

2009 SENATE APPROPRIATIONS

SB 2001

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2001

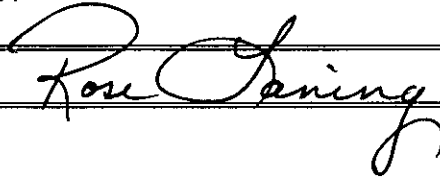
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01-23-09

Recorder Job Number: 7621

Committee Clerk Signature



Minutes:

Chairman Holmberg called the committee hearing to order at 8:30 am in regards to SB 2001 concerning the budget requests for the Legislative Assembly and the Legislative Council for the 2009-2011 biennium. Roll Call was taken and all committee members were present.

Chairman Holmberg started the hearing with SB 2001 and **Rep. Carlson** is going to lead off.

Representative Al Carlson, District 41, Chairman, Legislative Council

He highlighted the achievements of the **Legislative Assembly** and stated needs and updates.

He reported that there is a bill in the House that deals with a name change on the Council.

The Council is really two groups of people. The Council is all the people who work for us upstairs and the Council is also the 16 or 17 members that are elected to be responsible for the interim operations in the legislature. The bill that has been introduced in the House changes the legislative council staff upstairs to be called the Legislative Services Agency which would be a branch of the legislative branch. Then we, the 17 members, would be called the Council.

Senator Seymour asked about the audio and visual upgrades of the Senate Chambers.

Senator Mathern asked about the hand held devices and if the committee thought of legislator's purchasing their personal device.

Jim Smith, Director, North Dakota Legislative Council

(Written attached testimony # 1 – also includes Applications Replacement System Update and Legislative Council Organizational Chart)

Chairman Holmberg: Does that device purchased by the individual include telephone or just the email and is it all through Verizon?

Jim Smith: Either Alltel or Verizon, but everyone needs a data plan.

(26:20)

Senator Christmann: (from page 1 of Applications Replacement System Update in handout)
Is the \$303,000 from Parametric Technology Corporation (PTC) the total amount in dispute?
Or is there more?

Jim Smith: That was their final bill.

Senator Krauter: PTC was paid \$1.6M and they were requesting another \$300,000? Is there anything in the contract provided for any recourse for not completing the project or backing out of this?

Jim Smith: A portion of it was for PTC services and some was for hardware and software which hopefully is reusable. Each time they delivered a milestone they were paid 85% of the cost attributed to the milestone and when they were delivered they received the remaining 15%. In the last year they haven't been paid other than travel expenses.

Senator Krauter: PCTs actual cost of services was 18 deliverables out of 46?

Jim Smith: Correct.

Senator Krauter: And the \$303,000 in dispute is other two milestones after January 1, 2008?

Jim Smith: No, I have to clarify that. The \$303,000 was for the work they did in the last 30 days. Basically, they took the milestones that remained and assigned a percentage to it.

Senator Fischer: When these contracts are put out, is there any provision for liquidated damages?

Jim Smith: There is not in the ITD development contracts. I wasn't involved on the contracts on this one. PTC has a standard contract that they wanted to use and we did get some concessions in some areas. The developers do not want to; obviously, take on any liquidated damages because there is so much unknown.

Legislative Council

31 00

(Continuing on page 2 of handout)

32 59

Chairman Holmberg: How are we stacking up against other agencies as far as our legal, fiscal and professional staff? How are we stacking up on salaries?

Jim Smith: I think we're in pretty good shape. The market changes and we need to look at that continually. We don't want to lose staff to other state agencies.

(Continuing)

Chairman Holmberg asked about having computers that are able to run the GIS system for the next redistricting and was told that he thought the new computers were included.

Chairman Holmberg continued with licensing fees, and consultants because outside people would be helpful so council people who are neutral wouldn't get pressured and pulled in one direction or the other?

Jim Smith replied there is no money for a consultant in the budget. There is \$300,000 for consulting services for all of the committee.

Chairman Holmberg said there will be a movement to require the appointment of a redistricting committee by the legislature rather than by the Legislative Council which means that the committee can start months earlier in getting work done.

(Continuing on page 3 of handout)

Senator Warner commented that he has a remarkable stable agency as he's had only one lawyer hired since he came into the legislature in 1996, but was wondering what share of the staff are approaching retirement age in staff. Do you know of staff changes?

Jim Smith: We need to address this after session because there will be maybe 8-9 people out of 32 who will be retiring. Some in the administrative area and several attorneys have 25 plus years in experience. Specifically, we don't have a plan right now.

Senator Lindaas asked about the capabilities of the PTC outfit.

Jim Smith replied that PTC merged with Arbitex (sp?) and there was some difficulty with the two units merging and developing our solutions. I don't think they realized the complexity of the business of the legislature.

Senator Lindaas: Is there an entity that has its feet on the ground and can run with this in the future.

Jim Smith: One company is a leader in the states right now. They have different modules, chamber modules, and would understand the world we live in rather than PTC which comes from a manufacturing standpoint.

Senator Mathern: Is the change in terms of IT involvement, were they not involved in the first contract?

Jim Smith: They were involved and had 3-4 people on steering group. They were involved but working with PTC, we wanted to involve ITD more. PTC indicated they were willing to do

that but said that would delay the project. ITD should have had a partnership instead of an advisory role.

Jason Steckler, Director, Information Technology Council

Senator Mathern asked about the possibility of using blackberrys and if it's an option for the legislators to have their own individual one.

Jason Steckler explained the difference in server use for state purchased devices verses personal devices as mentioned earlier. The blackberry can pull down multiple accounts, but it can only be associated with one blackberry exchange server – or a corporate enabled email account, such as the ND.gov address here at the state legislature. Can also pull down Gmail, Yahoo, Midco, etc. but it can only by synchronized with one enterprise type server.

Discussion centered on the differences between Alltel and Verizon services.

The minutes reflect that **V. Chair Grindberg** had a Storm before **Senator Seymour**.

Jason Steckler explained the security measures with the hand held devices in case one is lost or stolen.

Chairman Holmberg: Would the council for subcommittee which is Senator Christmann, Senator Seymour and myself, prepare a document indicating implications that our messages or texting becoming a public record if the state is involved in the plan. Could you have your attorneys look at that? I know attorneys take a look at that. I know there is an exemption in the law for legislators, but there was a situation a couple years ago where a lawyer had our emails and no one ever found out how they got them.

V. Chair Bowman: Could we, rather than get one of these (blackberry), get a fish finder instead?

Senator Fischer: Question on the exemption and open records thing – that's only between legislator and legislator, isn't it?

Chairman Holmberg: I thought it was between constituent and legislator, but they'll look at it.

V. Chair Grindberg: Doesn't it fall along the lines of attorney/client privilege – which the legislative branch has?

Jim Smith: It relates to legislative business.

Chairman Holmberg closed the hearing on SB 2001.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2001

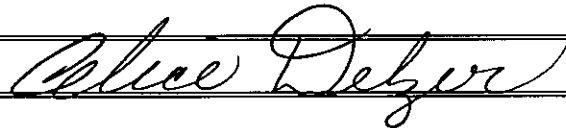
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 02-13-09

Recorder Job Number: 9457

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the discussion on SB 2001 the legislative branch and asked Senator Christmann to explain what the amendments are. Brady Larson gave us a printout about the preliminary conference agreement stimulus allocations by states. For North Dakota there is money for transit, education technology, title I special ed, voc, head start, childcare, community services, elderly nutrition, immunization, no that looks like immunization is out, weatherization, for drinking water, capitol grants for transit, Medicaid and more. As soon as the council gets an analysis of it we will get it because it does have implantation in some areas.

Senator Seymour introduced a professor from Minot State University with two of her honor students and asked Senator Christmann if he will explain what he is going to do so we can all understand it.

Senator Christmann stated he would be honored to do that.

Chairman Holmberg continued discussion regarding the stimulus dollar amounts concerning education and flex funding.

Senator Christmann talked about the changes in the amendments and the difference between the legislative assembly and the legislative council. (5.17 through 8.30) and provided written testimony # 1 Project cost estimate legislative wing restoration and talked about the restoration process in different areas of the legislative wing.

Senator Robinson asked if that includes the brass cleaning in the Legislative wing or would that be another issue. He was told that was another issue.

Senator Mathern asked under rooms do we have to have anybody oversee this. I am a little bit concerned designed rooms based on individuals and is somebody kind of looking at consistency or use or that sort of thing? Like an overall supervisor of the room changes.

Senator Christmann it is ultimately up to the legislative management committee. That's the committee that is held during the interim and includes members of leadership from both minority and majority parties. But from the consistency point, though, Karen Mund from Legislative Council does a good job about getting estimates and that's why like our chairs and carpeting and changes that have been made all match. We kind of went to this formula where these tables shape and stuff to fit the committee rooms but they are all kind of like dark gray middle with the wood trim so there is that as well as facilities management provide input as well. He continued to explain the changes to the committee.

Chairman Holmberg asked didn't we have language regarding committee rooms.

Senator Christmann stated there is going to be some language in there some money set aside for several things including electronic voting in committee rooms. And we are making clear that we're not sure that we want that.

Senator Seymour stated as Senator Robinson is the head of IT we also talked about how that is going to phase in. I think it has to be looked at as a big project.

Chairman Holmberg said I can give you an update. That is why I had to leave this morning we had a meeting of the North Dakota Legislative Council Application Replacement Study Committee and that committee is looking at the direction to go and the budgetary items, he gave the dollar amount for the new application system. They are getting a proposal from a company within the next short while to have them come in and do whatever they can do and

they will be presenting us a budgetary proposal by the end of March as far as what they think it would cost. They utilize, for example the state of Wisconsin, used so much dollar amount(12.37) for their entire system. The reason they seem to like this company they feel that approximately 65% of what we need they already have created. Whatever we pass out here will probably be adjusted sometime in April to reflect what they think is going to happen. The IT people with the Council and ITD are very comfortable with this. They say it still is an aggressive program in order to get it done for 2011.

Senator Mathern said I am concerned about the amount of time and frustration Appropriations Committee members have defining the bills. I am wondering if we shouldn't put in here some sort of screen. You know when the chairman calls up the bill it just goes on everyone's screens and there it is. That would eliminate all this staff time too and putting these books together.

Think about that. It will eliminate a lot of frustration on the part of a lot of people to see what they need to see at that moment.

Chairman Holmberg said the problem we have now is you could do that but you have one computer, you've got to drag this expensive computer up and down the stairs.

Senator Mathern stated you could have a dummy terminal here.

Chairman Holmberg replied that wouldn't be in that necessarily because that is part of the system but in the amount of money that is in there for updating rooms and technology and sound and everything, I am sure the legislative management committee, that is something worthy of a hard look. It's hard to get away from paper but I think you are right in 10 years or so it's mostly if not all going to be paper from government. Are there any more questions regarding these amendments? Once the amendments come down later today it should go fairly fast. He closed the discussion on SB 2001.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2001

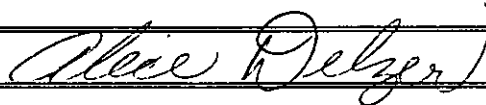
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 2-16-09

Recorder Job Number: 9526

Committee Clerk Signature



Minutes:

Chairman Holmberg opened discussion on SB 2001 concerning budget requests for Legislative Assembly and Legislative Council.

Senator Christmann explained the amendments and discussed SB 2064 also.

Senator Christmann moved a do pass on amedment 98001.0102; seconded by Senator Seymour. Discussion followed (24.15). A voice vote was taken resulting in do pass on the amendment. Further discussion took place.

Senator Christmann moved a do pass as amended on SB 2001; Seconded by Senator Seymour. A roll call vote was taken resulting in a DO PASS AS AMENDED with 14 yes, 0 nays, 0 absent. Senator Seymour will carry the bill.

Chairman Holmberg closed the discussion on SB 2001.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2001

Page 1, line 2, after the second semicolon insert "to amend and reenact subdivision c of subsection 7 of section 54-03-20 of the North Dakota Century Code, relating to legislative leaders' monthly compensation; to provide for applications and transfers; to provide an effective date;"

Page 1, line 14, replace "889,385" with "1,077,949" and replace "7,744,942" with "7,933,506"

Page 1, line 15, replace "376,677" with "294,130" and replace "3,025,108" with "2,942,561"

Page 1, line 21, replace "6,422,235" with "6,528,252" and replace "16,338,537" with "16,444,554"

Page 2, line 2, replace "907,286" with "925,394" and replace "6,710,261" with "6,728,369"

Page 2, line 6, replace "1,456,332" with "1,474,440" and replace "10,145,195" with "10,163,303"

Page 2, line 8, replace "1,456,332" with "1,474,440" and replace "10,075,195" with "10,093,303"

Page 2, line 15, replace "7,878,567" with "8,002,692" and replace "26,413,732" with "26,537,857"

Page 2, line 17, replace "7,878,567" with "8,002,692" and replace "26,483,732" with "26,607,857"

Page 2, remove line 26

Page 2, line 27, replace "Committee room" with "Legislative wing equipment and"

Page 2, line 28, replace "5,712,874" with "5,433,327"

Page 3, after line 26, insert:

"SECTION 5. LEGISLATIVE WING EQUIPMENT AND IMPROVEMENT FUNDING - EXPENDITURE DETERMINATION. Any expenditure of funds relating to \$715,000 of the \$1,430,000 provided for legislative wing equipment and improvements in subdivision 1 of section 1 of this Act must be approved by a majority of the senate members of the legislative management committee. Any expenditures relating to the remaining \$715,000 for legislative wing equipment and improvements must be approved by a majority of the house of representatives members of the legislative management committee for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. APPLICATION AND TRANSFER AUTHORITY. North Dakota Century Code sections 54-16-04 and 54-44.1-11 do not apply to chapter 1 of the 2007 Session Laws. The director of the office of management and budget and the state treasurer shall make transfers of funds between the line items and the agencies of the

legislative branch within section 1 of that chapter as requested by the chairman of the legislative council or the chairman's designee.

SECTION 7. AMENDMENT. Subdivision c of subsection 7 of section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

- c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred ~~seventy~~ eighty-four dollars per month during the biennium for their execution of public duties.

SECTION 8. AMENDMENT. Subdivision c of subsection 7 of section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

- c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred ~~seventy~~ ninety-eight dollars per month during the biennium for their execution of public duties.

SECTION 9. EFFECTIVE DATE. Section 7 of this Act becomes effective on July 1, 2009, and Section 8 of this Act becomes effective on July 1, 2010."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0102 FN 2

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of Senate Action**

	Executive Budget	Senate Changes	Senate Version
Legislative Assembly			
Total all funds	\$16,338,537	\$106,017	\$16,444,554
Less estimated income	0	0	0
General fund	\$16,338,537	\$106,017	\$16,444,554
Legislative Council			
Total all funds	\$10,145,195	\$18,108	\$10,163,303
Less estimated income	70,000	0	70,000
General fund	\$10,075,195	\$18,108	\$10,093,303
Bill total			
Total all funds	\$26,483,732	\$124,125	\$26,607,857
Less estimated income	70,000	0	70,000
General fund	\$26,413,732	\$124,125	\$26,537,857

Senate Bill No. 2001 - Legislative Assembly - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$7,744,942	\$188,564	\$7,933,506
Operating expenses	3,025,108	(82,547)	2,942,561
Capital assets	1,430,000		1,430,000
National Conf. of State Legislatures	227,660		227,660
Legislative applications replacement	3,910,827		3,910,827
Total all funds	\$16,338,537	\$106,017	\$16,444,554
Less estimated income	0	0	0
General fund	\$16,338,537	\$106,017	\$16,444,554
FTE	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of Senate Changes

	Adds Funding for Monthly Pay ¹	Adds Funding for Leaders ² Pay ²	Adds Funding for Session Pay ³	Reduces Funding for "BlackBerries" ⁴	Total Senate Changes
Salaries and wages	\$45,536	\$2,170	\$140,858		\$188,564
Operating expenses				(82,547)	(82,547)
Capital assets					
National Conf. of State Legislatures					
Legislative applications replacement					
Total all funds	\$45,536	\$2,170	\$140,858	(\$82,547)	\$106,017
Less estimated income	0	0	0	0	0
General fund	\$45,536	\$2,170	\$140,858	(\$82,547)	\$106,017
FTE	0.00	0.00	0.00	0.00	0.00

Funding is added for increasing legislators' monthly compensation to \$396 effective July 1, 2009, and to \$415 effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064. The budget request included funding to increase the monthly compensation rate from the current level of \$378 to \$393.

² Funding is added to increase the additional monthly pay for legislative leadership to \$284 effective July 1, 2009, and to \$298 effective July 1, 2010, compared to the current level of \$270. Sections are added making the statutory changes necessary to provide for the increases.

³ Funding is added for increasing legislative session pay to \$141 per day effective July 1, 2009, and to \$148 per day effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064. The budget request included funding to increase the daily session pay on July 1, 2009, from \$135 to \$140.

⁴ Operating expenses are reduced to remove funding for the costs of purchasing handheld communications devices for legislators and for other estimated cost reductions relating to operating fees associated with these devices. Funding of \$194,000 remains for paying the initial connection fee, monthly fees for legislators to access the state's "BlackBerry" server, and to pay for a monthly data plan.

A section is added providing that funding of \$1,430,000 for committee room renovation and modernization projects also be available for other legislative wing equipment and improvements and that 50 percent of the funding be available for projects approved by House members of the Legislative Management Committee and 50 percent be available for projects approved by Senate members of the Legislative Management Committee.

A section is added authorizing the Legislative Assembly to continue its 2007-09 biennium unspent general fund appropriation authority.

Senate Bill No. 2001 - Legislative Council - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$6,710,261	\$18,108	\$6,728,369
Operating expenses	3,393,934		3,393,934
Capital assets	41,000		41,000
Total all funds	\$10,145,195	\$18,108	\$10,163,303
Less estimated income	70,000	0	70,000
General fund	\$10,075,195	\$18,108	\$10,093,303
FTE	33.00	0.00	33.00

Department No. 160 - Legislative Council - Detail of Senate Changes

	Adds Funding for Interim Pay¹	Total Senate Changes
Salaries and wages	\$18,108	\$18,108
Operating expenses		
Capital assets		
Total all funds	\$18,108	\$18,108
Less estimated income	0	0
General fund	\$18,108	\$18,108
FTE	0.00	0.00

¹ Funding is added for increasing legislators' interim pay to \$141 per day effective July 1, 2009, and to \$148 per day effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064. The budget request included funding to increase the interim daily pay from \$135 to \$140 effective July 1, 2009.

A section is added authorizing the Legislative Council to continue its 2007-09 biennium unspent general fund appropriation authority.

Date: 2/16
Roll Call Vote #: 01

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ~~2002~~ 2001

Senate _____ Committee _____

☐ Check here for Conference Committee

Legislative Council Amendment Number 0102 the amendment

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Christmann Seconded By Seymour

Representatives	Yes	No	Representatives	Yes	No
Senator Krebsbach			Senator Seymour		
Senator Fischer			Senator Lindaas		
Senator Wardner			Senator Robinson		
Senator Kilzer			Senator Warner		
V. Chair Bowman			Senator Krauter		
Senator Christmann			Senator Mathern		
V. Chair Grindberg					
Chairman Holmberg					

Total Yes Voice Vote on Amendment No _____

Absent all yes

Floor Assignment explained Amendment

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

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

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. ~~3442~~ 2001

Senate _____ Committee _____

☐ Check here for Conference Committee

Legislative Council Amendment Number 9800 / .0102

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended

Motion Made By Christmann Seconded By Seymour

Representatives	Yes	No	Representatives	Yes	No
Senator Wardner	☒		Senator Robinson	☒	
Senator Fischer	☒		Senator Lindaas	☒	
V. Chair Bowman	☒		Senator Warner	☒	
Senator Krebsbach	☒		Senator Krauter	☒	
Senator Christmann	☒		Senator Seymour	☒	
Chairman Holmberg	☒		Senator Mathern	☒	
Senator Kilzer	☒				
V. Chair Grindberg	☒				

Total Yes 14 No 0

Absent 0

Floor Assignment Seymour

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

REPORT OF STANDING COMMITTEE

SB 2001: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2001 was placed on the Sixth order on the calendar.

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SECTION 9. EFFECTIVE DATE. Section 7 of this Act becomes effective on July 1, 2009, and Section 8 of this Act becomes effective on July 1, 2010."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0102 FN 2

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

2009 HOUSE APPROPRIATIONS

SB 2001

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2001

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 2/26/09

Recorder Job Number: 9761

Committee Clerk Signature

Tonya Vaegle

Minutes:

Chairman Delzer opened the hearing on Senate Bill 2001. Roll was taken with all members present.

Attached Testimony

Jim Smith's testimony- Attachment 2001.2.26.09A

Estimate for wood and brass work in the Chambers- Attachment 2001.2.26.09B

Representative Carlson, chair of the Legislative Council, explained Senate Bill 2001.

Chairman Delzer: Do we have any idea when the RFP for the legislative application system would be due?

Representative Carlson: Mr. Smith can probably answer that better than I can.

Jim Smith, Legislative Council: It is the 24th of March.

Representative Meyer: With the Blackberries, is that we would purchase our own Blackberries and then everything else would be covered but we would just be required to purchase our own initial unit?

Representative Carlson: It is very technical, there are servers for Blackberries and keeping the security of our email information is very important. Some of you have probably already

signed off on a form to get that information. Jason will answer all of the little details about that.

We are going two thirds of the way but we are not going quite all of the way. I am not so sure that if we believe that that is a good way to keep legislators connected that we should not be doing the units as well but again that is a decision that Senator Christmann had a lot of heartburn with that so they left some money in to do part of it but not all of it. That will be your decision.

Jim Smith, Legislative Council presented his testimony.

Chairman Delzer: Someone that is on Medicare, do any of those legislators have the health insurance too? How does that work?

Jim Smith, Legislative Council: I am not certain. I think they stay on the state health plan because I think that is more advantageous to them.

Mr. Smith continued his testimony with the operating expenses on page one.

Chairman Delzer: Do we pay 24 months on the phones up on the chamber?

Jim Smith, Legislative Council: I think that has changed recently where we do. At one point we did not but I think we do pay that charge. I think that is something that has happened in the last few months.

Chairman Delzer: And we pay for each port up there too?

Jim Smith, Legislative Council: I believe so.

Chairman Delzer: Do you have any idea how much a month that is?

Jim Smith, Legislative Council: We can get that. I don't know that off the top of my head.

Mr. Smith continued his testimony with the operating expenses on page two.

Chairman Delzer: Now that is just the data part, the voice part will still be covered by the legislators.

Jim Smith, Legislative Council: That is correct.

Mr. Smith continued his testimony with the capital assets on page two.

Chairman Delzer: On the committee room renovations, when they go to like the voting systems and stuff I suppose if we were going to go to that that would probably be the same for both rooms, it doesn't matter how many members you have I don't suppose that makes a lot of difference but when they go to like buying tables and stuff is the price the same?

Jim Smith, Legislative Council: Obviously the House has got larger rooms, larger membership on the committees, the tables are larger, and they cost more. The sound systems even cost a little bit more. Comparing the Roughrider Room to the Harvest Room is an example. That does not really mesh with splitting it 50/50 but you will have to work that out.

Mr. Smith continued his testimony with the National Conference of State Legislators on page two.

Chairman Delzer: Can you tell me how they set the dues?

