what happened here?

Representative Kempenich: No, we didn't.

Senator Krauter: In the Senate we received a report one day about state agencies vacant positions. We went through that and tried to identify agencies that had positions that were open more than one biennium. I noticed that there have not been any vacant positions in the labor department.

Representative Kempenich: I think as that amendment got put on, it rolled out that vacant position.

Senator Christmann: Can you explain again what you did with overtime?

Representative Kempenich re-explained what they had done with overtime.

Senator Christmann: So, you added the overtime instead of the FTE?

Representative Kempenich: Yes. If we fund the FTE, we will pull the overtime. Roxanne, was that \$21,000 the amendment that we put on OMB?

Roxanne Woeste, Legislative Council: That was an amendment that you put on every budget. It was based on the agency's FTE size.

Senator Christmann: On many of those with that roll up on the FTEs, one of the thoughts that we had was that if an employee quit or retired it may take three months to replace them. Then that extra money would be able to be used for something else. But, we have talked to some of the agency people. When some of these senior people walk out the door, they are taking with them many hours of retirement and sick leave. So, it ends up costing the agency more than if the person had stayed for the total year.

Representative Kempenich: I think this a work in progress on that part.

The meeting was adjourned until the call of the chair.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1007

House Appropriations Committee
Government Operations Division

☒ Check here for Conference Committee

Hearing Date: 4/23/09

Recorder Job Number: 12173

Committee Clerk Signature

Tonya Voegeli

Minutes:

Representative Kempenich called the conference committee on House Bill 1007 to order. All conferees were present.

Representative Kempenich: I think we have seen what the Senate has done with their amendments. I think there are a couple of issues that we can probably start out this. We might as well just walk down them. That is what we have been doing with most of these bills. Number one is restoring the FTE compliance officer position. The argument that has been made is the workload is justifying another FTE. House members, how do you feel about that?

Representative Dosch: I guess the way the House looked at this is that we are debating do we add another FTE or do we allow extra dollars for overtime pay to help them get caught up. Is it more of a temporary thing that they are just behind and need to get caught up or is it better to give them one FTE? Personally speaking I could be flexible if having the FTE is more important or preferred I guess by the agency. I wouldn't have a problem but then we would have to address the money that we put in for the overtime.

Representative Kempenich: That would be \$20,000 that we added to the original bill for overtime when we pulled that FTE out. So you feel that leaving the FTE in and taking the overtime out is something that we could work on.

Senator Krauter: You are coming the Senate's way before we even have to discuss it.

Representative Kempenich: We might as well start bringing up these points.

Senator Krauter: We looked at it and do you give 11 FTEs more overtime hours or do you just put one in there. The way I understood it is that some of those individuals don't want any more overtime. To make somebody do more work without them really wanting to, your productivity and your efficiency the bottom drops out of it. That is why we put that one back in. Just a comment on the \$20,000 I don't think there is a big issue there. Reducing in operating just makes sense. If you put it in for overtime hours.

Representative Kempenich: Let's move down to the second line. I think that has been something that has been talked about. Number two we have pretty much just been leaving it in now. I don't think that is an area of discussion anymore. Number three on the equity we are asking that the Senate recede from their amendment. You can have philosophical arguments on this equity stuff but from what it sounds like we are moving in a different direction.

Senator Christmann: I am fine with that. We all are.

Representative Kempenich: Now we come to the study. We might as well operate this in the operating expenses too. I am going to bring this one up. Basically what happened is when the budget got built there was a case that was brought here a couple bienniums ago that the Commissioner didn't have the funds for so what happened was that they had to go to the Emergency Commission and get a deficiency appropriation basically to cover the cost of that suit. Last biennium we did stick in \$50,000 over what they had I think it brought it up to about \$60,000 for that suit. What was in the operating budget for this proposed bill was the

Commissioner requested \$76,000 which was about \$14,000 over what they currently have in there and they only spent about \$16,200 and that was taking care of another suit. The feeling was on the House side that there was two \$76,000 additions on the professional fees or the legal service professional fees. It was about a 127% increase. That is where these increases were coming from. That is where that \$20,000 came out of in the operating. The study was in there too. I think that it is our feeling that when you look at, by pulling that study out I think we are going to want to stick with requesting that that study get pulled out. I think that the \$20,000 on the operating side of the coin I think there is going to be enough money in her budget with the way that it is built right now because there was \$16,240 added above that study that got added above the requested budget.

Senator Christmann: I have to confess to being only slightly less late than the chairman so we didn't have a chance to really huddle here. I am speaking only for myself. I am fine with removing number four on the study. On the fifth one, just looking at the Commissioner, I get a sense of some concerns about some of your commentary about the impact of the \$20,000. I don't know if you want to open it up for comments.

Representative Kempenich: We can.

Senator Christmann: I think I would be ok on that one.

Representative Kempenich: One of the things and the Commissioner can get up and address this if she wants; there was \$16,240 that was added in on the Governor's recommendation over and above the Commissioner's request. That was put in on top of what was requested in the professional fees. There is \$137,000 the current budget is \$59,000 there was \$16,240 used this biennium in that. There are some other cases out there that could potentially impact some of that. The thing is and it was our feeling on the House side that she would be getting \$12,000 more than what she had appropriated this biennium and there was

\$16,240 used. We just rounded it off to \$20,000. That is kind of where most of that was coming from on that. We were taking out that second enhancement of the legal fees or professional services are what we were looking at.

Senator Christmann: I am again going off on a limb by myself here but because of my work on the floor I have to get up there a little before four. If in fact the Senate would recede from number four on the study and I still don't know if that is the case, out of these five Senate amendments that would be two keeps and two removes and what do you say we just split this thing down to \$10,000 and wrap this thing up?

Senator Kilzer: I am comfortable with doing that, removing the \$60,000 and splitting the \$20,000.

Representative Kempenich: So to recap this we are going to restore the FTE, the salaries are going back in and then we are pulling the equity out. We are going to pull the \$60,000 that is there currently and then take the \$20,000 down to \$10,000 for operating reduction.

Representative Dosch: And the overtime.

Representative Kempenich: Yes, we are pulling \$20,000 out of the overtime too. That was up with the FTE.

Senator Krauter: When do you anticipate the department to do their study as far as the human rights and the housing rights and those issues that are in statute? When are we going to get to current data as far as the services provided all across the state?

Representative Kempenich: The way the current workload is looking, it looks like people know where to go. I am not going to argue that there is some direction on studying this or seeing what kind of services are but it if we would see a change in the workload and it looks like we are having people fall between the cracks then maybe a study would be good. Right now it looks as if people know that there is an office that is handling complaints and handling

labor issues. I guess at some point there probably will need to be a study but right now it looks like from what we are seeing with what is coming forward with the labor office and the housing issues I think that we are watch it but I think if there change in it I think that is when it needs to be done.

Senator Krauter: As the case loads are worked, as they come in, some are resolved in support of one side or the other. It doesn't mean that they are going away. As these cases continue to come in it is discrimination or it's housing and it resolves and either the person that is bringing the complaint or the person that is defending themselves so it doesn't mean that this whole of caseloads is ever going to go down. To me the reason for the study is to identify all of these issues out there from the stand point are we addressing the services across the state of North Dakota? So to think that someday we are going to see caseloads go down because you have another FTE that is a fallacy. I would like to see that study done or maybe just a part of it. We have to get that done sooner or later. Otherwise the background that they use for their information to resolve these cases is out dated.

