

2009 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1118

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB1118

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 01/16/2009

Recorder Job Number: 7136

Committee Clerk Signature

Lathy Roden

Minutes:

Chairman Grande: Opened the meeting for hearing HB1118. The clerk read the title.

Beth Zander, Customer Service Area Director, ND Job Service: testified in support of HB 1118. See written two-page testimony, attachment #1.

Chairman Grande: The Fargo location is across from Scheels, right? Do you have offices on 12th Ave. South?

Beth Zander: Madame Chair, No. We have just the one building.

Chairman Grande: OK. I was trying to remember. Are you in Fargo, right now utilizing all that space?

Beth Zander: We are. We struggle with meeting space. There are a lot of employers who want to come in and interview, so we struggle to find space on a regular basis. I would say because of reduced staffing levels, we aren't struggling as before for even just office space, however the building is not real conducive to the flow of customers.

Chairman Grande: And with the other office areas that are opening up around there, do you think that there would be a better one to lease to try to get rid of this one?

Beth Zander: We are hoping, but we have not been successful at this point.

Rep. Schneider: Thank you. I've had hearings at your Fargo location through Office Administrative Hearings, is that service provided for free, or did they lease that time from you or space?

Beth Zander: Depending on the nature of the administrative hearing, it may have been that a partner, another government entity asked to use the space. We do house all our own employment insurance tax field staff.

Chairman Grande: Any other questions from the committee? Anyone else who wishes to testify in favor of HB1118? Anyone who wishes to speak against HB1118? Anyone neutral?
Chairman Grande closed the hearing on HB1118.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1118**

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 01/23/2009

Recorder Job Number: 7661

Committee Clerk Signature

Hathy Roden

Minutes:

Chairman Grande: We have before us HB 1118.

Rep. Froseth: I move a DP.

Rep. Wolf: I second.

Chairman Grande: Any discussion? This is now land in Fargo and Grafton. I did talk with some people in the Fargo location and she wasn't kidding about the elevator. I guess people get trapped in the elevator. The repairs are going to be exorbitant so they are seeking out making adjustments.

Chairman Grande: Any Questions, comments, discussion? The clerk will call the roll of a DP of 1118.

The roll call vote was taken: Yea: 12 Nay: 0 Absent: 1

Rep. Karls will carry HB 1118.

FISCAL NOTE
Requested by Legislative Council
12/22/2008

Bill/Resolution No.: HB 1118

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill authorizes sale of land and building housing JSND offices in Fargo and Grafton allowing for a more cost-effective use of funds via lease of space. Net proceeds from sale must be used as authorized and directed by law.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Job Service will be authorized to sell land and building housing JSND offices in Fargo and Grafton.

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

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

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

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	David Krebsbach	Agency:	Job Service
Phone Number:	701-328-3135	Date Prepared:	12/24/2008

Date: 1-23-09
Roll Call Vote #: _____

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1118

House Government and Veterans Affairs

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DP

Motion Made By Froseth

Seconded By Wolf

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande	✓		Rep. Amerman	✓	
Vice Chairman Boehning	✓		Rep. Conklin	✓	
Rep. Dahl	✓		Rep. Schneider	✓	
Rep. Froseth	✓		Rep. Winrich		
Rep. Karls	✓		Rep. Wolf	✓	
Rep. Kasper	✓				
Rep. Meier	✓				
Rep. Nathe	✓				

Total (Yes) 12 No 0

Absent 1

Floor Assignment Karls

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

REPORT OF STANDING COMMITTEE (410)
January 23, 2009 1:24 p.m.

Module No: HR-14-0840
Carrier: Karls
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1118: Government and Veterans Affairs Committee (Rep. Grande, Chairman)
recommends **DO PASS** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).
HB 1118 was placed on the Sixth order on the calendar.

2009 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1118

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No.1118

Senate Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 03/06/09

Recorder Job Number: 10402

Committee Clerk Signature

Katie Oliver

Minutes:

Chairman Dever opened the public hearing on HB1118. Beth Zander was there to introduce and speak in favor of the bill.