Jim Smith, Legislative Council: I have seen the documents. I think they arrive at their budget and they allocate it out. I am not sure if they tried to limit some of the increases. I know other states are running into difficulty in paying some of those dues.

Chairman Delzer: Do we have any information from NCSL or CSG whether any of the states are dropping out?

Jim Smith, Legislative Council: I have not heard anything but I suspect that is happening because I know it happened in 2003 when states faced budget problems that some of them paid half their dues or delayed the payment of dues and that kind of thing.

Representative Berg: Is that CSG too or where does CSG reside?

Chairman Delzer: No that is in OMB budget.

Mr. Smith continued his testimony with the Legislative Applications Replacement System on page two.

Vice Chairman Thoreson: Representative Carlson had indicated that they gave you a presentation, is that correct? I guess my question is do we have access to any of their existing software applications that they have that we could look at or is that something that is proprietary and they do not wish to share?

Jim Smith, Legislative Council: We had a demo from Propylon. They showed us what they had developed in Oregon and Kansas and I am sure that we could arrange that to be shown again. They will be onsite. If that is an interest to people we will show that.

Vice Chairman Thoreson: I would be interested in it and if they had a demonstration from Kansas I would especially be interested. I have a friend who is in the Legislative Assembly

there and he is a web developer on the side. I will probably talk with him and see what he thinks of their system also.

Chairman Delzer: The question is do we need to adjust that number again so that there is a difference between the House and the Senate?

Jim Smith, Legislative Council: On that project amount? I don't believe so.

Chairman Delzer: That is something I see in your last bullet point, you say that when that comes in we should be able to have some idea if we want to adjust that.

Jim Smith, Legislative Council: I think we would want to look at what the costs are that ITD is projecting and what Propylon is willing to do it and make sure that is in sync.

Mr. Smith continued his testimony with the Legislative Council on page two.

Chairman Delzer: When you are talking \$140/day, are we going to pay for the meals as well?

Jim Smith, Legislative Council: This is just the per diem; we will also still pay meals and lodging.

Chairman Delzer: Does 2064 do anything with the meal allowance?

Jim Smith, Legislative Council: It does not. I don't think there is a bill at all that adjusts that at all so that stays constant. There is another bill I think it is 2353 which deals with lodging as well.

Chairman Delzer: Did the Senate take the retroactive out on the lodging?

Jim Smith, Legislative Council: Yes.

Chairman Delzer: So that would start on July 1, 2009?

Jim Smith, Legislative Council: That is correct.

Mr. Smith continued his testimony with the Legislative Council operating expenses on page three.

Chairman Delzer: When we adjust the mileage to match, we are adjusting all of the other agencies as well?

Jim Smith, Legislative Council: Yes.

Mr. Smith continued his testimony with the Legislative Council operating expenses on page three.

Chairman Delzer: The new application system won't have document management as part of that?

Jim Smith, Legislative Council: We don't know whether or not it will.

Jason Steckler, Legislative Council IT: It is our goal with the next bill draft chamber management session management system that we do have a full text type query system where those documents can be stored so we don't have the same situation that we have right now. We have multiple systems to maintain. This would all be in one. We just don't know that until the fit analysis with Propylon is complete and we take a look at the gaps between our current capabilities and what their core products produce.

Representative Kempenich: What do we have anything that PTC did?

Jason Steckler, Legislative Council IT: We are using a lot of the business analyst process flows, case studies that PTC actually produced. We are reusing those. That is enabling us to actually go through the fit analysis and gap analysis much faster with Propylon. The issues arise when you look back at the custom programming like the interfaces and the things that the

user actually sees, if you look at a milestone is 30% complete ok there may be something there but in order to have somebody else whether it would be ITD or another vendor come back and pick up at that 30%, you don't get to start at that 30% because you have all of that back time of somebody trying to get themselves back up into the code that PTC actually tried to produce. Whether they were going in the right direction, wrong direction or indifferent, they still have all of that leg time so you are not gaining all of that benefit back. The best benefit that we got was probably from the documentation of the work flow and the requirements of the current system and what we perceive in the future.

Representative Kempenich: That is the frustrating thing about it. How much of what they completed did we pay for?

Jason Steckler, Legislative Council IT: We paid 85/15 for 100% deliverable. What that means is once they got to a milestone, something that was set out as a deliverable, we paid 85% of the 100% product, and we only paid the remaining 15% upon acceptance. So we did not pay for the other milestones that they want to bill us for that are below 100%. Some of those things will include, we will see later on, such as the conference committee application that we are going to reuse but that is something that we have paid for.

Representative Kempenich: Are we going to get sued on some of this yet or where are we at going down that track?

Jim Smith, Legislative Council: We have had some communications with PTC. Part of their close out they did as you can see in the documents here, they did bill us for about \$300,000 and that was partial billing on these milestones where they had estimated that they had completed 15,20,30%. We indicated to them that that had absolutely no value to us and we don't feel under the contract that we need to pay that.

Representative Kempenich: That is what I am wondering if we should sue them because they presented a project that they couldn't deliver on. Was there any type of bond that they put forward?

Jim Smith, Legislative Council: There is no bond. The contract is what we have to deal with and that is part of the difficulty.

Chairman Delzer: I don't think there were any penalty clauses on the contract.

Representative Kempenich: Have we ever had like a penalty clause in a contract?

Chairman Delzer: Most of them would not sign it.

Representative Kempenich: How involved was ITD in the process?

Jim Smith, Legislative Council: ITD was involved from the selection process. They have been somewhat involved but will be more involved going forward.

Representative Kempenich: Sitting and looking at these other projects going south, we have had some in the past and we have learned what went wrong.

Representative Kaldor: I am wondering if Jason or Jim could comment on this, what was it that caused the biggest road blocks?

Chairman Delzer: Before they answer I guess I would say just from the sitting on the council and receiving the reports that we got most of what we seen looked like they could have built the modules but when they tried to make the modules work together they weren't able to do it.

Jim Smith, Legislative Council: Their failure was in May when they tried to get the modules to sync up. They had different modules developed and they tried to get them to sync together and deliver that and they couldn't. That was their architecture, their design and at that point they had to basically step back and look at redoing it. That is what we spent June, July and August looking at that and they really couldn't show us to any kind of satisfaction where they

had done something similar even in a manufacturing kind of business because they had done work for I think Boeing, John Deere and some of those.

Jason Steckler, Legislative Council IT: That is exactly it. The hardest thing when you look at a Legislative Body is being able to take all of the different functional components of the business processes, everything that happens upstairs with the legal, fiscal staff, support staff, everything that happens with your Legislative Assembly bodies behind the scenes and all of the floor actions that all of the legislator take either on the floor or in committee. That is probably the biggest difference between Propylon and PTC. Propylon comes already into the game with a core product that does the law making modules, the core product that does the chamber management so they already have the bottom line engine if you will to make all of this work. Then what they do is come in and the reason for the fit analysis is that they take a look at our requirements, they take a look at what their current product does and we look at the delta then and that is the gap. Those are the things that we need to concentrate on in the interim period in order to have a functioning part of the legislative application system by 2011. We know that we will not have it 100% complete by the 2011 session because you can't take a mainframe system or something that has evolved over the last thirty years and in 18 months totally reprogram it. Obviously if we are going to invest this type of money we are not looking at doing everything exactly the same. We want to gain some efficiency if we are going to invest the money as well as probably some efficiency monetarily in the out years.

Representative Kaldor: I am wondering if the time horizon, because we are always under this constraint where the process that we go through in the interim we really don't have a lot of time. Is it something that we should have thought about in that way before and should we think about it again in the future and it sounds like you are. You are expecting that this is going to take a little bit longer than one interim.

Jason Steckler, Legislative Council IT: Exactly and the interesting part about Propylon is that it is not just a bunch of technologists talking to us and the Legislative Council and members of the Legislative Assembly, they actually have legislative specialists so people who have been involved in state legislatures for years and they have brought them on staff. Those are really the people that are trying to correlate what the technical people are saying to what the business people are saying so they understand it. We are getting a fairly decent feeling from them that they understand our needs as well as our time constraints.

Jim Smith, Legislative Council: In that regard, if the committee would be willing I think we could arrange for Propylon to do some kind of demo, even just take a half hour some day. I think what you will note is that they know the business. When you talk about processes or use the terms, they know the terms.

Chairman Delzer: I think that would be real good.

Mr. Smith continued his testimony with the operating expenses on page three.

Representative Kempenich: Most of these things come with kind of an amount in there for the studies?

Jim Smith, Legislative Council: What that would be is if you got into the interim and you had not anticipated, like with the corrections study, we anticipated that we are going to need money to hire a consultant and that kind of thing. This would be that if we get into the interim and an issue comes up that we had not anticipated, there would be money for that. Generally that money is not spent and it turned back.

Representative Kempenich: I just bring that up because that is one way a study gets killed because it has a big fiscal note on it.

Chairman Delzer: It all resides under the Council operating line.

Jim Smith, Legislative Council: That is correct.

Mr. Smith continued his testimony with the operating expenses on page three.

Chairman Delzer: Is that computer replacement for your staff?

Jim Smith, Legislative Council: Yes.

Chairman Delzer: There was some money in the Assembly budget for computers too. What is that for?

Roxanne Woeste, Legislative Council: The funding included in the Assembly's budget for computers I believe is for some printers and some other computer equipment.

Mr. Smith continued his testimony with the operating expenses on page three.

Chairman Delzer: When you do the library do you have to move everything or is the carpet laid around those shelves?

Jim Smith, Legislative Council: I think there is going to have to be a lot of things moved.

Mr. Smith continued his testimony with the Capital Assets on page three.

Chairman Delzer: How much of this budget is for the redistricting?

Jim Smith, Legislative Council: It is basically the computer equipment, the plotter, the software.

Chairman Delzer: Yes, but of the total costs of redistricting will most of it be covered in this budget or will there be a bunch of costs for that in the next budget too?

Jim Smith, Legislative Council: The costs in the next bienniums budget will be the costs of a special session and the interim meetings.

Mr. Smith continued his testimony with the Other Areas on page three.

Chairman Delzer: Is that all of the money or just the money for the computer replacement?

Jim Smith, Legislative Council: As it is worded it is all of the money.

Mr. Smith continued his testimony with the Other Bills on page three.

Chairman Delzer: Neither of the bills regarding the length of session have been on the floor yet correct?

Jim Smith, Legislative Council: That is correct.

Mr. Smith explained the attachments of his testimony.

Chairman Delzer: Do you have any plans on the vacant FTE? Are you done with the reorganization that you were talking about?

Jim Smith, Legislative Council: I think that is going to be an ongoing process. We are more than likely going to be faced with several retirements during the interim. I think what I would like to do in that administrative services area, kind of get more cross training and have it become more of a unit rather than as you can see when you look at the organizational chart

there is like four key components there. You have the library, the office manager which is our typing/publishing kind of area, the IT your information technology area, and then the Legislative Administrator which is Karen. I think we need it set up so we have more cross training and get those people working more as a unit rather than its individual kinds of functions. So to directly answer your question, as I see it right now the vacant position just depends on how those retirements play out. If the retirements happen early I think we would just look at reorganizing with those retirements.

Chairman Delzer: What is the number of staff that is eligible for retirement?

Jim Smith, Legislative Council: I don't have a specific number but just from conversations that we have had there could possibly have six or eight of them retire.

Representative Glassheim: Do we have any specific plans for the redo of all of the committee rooms for the Senate and the House?

Chairman Delzer: To follow up on that I would like to see how you built those numbers under the capital assets.

Jim Smith, Legislative Council: They were very rough estimates. I think we worked with AVI to get an estimate because they had done a similar kind of effort in Montana. We can provide that.

Chairman Delzer: Where did the emphasis come from for the electronic committee voting?

Jim Smith, Legislative Council: That was just in working with AVI as I understand it and they had done it in Montana so that was kind of a late summer kind of addition to the budget. We just went with that number knowing that it obviously needs some refinement. What we have done in a lot of the rooms, we have done sound systems. We are doing those display signs, the potential is to have actual audio/video cameras in the room that would stream out to either

the internet or those signs or both, those are all kind of potentials. Legislative management and others would have to make the decision as to what they want to do on that.

Chairman Delzer: Is the money that is in here going to be enough? Didn't these smart panels or whatever you want to call them, being a little less than what we had thought they were going to be?

Jim Smith, Legislative Council: We went with a company out of Fargo and they were roughly half of what AVI had suggested in terms of the cost of those.

Jason Steckler, Legislative Council IT: I believe too that the \$500,000 basically came from AVI pitch to the management committee prior to me coming on board. That was what they did in the state of Montana. That was probably a 100% hitting all requirement type plan. That was basically a base line figure based on those requirements given to Legislative Council at the time they went out and got a proposal or budgetary quote if you will in order to accomplish that and come up with that figure. As far as the \$450,000 for committee room audio/visual displays, that was not so much everything on the outside of the rooms, the digital signage that you are seeing in this part of the wing that also included A/V upgrades in the room like you mentioned the smart boards. I think as we look at the technology there are maybe some rooms where a smart board would be prudent to what that committee does but there are probably many more other technologies that would be more prudent whether that would be LCD or plasma displays, the sound systems and or integrated cameras that type of deal. Those digital signage displays out there, the nice thing about them is that they are not tied to any one technology. The reason that we went with that particular vendor is that regardless of what we do with the legislative application replacement system we want that to be able to tie in with the digital signage. Right now we currently have interns and some of the fiscal staff actually post the schedule for the day and keep the current meeting up to date which is just house bill whatever in the bottom

right hand side. Those also have the capability to project what is currently happening in the room into a square in the top right hand corner or wherever we what to put it in the sign to actually show people on the outside yes somebody is at the podium and testifying, why don't you wait until they sit down before they enter the room. That is kind of what we have tried to do with the current media in progress rather than everybody going in and out. So to answer your question, it actually involves a lot more since we could not a lot of concurrence on what we wanted to do inside the rooms we started with the digital signage to get rid of the old signs and the sheet under glass scenario that we have had in the past.

Chairman Delzer: The \$200,000 is that enough to replace all of the tables in the committee rooms?

Jim Smith, Legislative Council: That should be enough. By the time that we complete this interim, we are going to have most of the committee room tables replaced. All except for Harvest, Roughrider, and Sakakawea, those will come later. Those will be more expensive, the Harvest and Roughrider. With both of those, there will have to be consideration for the sound system being replaced as well.

Representative Glassheim: About how much would be the turnback if you did not have the carry over authority?

Jim Smith, Legislative Council: Allen will address that in his other testimony.

Chairman Delzer: Is the amount spent to date on here anywhere?

Jim Smith, Legislative Council: I think what we have is an estimate for 07-09 which includes what we have spent through December and then an estimate for the next six months. I guess I am looking at the Legislative Council comparison of 07-09 estimates to the appropriation I believe that would indicate turnback of \$649,000 plus the \$33,000 of the onetime stuff that will not be spent. So it is just under \$700,000 turnback for the Council.

Chairman Delzer: Where do you get that?

Jim Smith, Legislative Council: If you look at the fourth column over, comparison of 07-09 on the bottom of the line.

Chairman Delzer: OK. I see it.

Representative Glassheim: And that is estimated for the whole biennium?

Jim Smith, Legislative Council: That is correct.

Representative Glassheim: Where does that \$649,000 sit in the appropriations? When we do General Fund there is a line that says money carried over but is that \$649,000 subtracted from what is needed for the next session or not?

Jim Smith, Legislative Council: You are talking about like the General Fund statement?

Representative Glassheim: In your appropriation you need "x" dollars do we subtract \$649,000 because you already start with something or do you get \$649,000 beyond what we appropriate?

Chairman Delzer: You are talking about because of the carry over?

Representative Glassheim: Yes.

Jim Smith, Legislative Council: The bill before you appropriates a certain amount. If you keep that section in that allows the carryover we would have that amount plus what is estimated as turnback.

Chairman Delzer: Your request was for carryover of the \$2.2million on the computer but was your request for the carryover of the other funding or is that something that the Senate put in?

Jim Smith, Legislative Council: We really requested it on behalf of both leaders and we were not specific just to the project because I know Senator Stenehjem and that gets back to the discussion about the committee room tables, he plans to do some of those late in the biennium

after the session. Whether Roughrider can build those quick enough and we can pay for them before June 30th, which was kind of doubtful because there is considerable time on that.

Chairman Delzer: With the tables we don't pay for them until they are delivered?

Jim Smith, Legislative Council: That is correct.

Vice Chairman Thoreson: There could be a possibility that with the federal stimulus package we may be coming back at some point to deal with that. How does that play in to this if we are back in session for a special session? What would be cost wise per day?

Jim Smith, Legislative Council: The cost per day is roughly \$58,000. That number might be a little bit less if you have a special session and you have fewer staff. If you look at the page for the Legislative Assembly and we are looking at projected turnback of \$290,000. That is excluding the legislative application replacement system so that money would potentially be enough for a special session.

Chairman Delzer: If the Governor calls a special session is it handled different or is it still all through your budget?

Jim Smith, Legislative Council: We pay for it.

Chairman Delzer: What happens if there is some that is called that puts you in the point of deficit? Do you end up just doing it as a deficit appropriation for the next session or how does that work?

Jim Smith, Legislative Council: I think if you look at the bill, section four of the bill allows transfers.

Chairman Delzer: Would the legislature appropriate money during the special session to cover something like that or would it happen at the next biennium?

Representative Berg: Clearly if we are called into a special session and we do not have the money, we have two choices, either don't pay legislators or we amend what ever bills that we

are acting on to include the cost of the special session. I would think that that would be appropriate again if we don't have the money in Legislative Council that we would appropriate the money to fund the special session.

Jim Smith, Legislative Council: The point I was trying to make is if you look at the engrossed bill at subdivision one it actually refers to the 61st and 62nd Legislative Assemblies and we have not done this for probably twenty years but at one point the budget was not sufficient and so we would in a sense borrow from the next bienniums appropriation.

Chairman Delzer: And then it was just covered in the next biennium's bill.

Jim Smith, Legislative Council: Yes we always had to make it up.

Chairman Delzer: The deficiency appropriation bill is strictly from the executive branch isn't it?

Jim Smith, Legislative Council: That has been the history and tradition on it.

Chairman Delzer: What about the Judiciary, do they do anything if they are in a position of needing something?

Jim Smith, Legislative Council: I can recall that they have ever been part of the deficiency appropriation.

Chairman Delzer: Any other questions? If not what we will probably do is assign this budget to subcommittee and we will get together and do some work on it or whatever. Committee members I think we can close the hearing on this.

Representative Berg: I have a question for Jason. This is kind of a big picture, I know as we get into the Blackberries and technology and fees and all of the stuff, I know there is a lot of management costs associated with that and I think Legislative Council's providing internet connections for legislators across the state, I am just wondering if it would be more efficient for us just to provide a technology fee to legislators and let them make some choices as to who they wish their internet provider should be and what kind of hardware they wish to buy and

what kind of technology package they wish to purchase? I kind of wanted to just throw that out briefly, I don't need to get into it but maybe you could think about that and let me know if that makes any sense long term.

Jason Steckler, Legislative Council IT: There would be some efficiency gained with something like that where we would just institute a technology fee. Obviously I don't want to say restrictions but maybe guidelines and I don't think that you are referring to your legislator laptops and that type of deal I think you are just talking about a personal communication devices. Just to make sure we didn't go down a road where we are buying something that was incompatible with what ITD or some other executive branch agency was supporting us with whether it would be for an example the Blackberry encryption server. I think as long as we put some right and left hand limits on something like that I think that there would be some efficiency.

Chairman Delzer: There are a couple of things that I want to discuss before we close. One of them is the \$1.4million language that the Senate put on with the 50/50 split. I guess I really don't see that. I think we have two choices, one I don't agree with it the way that it is. I don't think that is right or necessary. I guess my thoughts on that are that we either take them out or we go two thirds/one third.

Representative Kaldor: I was thinking something similar to that. I think Representative Glassheim asked a question and it would be helpful maybe when we go into subcommittee of this committee, when we are working on this it would really be helpful if we could develop what might be a plan for what is going to be done. I think that you are right and there is going to be a disproportionate more cost to do the House rooms just because of size of tables and things like that. I don't know what else would go into this other factors but I would agree.

Chairman Delzer: I would guess the management committee would not be real happy about us trying to come up with a plan of what they say but I think the dollar figures we defiantly have some value to saying that when you have twice as many people it takes more money to do the same upgrades.

Representative Glassheim: I am not sure that I see the value of having the voting systems in the rooms. If we are going to do that, that is not something that should be divided by house. If you are going to do it just do it for that amount of money. Maybe the only thing that is at stake is the \$200,000 for the committee rooms and the two leaders don't quite see eye to eye on things and they want their little pot of money.

Representative Berg: This room that we sit in is an example of a mess of this process. It was something that we set aside money, we wanted to utilize the space more efficiently here and to some degree the decisions on this room were not made by House people who were going to be in this room. I truly think there is some political reality that it is what it is. From my perspective rather than getting in some sort of big fight over this thing, I think what we have heard here that seems logical is again if we are talking about a sound system it is a little bit different when you have twelve members versus 24 members. If you have a room that is twice the size of another room it is logical that you would account for a little more cost there. As it relates to electronics outside the rooms or visual in the rooms, that could probably be split between the House and Senate. It is going to be the same. I would say rather than getting into this percentage fight, I would say that we look at how it is broken out here, audio visual displays, voting system, if we do that that needs to be appropriate based on the number of members. I would suggest that we look at those actual functions and say ok this is how this will be allocated.

Vice Chairman Thoreson: This voting system, are they using this in Montana currently?

Jim Smith, Legislative Council: I believe so.

Vice Chairman Thoreson: Was that put in place by this company that we are working with? I am just wondering if there is any way of seeing how Jason or Jim see that working or what advantages there would be to doing that.

Chairman Delzer: I don't see a value to us as legislators or to the citizens of North Dakota. Anybody that wants to get it they can. It is not hard to get the vote here when you actually take a recorded roll call vote.

Vice Chairman Thoreson: The one advantage would be is I have had people during floor debates saying I wish I knew what the 8-5 was on this. Is there a way of tying this into a web application that maybe we could be able to pull up our committee votes so people in the chamber could see who voted which way? I don't know that that makes a difference but sometimes inquiring minds want to know.

Representative Kempenich: I see what you are talking about but that is the whole idea, if we are going to vote on this twice, that is the whole idea. We are basically making a recommendation. If somebody has got an issue, you get to the floor, if it is not a big deal and you just voted for it because and you vote no on the floor that is one thing. That is the whole idea is down here we are basically listening to this stuff and taking it to the full committee and then take it to another 94 members. That is the whole idea behind this process.

Vice Chairman Thoreson: I am not saying that we need to spend that kind of money on this but if we are I guess once and a while I have had a constituent or someone ask too, how do we find out how people voted in committee on things because it is open and transparent how we did it on the floor. It is in the journal each day but in committee you can contact the clerk or whoever to find out.

Chairman Delzer: On the Propylon, are they doing anything with the committee votes?