Representative Kempenich: Your point is well taken.

Representative Kempenich closed the conference committee on House Bill 1007.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1007

House Appropriations Committee
Government Operations Division

☒ Check here for Conference Committee

Hearing Date: 4/25/09

Recorder Job Number: 12259

Committee Clerk Signature

R. Mac Kael

Minutes:

Representative Kempenich called the conference committee to order. All conferees were present.

Representative Kempenich: I wanted everyone to look over the amendments. Then all we need to do is vote on them.

We left the FTE in on the Senate version. Removed \$20,000 of overtime from the House version. We restored the salary and wage issue on the Senate version and restored \$10,000 of the \$20,000 that the House took out. We took out the study.

Senator Krauter: moved the amendment.

Senator Kilzer: Seconded.

A Roll Call Vote was taken. Yes 6, No 0.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

That the Senate recede from its amendments as printed on pages 1003 and 1004 of the House Journal and page 773 of the Senate Journal and that Engrossed House Bill No. 1007 be amended as follows:

Page 1, line 11, replace "151,736" with "270,643" and replace "1,393,097" with "1,512,004"

Page 1, line 12, replace "(20,000)" with "(6,900)" and replace "289,230" with "302,330"

Page 1, line 13, replace "131,736" with "263,743" and replace "1,682,327" with "1,814,334"

Page 1, line 14, replace "4,359" with "11,410" and replace "405,700" with "412,751"

Page 1, line 15, replace "127,377" with "252,333" and replace "1,276,627" with "1,401,583"

Page 1, line 16, replace "0.00" with "1.00" and replace the second "11.00" with "12.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98008.0203 FN 1

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1007 - Labor Commissioner - Conference Committee Action**

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$1,525,872	\$1,393,097	\$118,907	\$1,512,004	\$1,545,872	(\$33,868)
Operating expenses	372,330	289,230	13,100	302,330	372,330	(70,000)
Total all funds	\$1,898,202	\$1,682,327	\$132,007	\$1,814,334	\$1,918,202	(\$103,868)
Less estimated income	412,751	405,700	7,051	412,751	412,751	0
General fund	\$1,485,451	\$1,276,627	\$124,956	\$1,401,583	\$1,505,451	(\$103,868)
FTE	12.00	11.00	1.00	12.00	12.00	0.00

Department No. 406 - Labor Commissioner - Detail of Conference Committee Changes

	Restores New FTE Position¹	Removes Funding for Overtime²	Restores Funding Relating to Anticipated Salary Savings³	Restores Funding for Operating Expenses⁴	Total Conference Committee Changes
Salaries and wages	\$110,884	(\$20,000)	\$28,023		\$118,907
Operating expenses	3,100			10,000	13,100
Total all funds	\$113,984	(\$20,000)	\$28,023	\$10,000	\$132,007
Less estimated income	0	0	7,051	0	7,051
General fund	\$113,984	(\$20,000)	\$20,972	\$10,000	\$124,956
FTE	1.00	0.00	0.00	0.00	1.00

¹ This amendment restores the new FTE compliance investigator position, including \$110,884 for salaries and wages and \$3,100 for related operating expenses. This position was added in the executive budget, removed by the House, and restored by the Senate.

² This amendment removes \$20,000 from the general fund added by the House. The Senate did not remove this funding.

³ This amendment restores funding for salaries and wages removed by the House to recognize anticipated savings from vacant positions and employee turnover. This funding was also restored by the Senate.

⁴ This amendment restores \$10,000 of the \$20,000 operating expenses funding removed by the House. The Senate restored the entire \$20,000 operating expenses reduction.

All present

Action

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

Bill Number 1007 (, as (re)engrossed):

Date: 4/25/09

Your Conference Committee Gov Ops

For the Senate:

For the House:

	YES / NO			YES / NO	
Christmann	X		Kempenich	X	
Kilzer	X		Dosch	X	
Krauter	X		Meyer	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.

X, adopt (further) amendments as follows, and place 0203 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: Christman

SECONDED BY: Kilzer

VOTE COUNT 6 YES 0 NO 0 ABSENT

Senate - Krauter
Carrier

REPORT OF CONFERENCE COMMITTEE

HB 1007, as engrossed: Your conference committee (Sens. Christmann, Kilzer, Krauter and Reps. Kempenich, Dosch, S. Meyer) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1003-1004, adopt amendments as follows, and place HB 1007 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1003 and 1004 of the House Journal and page 773 of the Senate Journal and that Engrossed House Bill No. 1007 be amended as follows:

Page 1, line 11, replace "151,736" with "270,643" and replace "1,393,097" with "1,512,004"

Page 1, line 12, replace "(20,000)" with "(6,900)" and replace "289,230" with "302,330"

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Page 1, line 16, replace "0.00" with "1.00" and replace the second "11.00" with "12.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98008.0203 FN 1

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed HB 1007 was placed on the Seventh order of business on the calendar.

2009 TESTIMONY

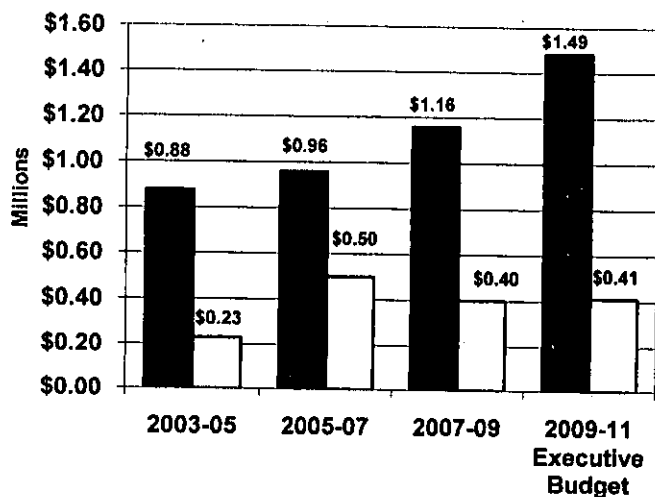
HB 1007

**Department 406 - Labor Commissioner
House Bill No. 1007**

	FTE Positions	General Fund	Other Funds	Total
2009-11 Executive Budget	12.00	\$1,485,451	\$412,751	\$1,898,202
2007-09 Legislative Appropriations	11.00	1,160,282	401,341	1,561,623 ¹
Increase (Decrease)	1.00	\$325,169	\$11,410	\$336,579

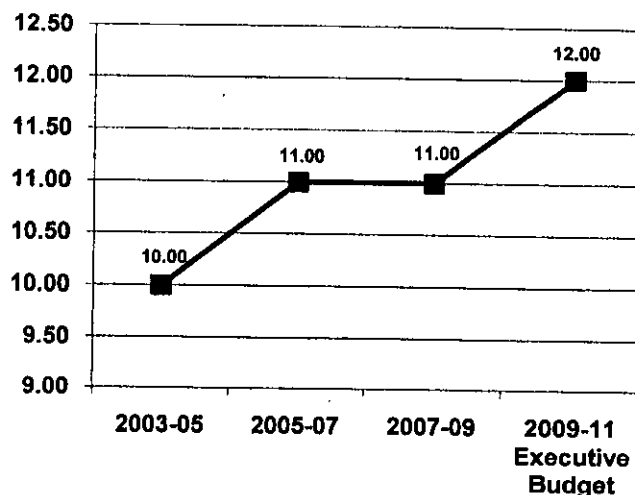
¹The 2007-09 appropriation amounts include \$11,032 from the general fund for the agency's share of the \$10 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees.