Beth Zander: Customer Service Area Director of Job Service of North Dakota. See testimony #1.

Senator Dever: Does the current federal situation bring changes?

Beth Zander: We will receive some stimulus dollars; additional assistance with re training. We expect to receive those funds. The other piece is labor exchange funds. There are some unemployment insurance funds that will come down as well.

Senator Dever: Do any of those changes deal with staffing requirements?

Beth Zander: My position is that you can't implement these kinds of dollars without some additional staff, but it would have to be temporary staff because it is temporary money.

Senator Dever: You are ok with the sale of properties?

Beth Zander: I see us trying to pull in some partners. If we can keep it feasible and we can maximize that I am ok with that.

Senator Dever: But the reorganization that has brought about the change in facility needs is considered to be long term.

Senator Nelson: Do they still use Fargo office as a polling place?

Beth Zander: I don't know, I would say it must not be.

Chairman Dever closed the public hearing on HB118.

A motion was made by Senator Nelson with a second by Senator Cook for a do pass. There was no discussion and the motion passed 5-0 with Senator Horne carrying the bill to the floor

Date:
Roll Call Vote #:

Carroll
Horne

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1118

Senate Government and Veteran's Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Nelson Seconded By Cook

Senators	Yes	No	Senators	Yes	No
Dick Dever	1		Dwight Cook	1	
Dave Oehlke	1		Carolyn Nelson		
Robert M. Horne	1				

Total Yes 5 No 0

Absent _____

Floor Assignment _____

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

REPORT OF STANDING COMMITTEE (410)
March 6, 2009 1:34 p.m.

Module No: SR-41-4238
Carrier: Horne
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1118: Government and Veterans Affairs Committee (Sen. Dever, Chairman)
recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1118
was placed on the Fourteenth order on the calendar.

2009 TESTIMONY

HB 1118

House Bill 1118
Testimony of Beth Zander
Job Service North Dakota
Before the
House Committee On
Government and Veteran's Affairs
Representative Grande, Chair
January 16, 2009

*Same given
to Senate.*

Authority for Sale of Fargo and Grafton Properties

Madam Chair and members of the committee, I am Beth Zander, the Customer Service Area Director of Job Service North Dakota. I am here today in support of House Bill 1118, which authorizes sale of JSND Customer Service Office properties in Fargo and Grafton.

Flat and decreased funding over the last several years has led us to examine the efficiencies in owning various offices, rather than operating from leased space. Our Fargo building is aging and has become costly to maintain. While we have no immediate plans for selling the property, this bill allows us to examine our options in the future. The Fargo building had become too small for our staffing and customer service needs in the last decade. However, reduced staffing levels in the last few years have alleviated that concern somewhat. Customer traffic and flow issues remain a problem within the building, and parking space is a problem outside. We project annual lease costs for similar space at approximately \$216,000. While our recurring costs for the July 2007 through June 2008 year are less at approximately \$64,400 (excluding depreciation), we are experiencing high levels of non-recurring costs, including possible

elevator replacement at \$30,000 and parking lot replacement at \$210,000. If we find it more cost effective to lease in future, we would like the option of selling the property.

Our Grafton property is simply too large for our needs. We now have two individuals staffing the office, down from a peak level of 9 employees in 1990. While we lease some of the space, which assists with costs, leasing a smaller space would be more efficient over the long-term. Because co-locating with partner agencies provides service advantages to our customers, we will look into continuing that arrangement should we move into a leasing situation. Our regular recurring costs for the Grafton office are currently at \$14,000 per year, while leasing costs are estimated to be at approximately \$8,800 per year.

This bill would give us the authority to sell the buildings and land, allowing us to direct related funds toward serving our employers and job seekers, as outlined by Federal law.

Madam Chair, this concludes my testimony. At this time I would be happy to answer any questions from the committee.