Jason Steckler, Legislative Council IT: I am a little less familiar with what Propylon is doing with committee votes. I do know that they have Oregon, Kansas or Pennsylvania; I think two of those states have done more on the A/V side whether that would be streaming the audio and or video of committee meetings as well as session meetings. That does suffice a little bit to get back to Representative Thoreson's question as far who voted what. Just like we stream the House and the Senate sessions right now, realize those are not archived. Archiving as soon as you start saving them and letting people go back to previous days, that starts to increase the money quite a bit but those are things that Propylon is aware of and does have capabilities to do. Back to the Montana thing and the committee voting, realize when legislative management asked for capabilities, AVI was one of the people that provided the IT department of Legislative Council with this budgetary documentation. Really what it was, it was based on an initiative in Montana. Montana's initiative was much broader than just that though. There is a reason why they wanted that. Montana instituted full video and audio in all of their committee rooms and they actually have partnered with a county agency where there is people actually sitting in a control room managing all of the cameras, managing all of the audio, managing all of the streaming. That was a much higher initiative that they did in Montana as well as something that they did five or six years ago, requiring the cable companies to give up two channels on cable television to actually provide cable TV access to sessions.

Jim Smith, Legislative Council: There is one thing that I forgot to mention, when we were before the Senate, the day before we went we got a proposal from OMB actually it is from the architect, Michael Burns in Moorhead and it relates to Legislative Wing restoration. It is the copper in the Legislative Wing as well as the wood. I would just like to submit a copy of that for the record. The total is \$844,000.

Vice Chairman Thoreson: Jason, one other thing you triggered something when you mentioned the streaming. Over the break I had a constituent contact me inquiring about the way we stream the floor sessions of the House and Senate, they were wondering why we use the current Windows Media. Actually the application that they talked about is I believe YouStream. It is a web based service and they said that they thought that would be a much easier way of accessing. Have we ever looked at this the way we stream our floor sessions and using different things other than opening up the media player or whatever it is that we are using right now?

Jason Steckler, Legislative Council IT: Obviously right now we are kind of tied to what ITD has the capability of and you are correct they are currently using real streamers or real players to actually stream that media out to the internet. That media can be opened up with Real Player which is a free download and/or Window Media Player which is available on most Windows based PCs. You are not requiring constituents or the general public to have to pay a fee for any of the applications to view that stream. That is one reason why it is the way it is. I would love in the future as we go forward with the legislative application system I would love to be able to have embedded or YouStream type activities right on a web page. What that basically means is that on Legislative Assembly's web page if somebody clicks on House Session or Senate Session it actually just brings up a web page or the web page just changes and the video is actually integrated into that page rather than having to go out and download something which scares a lot of people. That is the type of thing that we want to get away from. More seamless integration and fewer applications required in order to accomplish that.

Vice Chairman Thoreson: So that is something that you are looking at. They made it sound like it is something easily upgradable. I don't know if they work in this area or what but their

maybe some issues that we have with ITD right now requires us to use our current system. Is that correct?

Jason Steckler, Legislative Council IT: Right, anything that we stream through the state network in North Dakota we run it through quite a few different levels. It has to meet enterprise architectural requirements, it has to meet the security requirements, it has to meet the bandwidth requirements, you have to realize the number of people in the State of North Dakota that actually connect to those streams and view some of the House and Senate sessions. Those are the type of things that we go through. Obviously Real Player and some of the other ones out there are much more scaled to a corporate organization like the assembly is. Some of the other ones out there do have some great technology but they probably have not been very proven in a large scaled environment. Those would be the type of things that we look at. I am not ruling anything out and obviously as we go through the next 18 months prior to the 62nd Legislative Assembly and 63rd we will be making some changes. Obviously I know that I need to give all legislators something by the time you meet again. We want to make sure that we hit those milestones and those quality gates but we don't want to sacrifice too much scope or quality just because of our schedule. We want to do what is smart and make good use of the money.

Representative Kaldor: In related to the streaming, I understand that it is encrypted? Is that a security issue? I am kind of curious about that. It is public but it is my understanding that it is also encrypted?

Jason Steckler, Legislative Council IT: As far as I know from the end point IE somebody sitting in their residence in the state of North Dakota or somewhere in the United States, actually connecting to that stream from that point to where we are providing the stream to the internet it is not encrypted. It is too difficult to do that from, in order to do that I would need to

put security software on your home PC if you were the constituent. Inside the Capitol there are some things that happen it is not necessarily encrypted. It is actually given a priority. So if you imagine pieces of data going through a pipe it is just given a little higher priority to make sure that we don't have constant breakup of video and or audio as it is streamed. I think that priority effort is probably what they are referring to.

Representative Kaldor: I misspoke; I guess that I should say that it is encoded to prevent copying.

Jason Steckler, Legislative Council IT: It is not necessarily coded to prevent copying. I think most of you know that with your Windows Media Player and especially with Real Player and you have real alternatives as legislators out there in order to get you a quality product Real Alternatives is what was selected by Legislative Council IT staff. There are some capabilities where you actually can hit record on that media. If I need to leave my office for five minutes and I know there is a bill coming up, I can actually hit record and come back and try to play that back as well. Granted your hard drive can fill up exponentially because you don't have, not to use a bunch of terms but, you don't have the encoders like you would professionally in order to store that. If we were going to store an archive we would need to get the compression that would be able to bring that down to a sizable amount otherwise we would have huge costs in data storage.

Chairman Delzer closed the hearing.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2001

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 3/18/09

Recorder Job Number: 11155 (Roll call for the day) 11219 (Discussion)

Committee Clerk Signature

Tonya Vaegeli

Minutes:

Vice Chairman Thoreson opened the discussion on Senate Bill 2001. Roll was taken with all members except Chairman Delzer were present.

Vice Chairman Thoreson: Committee we were originally scheduled to have Senate Bill 2160 before us this morning but that bill is not going to be coming to our section or to appropriations I am told. It was coming from the Finance and Tax Committee and it was determined that everything was in the bill and we did not need to look at it. I believe it is going to be going straight to the floor from Finance and Tax. So as I said before Chairman Delzer is not here this morning. He had another commitment and some of us do have another meeting so what we are going to do is recess the committee until after floor session this afternoon. If you have things to work on use the time wisely so unless there is anything to come before the committee we are going to stand in recess until the call of the chair after floor session this afternoon.

The committee recessed until after floor session.

NEW RECORDER JOB NUMBER 11219

Chairman Delzer called the committee back to order.

Chairman Delzer opened the discussion on Senate Bill 2001.

Attachments

House and Senate Square Footage – 2001.3.18.09A

Chairman Delzer: Committee members we are going to go ahead and start asking for amendments on bills. We will do them the same way we did last time of getting a list of what we want unless they are small enough that Council can just go ahead and do the whole thing. We are going to start right on 2001 the Legislative Assembly. I handed out a piece of paper. Somebody had asked to get a hold of the square footage that each House controls and what we share. That is what this piece of paper tells a person.

Representative Meyer: The other spaces are shared space correct?

Chairman Delzer: Correct. What it amounts to down at the bottom if you divided out the Senate has 35%, the House has 55% and there is joint numbers of 10%. That is rounded so the 10% was actually like 9.6% and the house was 55.4% or something that way. We had asked for some amendments and we do have some amendments on 2001. I think the only thing that we have here shows the reduction of, I will just go ahead and hand these out so we can look at them. They are the same. The only difference in them was one of the issues that came out of the Senate was that extra money was supposed to be split half and half. These two I think are the same basic amendments except for how that is handled. I think this piece that we just handed out deals with that same issue. I think the only thing that we asked for here is there is no equity money. We talked about reducing the legislative wing equipment

improvement line from \$1.430million by \$500,000. The \$500,000 was the issue of the committee voting, the machines for voting in the committee rooms. I think there may be a little more legislative work that needs to be done so I guess my preference on a proposed amendment for that sum would be to change it from \$1.430million down to \$1million.

Representative Kaldor: Which line are you talking about?

Chairman Delzer: Page two line 29. Replace \$1.430million with either \$930,000 or \$1million. I would say \$1million.

Representative Glassheim: Just in case we need a little bit more.

Chairman Delzer: Right. I will be very blunt about it. One of the issues that some of us have talked about is cutting the rails on section one and four up in the House Chamber. The cost of that is about \$50,000 so that there would be a couple places where you could go in there.

That's a seven chair set up, I think, on both sides. If you cut a couple small places to go in it would really improve the access to those chairs. That is just one thing being talked about but I don't know that it will happen or not. What these two proposed amendments, and they are both \$930,000 so I don't think we are going to use that even if the committee wanted to say don't cut the rails I think we would want to save the \$70,000 for carpets and whatever anyway. The difference in these two is how we deal with what the Senate put in there for how that is split. The Senate put a section in section five of the bill I believe. They put that in there as if half of that money would be for the Senate management people and half for the House. If you take a look at the square footage I think at the least we should split it 35%, 55% and 10% for the whole management committee.

Representative Kaldor: These two amendments are quite different.

Chairman Delzer: I don't think there is anything else different in those two amendments.

Representative Kaldor: If you look at near the bottom of the page, the change to page four line two which replaces the remaining \$715,000 which you are referring to in section five. One amendment says that they replace the \$715,000 with a separate sum of \$150,000 of the \$930,000.

Chairman Delzer: That is a percentage of who controls it. I think the issue was the \$620,000 is 2/3 for the House. The \$150,000 was that each side would have \$150,000 and the rest would go to management. The other option is the 35%, 55% and 10%. Or we can leave it alone or whatever. I don't have major heart burn about any of those. Was there anything in the bill that we want to deal with? I know there was some talk about the Blackberry money that the Senate took out. I would guess we would have to go to the testimony to see how that \$930,000 would be split. I know it was split. When I say split it is to what it would cover. I think it is mostly for redoing tables that cannot be done this biennium. I don't think it covered any of the brass work or anything that way. I don't think there was money in there for that.

Representative Kaldor: I think there was a statement about; I don't remember the brass but replacing the wood in the chambers.

Chairman Delzer: They handed something out. That would have been another \$845,000 or something like that. The Senate did not add it.

Representative Berg: I would suggest that all of these improvements need to go to legislative management which is made up of House and Senate majority and minority leaders. To some degree if there is something that we feel really strong about it is ok to itemize it but otherwise I would really recommend that we put a lump sum in there, how we divide it up. The Senate has gotten into this 50/50 thing which I don't really agree with but if we are going to go down that route I think what the Chairman has done is logical in terms of square footage and members and all of that kind of stuff. Again if there are specific things, it is probably better to take it to

legislative management and they kind of sort through that stuff. Rather than us saying do this and do that. I think in part, when we have guests that come to the legislature they typically go through the majority and minority leaders office in the House and Senate and I think we have always been a little bit humble in wanting to do any upgrading there. I don't know if we want to put it in the bill and I don't know if there has been talk about it but they ought to be spiffed up a little bit. I am getting sidetracked. I guess my only point is I think whatever we do, we do. If we divide it between the House and Senate, and kind of also what happens the House will decide among itself what they are going to do.

Chairman Delzer: My preference, I have only served on management one time, I know Representative Berg has served on it more than that and I don't know Representative Kaldor you must have served on it in the past but I would prefer that it all went through management but I also know that the Senate has some pretty strong feelings about having money that just they control for some reason. It is our choice. I don't like the bill the way it sits before us. We should either go back to where it is all in management or we use one of these percentages.

Representative Kaldor: Maybe we can give this a try to do a proportion but then each chamber has their own control. I think that is what you suggested in these amendments. I agree, I think legislative management should have control of it but the Senate is obviously making a point here that they want to control their own money.

Representative Berg: It is not all bad. We are setting an example of a lack of oversight because another chamber was controlling this and clearly this was not adequate but rather than saying let's stop and pull the plug it was like well it is none of our committees so we don't really care about it. Likewise we have had problems when in Legislative Council when decisions were made on sound systems etcetera the Senate ended up with a new one and the House didn't get anything. So I mean its easy but I don't think it blends to collegiality by

dividing this up and I don't like that. On the other hand there are some benefits. The other thing is that we are in new territory here. We have never really had any money that we have ever spent on our selves. I shouldn't say ourselves we have spent on the public part of our government. In the end it is not all bad if we end up doing it this way.

Chairman Delzer: Roxanne unless there is really some vivid objections why don't you go ahead and draft one that changes that \$1.430million to \$1million and then use the 35%, 55% and 10%.

Roxanne Woeste, Legislative Council: Just to clarify the 10% is the only monies that go to the management committee.

Chairman Delzer: The 35% the Senate members of management would control and the 55% the House members of management would control.

Representative Berg: The other question I had is what was the amount in there for mics? When we had the bill there was a separate amount set out for mics for individual legislators.

Chairman Delzer: They said it was \$4,000 to \$20,000 per room.

Representative Berg: My only thought is I think it would be good to throw that twist in here too as long as we are doing this. If it was \$100,000 that that be divided by legislator because obviously if you have 15 people in the committee and that costs you \$2000 per mic that is more expensive if you have seven people in a committee.

Chairman Delzer: Roxanne, why don't you take that number off of the top of the \$1million?

Roxanne Woeste, Legislative Council: I am not aware of any discussion regarding the microphone funding. I am aware of the \$1.43million

Chairman Delzer: I guess at one point in time there was a little talk about what these were costing. They wanted to put these in every room.

Roxanne Woeste, Legislative Council: That could be.

Chairman Delzer: Just go ahead and ask Jim and Allen if you would.

Roxanne Woeste, Legislative Council: Can we just back up to the beginning because I am not exactly sure where we are going?

Chairman Delzer: You would take the cost of microphones in all of the committee rooms.

Roxanne Woeste, Legislative Council: Off of the top of the \$1million.

Chairman Delzer: Off the top of the \$1million and whatever remains split that 35%, 55% and 10%. Is that what you were talking about Representative Berg?

Representative Berg: Do we have a breakdown of the 1.43million? I thought that is where I got that.

Chairman Delzer: The capital assets were funded at \$200,000 for continuing renovation of committee rooms. It is a Council directive.

Roxanne Woeste, Legislative Council: An amendment prepared for you in regards to the legislative improvement funding it does talk about the microphones. In regards to the microphones, large committees require microphones and longer extension cables making them scalable also increasing costs. Costs range from \$4800 to \$7800 per room.

Representative Berg: Was there a lump sum for that amount?

Roxanne Woeste, Legislative Council: No, this language is just a possible suggestion of what could be used as part of that \$1.43million.

Chairman Delzer: I think in essence that would be covered by the 35%, 55% and 10%.

Representative Berg: I guess if we don't have a breakdown for the \$1.43million let's not confuse it and just go with those splits. I somehow got the wrong impression that we had a breakdown.

Chairman Delzer: It was \$200,000 to continue renovation of committee rooms; it was \$450,000 for the audio visual and doing the boards on the outside. It was \$500,000 for the

committee room voting system and \$280,000 for hall monitor system replacement. The \$450,000 was for the audio visual inside. I don't know if they should do that or not but that is what the money was for.

Representative Berg: When I looked at that at that I thought ok there are things that are for a room and if each room gets one fine 50/50. If there are things within the room that are for legislators then it should be divided differently than 50/50. Rather than going through that if we just take what you did here I think that is fine.

Chairman Delzer: Anything further on Legislative Council.

Representative Meyer: There are states involved in with Oil and Gas. Currently they are going to be, I think they set up a meeting, and they are going to be coming in and encouraging North Dakota to belong. I think the amount is \$36,000 and they want North Dakota to join this group of states that specialize in oil and gas. I am trying to think of the name. I think it is Oil and Gas State.

Chairman Delzer: We already belong to the IDGCO or whatever.

Representative Meyer: This is a consortium of states that are meeting with the leadership and they are coming up and presenting their case in April and for North Dakota to join this is \$36,000.

Chairman Delzer: I would say that if we wanted to join there would be money enough in there to do it. I have not heard anything about it but if they are meeting with leadership and leadership wants something done and this goes to conference it could certainly be done then. Either that or you could do it on the OMB bill too.

Representative Berg: I think they have funds available for Legislative Council to join something too.

Chairman Delzer: It seems to me that the money for the legislative pay raises are in this bill but the wording is not. The only wording that is in this bill is a pay raise for legislative leaders for their extra monthly. But the money for 2064 I believe it is all in here.

Roxanne Woeste, Legislative Council: The money is in this bill but most of the language is in 2064 except for the one case that you noted.

Chairman Delzer: I don't know that I have anything else. The Senate took the money out to buy the Blackberries but they left the money in to pay for the data portion of that. I would guess that that is probably a legislative management decision on what they would do with that. Certainly our discussion is whether we would want to fund it or not it is before us.

Vice Chairman Thoreson: I have supported us getting the devices. I have my own already so it is probably a moot point but for those who don't I guess I am not going to fall on my sword on putting the money back in for the devices but I think it is something that we need to look at. We talked about it some last session and it failed to go forward I think due to mostly one person in the Senate more than others. The committee can do with it as they wish but I guess I would like to see it go back in and discuss it during conference. We may lose it there again also but we can try.

Chairman Delzer: We did have some discussion with Jason from the Legislative Council IT staff about whether or not you could special fund money in there so that they could purchase some as a group and the legislators could purchase it from them and he said that doesn't work. There are things that would delay doing something like that. I think the money that is in there would cover both the data on that and our computer lines at home.

Representative Kaldor: We had a discussion one day and I don't remember if it was in subcommittee or if it was in our full group or if it was just after hours but we are talking about

the desk phones. I think Representative Thoreson or someone brought up how much it costs us to have those desk phones there.

Chairman Delzer: They claim ITD does not charge us except for the few months that we use it. That is what they told me after that because I had the same concern. Then we were also going in and talking about going in the lounge rooms down to two phones. I don't know where that is at. That would save a little bit of money but not a whole lot.

Representative Glassheim: How much were the Blackberries to buy?

Chairman Delzer: To buy, they took out \$82,574.

Representative Glassheim: So they were not going to supply them for everybody?

Chairman Delzer: I think that was to supply them for everybody.

Representative Glassheim: So they are about \$200 each?

Vice Chairman Thoreson: The amount included to purchase the devices was \$82,547 correct?

Chairman Delzer: Yes.

Vice Chairman Thoreson: If you divide that by the number of members which is 147 that makes it about \$500 a piece. I am wondering where that number came from because when we had the interim technology committee to deal mostly with getting the new notebook computers but the Blackberry discussion came up and actually Legislative Council had prepared a memo on that and I don't know if we have that but it had the costs in there I believe per device. I don't recall it being anywhere near \$500 per Blackberry.

Representative Dosch: It does say "purchase the device and to reflect revised operational cost estimates".

Vice Chairman Thoreson: I just don't know that that would be that much money.

Roxanne Woeste, Legislative Council: I don't know this for a fact but perhaps at the time when we built the budget there was a different number but I think we have since received perhaps a revised cost estimate for purchasing the Blackberries or perhaps the costs now would be less. I am just trying to recall some discussions.

Chairman Delzer: I guess committee members we should decide whether we want to worry about that or not.

Representative Kaldor: I seem to remember there was an additional cost relating to a server that related to this. That may be part of it. Servers don't cost that much money but maybe managing and maintaining the server does.

Roxanne Woeste, Legislative Council: Perhaps Representative Kaldor is thinking of the monthly server charges.

Chairman Delzer: They remain in there at \$194,000.

Roxanne Woeste, Legislative Council: Correct, the funding for those charges still remains in the bill. I don't believe that Legislative Council would need to purchase an additional server for Blackberries.

Representative Kaldor: I think what this related to is right now you can use email everybody can use email on Blackberry but the difference is the security for legislators and to prevent our emails from being hacked into outside the system.

Vice Chairman Thoreson: I did find the minutes from the meeting on February 27, 2008 and there was a discussion on smart phones. This was the pricing at that time. It said the person from Verizon I think it was spoke with us and the price which they had through the WSCA agreement, that is the purchasing agreement that we have, for the Blackberry 8830 which is essentially the same phone that I have at that time was \$39.95.

Chairman Delzer: I talked to Jason and he said everybody wants that Storm. Committee members I don't think we need to spend a lot of time on this. I think my take on this would be if somebody wants to do something go ahead and get with Council, put it together and bring it to the full committee and we can discuss it there. Or if you have got it together when we actually take this bill up to vote on it we can do it then. Is that alright?

Representative Berg: I had a copy of something that is related to that. Where are we at?

Chairman Delzer: We are still on Council Budget.

Representative Berg: I mean as it relates to these tech fees and things?

Chairman Delzer: Whatever you want to add.

Representative Berg: I have an aversion to getting us involved with the hardware. I kind of look back over time and kind of wish we never got involved with buying laptops because I think we spent a lot of money on laptops that we don't really use except during the session. I think a lot of people store them away. Janelle Coal was kind of brutal in her email out to people finding out all of the people that didn't ever check their email. I guess what I am thinking is that we are evolving here too and it seems to me that to some degree if we offer Blackberries, everyone is going to want a Blackberry and they are going to have their personal phone, they are going to have a Blackberry and I think technology is getting further ahead of where we are. As I have talked to Jason I have said we want to be able to access constituents email from a computer in our office it may not be this but if we feel that it is important to help provide the data, we will probably even get more mobile as things evolve. There are just some big pictures here and my fear is again if we offer something everybody is going to want it but they may not use it. What I have here, this is from Jason from Legislative Council and just for your information I had asked him on the broadband too. Right now they pay for all of our broadband connection. It seems seamless to us but someone at Council is spending part of a day every month checking the

bills and making sure that they are done right and then they get new people signed up and old people on and off at the end of each election cycle and kind of my thought is that today everyone does have multiple providers of broadband and it might be more efficient and cheaper just to have, my thought was to say OK if you want Legislative Council to do this fine but as a legislator you may want to opt out of this and be compensated a tech fee. You may decide that there is a different way of doing it. My thought really related to broadband in Fargo. I don't know what it is costing the state but I think it is probably \$50 a month for broadband. It's another \$60 for phone service and another \$50 a month for cable and many of these organizations have a \$75 package deal. I know that we can get the state to pick up their share of any package that you choose so then the other big question is really as it relates to the Blackberry is so we are paying for and providing laptops for email so people can email legislators on their state email then is it appropriate for us to provide Blackberry and service so they can email anytime. Again how do we evolve? When we started the computers we just did so many. We did four then eight then sixteen and eventually everyone had a computer. That might even be a way to go with this is that you let the leaders of each chamber and each caucus provide a few to those members that are going to be using them. Ultimately where we ought to be is you have one device that you are kind of responsible for those functions both in your private life and in state.

Representative Meyer: What do the other legislators do that when you have 129 that are receiving broadband what are the other ones doing?

Representative Berg: I don't know. You can ask Jason. They may not have it.

Vice Chairman Thoreson: I believe they may just be using dial up.

Chairman Delzer: There is still a number of them out there that cannot get it.

Representative Kaldor: I am not so sure about that. I opted out. I have broadband to my house and I don't believe they are paying for it. I think when I came back in that was one of the questions asked whether I required broadband access and I chose no.

Representative Berg: For someone like Representative Kaldor quite frankly we are saving \$40-50 on him versus not having it. We should pay you something if you are going to pay for your own broadband. That was my simple thing was just on the broadband maybe we allow legislators to opt out if they want and eventually no one will be requiring the state to do this. Now the paranoia would be that if we have someone opt out does that look like we are giving ourselves a salary increase?

Representative Meyer: The first issue that you are going to be dealing with is the legislators that have health coverage and they don't want to carry the state's health coverage and then they will want to be paid. That issue is always surfacing anytime you talk about those sorts of things because there are issues. If our spouses have health coverage and we don't chose to take it you don't get compensated for that.

Representative Berg: I have a plan for that for all state employees.