Agency Funding



■ General Fund □ Other Funds

FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 Executive Budget	\$1,425,451	\$60,000	\$1,485,451
2007-09 Legislative Appropriations	1,160,282	0	1,160,282
Increase (Decrease)	\$265,169	\$60,000	\$325,169

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Adds a new compliance investigator FTE position (\$110,884) and related operating expenses (\$3,100)	\$113,984		\$113,984
2. Provides funding of \$13,868 to address salary equity issues, including funding of \$1,200 for related second-year salary increases	\$13,868		\$13,868
3. Provides one-time funding for costs associated with procuring an updated research study of the perception and extent of discrimination in the state	\$60,000		\$60,000

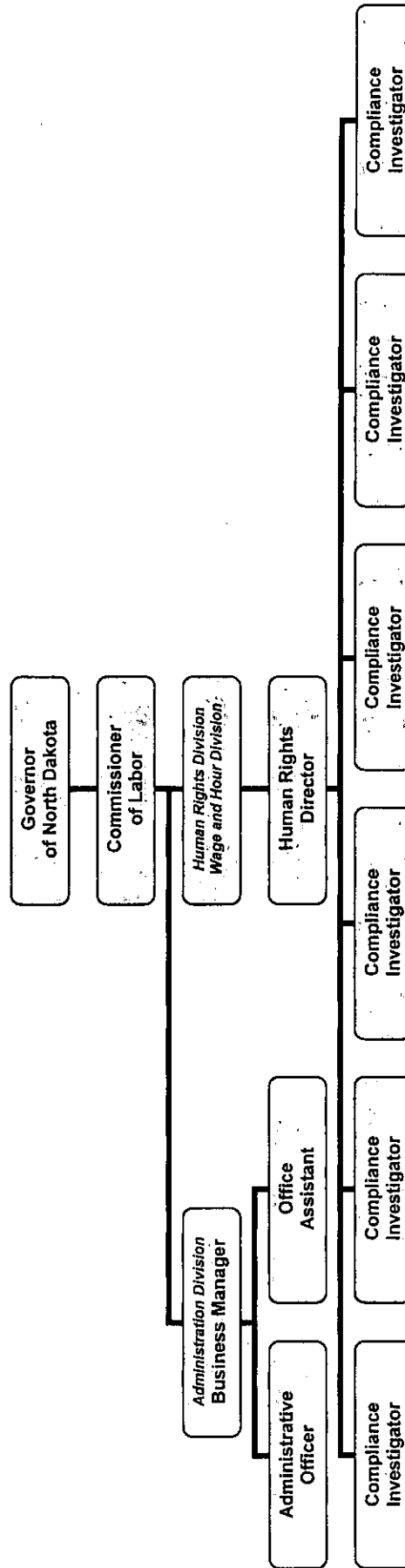
Continuing Appropriations

There are no continuing appropriations for this agency.

Major Related Legislation

House Bill No. 1106 - This bill amends North Dakota Century Code Section 14-02.5-44 to provide that the Labor Department may be liable for attorney's fees and court costs only upon a finding by the court that the department acted without substantial justification in bringing the action.

North Dakota Department of Labor
Organizational Chart
December 2008



John Hoeven
Governor

Lisa K. Fair McEvers
Commissioner



State Capitol - 13th Floor
600 E Boulevard Ave Dept 406
Bismarck, ND 58505-0340

nd.gov/labor
nd.gov/humanrights

**Testimony on HB 1007
Prepared for the
House Appropriations Committee
Government Operations Division**

January 12, 2009

Chairman Delzer and members of the Appropriations Committee, good morning.
For the record, I am Lisa Fair McEvers, Commissioner of Labor.

First I will briefly address the history and purpose of the department. The Department of Labor has existed independently since 1965. At that time its primary functions were establishing and enforcing standards for wages and working conditions. In 1983, the legislature passed N.D.C.C. chapter 14-02.4, the Human Rights Act, and authorized the department to investigate complaints alleging discriminatory employment practices. In 1999, the legislature added to the department's human rights responsibilities in enacting N.D.C.C. chapter 14-02.5, the Housing Discrimination Act, which authorized the department to investigate complaints of discriminatory housing practices. In 2001, the department was authorized to enforce all remaining areas protected under the Human Rights Act, which includes allegations of discrimination in the areas of public accommodations, public services, and credit transactions.

In summary, the department has two primary areas of responsibility: establishing and enforcing rules relating to the wages and working conditions of employees, and administering and enforcing human rights under the North Dakota Human Rights Act and the North Dakota Housing Discrimination Act.

In addition to receiving and investigating complaints from individuals who believe they have been victims of unlawful discrimination under state anti-discrimination laws, the department's Human Rights Division also investigates fair housing cases for the United States Department of Housing and Urban Development (HUD) and employment discrimination cases for the Equal Employment Opportunity Commission (EEOC).

The department collects significant relief for claimants and aggrieved persons who file complaints with the department, both monetary and affirmative. The department continues to broaden awareness of human rights protections and the department's services through public education and outreach. The department has maintained a number of public education efforts, working with groups representing human rights, business, labor, professional, and non-profit organizations. The department continues to provide speakers and trainers for conferences, workshops, schools,

employers, labor organizations, businesses, landlord and tenant organizations, government agencies and other community groups on rights and responsibilities under anti-discrimination laws, and has provided nearly 60 presentations in the first 18 months of the 2007-09 biennium. The department will also air a public service announcement before the end of the biennium to promote fair housing and equal opportunity in North Dakota, and is currently working with ITD on a website redesign to enhance usability of the site which was last upgraded in 2001.

Now that you have some historical perspective of the department and its purpose, I will review information regarding our budget request.

Per the committee's request, the department reports the following budget-specific information regarding the agency's 2005-07 actual expenditures. The department spent \$1,344,036 of the \$1,460,204 in funds appropriated for the biennium, with \$1,073,777 spent on salary and wages and \$270,259 on operating expenses. The department spent \$954,349 of its \$961,239 general fund appropriation for the 2005-07 biennium and turned \$6,890 back to the general fund.

Per the committee's request, the department reports the following information on the 2007-09 appropriation. The department's current appropriation totals \$1,561,623, of which \$1,160,282 is general funds and \$401,341 is federal funds. Please note that the department's base level appropriation of \$1,550,591 was increased to \$1,561,623 after equity funds of \$11,032 for salary increases were added to the department's appropriation in October 2007. Through the end of November 2008, the department's appropriation status report indicates that the department is approximately 4% under budget, with the bulk of these unexpended funds found in the operating expense line item.

The department expects to utilize nearly all of the funding appropriated for salaries and benefits during the current biennium. During the first 18 months of the biennium, the department has spent more than twice the amount that was appropriated to pay for overtime (\$10,000), already nearly \$25,000. In addition to payment for overtime, compensatory time earned in lieu of overtime during the same period had a value of over \$12,000. The additional hours were required by the increase in case filings during the biennium. Based on the cases closed during the first 18 months, it is projected that the number of closures in both divisions will increase during the biennium; an increase that is significant enough for me to request an additional compliance investigator position.