Chairman Delzer: I have had someone tell me that it was even different. They both worked for the state and they said that they were being shorted \$600 per month because only one of them was able to take the health insurance.

Representative Meyer: That is the discussion that I am afraid is going to take place with that.

Chairman Delzer: Personally unless there are some really strong feelings about it and if there is just go ahead and draw something up and we will take a vote on it when the time comes.

Representative Berg: My problem is that I don't know what the right solution is here. I am fearful that we end up with 147 Blackberries and all of this stuff and then as legislators we get in trouble because we are not using them or whatever.

Chairman Delzer: The only think I would say to Blackberries is that anybody who takes the Blackberries or anybody that takes the data through the state so they receive the state emails they should at the same time have to sign something saying that they don't need any hard copies of meeting notices or anything that way sent to them. I say that because a Blackberry is something that you would carry with you all of the time. Then you would have the possibility of some savings on the Council side too when you did it. The computer is something that you turn on and maybe you don't. If anybody took the Blackberry or took the data from a Blackberry they would in essence think that they would have to sign that.

Vice Chairman Thoreson: I think that could even go for other communications. When you serve on administrative rules as I have for many sessions we get mailings sometimes as thick as these binders in front of us here and it is many dollars do it. There is no reason, its all in a PDF format and it is being printed off and the cost to print and to mail and everything. I would rather have it online if I choose where I can type in a keyword and search to it rather than having it mailed.

Chairman Delzer: I think anybody that wants to can request that already. My position on the Blackberries is if you took a Blackberry you should sign where they didn't have to send you one.

Representative Berg: I have gotten so much from Legislative Council and I get two or three letters a day. I think that is more of a management thing at Council to some degree.

Chairman Delzer: I think most of them don't have the choice. They don't feel that they have that choice.

Representative Berg: Yes, they need to send a meeting notice out. They need to do that.

Chairman Delzer: If we are going to move towards a paperless society if we want to do that, if we are willing to pay the \$190,000 or the \$250,000 for the blackberries that is what I would say

if you have to save some time and it would certainly be a whole lot quicker for the Council to send a mass email out than it is to use mail.

Representative Berg: Let me get back to this point just quickly and I apologize for taking so much time. What Jason said is if I wanted to get on this system with my mobile device I can do it.

Chairman Delzer: And they will pay for the data part?

Vice Chairman Thoreson: No. They will not. I just went down last week and checked with Verizon and it is an additional \$15/month which right now is not being covered by Legislative Council.

Representative Berg: And that is what this bill is all about here. That is what this is. What we have before us is, are we willing to fund the data monthly package and not the hardware? That is what is in the bill right now. I guess one of the things that Jason told me is that there is a \$9 charge every month over and above all of that other stuff. So where he has \$37/month, they pay another \$9 on top of that. That is for security and ITD every month it has to be paid.

Vice Chairman Thoreson: It is also if you lose or your device is stolen they can remotely wipe it clean so no one can have access to your information.

Representative Glassheim: I think I like the Senate version. I think we should buy our own if we want them and have the data and all of the stuff paid for by the state. As a way of telling the public look they didn't give us a Blackberry. Right now we pay \$10/month for our laptops just because. Half the people are not ever going to want a Blackberry. If you give it to them they wont use it. If I am willing to make a \$250 investment or whatever it is, I will use some of it for myself but I will get the stuff paid for. We spent six sessions getting laptops, slowly getting into it. I think maybe at some point in four years we are all going to want to have them but now I

don't know that we need them. So I kind of like the Senate approach to it where we buy our own but they cover the data.

Chairman Delzer: What about the question of whether or not we put in intent language that the Council should if somebody requests the data for it that they reduce the redundant hard copies that are sent.

Vice Chairman Thoreson: I just have to respond to Representative Glassheim. I guess that is fine however people throughout state government are carrying these devices today. They are having smart phones with them and they are also having a desktop computer and I don't think the public is asking them did you buy this yourself? It is the same way with city and county government. No one is asking that question. I think as we go forward as a society it is seen as part of the way that we do business now. If we are going to be an equal branch of government like the executive or the judicial, we should not be saying ok fine we will buy them for this department or that department but when it comes to us we have to pay for our own. I realize we are not here five days a week year round but we still under our structure of government hold an equal portion so I don't know that we should be setting ourselves up differently.

Representative Glassheim: I am not sure we use them as much as employees do in our work. I am not sure that we would use them 20% as much as employees do in their work. I don't know what the number is.

Representative Kaldor: On the other subject of a paperless society, the fact that we all have computers really should suffice even if we didn't have Blackberries. The fact that we have computers I always check my meeting notices on my email and save them and the calendar comes out every month and there are a whole host of things where we really should not be requiring Legislative Council to mail us things. I understand when I get that little letter in the mail it is kind of like a reminder and that is ok but like Representative Berg getting however

many of these things coming every week. There are a lot of letters that come every week and that is postage and I kind of think that since I have this thing and my other computer that I use I still use that to access Legislative Council information. I have everything available to me that I need without having to get mailings. I agree with Vice Chairman Thoreson that there are sometimes documents that get mailed to us that we could actually access online. I don't know if we can put some intent language in to that effect or not.

Vice Chairman Thoreson: I have heard from people too that "when I get home I put this thing away in a closet", maybe we should start sending everything electronically and put intent language that if you miss notices you lose part of your monthly salary as a legislator. We start docking people's pay for not checking it.

Representative Berg: Probably what we need though I think is that there are probably statutes that are requiring notifications being sent to legislators. Maybe what we want to do is just check on that and maybe change the language so notification is deemed given if it is sent on their email. I think what happens to people quite frankly is that they don't check their email for a week and they have 300-400 emails in there. So they can never sort through them. IT could have those emails go to a special folder on their laptops.

Representative Meyer: You have to factor in that not everybody is computer savvy.

Chairman Delzer: Maybe there should be some language that the Council should consider studying this. What is the name now Legislative Services?

Roxanne Woeste, Legislative Council: That bill still has not passed all of the way. Perhaps you could think about asking the legislative management or the chairman of the Legislative Council, to be truthful the paper notices are mailed to you at the direction of the chairman of Legislative Council. At one time I do believe that all meeting notices went out electronically and

we did receive a lot of calls from people who were not very happy with that. So last interim, the chairman requested that all meeting notices went out electronically and by paper.

Chairman Delzer: I think maybe we should just talk to our leaders and tell them what we think about it. Maybe my thought would be that at the same time we sign getting close to the session in to the session you should have a form that you could sign that says that you would except the responsibility of accepting it simply electronically.

Representative Kaldor: I have a potential solution to this. Since we are paying 129 people to have access to broadband at their home or office, maybe those who refuse to check their email don't need that subsidy.

Representative Meyer: Coming to you from a rural area, many times our broadband goes down. I am on broadband but it sometimes goes down. We have had six weeks where it didn't work. I hate to belabor the point but in the rural areas and I know it happens to other people besides me; sometimes we don't have the service.

Chairman Delzer: I am pretty sure what happened is they did try to cut them off and people said I want that reminder notice. It is very convenient. Eventually we would have notify them but I think that is management committee. I am afraid if we are going to spend this much time on Council we are really in trouble.

Chairman Delzer closed the discussion.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2001

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 3/23/09

Recorder Job Number: 11422

Committee Clerk Signature

Tonya Vaegele

Minutes:

Chairman Delzer opened the discussion of amendments on Senate Bill 2001. Roll was taken with all members present.

Chairman Delzer explained the way the committee will handle the budgets and amendments.

Chairman Delzer: 2001, it looks like we have two possible amendments to consider. We did kind of have a little bit of a subcommittee but I think for the most part we did it here as a group. It looks to me as if we have .0206 and .0207. .0207 I think is the one that came pretty much from our discussion the other day of what we had. Basically all we are doing there is reducing the funding for the capital assets line by \$430,000. Then we are setting a different split of that 55%, 35% and 10%, 55% for the House members of the management committee, 35% by the Senate members and 10% for the whole management committee. That was being done because of the square footage that we had looked at. The other one is the Legislative Council study of the state employees, the HR system. Is there anything that is different that we forgot that we did not have in these amendments?

Representative Meyer: How does this study differ from the one we were given in the Brynhild Haugland Room?

Chairman Delzer: This one will be quite different. This one in the first place you would actually somebody an agency that it is there job to look over classification systems and stuff that way. They would come in look over the classification system itself. What we received in the Brynhild Haugland Room was how we compare within this particular system to other states and levels but this is more directed at the system itself then where we are sitting with anything that way. That is what .0206 does. I think that is the only thing that .0206 does is add that \$100,000 which would be up to the Council to decide whether or not they want to do that, both whether they want to do the study and whether or not they want to hire somebody and spend the \$100,000 or do it within themselves or whatever.

Representative Glassheim: We authorize it but they would still decide?

Chairman Delzer: It would still be the Council's decision on what to do, and when I say Council that is the seventeen legislative members.

Representative Berg: It is such an important part of what we do. I think \$100,000 is a small amount to pay to again have something that the legislature would trust coming in on employee compensation. I think it is a good use of money.

Representative Glassheim: On that study I would imagine that an outside consultant would consult with people in HR to find out what they do?

Chairman Delzer: I am sure they would.

Representative Berg: The only comment I would have is sometimes I hate to put \$100,000 in a separate line for a consultant. I would almost rather just add it to the operating line and then use that language on consulting. I am just saying that because I think we will have a bid for \$100,000.

Chairman Delzer: Roxanne, that does put that in a separate line item for the bill?

Roxanne Woeste, Legislative Council: No. You can see from the statement of purpose of amendment that is attached that it is just an increase to the operating expense of the line item.

Representative Berg: I think that you are doing it a good way here. In section seven you are not putting the dollar amount in the study.

Chairman Delzer: In section three it is adding it to the one-time spending. So we have both sets of amendments if somebody wants to move one or both. If there is not anything else further that we need to deal with we can go ahead with them.

Representative Kempenich: I will move .0206.

Representative Berg: Second.

A motion was made by Representative Kempenich, seconded by Representative Berg to add amendment 98001.0206 to Senate Bill 2001. Motion carried on a voice vote.

Chairman Delzer recapped 0207.

Representative Berg: I would move that we adopt those amendments.

Representative Kaldor: Second.

A motion was made by Representative Berg, seconded by Representative Kaldor to add amendment 98001.0207 to Senate Bill 2001. Motion carried on a voice vote.

Representative Berg: I have one other amendment here. It is 0204. This is just kind of a simple amendment. My objective is to try to get Legislative Council out of the managing of our

technology as it relates to broadband or as it may relate to data on a mobile device. Really what this says is that every member of the legislative assembly may receive the Information Technology Department broadband internet service to be used for legislative business. If a member elects to receive a service from a provider other than ITD, the member is entitled to be reimbursed for the cost of the service. If Legislative Council determines that the purchase of that service from that provider will result as a cost savings to the state based upon the average cost of the IT. Really my thought here was that if we get into it and someone can get it less expensive without having Legislative Council have to monitor and pay that separately that it would be a good thing to do. This is just permissive. It really leaves it up to Legislative Council. So the first one would be on broadband and the second would be again if we move into a what is called smart phones or data.

Chairman Delzer: How do you see that being done? Is the member going to have to be reimbursed or do you see it as the option to be there to stay the same as it is where for certain members they pay that cost to a private provider?

Representative Berg: I would see that right now Legislative Council is paying for broadband for every legislator.

Chairman Delzer: 127 of them out of the 140.

Representative Berg: Everyone that wants it is getting broadband service. So the thought would be if in fact someone is going to package it or do something else and whatever Council is paying if it is cheaper to the state if this person goes and purchases their own somewhere else that there would be an incentive for them to do it and it saves us money.

Chairman Delzer: So you are saying that this is meant to be an option that if the member wants to pay his own as a bundled rate or whatever and have that reimbursed to them they could do that.

Representative Berg: Correct. So if the state is paying \$40/month and a member can get a bundle of television and internet and phone for \$75/month then the Council will say OK if it saves us money we will reimburse you \$35 or something like that.

Chairman Delzer: I think it is clear what you are wanting to do. I am not sure that this does that the way it is worded. If a member elects to receive a service from a provider other than ITD, the member is entitled to be reimbursed for the cost of the service. I don't see that the option is still there for them to pay the private provider. Like in my case they pay West River Telephone that directly. I never see it on my bill at all and I don't see that option remaining the way it is worded here. I think you mean for it to be there but I am not sure that the wording does that.

Representative Berg: If West River has a bundle that is better for you to do and really what I am trying to do is get Legislative Council out of trying to manage that third party payment to someone else. They are spending several hours a month. So what you are saying is this wording says that you couldn't use West River as a bundle.

Chairman Delzer: It looks to me as if I could not elect to have the state pay West River directly. I would have to pay them and receive the money from the state to pay them. It is telling you what you could do but it doesn't say that the state can continue its current practice.

Representative Berg: I had Council draft this maybe Roxanne or someone else can address it but clearly my intention here was that nothing would change unless a legislator said I would like to opt out of this and do something different.

Roxanne Woeste, Legislative Council: I did not draft this particular amendment but just reading this now I don't for see this language as discontinuing the current practice. Actually right now I don't believe Legislative Council pays West River directly I believe in your case

West River would bill ITD and we pay the ITD billing. I don't for see this proposed language detracting from that at this time.

Chairman Delzer: The only thing that Council does is have the one time where they pay ITD. ITD would have the responsibility of working with all of the private providers.

Roxanne Woeste, Legislative Council: I can't answer that directly. I am not involved in any of those proceedings that are involved.

Representative Berg: I think Legislative Council is paying ITD for that work.

Chairman Delzer: Who is checking them over?

Representative Berg: I don't follow your question.

Chairman Delzer: Do you think that the Council spends anytime checking that over or do you just think they pay the bill.

Representative Berg: I think they just pay the bill but I think ITD has to go through those.

Representative Kempenich: What happens is ITD contacts the local carrier to make sure that everything is compatible with them and then basically the local carrier does most of it and then they send the billing to ITD and after that how it gets paid I don't know. ITD is basically only a contact point too because they just talk back and forth to the local carrier of how to get the situation handled. ITD don't send any personnel down. It is mostly just phone calls that ITD does.

Chairman Delzer: The only thing that you understand is right now is that there is not a current option for the legislator to bundle and just receive their share.

Representative Glassheim: I am doing this right now. I have a bundle, I am getting broadband and the state is paying for my share of the bundle that is the broadband.

Chairman Delzer: They don't pay that to you.

Representative Glassheim: No but I don't need them to pay it to me. It is not ITD company that does it. It is my local company.

Chairman Delzer: Apparently there are some of the providers that will not split the bundle with two different payers.

Representative Berg: My objective here is to simplify it. So **Representative Glassheim** in your particular case, someone is going through a lot of time and effort to split off the portion that is broadband, make sure that it is appropriately charged and paid through ITD and Legislative Council. My bigger concern is that we go down the path of everyone having two phones. Having one phone system which is ITD and another of their personal phone and again like the computers I think if we are thinking in terms of having individuals manage their own communications I think they will get a better cost long term. It is going to save someone from doing the accounting and the monitoring. Again as I look back over time I see us spending a lot of money to get 141 of everything and ending up with a lot of these things not being used very efficiently after the session. So my attempt is to again before we start having two parallel systems, create the option to empower legislators to get the system that works best for them in their area only as an option.

Chairman Delzer: I wonder if that isn't all we have to say.

Representative Berg: The other thing is it says the legislator is entitled, it could be may be entitled. Again if Council says no we don't want to do it that way they don't have to.

Representative Meyer: The other thing to think of also is there are 20-21 people that have never charged the state anything.

Chairman Delzer: That is still there though.

Representative Meyer: But then are we saying OK then we will be reimbursing those 20 people for that. That is my point. Under this language those people who have always done that on their own dime or their university's dime or where ever they are getting that paid for then if this legislation passes then we are going to be paying them for that service.

Representative Berg: I think if someone receives thirty dollars a month and does not purchase broadband that is kind of fraudulent in what we are doing here.

Representative Kaldor: I think I like the idea of this and I don't think it is retroactive. I think one thing that we might run into and from a Legislative Council perspective for those legislators who decide to opt out they will probably going to have to furnish some kind of receipt to Legislative Council to ensure that just like all our other expenses that we are indeed using broadband and paying for broadband. I don't know if that language has to be added or whatever. It think they might want that evidence on a monthly basis where we are being billed and we are paying a bill because the way the process works right now ITD is getting the billing and they are paying it. There is no question that the legislators are getting the service but there is nothing else going on that is being paid for. I don't know if Karen Mund is the one that is handling this but I think she does all of our expense reimbursements. She might be the person to ask.

Chairman Delzer: We could add a third subsection that says a member using either subsection one or two of this act shall provide documentation and shall follow the guidelines and rules of the Legislative Council?

Representative Berg: I have no problem with that.

Chairman Delzer: Roxanne did you get that?

Roxanne Woeste, Legislative Council: Yes.

Representative Meyer: Does this mean that the legislative assembly would purchase their own Blackberry or are they being purchased for us?

Chairman Delzer: The hardware for the Blackberries is currently out.

Representative Berg: Part of my attempt is that we are not entering down a road that as soon as five people have something, everyone wants that and six months down the road not everybody is using them but the state is still paying for them. Again if people are going to I think what it does is open up another option is all when we get into this that if Council wants to do things a little bit different they can.

Chairman Delzer: I would guess this is going to end up being 0208 then?

Roxanne Woeste, Legislative Council: It is hard to say.

Chairman Delzer: This will be rolled into the final amendment.

Roxanne Woeste, Legislative Council: That is correct. I will already have to roll together 0206 and 0207 so if this amendment is adopted it will be rolled into that package however the Legislative Council number depends on how many amendments have been drafted.

Chairman Delzer: We have the amendment before us I guess.

Representative Glassheim: I don't want to belabor this but I am confused by the word a provider other than ITD. My provider is my phone company. ITD pays the bill but they are not my provider. You say they are the provider. I just don't get it.

Chairman Delzer: This is going to go to conference too if there is something that needs to be changed.

Representative Berg: I think ITD is your provider; they are subcontracting with your local people to provide that service. So quite frankly that is the step that would be eliminated.

Representative Glassheim: They are providing broadband service?

Roxanne Woeste, Legislative Council: I believe legislators are being provided broadband services by their local providers. That is being charged to ITD and ITD is passing those charges on to the Legislative Council.

Chairman Delzer: That is how they are considered a provider. I think that language is ok on both of them.

Vice Chairman Thoreson: I apologize for walking in during the middle of this so these amendments, Representative Berg can you recap it again. It covers the cost for the broadband service and service for this or one or the other.

Representative Berg: What the intention here is to provide an option for individual legislators. So either on broadband we continue to use ITD and have Legislative Council do our broadband but if a member wanted to do something else and it saved the state money it would be permissive legislation that would let them do that. Likewise on the second part with a data phone or a smart phone or data service coming that way. If the state puts a system together and if a legislator says that it is more convenient to consolidate it in that one system that they would have the option to do that.

Chairman Delzer: The third subsection would say that a member using either one or two has to provide documentation and follow all of the guidelines of the Legislative Council.

Representative Berg: I talked to Jason about the smart phone component. He said really anyone could use any smart phone and tie into this system or through their own provider was my understanding rather than duplicate that.

Chairman Delzer: I don't think it really changes anything from the current status with the exception of if it saves you or saves the state for you to pay the bill for a bundle and receive that portion from the Council on your pay check you could.

Representative Kempenich: I think what will happen is if we detract from a centralized place it will be harder to track what is going on. Whether it saves or not ITD is still going to have their fingers in it to a certain extent.

Chairman Delzer: Certainly with the smart phones they will because they have to have the authority to go in and update security.

Representative Kempenich: I am not against it I am just saying that what is going to happen is, what I am thinking of is who is going to know. We get some numbers today and we disenfranchise ourselves to a certain extent but who says down the road that one legislator might wind up paying more for a service than another legislator but if you are going to just get it at one price. I guess it doesn't matter until the other legislator starts to complain. It won't be hard to track when we do this. It won't be uniform but that is fine unless there is somebody complaining about it.

Representative Berg: I move 0204 with the number three added.

Representative Kaldor: Second.

A motion was made by Representative Berg, seconded by Representative Kaldor to add amendment 98001.0204 to Senate Bill 2001. Motion carried on a voice vote.

Chairman Delzer: Are there any further amendments to Senate Bill 2001.

Vice Chairman Thoreson: I have an amendment, 0209. This is an amendment that would add funding. Right now as legislators we have our membership paid in both the National Council of State Legislatures and the Council of State Governments, two good organizations. There are other organizations however, two of which that I know of that we pay our own fees in, and there is the American Legislative Exchange Council and also Women in Government.

Those organizations have a \$100/year membership fee which comes out of our pocket. I think that both of those are good organizations and there may be others that I am not aware of but we are increasing in just NCSL alone our dues are being increased this year more than the total amount of this. I think if we find these organizations useful we should be able to submit our dues for reimbursement by the Legislative Council. I just put it forward as there are two organizations that people can benefit out of and I think that if that is the case we should perhaps have those dues funded. With that just for purposes of discussion I will move 0209.

Representative Kempenich: Second.

Chairman Delzer: Discussion?

Representative Kaldor: Just a question. The way I read this it wouldn't be exclusive to those two organizations it is open to any organization.

Vice Chairman Thoreson: Those are just two which I know of. There may be others and maybe their dues are even higher. I just know that those organizations charge legislators \$100 per year to be members of. If you choose to be a member you would be able to. It wouldn't force you to be a member of either one.

Chairman Delzer: Are you limited to one organization?

Vice Chairman Thoreson: That was the intent of this.

Chairman Delzer: The reason I asked that was that it seemed to me that ALEC dues were actually \$50/year.

Vice Chairman Thoreson: No those are now \$100/year.

Representative Glassheim: I guess a lot of organizations do pay your dues but like we get paid and if we want to join organizations we can do that without extra help.

Chairman Delzer: Further discussion? I guess along those lines we did have some discussion on the firefighters and whatnot. I don't know. But on the same token we do pay the dues for NCSL and CSG.

Vice Chairman Thoreson: And those are significantly higher. If you divide it out NCSL is I believe over \$200,000 for the biennium if you divide that per each of us that is a significant amount of money.

Representative Glassheim: Those are like trade organizations. These other things are like political organizations.

Vice Chairman Thoreson: I guess I did look at that. Each one of those whether it is CSG, NCSL, ALEC or Women in Government, they are a 501c3 nonprofit bipartisan organization. That is how they list themselves.

Chairman Delzer: Committee members, when you go to those and I have not attended Women in Government, I have been invited but have not attended but certainly there are things that CSG that each of us agrees with and there are things that each of us doesn't agree on. Is there any further discussion?

Representative Berg: My only comment would be, we might want to be a little more specific on the type of organization. I just say that because I have been to so many different groups and I think it is always good for legislators to engage and get another perspective and bring it back here but I am assuming CSG and NCSL and ALEC and Women in Government have a special tax status that means they are not doing political contributions or things like that. We can adopt this now but we should probably check that out because we are representing the State of North Dakota when we attend these groups. I remember Representative Dorso and I went down to a meeting in Phoenix many years ago and we sat at the opening ceremony and Reverend Moon came out. I am just suggesting that maybe that classification and I don't know

what the classification is. I think we should adopt this now and move forward but are we going to act on the full bill?

Chairman Delzer: I was hoping to act on the full bill today.