It appears that there may be unexpended funds left in operating expenses to turn back to the general fund if the remainder of the biennium remains consistent with the first 18 months. The only specific expense which is significantly under budget is fees and professional services, which is used to pay for outside attorney's fees when there is a conflict of interest with the Attorney General's Office representing the department. The expenditures for outside attorney's fees this biennium have been significantly less than in the 2005-07 biennium. However, these expenses are unpredictable by nature, as there is no way to foresee litigation involving the department.

Also per the committee's request, I report that the department projects that it will have approximately \$23,000 returned to the general fund at the end of the biennium. This is based on the department's expenditure of general funds at 2% under budget through the November 2008 appropriation status report.

As to the 2009-11 biennium budget request, the Governor's Executive Recommendation contained in HB 1007 proposes a total appropriation of \$1,898,202 compared to the appropriation for the current biennium of \$1,561,623, an increase of \$336,657. All but \$63,100 of the increase is attributable to the salaries and wages line.

Of the total proposed budget, \$1,525,872 is for salary and wages. Of the total salary and wages line, \$72,000 is for a new FTE and the balance of the increase is for the Governor's recommended compensation and benefits for all employees. As suggested above, the request for the additional compliance investigator is needed to handle the increasing caseload of the department. Although the dollar amounts being expended for overtime do not equal the total costs to add an investigator, there are other factors to consider, such as the sustainability of staff continuously working this amount of overtime in relation to worker satisfaction. The department has also seen some increase in the time required to close cases, particularly in the areas of wage and hour and employment discrimination cases, and we want to ensure the timely handling of complaints for our citizens.

The following statistical information is provided in support of the request for an additional FTE:

- During the first 18 months of the current biennium, the department's Wage and Hour Division resolved 533 claims for unpaid wages and collected \$346,283 for workers, a projected 22% increase in resolved claims. In addition, the department resolved 285 informal complaint inquiries alleging noncompliance with state labor laws, a projected 4% increase, which resulted in collecting another \$90,815 for workers. If the amount collected continues at the same pace, it is projected that the department's Wage and Hour Division will collect well over \$500,000 for claimants. In addition, the department reviewed 1,905 Employment and Age Certificates (work permits) for 14 and 15 year old workers and received an average of 711 telephone, email, and "walk-in" inquiries from citizens around the state each month.
- In the Human Rights Division, discrimination claims are also on the rise with the total number of cases projected to increase by 12%. Most of the increase is attributed to a 30% increase in housing discrimination claims, but the number of employment and public service/public accommodations cases also increased. During the first 18 months of the current biennium, the department resolved 213 employment discrimination complaints, 87 housing discrimination complaints, and 52 complaints alleging discrimination in public accommodations and public services. The department directly obtained \$104,776 in monetary relief for human rights complainants.

- The department's staff (not including myself or the Human Rights Director) have worked 1,282 hours of overtime which is an average of 71 hours per month. The Human Rights Director, who is an exempt employee, also investigates cases and regularly works more than 40 hours each week.
- The number of cases pending has increased from 131 total cases on July 1, 2007, to 191 cases pending as of December 31, 2008. This shows that the number of claims waiting to be resolved has increased by 45%, despite the additional hours being worked by the investigative staff.

The 2009-11 budget request also includes an increase in operating, from \$309,230 in the current biennium to \$372,330, an increase of \$63,100. Of the \$63,100 increase in operating, \$60,000 of the increase is requested to fund a discrimination study. The additional \$3,100 is for anticipated operating expenses for the requested new compliance investigator. Other than these two changes, the department has requested no additional increase for operating expenses.

Since the bulk of the increase in operating expense is for the discrimination study, I would like to explain the rationale for the request. As you may be aware, the department is mandated by the Human Rights Act under N.D.C.C. § 14-02.4-22 and by the Housing Discrimination Act under N.D.C.C. § 14-02.5-15 to make studies relating to the nature and extent of discriminatory practices in this state.

While the department does regular internal statistical analysis regarding the number and types of discrimination cases filed, the department has not conducted a statewide study of discrimination since late 2001 - early 2002. While it is not necessary to conduct such a formal study each biennium, I believe it is necessary and useful to conduct the study to determine whether the department's services are reaching all citizens in North Dakota who believe they are being subjected to discriminatory practices. For example, the department's statistics allow the department to assess the types of claims being filed; however, there may be segments of North Dakota's population who believed they are being discriminated against and, for cultural, logistical, or other reasons, are not coming to the department for assistance.

As Chief Justice Vande Walle commented in his State of the Judiciary address in requesting funds to establish a task force on bias in the courts, we must be certain that we are meeting the needs of all North Dakota citizens, including our first citizens, the Native Americans, as well as those new residents from other ethnic backgrounds who have come to our state seeking a better life and the equality our form of government promises. I believe that external study is necessary from time to time to evaluate the effectiveness of the department in providing services to the citizens of North Dakota.

The department's budget is made up of both general funds and federal funds. Projections for federal funds show that the department is expected to receive a slight increase in federal revenue than had been budgeted for in the 2007-09 biennium. The increased federal revenue projections anticipate that the

department will handle 106 housing cases for HUD and 238 employment cases for the EEOC. The contracts provide payment on a per case basis, and additional funds for administrative costs and training funds. These projections of course are by nature speculative, and while the department anticipates federal revenue of approximately \$400,000, the attribution of a portion of the revenues to fund the recommended compensation package bumps the total up to the \$412,751 noted in HB 1007.

Per the committee's request, I report that the major budget variances of income and expenditures are minor. As noted above the major variances are: 1) an additional FTE for \$72,000; 2) the discrimination study for \$60,000, and the recommended 5% salary increases for all staff equaling \$201,479.

Per the committee's request, I report that there are no proposed program changes for the department.

The agency's long-term plan for improving the efficiency and effectiveness of achieving its mission and purpose are already underway. Since I have been at the department, a number of efficiency and effectiveness measures have already been undertaken. When I came to the department in 2005, the department's investigative staff remained somewhat segregated into areas by topic, i.e., there were two investigators doing primarily housing cases, two investigators primarily doing employment cases, one investigator handling public service/public accommodation cases, and one investigator handling only wages claims. During this period, the department has been doing additional cross training so that each investigator will be assigned cases in each area. Beginning on January 1, 2009, all of the investigators are being assigned every type of claim handled by the department. We have also moved some of the more clerical duties from the investigative staff to administrative staff.

In addition, an administrative employee who had skills beyond her classification has been assigned to assist in some of the less complex wage claims and in handling complaints of retaliation. A reclassification was recently completed which will provide her with work that is more challenging, while assisting the investigative staff in attempting to keep our wage claims more current.

We have also combined two half-time Business Manager positions into one full-time position; saving the state the additional benefits attributed the other employee. We have found it more efficient and effective have one person in charge of the many duties required by this position.

In summary, I believe this is a fair budget for the department and that we can operate our programs efficiently and effectively with the funding it provides. I would appreciate your support for HB 1007. I would be pleased to answer any questions you may have.

John Hoeven
Governor

Lisa K. Fair McEvers
Commissioner



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Bismarck, ND 58505-0340

nd.gov/labor
nd.gov/humanrights

**Testimony on HB 1007
Prepared for the
Senate Appropriations Committee**

March 2, 2009

Chairman Holmberg and members of the Appropriations Committee, I am Lisa Fair McEvers, Commissioner of Labor.