Representative Meyer: One of the reasons I am just a little leery of this, I don't see even under the intent why it would prohibit you from sending in your dues to the Corn Growers and the Farmers Union, and the Farm Bureau.

Chairman Delzer: I don't either I was just looking at that.

Representative Meyer: That concerns me. I belong to those organizations.

Vice Chairman Thoreson: I suppose you could read that in to it but that certainly was not the intent of it. Perhaps we can find a way to tighten up the language but again my intention were those organizations which obviously there are those four major organizations. Two of which we are already paid for and I am not certain who made the determination way back when that just those two would be funded by the taxpayer but if there is a way to say it is just these organizations that is fine with me.

Chairman Delzer: I guess the question I would have if we do want to go ahead with this maybe you could put language in there that would say that the Legislative Council shall have the final say on whether an organization is considered to be legislative related.

Vice Chairman Thoreson: I have no problem with that but I am not certain that they have any guidelines currently that do that. My only concern is that maybe they would be lobbied to exclude one organization or another.

Chairman Delzer: Have you had discussions with those two organizations whether it makes a difference to them as to what they would expect from a legislator whether a Representative joins out of their own pocket or if it is with state dollars?

Vice Chairman Thoreson: I have not had discussions with them specifically.

Representative Glassheim: Could I pay the dues to the Democratic Party?

Chairman Delzer: No you could not do that simply because it is not legislative related that is political.

Representative Berg: Maybe we could limit that to dues to entities that have the same tax status as NCSL and CSG.

Representative Meyer: I really feel that if you are going to do this there has to be some language in there to limit it to, like if I wanted to sign up for everything, do I get to or if you choose not to.

Chairman Delzer: Why don't we just limit it to those two organizations and be done with it.

Vice Chairman Thoreson: That is fine. Those were the only two that I knew of that charged that amount. That is why I specifically put in the \$100/year.

Representative Meyer: You do have your Association of Legislative Gaming States organization that again is a 501c3 and charges \$100 dues. That is one that I know of off the top of my head.

Chairman Delzer: I was aware of it. As speaker I received a bunch of those. I never got involved with it in any way shape or form but I did receive that.

Representative Meyer: It is just that I think that without some clarification of where you are going with this.

Chairman Delzer: Would you be willing to make your motion that it be dues up to \$100/year for one organization that has the same tax status as NCSL and CSG?

Vice Chairman Thoreson: I would, I believe these two organizations which I referenced have that same tax status so I don't see where that would affect it. I am not certain of the organization which Representative Meyer had referenced whether they are also a 501c3 organization or not.

Representative Meyer: It is the Association of Gambling States.

Chairman Delzer: It looks like NCSL but you put a G in there somewhere.

Representative Meyer: I was trying to figure out where the G went.

Vice Chairman Thoreson: I would amend my motion to limit to one and that they have to have the same tax bracket as CSG or NCSL.

Chairman Delzer: And a limit of one.

Vice Chairman Thoreson: That is correct.

Chairman Delzer: **Representative Kempenich** is that ok for your second?

Representative Kempenich: Yes.

A motion was made by Representative Thoreson, seconded by Representative Kempenich to add amendment 98001.0209 to Senate Bill 2001. Motion carried on a voice vote.

Chairman Delzer: Are there any further proposed amendments?

Vice Chairman Thoreson: I do have one other one but I am not sure I am going to do it. This amendment 0210 would add funding for legislators, right now each of us is a member of the two organizations which I mentioned. However I have had comments by quite a few legislators that while we are members and our dues are paid, we do not get to attend the meetings of those organizations and it sure would be nice to be able to go once in a while. It seems like the same people are kind of chosen time and again. The reason I got those comments is because I have been one of those people, at least with CSG. I have benefited by my membership in that organization or committee chairman status. So I had this amendment drafted. There were some people that asked we do this where the leadership of each chamber would still be able to

send people as usual but each of us as legislators could chose one organization to travel to one meeting a year and claim reimbursement. I will move the amendment.

Representative Kempenich: I will second it for sake of discussion.

Chairman Delzer: The first question I would ask is how much did you figure, \$2500?

Vice Chairman Thoreson: I just asked for the amendment to be drafted. Roxanne do you know how that amount was determined?

Roxanne Woeste, Legislative Council: I did see a draft of this amendment, it was drafted by Allen Knudson, but I don't recall the figures of the top of my head. There was so much money for registration, airline tickets and I believe so much for hotel rooms. I believe he has probably used the averages of what we used for prior out of state travel.

Vice Chairman Thoreson: When I asked for this to be drafted I think did I mention that it was not my intention to have us paid during these times if we chose to go. Was that included in there by any chance?

Roxanne Woeste, Legislative Council: There was no funding included for per diem.

Chairman Delzer: It is just travel related costs.

Vice Chairman Thoreson: That was my intention.

Chairman Delzer: I don't think I am going to support this myself and one of the reasons why is because most of these groups that are over and above, CSG or whatever, first place you have the option of asking. Everyone has the option of asking. That does not mean everybody gets to go to the current ones but everybody has the option of asking. Most of the other groups like ALEC if you belong to ALEC with the exception of their two big conferences, any of the task force related ones there is usually some travel vouchers included.

Vice Chairman Thoreson: That is the case with ALEC as the state co-chair of that we do have to raise our own funding to travel. However this I guess was primarily targeted at people

who had come to me talking about NCSL and CSG who had requested on several occasions to go to the conferences and had for some reason or another not been accepted and very pointedly some people had been keeping lists of who got to go.

Chairman Delzer: Further discussion?

Representative Berg: One of my big concerns is that now is the time that we are probably under more scrutiny in terms of our budget and budgets around the country and I am a little sensitive about adding \$400,000 to legislative travel just in the nature of where we are right now. Now, having said, that this is a whole different perspective having been in the shoes of the person who is picking people to go to the conferences I think it is always very difficult because on the one hand and again I can't speak for everyone but I think people generally try to look at the agenda of the events and try to get someone in the caucus is in particular areas to go to those events. It is very difficult. A lot of people don't go. The other thing for North Dakota long term is we have some people that obviously risen to real leadership positions in those groups and to some degree it would be good for us to encourage that in a better way because not everyone likes to go to the meetings but how can we again set some people up so they are going to go to every meeting and rise to the leadership in those groups because there is very valuable information coming back to us. Maybe my bottom line this is an internal caucus issue that needs to be figured out, maybe more so than just doing it in an amendment at this time.

Chairman Delzer: Further Discussion.

A motion was made by Vice Chairman Thoreson, seconded by Representative Kempenich to add amendment 98001.0210 to Senate Bill 2001. Motion failed. The vote was 3-5-0.

Chairman Delzer: Are there any further proposals? If not we have the amended bill before us.

Vice Chairman Thoreson: I will move a Do Pass, As Amended.

Representative Berg: Second.

Chairman Delzer: Discussion? Seeing none the clerk will call the roll for a Do Pass, As Amended.

A motion was made by Vice Chairman Thoreson, seconded by Representative Berg for a Do Pass, As Amended recommendation to the House Appropriations- Full Committee.

Motion carried. The vote was 8-0-0. Chairman Delzer will carry the bill.

Chairman Delzer closed the discussion on Senate Bill 2001.

2009 HOUSE STANDING COMMITTEE MINUTES

SB 2001

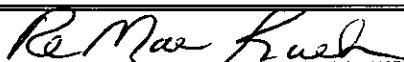
House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: April 9, 2009

Recorder Job Number: 11810

Committee Clerk Signature



Minutes:

Chm. Svedjan turned the Committee's attention to SB 2001 – Legislative Council Budget.

This comes out of Government Operations.

Amendment .0211 (Attachment A) was distributed.

Rep. Delzer explained the amendment by reviewing the Statement of Purpose of Amendment.

Funding for Legislative Wing Equipment Improvements is reduced by \$430,000 from \$1,430,000 to \$1 million. When it came from the Senate it was \$1,430,000 in there for a number of different additions. One had to do with committee voting machines and keeping records of committee voting. We figured we did not want that. It was \$500,000. We removed \$430,000 of that. Part of the reason we ended at \$430,000 is when the Senate brought it over they said the money was to be split half and half between the Senate and House. The Senate members of the management committee would decide their half. The House members management would decide theirs. Our section did not agree with that. We got square footage of both sides. Now the \$1 million will be split—35% for the Senate, 55% for the House and 10% by the whole management committee. A section is added for a Legislative Council study of State employee compensation. Funding is added to hire a consultant if necessary to assist with the study, that's \$100,000. We added funds of \$28,200 for each legislator to receive up to \$100 per year for membership dues of an organization like the NCSL or the CSG at their

request as decided by the Legislative Council. The whole council would decide what would qualify. Then if somebody wanted to join a group, they could receive some of their funding back. This was proposed and adopted by the section. We also have Section 10 (4:19) of the amendment, if you wanted to bundle your phone service, broad band, etc. and the organization you wanted to buy it from would not split that, this would give you the authorization to bundle it and the council would pay you instead of paying the provider like they do now if the provider would not split out the bill. There was money for data side of Blackberrys for legislators that want to hook to email with Blackberrys. The Senate removed the hardware money for that and we did not add that back.

I would move the amendment.

Rep. Kempenich: Seconded the motion.

Rep. Svedjan: Has it been a problem with bundling the services?

Rep. Delzer: I think we have heard of a couple of problems. The guidelines are set up by the Legislative Council.

Rep. Nelson: I can tell you in Rugby that ND Telephone just laid fiber optic lines and I am like you have a bundled rate from MidContinent. They could not split that bill from ND Telephone.

Rep. Svedjan: Have you been paying your own?

Rep. Nelson: No I signed up with MidCo.

Rep. Skarphol: I am one of those that have an issue being resolved by this. My provider refuses to split the broadband out so the council can pay that separately. A bundled package saves us both money and for me to get compensated for that service. I bill Information Technology Department and they bill me for the cost. It saves Council about \$7 per month and it saves me a like amount.

Rep. Skarphol: In Section 10, is that an either/or scenario between subsections 1 & 2 or are members entitled to have both?

Rep. Delzer: (8:00) I would think they would be entitled for both because they are different sections and it is different services.

Allen: That is correct. They could have one or the other or both.

Rep. Skarphol: In #2 with regard to the smart phone service, is the state going to be paying the phone call cost of the smart phone or does it only apply to the data portion?

Rep. Delzer: It's only the data part.

Chm. Svedjan: It does state smart phone data services.

Rep. Kroeber: (9:08) Aren't we already all members of the National Conference of State Legislatures and Council of State Governments?

Chm. Svedjan: We are members of both those organizations but there are also others like the American Legislative Exchange Council, State Government Affairs Council, Women's Legislative, etc.

Rep. Thoreson: There are several others – especially for women in government. They all have fees for around \$100 per year. We do not have a choice of membership in NCSL or CSG. Both are great organizations. But if there was another one that we would be interested in, we could go through this process to fund that.

Rep. Hawken: (10:20) What is the rationale of \$100,000 for a consultant.

Rep. Delzer: That is to hire somebody to come in with HR background to look at our classification system and see how that will work. They asked for the money but if it isn't used, it will be turned back.

Rep. Hawken: Who proposed it?

Rep. Delzer: Rep. Wieland, Rep. Metcalf and I brought something forward last session.

Rep. Kroeber: Is this in addition to what HR does or in conjunction?

Rep. Delzer: That will be set up by Legislative Council.

Voice Vote taken on motion for amendment .0211. (Vote 1)

Motion carries.

Rep. Carlson approached the podium and distributed amendment .0205 (Attachment B).

(12:50)

Allen Knudson explained the amendment. (14:00)

On the bottom of page 1 there is a new Section 9 added. It sets up a Legislative Budget Committee. It creates in statute this Legislative Budget Committee and indicates that the Council shall appoint this committee each interim to direct activities involved in the development of budget recommendations to assist the assembly as it develops policy and provides appropriations for state government. The duties are listed on the bottom of page 1 and top of page 2. The first is that the committee would work in conjunction with OMB in setting budget guidelines for agencies to use when they submit their budget requests. Second, to review budget requests, programs, and activities of state agencies. Third, to develop budget related recommendations pertaining to the state budget including revenues or appropriations. Fourth, to draft the appropriation bills that will be introduced to each session at the base level from the previous biennium. The bills introduced would be at the previous biennium's level and would not include the Governor's recommendation. Going on to Section 10, the first change provides that the Legislative Council also get the budget requests that are submitted by agencies. The second item toward the middle of the paragraph, also consider recommendations of Legislative Council. It is not binding on OMB to include the budget guidelines that the council suggests but they are to consider those. Agency budget requests need to be submitted by July 15. OMB can give extensions on those. This would also require

Legislative Council approve any extensions on budget request submission dates. Section 11 deals with the Governor's Executive Recommendation. The change here is that instead of the Governor introducing the appropriation bills, the Governor would introduce amendments to the appropriation bills that are submitted to the Legislative Council. That is the same change in Section 12. The last change is on the purpose of amendment to deal with the additional work load from this budget committee. There is one additional fiscal staff person to the Legislative Council. That is \$154,000 from the General Fund.

Rep. Onstad: (17:23) What you are saying is that OMB still puts together a budget along with LC?

Mr. Knudson: The Governor's Executive Budget would be put together as it is now. The only difference would be there would be amendments to appropriation bills that are introduced through the Legislative Council. The Legislative Budget Committee may just make recommendation on certain parts of the budget. Any recommendations they make would also be amendments to the appropriation bills.

Rep. Onstad: (18:10) We would end up seeing a budget recommendation with OMB and LC and not the Governor. Is that correct? He would look at it and add amendments just like any legislator would add or take away amendments.

Allen: No. The Governor's budget would be handled the same way as it is now except instead of getting an appropriation bill you have an amendment. The Governor would make recommendations just like he does now.

Rep. Ekstrom: How does this jive with the Governor's constitutional responsibility to present us with a budget?

Rep. Carlson: (19:11) The Constitutional question is a good one. There is no Constitutional responsibility for him to prepare the budget. He can submit a recommendation for us. It has

always been the legislature's responsibility to pass a balanced budget as they leave the assembly. Most of the abilities that he has to prepare a budget have been granted statutorily by us since 1965. At one point in time I thought we should combine the two and have one budget book and one agency preparing budgets with more legislative involvement. We get a red book or we get a book from the Governor when we have our organizational session. I saw what we were going to propose as a level of spending for this biennium. Our involvement at that point in how our spending is going to take shape is zero. I put out a document that said how it could work if we combined the two agencies. It somehow got to the Governor's office and it created quite a stir. In 1965 it was a real burden for legislators to drive from home and have the ability to share and gather information on a concise and rapid basis. So they said we can't prepare this budget any more and we are going to have OMB prepare the budget. I will guarantee you that $\frac{3}{4}$ of the time you have spent here during the last three and a half months has been discussing about whether or not something is in the Governor's budget and how we make room for some legislative initiatives. The Governor doesn't do anything different than before except when he submits his budget it will be as amendments to the existing budget we have. From our perspective it would be much easier to track--from this point forward, what is different. It lets us be involved in saying we have a few priorities. It does not supersede any of his authority which was granted by us. I find it frustrating that there never seems to be any room for other initiatives or input because it is not in the Governor's budget. Last time we had a Budget and Finance Committee, I asked over and over again, "What does it cost to continue for government." I never got an answer. That's why the chart came to me with all the formulas. But when we got to the session, they had a number. How many of you know how much of each budget goes to salaries? Those are the types of questions we should be responsible for asking. This is a good step forward to be more engaged in the budget writing

process. This belongs in the Legislative Council budget. I hope you would add these amendments on.

Rep. Ekstrom: (24:06) In the Human Resources Subsection we had a great deal of frustration with the form that the agencies came in to show their spend-out reports. It differs from agency to agency. If we had more consistency with regard to the prior biennium level of spending with this biennium spending. Rep. Pollert would probably agree with me. The Dept. of Health has a really good format to look at.

Rep. Carlson: This does not tell the Governor that he can't propose every bill he proposed this time. It does say that all those changes to the existing bills would be in the form of amendments. That is the same amendments that we can add on those bills. I think that is a real big deal. I know there are those that will be worried that we are taking away the authority.

This bill does not do that.

Chm. Svedjan: Attached to these amendments is the budgetary information related to Legislative Council.

Allen: (25:57) We're not sure what the expectations will be of this new Committee. We thought we would need one more person.

Rep. Onstad: (26:25) When we talk about the Legislative Budget Committee, is that going to be reflective of the same percentages of legislators on that?

Rep. Carlson: Absolutely.

Rep. Onstad: What kind of time is expected of that committee?

Rep. Carlson: How many times did we meet last interim on the Budget and Finance Committee, Al?

Allen: We met for about a year. Maybe 6, 7 or 8 times.

Rep. Carlson: There are some meetings required but it's not every month. The Governor's office does that now.

Rep. Hawken: (27:43) I think you know I'm a straight shooter. This concerns me slightly. I would like your word that this is not a game.

Rep. Carlson: It is not a game. This is our involvement in the process. This just gives us a seat at the table.

Rep. Hawken: I would also request that if we are going to represent the legislature, there should be at least some gender equity on it.

Rep. Skarphol: (29:03) I move amendment .0205.

Rep. Thoreson: Seconded.

Rep. Skarphol: Are we anticipating at all doing things through the Internet or IVAN to prevent the travel and still give us the opportunity to have input?

Rep. Carlson: If you cannot make the interim meetings, we are not going to pipe it into you. But maybe we should look at that on key meetings to make sure it is available for members who can't be there. I would say the technology is in our favor here.

Rep. Skarphol: I don't think we should vote in that situation, but it would allow more members to participate.

Chm. Svedjan: Accessing the handout materials would probably be the biggest difficulty. It's worth looking at.

Rep. Carlson: As an example, we are trying to deal with this legislative application system that didn't work this time that we have appropriated money for next time. The slideshow came from a guy sitting in Dublin Ireland. Everyone was able to access and could communicate. We should be using the technologies available to us.

Voice Vote taken. (Vote 2) Motion carries. Amendment is adopted.

Rep. Delzer moved a Do Pass as Amended.

Rep. Kempenich seconded the motion.

Discussion:

Rep. Delzer: There is a pay raise for leaders, Majority and Minority Leaders. They get a little bit extra (\$14) every month for work they do during the off time. There is money for the system for the council for our Laws System update. (32:56)

Rep. Glassheim: I think this amendment has probably been in the works for some time. I'm uneasy about the amendment. It seems to have a mistrust of the Governor. I trust the Governor more with a whole bunch of professionals working for him than I do a small committee of powerful legislators who will have their agendas front and center. I can see how easily it can be taken over that a minority group of powerful legislators will use this to get what they want. Often what they want and what the rest of us want have very little in common. This gives them a leg up in proposing a budget instead of the Governor. In the past twelve years, I've only served under Republican Governors and found them to be more sensible than the legislature. I think this is a set up for the takeover of the budgeting process by a small group of people who are actually representative of even their own party.

Chm. Svedjan: Would you serve on that small group?

Rep. Glassheim: Yes.

Rep. Onstad: (36:10) Then the discussion goes just as it has for the last eighty days. If the Budget Committee is going to have a say in this, there's probably going to be some political after tones in it whether you are for or against it. I have to look at it as what is presented always seems to be a different branch and we have to legislate and we have to agree or disagree. My point is that I don't know if it will come as a neutral unbiased because of the split.

You are going to be part of that discussion 6 months prior to the session. There are a lot of good points. I don't think it's going to come as an unbiased budget agency by agency.

Chm. Svedjan: I had the opportunity to serve on the Executive Committee of the National Conference of State Legislatures. I've become good friends with the Senator from New Mexico who is a Democrat. Mexico has gone down this route. With the Governor proposing the budget by himself or herself, the legislators were rarely left room to implement some of the things that were considered to be priority to either party. It has not displaced their OMB. It has created more of a cooperative effort at arriving at a budget that is made available to all of us when we come into session. It allows more input from the legislative side.

Rep. Kroeber: (40:03) I attend the State Hospital quarterly meetings. Before they get here, the amount of time they spend on budgeting and the amount of paperwork that they turn in and now we are going to have a handful of legislators and one person in Legislative Council that can generate a budget -- it seems unrealistic.

Rep. Skarphol: (40:46) In response to Rep. Glassheim's concerns about a few legislators can have undo influence, I think that could happen today. I don't see any difference between what is being proposed and what could happen today. I could come to this session more prepared than you and vice versa. I don't see how this will change that.

Chm. Svedjan: One of the key pieces is the establishment of budget criteria and what those criteria might be is unknown at this point. This is how budgeting is done in the place I worked for a long time. Criteria were established, approved by the board, and then filtered down to those who generate the detail of the budget after which it all flows up and there is an analysis done as to whether or not it fits with the established criteria. Occasionally there needs to be an exception to those criteria depending on the demand or urgency. This year is a good example of that. Coming into this session we knew we had surplus funds. We did not know what was

going to happen to the economy. None of us anticipated the level of snow and the disasters that resulted. With regard to those kinds of things there sometimes needs to be an exception made to criteria.

Rep. Martinson: (43:06) Don't we normally debate the merits of a motion before we pass it?

Rep. Meyer: I would feel more comfortable with this if there were some guidelines to the Budget Committee. I see problems with majority/minority split, gender balance, etc. There's nothing to prevent all Fargo legislators on there in this language. I feel like that is why it is problematic to me.

Rep. Ekstrom: (44:20) It does not say how large this Committee will be, will it be the same as other interim committees, and geographic distribution.

Rep. Skarphol: I think those rules that apply to any interim committee will apply to this one.

There are rules or at least traditions in place that I would think would be honored.

Rep. Delzer: The whole Council has to adopt the committee makeup.

A Roll Call vote was taken on Do Pass as amended. (Vote 3) **Yes: 14, No: 11, Absent: 0.**

Motion carries.

Representative Delzer will carry the bill.

98001.0202
Title.
Fiscal No. 2

Prepared by the Legislative Council staff for
Representative Delzer
March 4, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 19, replace "1,224,000" with "724,000" and replace "1,430,000" with "930,000"

Page 1, line 24, replace "6,528,252" with "6,028,252" and replace "16,444,554" with
"15,944,554"

Page 2, line 18, replace "8,002,692" with "7,502,692" and replace "26,537,857" with
"26,037,857"

Page 2, line 20, replace "8,002,692" with "7,502,692" and replace "26,607,857" with
"26,107,857"

Page 2, line 29, replace "1,430,000" with "930,000"

Page 2, line 30, replace "5,433,327" with "4,933,327"

Page 3, line 30, replace "\$715,000" with "\$310,000"

Page 3, line 31, replace "\$1,430,000" with "\$930,000"

Page 4, line 2, replace "\$715,000" with "\$620,000 of the \$930,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0202 FN 2

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
Legislative Assembly				
Total all funds	\$16,338,537	\$16,444,554	(\$500,000)	\$15,944,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$500,000)	\$15,944,554
Legislative Council				
Total all funds	\$10,145,195	\$10,163,303	\$0	\$10,163,303
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$0	\$10,093,303
Bill total				
Total all funds	\$26,483,732	\$26,607,857	(\$500,000)	\$26,107,857
Less estimated income	70,000	70,000	0	70,000
General fund	\$26,413,732	\$26,537,857	(\$500,000)	\$26,037,857

Senate Bill No. 2001 - Legislative Assembly - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$7,744,942	\$7,933,506		\$7,933,506
Operating expenses	3,025,108	2,942,561		2,942,561
Capital assets	1,430,000	1,430,000	(500,000)	930,000
National Conf. of State Legislatures	227,660	227,660		227,660
Legislative applications replacement	3,910,827	3,910,827		3,910,827
Total all funds	\$16,338,537	\$16,444,554	(\$500,000)	\$15,944,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$500,000)	\$15,944,554
FTE	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of House Changes

	Reduces Legislative Improvements Funding¹	Total House Changes
Salaries and wages		
Operating expenses		
Capital assets	(500,000)	(500,000)
National Conf. of State Legislatures		
Legislative applications replacement		
Total all funds	(\$500,000)	(\$500,000)
Less estimated income	0	0
General fund	(\$500,000)	(\$500,000)
FTE	0.00	0.00

¹ Funding for legislative wing equipment and improvements is reduced by \$500,000, from \$1,430,000 to \$930,000. The section added by the Senate providing that 50 percent of these funds be used as determined by Senate members of the Legislative Management Committee and 50 percent by House members of the committee is changed to provide that one-third of the \$930,000 be used as determined by Senate members of the Legislative Management Committee and two-thirds as determined by House members of the committee.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 19, replace "1,224,000" with "724,000" and replace "1,430,000" with "930,000"

Page 1, line 24, replace "6,528,252" with "6,028,252" and replace "16,444,554" with
"15,944,554"

Page 2, line 18, replace "8,002,692" with "7,502,692" and replace "26,537,857" with
"26,037,857"

Page 2, line 20, replace "8,002,692" with "7,502,692" and replace "26,607,857" with
"26,107,857"

Page 2, line 29, replace "1,430,000" with "930,000"

Page 2, line 30, replace "5,433,327" with "4,933,327"

Page 3, line 30, replace "\$715,000" with "the sum of \$150,000"

Page 3, line 31, replace "\$1,430,000" with "\$930,000"

Page 4, line 2, replace "the remaining \$715,000" with "a separate sum of \$150,000 of the
\$930,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0203 FN 1

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
Legislative Assembly				
Total all funds	\$16,338,537	\$16,444,554	(\$500,000)	\$15,944,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$500,000)	\$15,944,554
Legislative Council				
Total all funds	\$10,145,195	\$10,163,303	\$0	\$10,163,303
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$0	\$10,093,303
Bill total				
Total all funds	\$26,483,732	\$26,607,857	(\$500,000)	\$26,107,857
Less estimated income	70,000	70,000	0	70,000
General fund	\$26,413,732	\$26,537,857	(\$500,000)	\$26,037,857

Senate Bill No. 2001 - Legislative Assembly - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$7,744,942	\$7,933,506		\$7,933,506
Operating expenses	3,025,108	2,942,561		2,942,561
Capital assets	1,430,000	1,430,000	(500,000)	930,000
National Conf. of State Legislatures	227,660	227,660		227,660
Legislative applications replacement	3,910,827	3,910,827		3,910,827
Total all funds	\$16,338,537	\$16,444,554	(\$500,000)	\$15,944,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$500,000)	\$15,944,554
FTE	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of House Changes

	Reduces Legislative Improvements Funding¹	Total House Changes
Salaries and wages		
Operating expenses		
Capital assets	(500,000)	(500,000)
National Conf. of State Legislatures		
Legislative applications replacement		
Total all funds	(\$500,000)	(\$500,000)
Less estimated income	0	0
General fund	(\$500,000)	(\$500,000)
FTE	0.00	0.00

¹ Funding for legislative wing equipment and improvements is reduced by \$500,000, from \$1,430,000 to \$930,000. The section added by the Senate providing that 50 percent of these funds be used as determined by Senate members of the Legislative Management Committee and 50 percent by House members of the committee is changed to provide that \$150,000 of the \$930,000 be used as determined by Senate members of the Legislative Management Committee and \$150,000 by House members of the committee.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 4, after the second semicolon insert "to provide for a legislative council study;"

Page 2, line 6, replace "758,046" with "858,046" and replace "3,393,934" with "3,493,934"

Page 2, line 9, replace "1,474,440" with "1,574,440" and replace "10,163,303" with
"10,263,303"

Page 2, line 11, replace "1,474,440" with "1,574,440" and replace "10,093,303" with
"10,193,303"

Page 2, line 18, replace "8,002,692" with "8,102,692" and replace "26,537,857" with
"26,637,857"

Page 2, line 20, replace "8,002,692" with "8,102,692" and replace "26,607,857" with
"26,707,857"

Page 3, after line 12, insert:

"State employee compensation study	0	100,000"
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Page 3, line 14, replace "70,000" with "170,000"

Page 4, after line 11, insert:

**"SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE
COMPENSATION.** During the 2009-10 interim, the legislative council shall consider
studying the classified state employee compensation system, including a review of the
development and determination of pay grades and classifications. The legislative
council shall report its findings and recommendations, together with any legislation
required to implement the recommendations, to the sixty-second legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0206 FN 4

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
Legislative Assembly				
Total all funds	\$16,338,537	\$16,444,554	\$0	\$16,444,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	\$0	\$16,444,554
Legislative Council				
Total all funds	\$10,145,195	\$10,163,303	\$100,000	\$10,263,303
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$100,000	\$10,193,303
Bill total				
Total all funds	\$26,483,732	\$26,607,857	\$100,000	\$26,707,857
Less estimated income	70,000	70,000	0	70,000
General fund	\$26,413,732	\$26,537,857	\$100,000	\$26,637,857

Senate Bill No. 2001 - Legislative Council - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$6,710,261	\$6,728,369		\$6,728,369
Operating expenses	3,393,934	3,393,934	100,000	3,493,934
Capital assets	41,000	41,000		41,000
Total all funds	\$10,145,195	\$10,163,303	\$100,000	\$10,263,303
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$100,000	\$10,193,303
FTE	33.00	33.00	0.00	33.00

Department No. 160 - Legislative Council - Detail of House Changes

	Adds Funding for Compensation Study ¹	Total House Changes
Salaries and wages		
Operating expenses	100,000	100,000
Capital assets		
Total all funds	\$100,000	\$100,000
Less estimated income	0	0
General fund	\$100,000	\$100,000
FTE	0.00	0.00

¹ A section is added providing for a Legislative Council study of state employee compensation. Funding is added for hiring a consultant, if necessary, to assist with the study.

98001.0211
Title.
Fiscal No. 10

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

March 26, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 2, after the second semicolon insert "to create and enact a new section to chapter 54-03 of the North Dakota Century Code, relating to reimbursement of broadband and certain wireless expenses of members of the legislative assembly;"

Page 1, line 4, after the second semicolon insert "to provide for a legislative council study;"

Page 1, line 19, replace "1,224,000" with "794,000" and replace "1,430,000" with "1,000,000"

Page 1, line 24, replace "6,528,252" with "6,098,252" and replace "16,444,554" with "16,014,554"

Page 2, line 6, replace "758,046" with "886,246" and replace "3,393,934" with "3,522,134"

Page 2, line 9, replace "1,474,440" with "1,602,640" and replace "10,163,303" with "10,291,503"

Page 2, line 11, replace "1,474,440" with "1,602,640" and replace "10,093,303" with "10,221,503"

Page 2, line 18, replace "8,002,692" with "7,700,892" and replace "26,537,857" with "26,236,057"

Page 2, line 20, replace "8,002,692" with "7,700,892" and replace "26,607,857" with "26,306,057"

Page 2, line 29, replace "1,430,000" with "1,000,000"

Page 2, line 30, replace "5,433,327" with "5,003,327"

Page 3, after line 12, insert:

"State employee compensation study	0	100,000"
------------------------------------	---	----------

Page 3, line 14, replace "70,000" with "170,000"

Page 3, line 30, replace "\$715,000" with "the sum of \$350,000"

Page 3, line 31, replace "\$1,430,000" with "\$1,000,000"

Page 4, line 2, replace "the remaining \$715,000" with "a separate sum of \$550,000 of the \$1,000,000"

Page 4, line 4, after "committee" insert "and any expenditures relating to the remaining \$100,000 must be approved by all members of this committee"

Page 4, after line 11, insert:

"SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE COMPENSATION. During the 2009-10 interim, the legislative council shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly."

Page 4, after line 27, insert:

"SECTION 10. A new section to chapter 54-03 of the North Dakota Century Code is created and enacted as follows:

Payment for broadband Internet and smartphone data services for legislators.

1. Each member of the legislative assembly may receive from the information technology department broadband internet service to be used for legislative business. If a member elects to receive broadband internet service for legislative business from a provider other than the information technology department, the member is entitled to be reimbursed for the cost of the service if the legislative council determines that the purchase of that service from the provider will result in a cost-savings to the state, based upon the average cost of the information technology department to provide service to other members of the legislative assembly.
2. A member of the legislative assembly who acquires a smartphone to be used for legislative business may receive associated data services from the information technology department. If a member elects to receive smartphone data services for legislative business from a provider other than the information technology department, the member is entitled to be reimbursed for the cost of the service if the legislative council determines that the purchase of that service from the provider will result in a cost-savings to the state, based upon the average cost of the information technology department to provide the service to other members of the legislative assembly.
3. The legislative council shall establish guidelines and procedures for reimbursement under this section, including requiring necessary documentation of expenses being claimed."

Page 4, line 28, replace "7" with "8"

Page 4, line 29, replace "8" with "9"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0211 FN 10

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
Legislative Assembly				
Total all funds	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554
Legislative Council				
Total all funds	\$10,145,195	\$10,163,303	\$128,200	\$10,291,503
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$128,200	\$10,221,503
Bill total				
Total all funds	\$26,483,732	\$26,607,857	(\$301,800)	\$26,306,057
Less estimated income	70,000	70,000	0	70,000
General fund	\$26,413,732	\$26,537,857	(\$301,800)	\$26,236,057

Senate Bill No. 2001 - Legislative Assembly - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$7,744,942	\$7,933,506		\$7,933,506
Operating expenses	3,025,108	2,942,561		2,942,561
Capital assets	1,430,000	1,430,000	(430,000)	1,000,000
National Conf. of State Legislatures	227,660	227,660		227,660
Legislative applications replacement	3,910,827	3,910,827		3,910,827
Total all funds	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554
FTE	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of House Changes

	Reduces Legislative Improvements Funding¹	Total House Changes
Salaries and wages		
Operating expenses		
Capital assets	(430,000)	(430,000)
National Conf. of State Legislatures		
Legislative applications replacement		
Total all funds	(\$430,000)	(\$430,000)
Less estimated income	0	0
General fund	(\$430,000)	(\$430,000)
FTE	0.00	0.00

Funding for legislative wing equipment and improvements is reduced by \$430,000, from \$1,430,000 to \$1,000,000. The section added by the Senate providing that 50 percent of these funds be used as determined by Senate members of the Legislative Management Committee and 50 percent by House members of the committee is changed to provide that 35 percent be used as determined by Senate members of the Legislative Management Committee, 55 percent by House members of the committee, and the remaining 10 percent by all members of the committee.

A section is added providing an option for legislators to be reimbursed for broadband and certain wireless expenses.

Senate Bill No. 2001 - Legislative Council - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$6,710,261	\$6,728,369		\$6,728,369
Operating expenses	3,393,934	3,393,934	128,200	3,522,134
Capital assets	41,000	41,000		41,000
Total all funds	\$10,145,195	\$10,163,303	\$128,200	\$10,291,503
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$128,200	\$10,221,503
FTE	33.00	33.00	0.00	33.00

Department No. 160 - Legislative Council - Detail of House Changes

	Adds Funding for Compensation Study ¹	Adds Funding for Discretionary Fees ²	Total House Changes
Salaries and wages			
Operating expenses	100,000	28,200	128,200
Capital assets			
Total all funds	\$100,000	\$28,200	\$128,200
Less estimated income	0	0	0
General fund	\$100,000	\$28,200	\$128,200
FTE	0.00	0.00	0.00

¹ A section is added providing for a Legislative Council study of state employee compensation. Funding is added for hiring a consultant, if necessary, to assist with the study.

² Funding is added to allow each legislator to claim reimbursement of up to \$100 per year for membership fees or dues relating to one legislative-related organization similar to the National Conference of State Legislatures or the Council of State Governments as determined by each legislator in accordance with Legislative Council guidelines.

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2001

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 98001.0211

Action Taken DO PASS AS AMENDED

☐ Voice Vote

☒ Roll Call Vote

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

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) 8 No 0

Absent 0

Floor Assignment Chairman Delzer:

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

Date: 4/9/09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2001

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number .0211

Action Taken adopt amendment .0211

Motion Made By Delzer Seconded By Kempner

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
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 Voic Vote - carries

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

98001.0205
Title.
Fiscal No. 3

Prepared by the Legislative Council staff for
Representative Carlson
March 19, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 2, after the second semicolon insert "to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to a legislative budget committee;"

Page 1, line 3, after "54-03-20" insert ", section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07"

Page 1, line 4, after "compensation" insert ", budget requests, and drafts of appropriation bills"

Page 2, line 5, replace "925,394" with "1,073,394" and replace "6,728,369" with "6,876,369"

Page 2, line 6, replace "758,046" with "764,046" and replace "3,393,934" with "3,399,934"

Page 2, line 9, replace "1,474,440" with "1,628,440" and replace "10,163,303" with "10,317,303"

Page 2, line 11, replace "1,474,440" with "1,628,440" and replace "10,093,303" with "10,247,303"

Page 2, line 12, replace "0.00" with "1.00" and replace "33.00" with "34.00"

Page 2, line 18, replace "8,002,692" with "8,156,692" and replace "26,537,857" with "26,691,857"

Page 2, line 20, replace "8,002,692" with "8,156,692" and replace "26,607,857" with "26,761,857"

Page 4, after line 27, insert:

"SECTION 9. A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

Legislative budget committee - Creation - Duties. The legislative council, during each biennium, shall appoint a legislative budget committee to coordinate and direct activities involved in the development of budget recommendations to assist the legislative assembly as it develops policy and provides appropriations for the operations of state government. The legislative budget committee, with the assistance of the legislative budget analyst and auditor, shall:

1. Develop recommendations for the office of management and budget to include in its forms and guidelines for agencies to use in preparing budget requests;
2. Review, analyze, and evaluate budgets, budget requests, programs, and activities of state agencies, institutions, and departments; and
3. Develop budget-related recommendations pertaining to the state budget or any portion of that budget, including revenues and appropriations to assist

the legislative assembly as it develops policy and provides appropriations for the operations of state government.

4. Prepare drafts of appropriations acts for the next biennium providing funding at the same base level approved by the most recently adjourned special or regular session of the legislative assembly and any draft amendments to these acts to implement recommendations of the committee.

SECTION 10. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

(Effective after June 30, 2009) Budget estimates of budget units filed with the office of the budget and the legislative council - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget and the legislative council, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget considering recommendations of the legislative council, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget, subject to approval by the legislative council, may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 11. AMENDMENT. Subsection 7 of section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2009, is amended and reenacted as follows:

7. Drafts of a proposed amendment to a general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. ~~The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.~~

SECTION 12. AMENDMENT. Section 54-44.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-07. Presentation of budget data - How presented to the legislative assembly. The director of the budget or the director's designee shall present the budget data information in section 54-44.1-06, except the drafts of ~~acts~~ amendments required by subsection 7 of that section, and make available sufficient copies thereof to the legislative assembly at the organizational session. The drafts of ~~acts~~ amendments required by subsection 7 of section 54-44.1-06 must be submitted to the legislative council within seven days after the day of adjournment of the organizational session. The budget data must be completed and made available to the legislative assembly in such form as may be prescribed by the legislative council. The legislative council shall set the time and place at which such budget data is to be presented."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0205 FN 3

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
Legislative Assembly				
Total all funds	\$16,338,537	\$16,444,554	\$0	\$16,444,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	\$0	\$16,444,554
Legislative Council				
Total all funds	\$10,145,195	\$10,163,303	\$154,000	\$10,317,303
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$154,000	\$10,247,303
Bill total				
Total all funds	\$26,483,732	\$26,607,857	\$154,000	\$26,761,857
Less estimated income	70,000	70,000	0	70,000
General fund	\$26,413,732	\$26,537,857	\$154,000	\$26,691,857

Senate Bill No. 2001 - Legislative Council - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$6,710,261	\$6,728,369	\$148,000	\$6,876,369
Operating expenses	3,393,934	3,393,934	6,000	3,399,934
Capital assets	41,000	41,000		41,000
Total all funds	\$10,145,195	\$10,163,303	\$154,000	\$10,317,303
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$154,000	\$10,247,303
FTE	33.00	33.00	1.00	34.00

Department No. 160 - Legislative Council - Detail of House Changes

	Adds Fiscal Position¹	Total House Changes
Salaries and wages	\$148,000	\$148,000
Operating expenses	6,000	6,000
Capital assets		
Total all funds	\$154,000	\$154,000
Less estimated income	0	0
General fund	\$154,000	\$154,000
FTE	1.00	1.00

¹ Sections are added creating a legislative budget committee to involve the legislative branch earlier in the budget development process and making changes to the introduction process for appropriation bills. One additional fiscal staff position is added.

Date: 4/9/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2001

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number .0205

Action Taken Adopt amendment .0205

Motion Made By Skarphol Seconded By Thoreson

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
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 Veri Vote - carries

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

VR
4/13/09
186

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 2, after the second semicolon insert "to create and enact a new section to chapter 54-03 and a new section to chapter 54-35 of the North Dakota Century Code, relating to reimbursement of broadband and certain wireless expenses of members of the legislative assembly and to a legislative budget committee;"

Page 1, line 3, after "54-03-20" insert ", section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07"

Page 1, line 4, after "compensation" insert ", budget requests, and drafts of appropriation bills" and after the second semicolon insert "to provide for a legislative council study;"

Page 1, line 19, replace "1,224,000" with "794,000" and replace "1,430,000" with "1,000,000"

Page 1, line 24, replace "6,528,252" with "6,098,252" and replace "16,444,554" with "16,014,554"

Page 2, line 5, replace "925,394" with "1,073,394" and replace "6,728,369" with "6,876,369"

Page 2, line 6, replace "758,046" with "892,246" and replace "3,393,934" with "3,528,134"

Page 2, line 9, replace "1,474,440" with "1,756,640" and replace "10,163,303" with "10,445,503"

Page 2, line 11, replace "1,474,440" with "1,756,640" and replace "10,093,303" with "10,375,503"

Page 2, line 12, replace "0.00" with "1.00" and replace "33.00" with "34.00"

Page 2, line 18, replace "8,002,692" with "7,854,892" and replace "26,537,857" with "26,390,057"

Page 2, line 20, replace "8,002,692" with "7,854,892" and replace "26,607,857" with "26,460,057"

Page 2, line 29, replace "1,430,000" with "1,000,000"

Page 2, line 30, replace "5,433,327" with "5,003,327"

Page 3, after line 12, insert:

"State employee compensation study	0	100,000"
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Page 3, line 14, replace "70,000" with "170,000"

Page 3, line 30, replace "\$715,000" with "the sum of \$350,000"

Page 3, line 31, replace "\$1,430,000" with "\$1,000,000"

Page 4, line 2, replace "the remaining \$715,000" with "a separate sum of \$550,000 of the \$1,000,000"

Page 4, line 4, after "committee" insert "and any expenditures relating to the remaining \$100,000 must be approved by all members of this committee"

Page 4, after line 11, insert:

"SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE COMPENSATION. During the 2009-10 interim, the legislative council shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly."

Page 4, after line 27, insert:

"SECTION 10. A new section to chapter 54-03 of the North Dakota Century Code is created and enacted as follows:

Payment for broadband internet and smartphone data services for legislators.

1. Each member of the legislative assembly may receive from the information technology department broadband internet service to be used for legislative business. If a member elects to receive broadband internet service for legislative business from a provider other than the information technology department, the member is entitled to be reimbursed for the cost of the service if the legislative council determines that the purchase of that service from the provider will result in a cost-savings to the state, based upon the average cost of the information technology department to provide service to other members of the legislative assembly.
2. A member of the legislative assembly who acquires a smartphone to be used for legislative business may receive associated data services from the information technology department. If a member elects to receive smartphone data services for legislative business from a provider other than the information technology department, the member is entitled to be reimbursed for the cost of the service if the legislative council determines that the purchase of that service from the provider will result in a cost-savings to the state, based upon the average cost of the information technology department to provide the service to other members of the legislative assembly.
3. The legislative council shall establish guidelines and procedures for reimbursement under this section, including requiring necessary documentation of expenses being claimed.

SECTION 11. A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

Legislative budget committee - Creation - Duties. The legislative council, during each biennium, shall appoint a legislative budget committee to coordinate and direct activities involved in the development of budget recommendations to assist the legislative assembly as it develops policy and provides appropriations for the operations of state government. The legislative budget committee, with the assistance of the legislative budget analyst and auditor, shall:

1. Develop recommendations for the office of management and budget to include in its forms and guidelines for agencies to use in preparing budget requests;
2. Review, analyze, and evaluate budgets, budget requests, programs, and activities of state agencies, institutions, and departments;
3. Develop budget-related recommendations pertaining to the state budget or any portion of that budget, including revenues and appropriations to assist the legislative assembly as it develops policy and provides appropriations for the operations of state government; and
4. Prepare drafts of appropriations acts for the next biennium providing funding at the same base level approved by the most recently adjourned special or regular session of the legislative assembly and any draft amendments to these acts to implement recommendations of the committee.

SECTION 12. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

(Effective after June 30, 2009) Budget estimates of budget units filed with the office of the budget and the legislative council - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget and the legislative council, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget considering recommendations of the legislative council, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget, subject to approval by the legislative council, may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 13. AMENDMENT. Subsection 7 of section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2009, is amended and reenacted as follows:

7. Drafts of a proposed amendment to a general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. ~~The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.~~

SECTION 14. AMENDMENT. Section 54-44.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-07. Presentation of budget data - How presented to the legislative assembly. The director of the budget or the director's designee shall present the

4 of 6

budget data information in section 54-44.1-06, except the drafts of ~~aets~~ amendments required by subsection 7 of that section, and make available sufficient copies thereof to the legislative assembly at the organizational session. The drafts of ~~aets~~ amendments required by subsection 7 of section 54-44.1-06 must be submitted to the legislative council within seven days after the day of adjournment of the organizational session. The budget data must be completed and made available to the legislative assembly in such form as may be prescribed by the legislative council. The legislative council shall set the time and place at which such budget data is to be presented."

Page 4, line 28, replace "7" with "8"

Page 4, line 29, replace "8" with "9"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0212 FN 11

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
Legislative Assembly				
Total all funds	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554
Legislative Council				
Total all funds	\$10,145,195	\$10,163,303	\$282,200	\$10,445,503
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$282,200	\$10,375,503
Bill total				
Total all funds	\$26,483,732	\$26,607,857	(\$147,800)	\$26,460,057
Less estimated income	70,000	70,000	0	70,000
General fund	\$26,413,732	\$26,537,857	(\$147,800)	\$26,390,057

Senate Bill No. 2001 - Legislative Assembly - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$7,744,942	\$7,933,506		\$7,933,506
Operating expenses	3,025,108	2,942,561		2,942,561
Capital assets	1,430,000	1,430,000	(430,000)	1,000,000
National Conf. of State Legislatures	227,660	227,660		227,660
Legislative applications replacement	3,910,827	3,910,827		3,910,827
Total all funds	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554
Less estimated income	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554
FTE	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of House Changes

	Reduces Legislative Improvements Funding¹	Total House Changes
Salaries and wages		
Operating expenses		
Capital assets	(430,000)	(430,000)
National Conf. of State Legislatures		
Legislative applications replacement		
Total all funds	(\$430,000)	(\$430,000)
Less estimated income	0	0
General fund	(\$430,000)	(\$430,000)
FTE	0.00	0.00

¹ Funding for legislative wing equipment and improvements is reduced by \$430,000, from \$1,430,000 to \$1,000,000. The section added by the Senate providing that 50 percent of these funds be used as determined by Senate members of the Legislative Management Committee and 50 percent by House members of the committee is changed to provide that 35 percent be used as determined by Senate members of the Legislative Management Committee, 55 percent by House members of the committee, and the remaining 10 percent by all members of the committee.