Department Responsibilities

The Department of Labor has two primary areas of responsibility: establishing and enforcing rules relating to the wages and working conditions of employees and administering and enforcing human rights under the North Dakota Human Rights Act and the North Dakota Housing Discrimination Act. Under these anti-discrimination laws, the department receives and investigates complaints alleging discrimination in employment, housing, and public services and public accommodations. As required by law, the department emphasizes conciliation to resolve complaints, provides administrative hearings on complaints where there is probable cause to believe a discriminatory practice has occurred, and fosters prevention of discrimination through education about the rights and responsibilities provided under North Dakota human rights laws.

In addition to receiving and investigating complaints directly from individuals who believe they have been victims of unlawful discrimination under state anti-discrimination laws, the department's Human Rights Division also investigates cases for the United States Department of Housing and Urban Development (HUD) and the Equal Employment Opportunity Commission (EEOC). The department obtains significant relief for claimants and aggrieved persons, both monetary and affirmative.

Workload

During the first eighteen months of the current biennium, the department's Wage and Hour Division resolved 533 claims for unpaid wages and collected \$346,283 for workers. In addition, the department resolved 285 informal complaint inquiries alleging noncompliance with state labor laws, reviewed 1,905 Employment and Age Certificates (work permits) for 14 and 15 year old workers, and received an average of 711 telephone, email, and "walk-in" inquiries from citizens around the state each month.

By comparison, I testified to this committee two years ago that during the first eighteen months of the 2005-07 biennium, the department's Wage and Hour Division resolved 391 claims for unpaid wages and collected \$114,975 for workers. I also reported that the department resolved 132 informal complaint inquiries alleging noncompliance with state labor laws, reviewed 1,391 Employment and Age Certificates (work permits) for 14 and 15 year old workers, and received an average of 517 telephone, email, and "walk-in" inquiries from citizens around the state each month.

As you can see, the Wage and Hour Division has seen a significant increase in activity, the result of which is an increase in claims pending. On June 30, 2006, the number of pending claims for unpaid wages was 52. A year later, there were 62 pending wage claims, and on June 30, 2008, there were 84 pending wage claims.

There have been conscious choices on my part to ensure the department has become more efficient in handling the increase in activity. First, we have focused on using the complaint inquiry process to resolve issues that may have otherwise resulted in wage claims. In addition, the assignment of an administrative position to investigate some wage claims has helped to reduce this backlog to 65 cases as of December 31, 2008. My staff has also been working a significant amount of overtime and this has been a major factor in keeping the caseload under control. Even with these measures, the average number of days to close a wage claim has risen from 73 days during the 2005-07 biennium to 83 days during the current biennium. Based on the first eighteen months, it is projected that wage claims will increase by 22% this biennium.

During the first eighteen months of the current biennium, the department resolved 213 employment discrimination complaints, 87 housing discrimination complaints, and 52 complaints alleging discrimination in public accommodations and public services.

Again by comparison, during the first eighteen months of the 2005-07 biennium, the department resolved 207 employment discrimination complaints, 69 housing discrimination complaints, and 60 complaints alleging discrimination in public accommodations and public services.

As you can see, the Human Rights Division has also seen an increase in activity. A significant amount of overtime was also worked on human rights and housing discrimination complaints. Based on the first eighteen months of the current biennium, it is projected that human rights and housing discrimination cases will increase by 12%, with the bulk of the increase in the area of housing discrimination. It is important for you to know, the department is required both by statute and by its contract with HUD to close housing discrimination claims within 100 days.

The number of days to closure in discrimination cases has also varied from the last biennium. To avoid the loss of federal funding, the department has focused on timely closure of housing cases. The number of days to closure in housing cases has decreased from 135 days during the last biennium to 106 days during the current biennium. However, we still have not yet met our statutory goal to close all housing cases within 100 days. While the department has improved in closing public service and public accommodation cases (from 192 days to 167 days), employment discrimination cases are taking longer to resolve (up to 149 days from 138 days).

In addition, it is expected that the legislative assembly will add sexual orientation and gender identity as protected categories under both the Human Rights Act and the Housing Discrimination Act increasing the duties of the department. Based on statistical evidence in other jurisdictions which have added protection for sexual orientation and/or gender identity, the Human Rights Division caseload is expected to rise approximately 3% to 5%.

Another factor that will certainly affect the productivity of the department's investigation of employment discrimination cases is the defeat of HB 1092. This bill would have allowed the department to interpret the definition of the term "disability" consistently with that now being followed by the EEOC in investigating federal employment discrimination claims involving this protected category. Due to the failure of this bill, the department will now be required to investigate all dual-filed disability claims using a separate standard under state law than is required under federal law. At the very least, these cases will take longer to investigate, analyze, and write. Most employment discrimination charges filed with the department (approximately 43% of the total caseload) include an allegation of discrimination based on disability.

Public Education

The department continues to broaden awareness of wage and hour issues and human rights protections through public education and outreach, working with groups representing human rights, business, labor, professional, and non-profit organizations. The department continues to provide speakers and trainers for conferences, workshops, schools, employers, labor organizations, businesses, landlord and tenant organizations, government agencies, and other community groups. The department provided nearly 60 presentations during the first eighteen months this biennium. However, there were presentation requests that the department declined because I could not justify the staff time required to prepare and present, if I was unable to give the presentation myself.

In addition to public education presentations, in February 2009, the department aired a public service announcement to promote fair housing and equal opportunity in North Dakota. The department is also currently working with ITD on a website redesign to enhance usability of the site, which was last upgraded in 2001.

Budget Request

The Governor's Executive Recommendation contained in HB 1007 proposed a total appropriation of \$1,898,202, compared to the appropriation for the current biennium of \$1,561,623. Of the total budget, \$1,525,872 was for salary and wages, an increase of \$273,479. Of the total increase, \$110,884 was for an additional compliance investigator position (based on an annual salary of \$36,000 per year) with the remaining suggested increase for the recommended compensation package. The recommendation also included an operating increase of \$63,100, with \$60,000 designated to conduct a statewide discrimination study and the remaining \$3,100 for expected expenses associated with the new investigator position.

The department's budget is made up of both general funds and federal funds. Projections for federal funds show that the department is expected to receive approximately the same amount of revenue as budgeted in the 2007-09 biennium, just over \$405,000. Of course, federal revenue is always speculative, but we have not had indications that the department's contracts with the federal government will be significantly reduced.

As you can see, the House Appropriations Committee reduced the department's requested budget by \$215,875, of which \$83,100 is from operating and \$132,775 is from salaries and benefits. I respectfully request that the most critical of these funds be restored to the department's budget.

The House's reduction in operating expenses is primarily from cutting the discrimination study, an amount of \$60,000. As you may know, the department is mandated by the Human Rights Act under N.D.C.C. § 14-02.4-22 and by the Housing Discrimination Act under N.D.C.C. § 14-02.5-15 to make studies relating to the nature and extent of discriminatory practices in this state.

While the department does regular internal statistical analysis regarding the number and types of discrimination cases filed, the department has not conducted a statewide study of discrimination since late 2001 – early 2002. While it is not necessary to conduct a formal study each biennium, I believe it is useful to occasionally conduct such a study to determine whether the department's services are reaching all citizens in North Dakota who believe they are being subjected to discriminatory practices. However, I also realize that this is a policy decision by the legislative assembly, and of all the reductions made by the House, this item affects the ongoing work done by the department the least.

The other \$23,100 reduced from operating expenses is somewhat unknown. Of that total, \$3,100 is from eliminating expenses for the requested FTE, but I was given no explanation why the other \$20,000 was cut from the budget.

I believe that it is imperative that the requested FTE be restored to the department's budget. The total request for the FTE is \$110,884 in salary and benefits and \$3,100 in operating expenses. The department currently has 11

FTE, which includes the Commissioner position. The last staff member added to the department was an office assistant in the 2003-05 biennium. The number of investigative staff has been the same since 2001, but the caseload has risen significantly in the last eight years. I have already explained the increased caseload and the significant amount of overtime being worked by my staff (approximately 70 hours per month). Further, this amount does not include the many hours beyond forty being worked each week by the department's Human Rights Director, who is an exempt employee, and therefore not entitled to overtime.

During the first eighteen months of the biennium, the department has spent more than twice the amount that was appropriated to pay for overtime (\$10,000), already nearly \$25,000. In addition to payment for overtime, compensatory time earned in lieu of overtime during the same period had a value of over \$12,000.

The budget as revised by the House includes an additional \$20,000 for overtime. While the increase is appreciated, there is a price tag associated with an understaffed office, beyond the cost of overtime in dollars and cents. Two long-time investigators resigned during the current biennium. They take with them years of experience and expertise that takes time to replace. One of these investigators recently resigned and indicated that she was leaving in large part due to the high demands on her to close cases within time deadlines and the ever-increasing caseload. Just asking my staff to work longer and harder will not be effective in the long term.

There is also a price to the public when an agency is understaffed. Justice delayed is justice denied. The department has obtained over \$675,000 this biennium for claimants; but, these parties have had to wait longer, on average, to obtain relief.

There is also the possibility of losing federal funding if the department does not close its dual-filed housing cases within 100 days. Beginning with the current federal fiscal year, HUD has indicated that they will be even more stringent than in the past in reducing funds for cases that go beyond the deadline. For example, there was previously an exception made for "cause" cases, whereby there would be no reduction in federal funding for this type of case exceeding the 100 day deadline. This exception no longer exists, making it even more imperative to close every housing case within the timeframe.

The House also reduced the requested budget by 2% from salaries, an amount of \$28,023. It is my understanding that the 2% reduction is being applied to agencies with between 10-99 FTE's and is for anticipated savings when there is turnover in the department. I would respectfully disagree with this philosophy of budgeting, particularly for a department as small as the Department of Labor. There often is little or no savings when there is turnover at the department. It has been my experience that it actually costs the department when there is turnover.

For example, my investigative staff deals with complex legal issues. None of them are trained in the law. It takes a considerable amount of time and training to bring new investigative staff up to speed on the issues that they must regularly deal with. This means the remaining investigative staff must pick up the burden, generally by working overtime, until such time as the new investigator is competent to handle the caseload.

There is another cost that is not budgeted for when there is turnover, and it is significant for a small department to absorb. When a long-time staff member leaves the department, annual leave balances and 10% of the sick leave balance must be paid out. Last summer a long-time investigator resigned, resulting in a leave balance payout of \$7,625. The department currently has an investigator who will soon reach the rule of 85. Should she resign tomorrow, the payout for her leave would be over \$8,000, which is more than two months' salary. The department cannot afford to lose productivity by leaving a position vacant until the leave payout can be absorbed.

It is my understanding that it is proposed that all vacancies would have to be reviewed by a committee that meets quarterly. One investigator resigning is a loss of over 15% of my investigative staff. The department cannot afford to lose 15% of its productivity for several months waiting for a committee to meet.

The revised budget also eliminates \$13,868 in equity funds. Part of the purpose of the equity funds is to move staff through the pay ranges based on years of service. Another purpose is for recruitment and retention. There has been considerable turnover at the department since 2006. Since that time, out of the three full time administrative positions, all but one of them has left the department, with a total of four people leaving. While the positions are currently filled, there was some difficulty in filling these positions.

As noted above, two investigators have also resigned in the last six months. While neither investigator cited money as a reason for leaving, I believe equity in pay still has an effect on recruitment and retention. During the hiring process for the first investigator position, perhaps the most qualified applicant withdrew her application due to the salary being low. This applicant was working in a paralegal capacity in another state agency and was making over \$1,200 per month more than the department could offer and more than \$500 per month higher than my most experienced investigator. My staff deserves to be paid fairly and to move through the pay ranges as are similarly situated state employees.

You may ask what the department is doing to hold down costs. The agency's long-term plan for improving the efficiency and effectiveness of achieving its statutory duties are already underway. Since I have been at the department, a number of efficiency and effectiveness measures have been undertaken.

When I came to the department in 2005, despite initial cross-training efforts, the department's investigative staff remained somewhat segregated by topic area, i.e., there were two investigators working primarily on housing cases, two

investigators working primarily on employment cases, one investigator handling public service/public accommodation cases, and one investigator handling wage claims. During my tenure, the department has been conducting additional cross training so that each investigator will be assigned cases in each area. Beginning on January 1, 2009, all of the investigators are being assigned every type of claim handled by the department. We have also moved some of the more clerical duties from the investigative staff to the administrative staff.

In addition, an administrative employee who had skills beyond her classification has been assigned to assist in some of the less complex wage claims and in handling complaints of retaliation. A reclassification was recently completed which will provide this employee with work that is more challenging, while assisting the investigative staff in attempting to keep our wage claims more current.

The department has also combined two half-time Business Manager positions into one full-time position, saving the state the additional benefits of the other employee. We have found it more beneficial to have one person in charge of the many duties required by this position. We have also been allowing staff to work flexible schedules which allows them not only to work hours they believe are their most productive, but increases employee satisfaction in working at the department.

Further, we have also identified savings in our IT plan by deciding to replace a number of our laptop computers with less expensive desktop computers, and have worked hard to maximize savings related to various insurance premiums. We have qualified for discounts on both our annual Risk Management premium and our workers compensation premium through proactive loss control efforts. The same is true for health insurance costs through participation in NDPERS' Employer-Based Wellness Program. Although these activities add work to our administrative staff, we have thus far been able to dedicate time to completing them in order to maximize savings.

I think my staff would consider me to be a frugal administrator, and I think of myself as a good steward of the state's resources. I believe the reductions made to the department's budget will make it very difficult to carry out the statutory mandates placed upon me and the department. In closing, I would ask you to consider reinstating the funds included in the original proposed budget.

Duties of Department of Labor Staff**Commissioner**

The Commissioner of Labor is responsible to ensure that the Department of Labor carries out its purpose for the citizens of North Dakota. The Commissioner sets the direction for the department, provides guidance for staff work, participates in the department's proactive education efforts, and represents the department through state and national organizations. The Commissioner directly supervises the Human Rights Director and Business Manager, and indirectly supervises the department's investigators and administrative staff. The Commissioner is a member of the Governor's cabinet.

***Human Rights Division
Wage and Hour Division*****Human Rights Director**

The department's Human Rights Director oversees the department's casework, in addition to investigating complaints and conducting mediations. The Human Rights Director leads the department's weekly investigator meetings and supervises the department's Compliance Investigators. In addition, the Human Rights Director serves as the department's liaison to the U.S. Equal Employment Opportunity Commission (EEOC). The Human Rights Director also participates in department's proactive education efforts.

Compliance Investigators

The department's six Compliance Investigators are responsible to investigate claims of unpaid wages and complaints of discrimination in employment, housing, public services, public accommodations, and credit transactions. They conduct mediation and conciliation as appropriate. They participate in weekly investigator meetings to staff cases as a group. They also respond to public inquiry and participate in the department's proactive education efforts.