A section is added providing an option for legislators to be reimbursed for broadband and certain wireless expenses.

Senate Bill No. 2001 - Legislative Council - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$6,710,261	\$6,728,369	\$148,000	\$6,876,369
Operating expenses	3,393,934	3,393,934	134,200	3,528,134
Capital assets	41,000	41,000		41,000
Total all funds	\$10,145,195	\$10,163,303	\$282,200	\$10,445,503
Less estimated income	70,000	70,000	0	70,000
General fund	\$10,075,195	\$10,093,303	\$282,200	\$10,375,503
FTE	33.00	33.00	1.00	34.00

Department No. 160 - Legislative Council - Detail of House Changes

	Adds Funding for Compensation Study ¹	Adds Funding for Discretionary Fees ²	Adds Fiscal Position ³	Total House Changes
Salaries and wages			\$148,000	\$148,000
Operating expenses	100,000	28,200	6,000	134,200
Capital assets				
Total all funds	\$100,000	\$28,200	\$154,000	\$282,200
Less estimated income	0	0	0	0
General fund	\$100,000	\$28,200	\$154,000	\$282,200
FTE	0.00	0.00	1.00	1.00

¹ A section is added providing for a Legislative Council study of state employee compensation. Funding is added for hiring a consultant, if necessary, to assist with the study.

² Funding is added to allow each legislator to claim reimbursement of up to \$100 per year for membership fees or dues relating to one legislative-related organization similar to the National Conference of State Legislatures or the Council of State Governments as determined by each legislator in accordance with Legislative Council guidelines.

³ Sections are added creating a legislative budget committee to involve the legislative branch earlier in the budget development process and making changes to the introduction process for appropriation bills. One additional fiscal staff position is added.

Date: 4/9/09
Roll Call Vote #: 3

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2001

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number TBD

Action Taken No Pass as Amended

Motion Made By Delzer Seconded By Kempernich

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
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) 14 No 11

Absent 0

Floor Assignment Rep. Delzer

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

REPORT OF STANDING COMMITTEE

SB 2001, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 11 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2001 was placed on the Sixth order on the calendar.

Page 1, line 2, after the second semicolon insert "to create and enact a new section to chapter 54-03 and a new section to chapter 54-35 of the North Dakota Century Code, relating to reimbursement of broadband and certain wireless expenses of members of the legislative assembly and to a legislative budget committee;"

Page 1, line 3, after "54-03-20" insert ", section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07"

Page 1, line 4, after "compensation" insert ", budget requests, and drafts of appropriation bills" and after the second semicolon insert "to provide for a legislative council study;"

Page 1, line 19, replace "1,224,000" with "794,000" and replace "1,430,000" with "1,000,000"

Page 1, line 24, replace "6,528,252" with "6,098,252" and replace "16,444,554" with "16,014,554"

Page 2, line 5, replace "925,394" with "1,073,394" and replace "6,728,369" with "6,876,369"

Page 2, line 6, replace "758,046" with "892,246" and replace "3,393,934" with "3,528,134"

Page 2, line 9, replace "1,474,440" with "1,756,640" and replace "10,163,303" with "10,445,503"

Page 2, line 11, replace "1,474,440" with "1,756,640" and replace "10,093,303" with "10,375,503"

Page 2, line 12, replace "0.00" with "1.00" and replace "33.00" with "34.00"

Page 2, line 18, replace "8,002,692" with "7,854,892" and replace "26,537,857" with "26,390,057"

Page 2, line 20, replace "8,002,692" with "7,854,892" and replace "26,607,857" with "26,460,057"

Page 2, line 29, replace "1,430,000" with "1,000,000"

Page 2, line 30, replace "5,433,327" with "5,003,327"

Page 3, after line 12, insert:

"State employee compensation study	0	100,000"
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Page 3, line 14, replace "70,000" with "170,000"

Page 3, line 30, replace "\$715,000" with "the sum of \$350,000"

Page 3, line 31, replace "\$1,430,000" with "\$1,000,000"

Page 4, line 2, replace "the remaining \$715,000" with "a separate sum of \$550,000 of the \$1,000,000"

Page 4, line 4, after "committee" insert "and any expenditures relating to the remaining \$100,000 must be approved by all members of this committee"

Page 4, after line 11, insert:

"SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE COMPENSATION. During the 2009-10 interim, the legislative council shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly."

Page 4, after line 27, insert:

"SECTION 10. A new section to chapter 54-03 of the North Dakota Century Code is created and enacted as follows:

Payment for broadband Internet and smartphone data services for legislators.

1. Each member of the legislative assembly may receive from the information technology department broadband internet service to be used for legislative business. If a member elects to receive broadband internet service for legislative business from a provider other than the information technology department, the member is entitled to be reimbursed for the cost of the service if the legislative council determines that the purchase of that service from the provider will result in a cost-savings to the state, based upon the average cost of the information technology department to provide service to other members of the legislative assembly.
2. A member of the legislative assembly who acquires a smartphone to be used for legislative business may receive associated data services from the information technology department. If a member elects to receive smartphone data services for legislative business from a provider other than the information technology department, the member is entitled to be reimbursed for the cost of the service if the legislative council determines that the purchase of that service from the provider will result in a cost-savings to the state, based upon the average cost of the information technology department to provide the service to other members of the legislative assembly.
3. The legislative council shall establish guidelines and procedures for reimbursement under this section, including requiring necessary documentation of expenses being claimed.

SECTION 11. A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

Legislative budget committee - Creation - Duties. The legislative council, during each biennium, shall appoint a legislative budget committee to coordinate and direct activities involved in the development of budget recommendations to assist the legislative assembly as it develops policy and provides appropriations for the operations of state government. The legislative budget committee, with the assistance of the legislative budget analyst and auditor, shall:

1. Develop recommendations for the office of management and budget to include in its forms and guidelines for agencies to use in preparing budget requests;
2. Review, analyze, and evaluate budgets, budget requests, programs, and activities of state agencies, institutions, and departments;
3. Develop budget-related recommendations pertaining to the state budget or any portion of that budget, including revenues and appropriations to assist the legislative assembly as it develops policy and provides appropriations for the operations of state government; and
4. Prepare drafts of appropriations acts for the next biennium providing funding at the same base level approved by the most recently adjourned special or regular session of the legislative assembly and any draft amendments to these acts to implement recommendations of the committee.

SECTION 12. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

(Effective after June 30, 2009) Budget estimates of budget units filed with the office of the budget and the legislative council - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget and the legislative council, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget considering recommendations of the legislative council, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget, subject to approval by the legislative council, may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 13. AMENDMENT. Subsection 7 of section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2009, is amended and reenacted as follows:

7. Drafts of a proposed amendment to a general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. ~~The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.~~

SECTION 14. AMENDMENT. Section 54-44.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-07. Presentation of budget data - How presented to the legislative assembly. The director of the budget or the director's designee shall present the budget data information in section 54-44.1-06, except the drafts of ~~aets~~ amendments required by subsection 7 of that section, and make available sufficient copies thereof to the legislative assembly at the organizational session. The drafts of ~~aets~~ amendments required by subsection 7 of section 54-44.1-06 must be submitted to the legislative council within seven days after the day of adjournment of the organizational session. The budget data must be completed and made available to the legislative assembly in such form as may be prescribed by the legislative council. The legislative council shall set the time and place at which such budget data is to be presented."

Page 4, line 28, replace "7" with "8"

Page 4, line 29, replace "8" with "9"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0212 FN 11

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

2009 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2001

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2001 Conference Committee

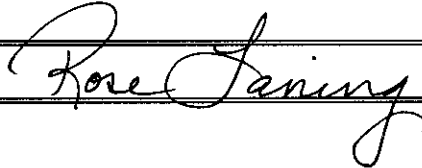
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: April 20, 2009

Recorder Job Number: 12007

Committee Clerk Signature



Senator Christmann called the conference committee hearing to order on SB 2001 concerning the defraying expenses of legislative assembly. All subcommittee members were present: **Senator Christmann, Senator Holmberg, Senator Seymour, Rep. Delzer, Rep. Thorseson, Rep. Meyer.**

Rep. Delzer: Turns to the statement of purposes. When we looked through the legislative funding, it added up to \$1,430,000 when we got the list from them of all the things that were in there. The one that we really found some heartburn with was the \$500,000 listed for committee voting situations. Apparently after when our last management tops visited with Montana, that is about how much they spent. The House felt they didn't want to go ahead with committee voting. We reduced it by \$430,000 to an even \$1 million. I believe that the Senate had amended in there that half of that would be subject to members of the Senate management committee and half subject to the House management committee. We took a look around and got square footage. We wanted to look at tables, chairs, mikes, etc. We broke it down on square footage. It ended up being 35% for Senate and 55% for the House and 10% is (inaudible) for the Brynhild Haugland Room. We felt it was split fairly. If we in essence wanted that kind of split. (Referenced that split in the amendment in engrossed bill). It was worded that the expenditures must be approved by all members of the committee.

Section 5 page 4 of the amended bill. Someone brought that to my attention. We just want it so a majority of the members agreed. (Back to the statement of purpose) We added a section for an option for legislators to be reimbursed for certain wireless or broadband expenditures. That came to be because some of the members said that some of them have bundling situations. The companies don't want to split their bill. It isn't prevalent, but there are a few that are running into that. This was a way to save the state some money. The legislator would have to prove what share was what and then they would be reimbursed. Most would come to IT and get paid; that is both for that and data for smart phones. You took out hard data for smart phones.

Senator Christmann: Are smart phones specific to some certain thing or is that a black berry, etc?

Rep. Delzer: My understanding is that it would be any of the Blackberry type phones.

Rep. Thoreson: I believe the definition for a smart phone is any device similar to the Blackberry, PDA, I phone, Motorola Q, Palm Pilot etc.

Senator Christmann: Do you think we need to define that better or is that term acceptable?

Rep. Thoreson: Based on experience, that is their general term for smart phone. We can check on that.

Senator Holmberg: We were talking about the bundling issue, and I'm familiar with that as far as having the state pay directly. Is there a bundling issue with the state paying for high speed access or has that been resolved?

Rep. Delzer: That is section 1 of the amendment, Subparagraph 2 is smart phone, and I think the broadband is part of it. We did have some people say they are having troubles with that.

Senator Holmberg: I know I never see that bill, but I don't have cable TV either.

Rep. Delzer: I can't tell you which companies, but there were some people said that the company they wanted to use would not split bill.

Senator Christmann: We'll have to bring in ITD.

Senator Seymour: I think we should bring it in to look at the whole package.

Rep. Delzer: I think the money for the new software package is in here.

Senator Christmann: We'll want to make sure that we can utilize the new system.

Rep. Delzer: We added (reading from statement of purpose) providing the legislative council a study of state employee compensation. Funding is added for hiring and consulting if necessary to assist with this study. This had been brought forward by members of the appropriations committee. We have had an issue with the equity we have been dealing with for two or three times the overall system that we have with HR. You can see how it is worded in section 7, and if there is something to improve the wording we are certainly not opposed to that. I think we really do like the idea of getting a study that is not just a legislative study, but one where if you needed to you could go hire someone who could come in and look at the system. It certainly wasn't supported by everybody but there is bipartisan support for this study.

Senator Christmann: As you had that discussion, was there any concern that if it comes in and says that we should be doing X – such as cutting salaries in half, or doubling, that now we have paid people to be experts and we have sort of given that responsibility away because we designated someone as an expert and paid them to do a study, how do we ignore the study?

Rep. Delzer: I don't know if I agree with your assessment of that. The legislative council would control the study. They would pick who they hired and they would tell them what to look at. In the end it would be up to them if they wanted to do anything with it or not.

Senator Holmberg: Two sessions ago, we declared that the employees at the Council of the Arts shall be brought under the state system and we mandated that that happen into the next

biennium. They did the study and then when we the budget came to us there was a lot of balking over the fact that there was a substantial amount of money that went in because these people – and I recall one person had 19 years that she was with the system and she was making very small amount of money, and I remember in the end we did follow that study. When you do study, you might end up being obligated to follow through on it. That case is different than this one, but in that case we said you shall be under the system, and then when they went under the system we kind of wrung our hands and said they want pay (inaudible) of salaries.

Rep. Delzer: When you look at it, it's not so much review of the specifics; it is a review of the HR system. I don't know how many of us are real happy with the status quo. If we go on in the statement of purpose "\$28,000 for each legislator to claim reimbursement for up to \$100 per year for membership for (inaudible) one of the legislative related organizations similar to NCSL or CSG is determined by each legislator in accordance with the council guidelines". In other words the council would decide which groups are available for this. (lists some) We wrote it such that the council would decide what is usable or and what isn't.

Rep. Thoreson: I brought this amendment forward on House side. The \$28,200 is less than just alone our increases in the next two years for the NCSL. This does not include travel per diems that council would deem appropriate. If there are members of any other than two organizations, council can reimburse.

Rep. Delzer: The last session we had a budget committee set up and we put that in code in sections 11, 12, 13, and 14. It puts the committee in code and says what the committee's duties are. It says that the legislative council should consider recommendations from the legislative council as well as the Governor's office while it builds the budget. It says that the bills that would come in would come in as the last biennium's budget levels and any proposals

would come in as amendments. The Governor's office would have to send in everything as a proposed amendment to current bill. The legislative council, if they wanted to have any proposals, would have to bring theirs as amendments.

Senator Christmann: Is it in here that is on the budget committee?

Rep. Delzer: No, that is all done by legislative council. A lot of us have been in situations that a fiscal analyst has not been available who is working with a bill because they are in the other house or something. I could justify that position without this budget committee.

Senator Holmberg: I have two questions for legislative council. First, would this committee, would you anticipate having to look at the budget for legislative council and enhancement or do you feel that it could be absorbed either by having fewer committees or however? In other words it cries for a fiscal note or maybe it doesn't.

Allen Knudson, Legislative Council: We didn't include any additional funds for committee. We see this committee as replacing that committee.

Senator Holmberg: So that could be absorbed. Do you keep a running total? In other words if you took 25 interim committees and every one of them is coded, could I get a list committee by committee and see how much was associated with each one?

Allen Knudson: As far as the costs of the committee?

Senator Holmberg: What did the committee cost?

Allen Knudson: (inaudible)

Senator Christmann: Adjourns.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2001

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-24-09

Recorder Job Number: 12242

Committee Clerk Signature

Alice Delzer (done upstairs)

Minutes:

Chairman Christmann: Called the conference committee to order at 6:30 pm in reference to SB 2001. Let the record show that all conferees are present. They are as follows: **Senators: Holmberg, Seymour; Representatives: Delzer, Thoreson, Meyer.**

Also present: Tammy Dolan, OMB, Roxanne Woeste, Legis. Council, and Allen Knudson

Chairman Christmann: I was trying to take notes, hard to follow but we can't finish the bill because I expect we have consensus that we need to wait and see the end result for SB 2064 and this bill will need to be set at the very end to match that. Without objection I presume, those issues will be decided on SB 2064

Rep. Delzer: The only thing we have that relies in there is the increases for the leadership.

Chairman Christmann: The dollar amounts in the salaries. Where is the money in salaries or operating or where?

Roxanne: The money is in salaries and wages, and operating and there is no money in 2064.

Chairman Christmann: We will have to keep that in mind that we have to adjust that. The first issue that I have down has to do with section 10, the handhelds, and blackberries. My understanding of section 10 amendment subsection 1 of it addresses the broadband that we currently have, and sections 2 and 3 have to do with the handhelds. My concern was we will be doing vouchers all the time. I am not following why we have to do anything with that.

Rep. Thoreson: There are some situations where it is not working for certain members of the legislator. Certain providers are not splitting the billing, so to speak. Apparently there are some providers that won't participate in that matter. That is why we have added this language.

Senator Christmann: You mean they won't on the smart phones?

Rep. Thoreson: No, this is dealing with the broadband only. Say someone has only one provider in their area either their dial tone or DSL or their cable or broadband, I use Cable 1 in Fargo, they will split billing, if I would switch, some providers in the ND are unwilling to do that. There are some providers in ND unwilling to split out the billing for the part to be reimbursed.

Rep. Delzer: If I remember right, in the Towner area or Rugby area they would not split it out so they were forced to use it?

Rep. Thoreson: It made sense to us if the person would have a choice.

Senator Christmann: In the case of someone who has a provider that wouldn't split it out, don't they just send in a voucher?

Rep. Thoreson: I don't believe so, Mr. Chairman. Council did provide us that information in committee.

Jason Steckler, IT director legislative council: Currently, I am only aware of one situation. We have one member that we are currently doing a voucher for. What the new language does is allows for another method to really take advantage of a lower cost provider if that situation exist. If ITD cannot get the service provider to accomplish the split billing then we use the voucher system. It is a monthly requirement for the legislator to submit that monthly bill so it can be reimbursed.

Senator Christmann: It seems to me to require all of us to do vouchers.

Jason: Those people who have a provider to split billing it shows up on IT bills. Those that cannot accomplish that we use the voucher system for them.

Rep. Delzer: It certainly meant that this is supposed to encourage people to do this. Look at section 3 council will set all the guidelines and the procedures necessary.

Senator Christmann: You don't see any problems implementing this?

Jason: We don't see any huge problems. It is really not different than what they did before.

Senator Christmann: I thought it meant everyone has to do a voucher and I would have fought that.

Rep. Delzer: Is it better for council to have it law? Or better not to have it in law?

Jason: That is a determination for you. Right now the system seems to be working. We have the flexibility. We don't know what's out there for technology.

Senator Christmann: You added \$28,200 for legislative duties for various organizations.

Some of these organizations provide valuable information. I don't have a lot of objection to that. I do want to bring up that recently an organization called the energy council asked us to join their organization.

Rep. Thoreson: Was that the group from Mississippi or Kansas. I am familiar with them.

Senator Christmann: It seems like a good organization. Those dues are \$32,000 a year we should at least send someone to a meeting. I think ND should get involved.

Rep. Thoreson: Does that gain membership for all legislators. Or just for the state?

Senator Christmann: It is a state membership, and there would be cost of travel. Each state that is a member gets 4 people on their executive board and as many as the state wants to send can go, there is a registration fee.

Rep. Thoreson: Is it for legislative branch or the executive branch?

Senator Christmann: I think it is just a legislative thing.

Rep. Delzer: What are the goals? Do you have a website we can look at? What if we decided we wanted out?

Senator Christmann: They push almost no model legislation. It is a highly informational thing. It involves private industry, also involve academia, some from the education field, it is an informational thing about what is good and what is coming, what is working and what is not working.

Rep. Meyer: Just to add to that it has a heavy emphasis on oil and gas. That is the focus.

Rep. Thoreson: Do they have scheduled conferences?

Senator Christmann: They have 4 meetings a year and these are moved around.

Rep. Thoreson: Will we be able to host it?

Senator Christmann: Eventually but not right away. The other question, can we pull out of this? It has been around for a number of years and no one has wanted to leave and no one has ever left the organization.

Senator Holmberg: I would hope we would have time to go to that website and check it out.

Senator Christmann: I have the address and will email it out. We will leave that there and move on to the state employee's compensation.

Senator Holmberg: Did you cover discretionary fees for the \$28,200.

Senator Christmann: I didn't cover it much; do you have thoughts on it?

Senator Holmberg: When I first saw this I was troubled with it. It doesn't say much here. It says the council will put together some guidelines and each legislature will determine whether they ask for the money. He was concerned on what dues this covered.

Rep. Thoreson: In all honesty this was discussed by several people and I did bring the amendment forward. There are organization that we can use to do a better job. I have comfort that council will determine what organizations would be the best. As for the chamber of commerce, business, I would think these would be types of groups to provide information to legislators. And that is why the amendment was brought forward.

Discussion followed on different organization and opinions on what types of organizations would be covered.

Senator Christmann: Let's move to section 7 state employee compensation.

Rep. Delzer: I think the House was fairly strong about this. Part of the situation we have is we have so many things going on in the classification system. Metcalf would be very good on a study about this. This one does not have a FTE in it; it does have the money in it in case the council decided to hire a private entity to do something. I would hope the study would go forward.

Senator Christmann: Was there much discussion about the money for consultant? Was the general feeling that is the direction this would go or was it just an option.

Rep. Delzer: I am not sure I can answer that. The people that talked to me said we may need that option, if you don't have that option, you can't put it in if the money is not there.

Senator Holmberg: I would hope that before we put this to bed that we have information from OMB or legislative council. what or if we spent money in the last 5 years to study state employee compensation.

Senator Christmann: Are you familiar with anything like that?

Sandy: We have not done that.

Senator Seymour: A lot of this ground work has been done and presented to us at the beginning of the session. I would like to know where the House is coming from, What is the result going to be of this study?

Rep. Delzer: I guess if we knew that we wouldn't need a study. The study is to look at the whole system to see if we can have a better system.

Senator Holmberg: Would you envision this study looking at the differences in the capitol building of wages for the same type of work people do but the differences in departments.

Some agencies are making a lot more than others, Did the House envision that?

Rep. Delzer: That may be an offshoot of it. This is more looking at the whole system. This would be a level above that. I don't know if we are talking about wages for people as for the whole system. That is my view of it.

Senator Holmberg: Is there any way we could have the money just go into the Legislative council and the council determines? Have we done that in other ways?

Jim: We have had studies on corrections; we do the RFP proposals because we have other funds as well.

Senator Holmberg: You have to keep that information of the money that you have for a bid away from the bidder otherwise the bids will all be the same.

Rep. Delzer: We would just add this to the operating line for council. It doesn't say anything about the dollar amount.

Roxanne: That is correct.

Senator Christmann: Would you check and see if this is a common thing and if other states have done this. Or if it is just another survey that everyone needs more money. Now let's go to the FTE in budget committee.

Rep. Delzer: The budget committee, what this one does it sets up in code the budget committee, which will be chosen by the legislative council. It also has in there how the next bills are to be presented. Any proposals in the governor's office would be done with an amendment Also says OMB is suppose to consider what this committee says to what kind of level this committee thinks the best form for how to put the budget together the next time.

They don't need to do anything just consider. I think there are some timeframes in there, if they are going to grant extensions.

Senator Holmberg: The presentation as described, essentially the bill that we would receive whether it came from this committee or OMB would be roughly the same because now we have the base budget of what we gave them last time and you mentioned any changes would be amendments to that and now we call them enhancements or adjustments on enhancements and then we end up with appropriations. What is the difference?

Rep. Delzer: The difference is that the bill that would come before us would be the same bill we passed this time. Any changes will be in the form of an amendment to that bill. If this committee wanted to put forward any suggestion it would be the same as OMB would do. Everything would be in the form of amendments. There would be nothing added to the bill before it comes to us. Everything would have to be added as an amendment.