Administration Division**Business Manager**

The department's Business Manager is responsible for the administrative areas of the agency, including fiscal, human resources, risk management, records management, and information technology. In addition, the Business Manager works in the program areas of independent contractor verification and employment agency licensing. The Business Manager supervises the department's Administrative Officer and Office Assistant. In addition, the Business Manager also responds to public inquiry and participates in public education efforts.

Administrative Officer

The department's Administrative Officer is one of two staff with primary responsibility for responding to public inquiry. The Administrative Officer also handles Complaint Inquiries and investigates less complex wage claims, in addition

to attempting resolution of Charges of Retaliation received by the department. The Administrative Officer also provides administrative support for the department and works with sub-minimum wage licensing.

Office Assistant

The department's Office Assistant is one of two staff with primary responsibility for responding to public inquiry. In addition, the Office Assistant is responsible for reviewing child labor Employment and Age Certificates, daily mail processing, ordering of supplies and printed materials, and providing administrative support for the department.

Equity Pay Increases for Department of Labor Staff

The following is information regarding the equity pay raises provided to Department of Labor staff members in July 2007 from the equity pool authorized to HRMS (OMB) by the 2007 Legislative Assembly.

- Four administrative staff members received increases of \$8, \$17, \$7, and \$7 per month.
- Six staff who work primarily in the Human Rights Division and the Wage & Hour Division received increases of \$29, \$71, \$71, \$74, \$75, and \$21 per month.

Percentage of Cases in Which Cause is Found

Below is information regarding the percentage of cases closed during the first 18 months of the 2007-09 biennium in which cause was found.

- Wage Claims – 72% cause (384 of 533 cases)
- Employment Discrimination – less than 1% cause (1 of 213 cases)
- Housing Discrimination – 8% cause (7 of 87 cases)
- Discrimination in Public Services, Public Accommodations & Credit Transactions – 12% cause (6 of 52 cases)

In addition to the cause-cases noted above, settlements were reached in human rights cases as noted below. As these cases were settled prior to the department making a determination of cause or no cause, they are not counted among the cause-cases.

- Employment Discrimination – 13% settled (27 of 213 cases)
- Housing Discrimination – 41% settled (36 of 87 cases)

- Discrimination in Public Services, Public Accommodations & Credit Transactions – 2% settled (1 of 52 cases)

Average Days to Close

Below is information regarding the average days to close for various types of complaints handled by the Department of Labor during the first 18 months of the 2007-09 biennium.

<i>Type of Complaint</i>	<i>Average Days to Close for Cases of All Resolutions</i>	<i>Average Days to Close for Cases Settled Voluntarily</i>	<i>Average Days to Close for Cases Resolved that Resulted in Benefit for Claimant</i>
Wage Claims	83 Days	51 Days – without determination 103 Days – after determination	79 Days
Employment Discrimination	149 Days	124 Days	128 Days
Housing Discrimination	106 Days	76 Days	112 Days
Public Service, Public Accommodation & Credit Discrimination	167 Days	156 Days	306 Days

Average Cost per Case

Below is information regarding the cost per case handled and the percentage of general and federal funding applicable.

Through December 2008, the department has closed 352 human rights cases and 533 wage claims during the 2007-09 biennium. Based on expenditures for the same period, a rough average cost per case would be as follows: \$2,008 per human rights case and \$714 per wage & hour case. Federal funds are received for the completion of employment discrimination cases and housing discrimination cases, and comprise approximately 25% of the department's budget.

North Dakota Department of Labor
Travel: 2009-11

Motor Pool – Budgeting to continue the same type/amount of in-state travel. Current biennium costs for 1st FY are approx \$3,000 (at \$0.28/mile). DOT has indicated that we should plan for \$0.40/mile during the 2009-11 biennium (a 43% increase). This means that we would need **\$8,600** for motor pool in the new biennium.¹

Human Rights Director Bismarck-Fargo travel – Motor pool costs already considered above; just lodging and per diem amounts here. Planning for an average of 36 trips per biennium (1.5/mo) at a cost of \$200/trip (rounded up from usual totals of \$177 this biennium) = **\$7,200**.

EEOC – Budgeting for 1 trip per year for a total of 2 trips. Estimated airfare, lodging, and per diem per trip is \$2,200 = **\$4,400**.²

HUD – Budgeting for 4 staff one time during the biennium (4 trips) for the policy conference (Estimated airfare, lodging, and per diem per trip is \$2,200 = **\$8,800**) and 7 staff to go to the training academy each year (14 trips to DC) (Estimated airfare, lodging, and per diem per trip is \$2,200 = **\$30,800**).³

John Marshall Law School – Budgeting for 1 trip to Chicago for attendance. Estimated airfare, lodging, and per diem is **\$2,200**.⁴

Advanced Mediation Training – Budgeting for 1 trip per year each year of the biennium in either St. Olaf or UND. Estimated lodging and per diem for St. Olaf is \$700 = **\$1,400**.⁵

NAGLO – Budgeting for 1 trip per year for a total of 2 trips. Estimated airfare, lodging, and per diem per trip is \$2,200 = **\$4,400**.

ILSA – Budgeting for 1 trip per year for a total of 2 trips. Estimated airfare, lodging, and per diem per trip is \$2,200 = **\$4,400**.

Total - \$72,200 (Of this, \$36,888 is anticipated to be paid with federal funds and \$35,312 with general funds.)

¹ Cost calculations for are based on 21,500 miles of motor pool usage in the 2009-11 biennium.

² These trainings are required by the department's work-sharing agreement with the EEOC. The EEOC provides a flat rate of \$1,500 per year for travel costs associated with this training, which represents 68% of the costs.

³ These trainings have historically been required by the department's work-sharing agreement with HUD. Federal funds are applicable to 80% of the costs associated with this training, which represents \$31,680 of the costs.

⁴ Federal funds may be utilized to pay 80% of the costs associated with this training.

⁵ Federal funds may be utilized to pay 32% of this costs associated with this training.

Run Date: 01/12/09

40600 - Labor, Department of
Level: 40600
Labor Commissioner

**Organizational Status Report by Summary Account
For Month Ending December 31, 2008**

NDS4911BB_2009B
Biennium 07-09

		----- Biennium to Date -----		Total Budget		BTD Budget less		
		Current Month	Actuals	Encumbrances	Total Budget	Less Actuals and Encum.	Biennium to Date Budget	Expend and Encumb
Revenue								
400000	Revenue							
430000	Intergovernmental Grants/Contr	0.00	270,892.00	0.00	0.00	(270,892.00)	0.00	(270,892.00)
463000	General Government	0.00	153.00	0.00	0.00	(153.00)	0.00	(153.00)
473000	Miscellaneous General Revenue	0.00	(387.82)	0.00	0.00	387.82	0.00	387.82
474000	Program Income	14.64	1,474.17	0.00	0.00	(1,474.17)	0.00	(1,474.17)
Total	Revenues	14.64	272,131.35	0.00	0.00	(272,131.35)	0.00	(272,131.35)
Revenue by Source								
Total	General Fund Collections	14.64	1,239.35	0.00				
Total	Federal Fund Collections	0.00	270,892.00	0.00				
Total	Special Fund Collections	0.00	0.00	0.00				
Total Revenue by Source		14.64	272,131.35	0.00				
Expenditures								
510000	Salaries and Benefits							
511000	Salaries - Permanent	38,125.00	662,621.87	0.00	897,139.01	234,517.14	672,854.26	10,232.39
514000	Overtime	1,256.91	23,465.80	0.00	10,001.00	(13,464.80)	7,500.75	(15,965.05)
516000	Fringe Benefits	12,533.50	224,596.57	0.00	345,252.99	120,656.42	258,939.74	34,343.17
510000	Salaries and Benefits	51,915.41	910,684.24	0.00	1,252,393.00	341,708.76	939,294.75	28,610.51
520000	Operating Expenses							
521000	Travel	2,029.81	61,070.01	0.00	67,000.03	5,930.02	50,250.02	(10,819.99)
531000	Supplies - IT Software	0.00	371.50	0.00	4,000.00	3,628.50	3,000.00	2,628.50
532000	Supply/Material-Professional	336.80	8,169.97	0.00	12,200.00	4,030.03	9,150.00	980.03
535000	Miscellaneous Supplies	0.00	1,041.92	0.00	3,814.99	2,773.07	2,861.24	1,819.32
536000	Office Supplies	466.59	6,436.34	0.00	6,000.00	(436.34)	4,500.00	(1,936.34)
541000	Postage	0.00	8,441.32	0.00	21,000.00	12,558.68	15,750.00	7,308.68
542000	Printing	87.00	2,617.12	0.00	12,000.00	9,382.88	9,000.00	6,382.88
551000	IT Equip under \$5,000	0.00	26.32	0.00	5,300.00	5,273.68	3,975.00	3,948.68
552000	Other Equip under \$5,000	0.00	47.25	0.00	0.00	(47.25)	0.00	(47.25)
553000	Office Equip & Furniture-Under	0.00	3,797.16	0.00	1,000.00	(2,797.16)	750.00	(3,047.16)
571000	Insurance	0.00	2,457.98	0.00	2,710.00	252.02	2,032.50	(425.48)
582000	Rentals/Leases - Bldg/Land	0.00	5,819.67	0.00	7,425.99	1,606.32	5,569.49	(250.18)

	Current Month	Actuals	Encumbrances	Total Budget	Less Actuals and Encum.	Biennium to Date Budget	Expend and Encumb
591000 Repairs	0.00	3,134.00	0.00	3,000.00	(134.00)	2,250.00	(884.00)
601000 IT - Data Processing	0.00	20,714.73	0.00	30,992.00	10,277.27	23,244.00	2,529.27
602000 IT-Communications	1,120.37	17,140.19	0.00	28,027.00	10,886.81	21,020.25	3,880.06
603000 IT Contractual Services and Re	0.00	1,278.90	0.00	8,999.99	7,721.09	6,749.99	5,471.09
611000 Professional Development	0.00	7,706.00	0.00	8,000.00	294.00	6,000.00	(1,706.00)
621000 Operating Fees and Services	75.00	24,374.84	0.00	11,760.00	(12,614.84)	8,820.00	(15,554.84)
623000 Fees - Professional Services	203.50	1,880.14	0.00	76,000.00	74,119.86	57,000.00	55,119.86
520000 Operating Expenses	4,319.07	176,525.36	0.00	309,230.00	132,704.64	231,922.50	55,397.14
					0.00	0.00	0.00
					0.00	0.00	0.00
					0.00	0.00	0.00
					0.00	0.00	0.00
722000 Transfers Out	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenditures	56,234.48	1,087,209.60	0.00	1,561,623.00	474,413.40	1,171,217.25	84,007.65
Expenditures by Source							
Total General Fund Expenditures	45,490.99	834,348.97	0.00				
Total Federal Fund Expenditures	10,743.49	252,860.63	0.00				
Total Special Fund Expenditures	0.00	0.00	0.00				
Total Expenditures by Source	56,234.48	1,087,209.60	0.00				

Run Date: 01/12/09

40600 - Labor, Department of
Level: 40600
Labor Commissioner

**Organizational Status Report by Summary Account
For Month Ending December 31, 2008
(75% of Biennium Passed / 25% of Biennium Remaining)**

	Biennium-to-Date Expenditures	Total Budget	Biennium-to-Date Budget	Percentage of Budget Spent	Percentage of Budget Remaining
Revenue					
400000 Revenue					
430000 Intergovernmental Grants/Contr	270,892.00	0.00	0.00		
463000 General Government	153.00	0.00	0.00		
473000 Miscellaneous General Revenue	(387.82)	0.00	0.00		
474000 Program Income	1,474.17	0.00	0.00		
Total Revenues	272,131.35	0.00	0.00		
Revenue by Source					
Total General Fund Collections	1,239.35				
Total Federal Fund Collections	270,892.00				
Total Special Fund Collections	0.00				
Total Revenue by Source	272,131.35				
Expenditures					
510000 Salaries and Benefits					
511000 Salaries - Permanent	662,621.87	897,139.01	672,854.26	74%	26%
514000 Overtime	23,465.80	10,001.00	7,500.75	234%	-134%
516000 Fringe Benefits	224,596.57	345,252.99	258,939.74	65%	35%
510000 Salaries and Benefits	910,684.24	1,252,393.00	939,294.75	73%	27%
520000 Operating Expenses					
521000 Travel	61,070.01	67,000.03	50,250.02	91%	9%
531000 Supplies - IT Software	371.50	4,000.00	3,000.00	9%	91%
532000 Supply/Material-Professional	8,169.97	12,200.00	9,150.00	67%	33%
535000 Miscellaneous Supplies	1,041.92	3,814.99	2,861.24	27%	73%
536000 Office Supplies	6,436.34	6,000.00	4,500.00	107%	-7%
541000 Postage	8,441.32	21,000.00	15,750.00	40%	60%
542000 Printing	2,617.12	12,000.00	9,000.00	22%	78%
551000 IT Equip under \$5,000	26.32	5,300.00	3,975.00	1%	99%
552000 Other Equip under \$5,000	47.25	0.00	0.00	n/a	n/a
553000 Office Equip & Furniture-Under	3,797.16	1,000.00	750.00	380%	-280%
571000 Insurance	2,457.98	2,710.00	2,032.50	91%	9%
582000 Rentals/Leases - Bldg/Land	5,819.67	7,425.99	5,569.49	78%	22%
591000 Repairs	3,134.00	3,000.00	2,250.00	104%	-4%
601000 IT - Data Processing	20,714.73	30,992.00	23,244.00	67%	33%
602000 IT-Communications	17,140.19	28,027.00	21,020.25	61%	39%

	Expenditures	Budget	Budget	Budget Spent	Budget Remaining
603000	IT Contractual Services and Re	1,278.90	8,999.99		
611000	Professional Development	7,706.00	8,000.00	14%	86%
621000	Operating Fees and Services	24,374.84	11,760.00	96%	4%
623000	Fees - Professional Services	1,880.14	76,000.00	207%	-107%
520000	Operating Expenses	176,525.36	309,230.00	4%	96%
			231,922.50	57%	43%

722000	Transfers Out	0.00	0.00		
Total	Expenditures	1,087,209.60	1,561,623.00	1,171,217.25	

Expenditures by Source

Total	General Fund Expenditures	834,348.97
Total	Federal Fund Expenditures	252,860.63
Total	Special Fund Expenditures	0.00
Total	Expenditures by Source	1,087,209.60