Senator Christmann: So you in vision for the next session coming in with probably in most cases two amendments, one for OMB and one for the budget committee.

Rep. Delzer: I would be surprised there would be that many amendments. All the governor's proposals would be in the form of amendments.

Senator Holmberg: How does this improve what we are doing now?

Rep. Delzer: My thought is one of the problems we have right now is we spend most of our time reacting to the governor's budget. What part of our base budget is worth keeping what is not? What this would do is any enhancements that are done plus or minus you have to vote to put them on. Everybody would understand we as a legislature would be setting the budget. That is my take on it.

Senator Holmberg: I still don't see why this change will make a big difference.

Rep. Delzer: When we amended this one, we are amending off the 3rd column. If you do it the other way you are amending off the 18th.

Discussion continued on the viability of this and what the differences are and how to address on time expenditures.

Senator Christmann: asked House to address the FTE. Is there a feeling of necessity? Is that a separate *issue*?

Rep. Delzer: From my standpoint we could justify the FTE without this committee. Without it, it would be quite a load on the current staff.

Senator Christmann: Any other comments about the FTE a part from the budget committee? Let's talk about the legislative wing improvements. The money you subtracted out was that aimed at the audio visual?

Rep. Delzer: There are two things: the committee voting room ???

Senator Holmberg: That was part of a list of expenditures. In our committee we had trouble with electronic voting equipment in committee rooms. That just seemed excessive. If we remove that money for electronic voting system I wouldn't lose any sleep.

Senator Seymour: The only thing I can see it in there for is that the public can get your vote on line immediately.

Rep. Thoreson: We don't need to spend money on that.

Senator Holmberg: We do need to keep attendance of committees on record. I certainly hope that at the end of the day we have this information.

Senator Christmann: Last thing on the division for money for the improvements, would not be interested in going along with this proposal for audio visual that has to come back.

Rep. Delzer: I don't think the House, the audio visual we would probably be willing to go back to manage committee by majority vote.

Senator Christmann: We could be here for awhile on this issue. Maybe the House wants to put in audio visual I don't have a great deal of heartburn over how they should prepare their rooms for the leg session. It seems to me it is a good system.

Rep. Delzer The House would disagree with that.

Senator Christmann: I have exhausted my list here.

Senator Holmberg: pointed out that there has to be some change in the dates in the language. Could we pass this and there wouldn't be any problems with budget deadlines etc.

Rep. Delzer: The split that we talked about it had to be unanimous consent.

Senator Christmann: Closed hearing.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2001 conference committee

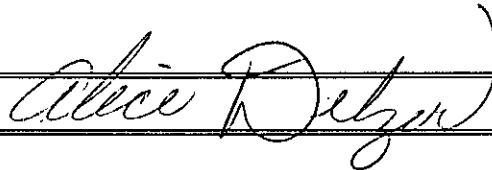
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: April 27, 2009

Recorder Job Number: 12291

Committee Clerk Signature



(Alice Delzer)

Minutes:

Senator Christmann called the conference committee hearing to order on SB 2001 at 11:00 am which concerns the Legislative Assembly budget. The minutes are to reflect that all committee members are present: **Senators Christmann, Holmberg, Seymour;**

Representatives Delzer, Thoreson, and Meyer. Roxanne Woeste, Legislative Council and Tammy Dolan, OMB were also present.

Chairman Christmann

Senator Holmberg passed out a copy of proposed amendments (Attachment #1) concerning additional lodging reimbursement for 2009 legislative assembly.

Jim Smith, Director of Legislative Council What this section would do is take off the monthly cap for the month of April. In 2007 the session ended on April 25th. If I recall the cost the legislators claimed, it was around \$100.00 per legislator.

Representative Delzer: The 80th day is scheduled. I thought most people would have their arrangements made.

Jim Smith: I heard several Senators and Representatives would need this.

Representative Delzer: Is there any guidelines if they stayed for ½ the month?

Recorder was turned on during Jim Smith's explanation.

Jim Smith: If the section were adopted, what they get paid for the first part and it is all vouchered. Then the caps would be put on that voucher.

Senator Holmberg: One thing that we should learn, whether we put this on or not, is that we should urge the successor committee of legislative management to look at some specific guide lines as to how to handle these leases, etc. I will give you an example, I was in an apartment and they have always come back towards the end of March and I always move to a hotel and I usually make arrangements beforehand and get in under that \$30.00 a day. What they would do is come back and live with their daughter, well, their daughter moved, they came back early, actually, it was about the 10th or 12th of March, and they said you can stay with us. It was an 80 year old couple with one bathroom and I decided I was going to move to the motel. I was lucky that I got a motel for the \$30.00 so this bill does not impact me at all. I just wanted to make it clear that it has nothing to do with me.

Representative Meyer: Like, what happens currently? If we are not done until May 15th. Do we go on the \$55 per day rate starting in May.

Chairman Christman: We would pay \$55 per day until it reaches 900 and that would be it.

Representative Meyer: Our caucus was asked the same question and it affects 20 members of our caucus. We just had this discussion last week.

Representative Delzer: I know that has happened to me, it has been \$55 until \$900.

Representative Meyer: I am not necessarily talking about the middle of April. There are some by the 1st of May. The ones who rent homes, these owners are coming back assuming we would be done. It is a variety of days. The question was asked, how many will have to move out the last week of April, and whether the \$55 kicks them over the \$900 rate – it wasn't asked that specific question. It was asked how many would be looking for housing and whether they were going to be over the \$55 per day plus the rent you pay.

Senator Holmberg: I am not asking for a committee decision because we will meet again. I just wanted to have it out there so that we could talk it over with our people. We have not talked about it in a group on our side.

Senator Seymour: There are people that need this type of thing.

Senator Holmberg: They thought it would end the 27th and some home owners have returned. The \$900 is already paid and then they have to get the \$55 per day for the rest of April.

Chairman Christmann: It is interesting to me whether we can think of an absolutely parallel comparison, but whether we would tolerate exceptions to this extent with the rest of the state employees. It is pretty simple to get in a motel in January, but when people have to try other things and renting from people that may or may not last as long as what we need to be here and we come in knowing that it is an informal ending date. We get into these kinds of contracts and that is all fine with me, but we have to know there is some risk involved in these things.

Representative Delzer: I can certainly getting caught this weekend, but anytime before that I don't understand anytime before that. We will take a look at it, and this is something we can discuss and decide what we will do.

Chairman Christman: I think this needs to go on the agenda of SB 2064. We may need to adjust those numbers again.

Representative Delzer: Would we need money for this or just something that you need authority to do.

Jim Smith: I think that budget is in pretty good shape, we are looking at to also because of the length of the session and the number of calendar days. I think it should be able to handle

it. It really depends on if there are any limits put on it and how many people are affected and what the cost may be. As we sit now, we should be able to handle it.

Senator Homberg: It would be nice to know what the number is we are talking about. Are we talking about 30 or 75 people, I have no idea.

Chairman Christman: It might be something we could have Karen send out an email about to see who all is affected and possibly in trouble with over spending their reimbursement money.

Representative Delzer: It might be better to contact the four caucus chairs to get that information.

Representative Meyer: As I stated earlier, we did it as an informal think and there again it is because of the two day delay with the storms and everything. A lot of people didn't think they would be going this long. They hadn't gotten anything specific. If they are out of their homes in late April and it is those extra days they have to be here. I know it affected at least 20 from our caucus.

Chairman Christman: Let's look at the rest of the bill. There is no website that I could find on that energy council.

Representative Meyer: I am familiar with this, because I tried to move that in our subsection.

Chairman Christman: This isn't an offer from the Senate side. This is just my own thoughts at this point and time. I could vote to go along with the House's recommendations on the employee compensation study, and on hiring a consultant. I think these two biggest organizations either rise or fall together. (inaudible)

Representative Thoreseon: Which two organizations?

Chairman Christman: The plan that (inaudible) and the energy council. Money for reimbursement for legislators choice, that and energy council. I will support them both. I am

not ok with the budget committee. I am ok with the reduction on spending authority on legislative wing improvements. It was said that the number was chosen based on the cost of the electronic voting systems. I think Senator Seymour makes some good points on some of the values to that. I am not sure it is something we want to completely exclude from consideration on the Senate side. I can live with the dollar amount, not the distribution, and I would be ok with broadband reimbursement?

Representative Delzer: I would like to talk more about the budget committee. It is important to the House. The reduction of money is the proper thing to do. The distribution (inaudible), section 10, is the language ok, it is acceptable to the council, I think it is, I was just wondering.

Chairman Christman: I had these laid down on issues and not on sections. It seems to me what we are doing is working fine. I don't understand the need or point of all this. We are trying to codify what we are already able to do.

Representative Delzer: It is true and it isn't. It leaves everything up to the council.

Chairman Christman: I am willing to concede to that.

Representative Meyer: Subsection 2 with the Smartphone, that is entirely new isn't it?

Chairman Christman: It is along the same line. We already authorized the money to go ahead and reimburse the cost for the handheld phones. We just left it up to council to do the same we do with broadband.

Representative Delzer: We may want to change the wording to "may be entitled" – it certainly leaves it up to council.

Representative Throeseon: Could you put pursuant to guidelines developed by the legislative council?

Representative Delzer: That still would say "is", and I am not sure we want to say "is".

Chairman Christman: I don't know if Senators Holmberg and Seymour are inclined to support my offer anyways. As far as my offer goes, that is conceding it too. If it needs to be rewritten so more, I would hope you work with Jason on it to make sure it is workable.

Senator Holmberg: There will be reluctance on some parts when it says that if you were getting a smart phone and use it for other business, if when they talk about the documentation of expenses, I think you would find a great deal of reluctance of sending your phone bill in to the legislative council. I would find a great deal of reluctance because of privacy issues.

Representative Delzer: I don't think that was ever the thought on the House side. I think all you would have to do is send in the part of the bill that breaks down the charges and not the whole bill.

Senator Homberg: Does this contemplate if there are legislators that want to be able to access the outlook account and yet don't want to be sending in bills and whatnot. Is there a fee that would continue that you could pay for that access and not get bothered with getting their service through them?

Representative Delzer: This is only for the one that have a problem with their provider not being willing to split out the charges. I cannot imagine we are talking about very many people.

Chairman Christman: Which is the same total that had problems with broadband.

Senator Holmberg: Is this an Alltel or a Verizon problem? As far as splitting the bill out?

???: I don't think it is either one.

Representative Meyer: I would like to know that. I am confused on that. I did not think that we were allowed with our Smartphone to have the associated data services covered.

Representative Delzer: The bill has the money to cover that in the future. Currently, you can get hooked up but they are not paying for it.

Chairman Christman: That money is in there whether we pass this or not.

Representative Delzer: Do you feel your position on the money is 50/50?

Chairman Christman: It all gets addressed in legislative management committee. It takes a majority from each side to make a consensus for a project. As I look around these rooms, I can see that when it comes to chairs and carpeting. The amount of people to square footage it makes a significant difference. I really think that each body ought to control their rooms.

Representative Delzer: I can appreciate that. All the chairs are not done, the tables in some rooms are considerably more, there is a lot in the Roughrider room, there is a difference in the horse shoe ones on the House side, compared to Natural Resources for the Senate. Even the mike system if you go to do it for fourteen or fifteen compared to seven or eight. There is quite a bit of difference in the mike system.

Senator Holmberg: The tables that are being ordered, are they being paid for out of money that is targeted for in this biennium?

Jim Smith: It is kind of a mixed bag. We will be using all the money appropriated last session for committee room improvements. The harvests room table will probably be paid out of next biennium. I think we are right at that cut off point. Those remaining will probably be paid out of next biennium.

Chairman Christman: Adjourned.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2001 Conference Committee

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-27-2009

Recorder Job Number: 12316

Committee Clerk Signature

Minutes:

Chairman Christmann called the conference committee to order on SB 2001 at 5:00 pm in the Senate Conference Room in regards to Legislative Branch. Let the record show that all conferees are present: **Senators: Christmann, Holmberg, Seymour; Representatives:**

Delzer, Thoreson, Meyer. Tammy Dolan, OMB and Roxanne Woeste, Legislative Council were present.

Chairman Christmann- I led out a nice proposal to accommodate with the House changes.

Sen. Holmberg- we are in a state that has had a budget process that has been in place for quite a few years and when you compare us to the other 49 states it appears that we are able to put together a pretty good budget, we are able to satisfy for the most part the needs of the people of the state and there are probably 47 states that would like to be in our position and I think one of the things that they would accept if they were in our position is the budget process that we already have, so I am not convinced that we need to make major changes in the process. I am still looking for the basic reason why we need to make this change and I still haven't found it yet.

need to make major changes in the process. I still am looking for that basic reason why we need to make these changes. I haven't heard it yet.

Rep. Delzer- the biggest thing is they try to get the legislature involved in the process earlier.

Sen. Christmann- so since this is something that you so committed too, I assume there has been a lot of thought put into it, it states in section 11 on #4 that should prepare any draft amendments to these acts to implement recommendations of the committee, give me some idea of what u envision in here.

Rep. Delzer- I guess the biggest thing is to get the information and deal with it early on, I don't think that this committee is going to meet a whole lot more than it did last biennium.

Senn.Christmann- so this is like the other interim committees and whatever budgets they chose to prepare a budget amendment for, they would vote on that sometime probably in October.

Rep. Delzer- I think we are looking way to much into this, this is not at that level that we are looking at. It is sharing information and getting the information.

Rep. Meyer- one of my problems with this is because this budget committee is not designated, it could be anyone, and I had made the comment that if you are going to have a committee like this it should be balanced gender and minority wise. If you are going to move forward with that I feel like this budget committee needs to have a few rules on who is going to be serving on it.

Rep. Delzer- if you look in past history when a council sets something up, this hast to be chosen by votes, I don't see how you could me anything but totally fair.

Sen. Chairman- would it satisfy most of your concerns if sections 13 and 14 were here to cause the budgets to come in based on previous years budgets to adopt the governors recommendations.

Rep. Delzer- I doubt it because part of the whole deal is you need the committee that deals with this all the way through the interim we need to start building on next times budget right now, we need to keep an eye on what is going with our revenues and the economy.

Sen. Christmann- my thought was that the committee would still exist like it did in the last biennium but it wouldn't put a committee in position of finalizing budget frame work on a particular bill .

Sen. Holmberg- the big thing that needs some further thought is number one, the budget section has been put under fire by folks because we are putting too much power in the hands of 45 people and yet this would put the power in the hands of only a handful of people. And I agree that if we are going to have a committee in the bill we should say how big the committee is, now many people are on from the minority and majority portion of the legislature and allow them to select their members rather than leaving it to the council if you want the perception of fairness.

Rep. Delzer- almost every committee has around 15-20 members.

Sen. Seymour- you sit on this budget committee this last session during the interim, what criteria have you used to see if it was successful or not?

Rep. Delzer- I thought it was successful, we did not get the information that we had none for from OMB.

Sen. Holmberg- I was on there and I think it was successful and one of the reasons I think it was was because they were able to do a little more discussing. One of the things that I have heard a lot of positive feedback on was to redo the bill so you have the FTE's right there and the base budget and you have the total. It made it easier for the non-appropriation members but really for appropriation members. But in this case where we are going to create this committee that is going to be so popular, do we not run the risk if everyone who is on appropriations is involved in others do we get back up to the size where 45 members is too big.

Rep. Delzer- there is nothing with dissatisfaction of the OMB, their attempt is to get the legislature better involved.

Sen.Seymour- wasn't there a little dissatisfaction with OMB when we did our budget projections and we had professionals come from the outside and work with OMB and then that committee decides what the budget projection is going to be?

Sen. Christmann- I sure didn't take it any way to cast a negative shadow on a job that OMB did, it was the matter of the timing.

Sen. Holmberg- I think we did the right thing, history will prove us right or wrong. I think we utilize common sense, when we listened to some of the industry people there was a little bit of an angst about the original governor's budget which was modified in February. I think we did the right thing.

Rep.Meyer- has that ever been done before?

Jim Smith- that has never been done.

Sen. Christmann closed the discussion.

2009 SENATE STANDING COMMITTEE MINUTES

:Bill/Resolution No. SB 2001 conference committee

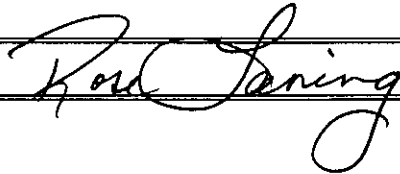
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: April 28, 2009

Recorder Job Number: 12352

Committee Clerk Signature



Minutes:

Chairman Christmann: Called the conference committee hearing to order on SB 2001 which concerns the Legislative Assembly budget. The minutes are to reflect that all committee members are present: **Senators Christmann, Holmberg, and Seymour; Representatives Delzer, Thoreson, and Meyer.** Also present are **Roxanne Woeste** from the Legislative Council and **Tammy Dolan**, from OMB.

Chairman Christmann: I took the liberty of having an amendment drafted - .0214 – see attached #1. I am going off of my list here of issues. (He explained the amendment).

Senator Holmberg: Does that provide that the Legislative council could delegate that responsibility to interim committee or would council have to meet to grant that?

Chairman Christmann: That was my intention that it would be delegated but I don't think I set it up that way. We probably need a correction.

Jim Smith, Director, and Legislative Counsel: There are several statutory provisions that provide for this in legislative counsel and its delegates need to add to it. I think it would work the way it is.

Chairman Christmann: This leaves the numbers on the legislative wings improvements the House had suggested the reduction of the four hundred and whatever it was thousand dollars.

It has the division based on forty percent of senate members of management committee, forty percent for house and twenty percent to be decided by the majority of the entire committee.

Rep. Delzer: I appreciate the work done on this, it gives us something to look at and talk about but I do not think the bills come in here the same as last time. I don't think what you have here does that. Nothing says that's how the bills are supposed to come in.

Chairman Christmann: Doesn't section 12 of this amendment do that?

Rep. Delzer: I think it says that any amendment coming in would have to come in such as that. The bills from the Governor would not come in and that is part of what happened with the other one, it's that this committee put in. The council put in the bills the same way they were and OMB would offer amendments to those bills.

Allen Knudson: The amendment is silent in all the bills introduced it would be left up to the budget section because they are the committee that decides the form of the budget data. So the budget section would have the responsibility to introduce the bills if they chose to add to it. The amendment doesn't speak directly to that.

Rep. Delzer: I don't think that's acceptable to the House at this time. The other thing about that is currently the Governor's office and OMB puts in the list. I don't know if the budget section has the authority to tell them not to put in the bill draft. The essence is that you're telling the Governor how to put in the bills. The last legislative budget is the budget base. Then OMB offers amendments to that and the way it's currently in the bill the counsel if it so desired could offer amendments to that. Currently the Governor does that and I don't think the budget section has the authority to tell him not to.

Allen Knudson: The Section gave OMB and the Governor the authority to introduce the appropriations bills in section 12 of the amendment. The governor would propose amendments to council.

Rep. Delzer: If I understand it you are saying both 28-8 is out.

Chairman Christmann: FTE is still in and I think it's as close to the Senate accedes to the House amendments as anything could possibly be.

Rep. Delzer: I can't support it at this meeting

Rep. Thoreson: I'd still like to see the budget committee go forward. It's an idea that's not a good idea.

Chairman Christmann: Other than the senate acceding to all amendments. The meeting is adjourned.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2001 conference committee

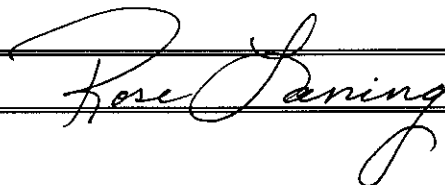
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: May 1, 2009

Recorder Job Number: 12437

Committee Clerk Signature



Minutes:

Chairman Christmann called the conference committee hearing to order on SB 2001 which concerns the Legislative Assembly budget. The minutes are to reflect that all committee members are present: **Senators Christmann, Holmberg, and Seymour; Representatives Delzer, Thoreson, and Meyer.** Also present are **Roxanne Woeste** from the Legislative Council and **Tammy Dolan**, from OMB.

Senator Christmann: Anything new from our House conferees?

Rep. Delzer: Not really. This is one – I've been working on a number of other ones and haven't spent much time on this one yet. I don't really have anything other than that. We passed out the other day, that sheet from Council, and had a chance to visit a little bit. Again on the committee, we're not trying to say that we're going to set up a legislative budget. We're just wanting to share the information and get it to our legislators so we have a better understanding of the budgeting process.

Chairman Holmberg: We received a number of documents giving us information. We got that document from the legislative council on how they thought the committee might work. We also, and again, I believe I've talked to a number of you privately, and that has to do with the amendment that I would like us at the appropriate time to consider, having to do with that lodging reimbursement as we had in SB 2007 and SB 2003 (see attached #1 - dated 4/27/09)

for folks who get squeezed because of their hotels and how much. And I have that. I don't know if we're ready to consummate this deal yet.

Rep. Delzer: I haven't had the opportunity to look at the information that Senator Holmberg is talking about on that. I don't see covering situation being a problem but I would like to have a chance to review that information. I apologize for being late. We went late on the floor today and we had another engagement to go to.

Senator Christmann: Now what would really be nice would be for us to accomplish so much that we cause the next group to be late. I'm not optimistic.

Rep. Meyer: You are referring to this amendment (.0214)?

Senator Christmann: Yes. I would renew my offer to move most of the way around the track and get together with you with the amendments that I had offered before – the .0214, but it does require the one movement forward across the line on your part. Is that a possibility today?

Rep. Delzer: Not at this time.

Chairman Holmberg: I think I neglected to mention that as this has moved along, I don't think either of us or any of us, I don't know about Senator Seymour have had an opportunity to meet with the leadership on Senate side and visit with them about where we are and what kind of suggestions they might have for a convenient resolution.

Senator Christmann: Anything else before we adjourn? Thank you everybody for coming. We're adjourned.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2001 conference committee

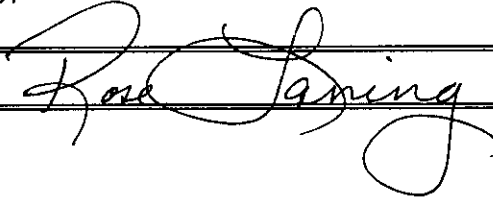
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: May 2, 2009 - 11:00 am

Recorder Job Number: 12457

Committee Clerk Signature



Minutes:

Chairman Christmann called the conference committee hearing to order on SB 2001 which concerns the Legislative Assembly budget. The minutes are to reflect that all committee members are present: **Senators Christmann, Holmberg, and Senator O'Connell**

substituting for Senator Seymour; Representatives Delzer, Thoreson, and Meyer. Also present are **Roxanne Woeste** from the Legislative Council and **Tammy Dolan**, from OMB.

Senator Christmann: Has everyone else had a chance to look at the amendment regarding housing reimbursement? As we eventually move forward with some kind of consensus amendment, is there some apprehension or dissatisfaction with including that.

Rep. Delzer: I don't think there's any dissension, but I'd like to know what kind of people were talking about.

Rep. Meyer: Our caucus had indicated last time that it affected 30 of us, but that's just 30 of us that will be changing. And when asked who has to pay \$900 for a house they rent and then has two or three days in a motel, it's three of us.

Senator Christmann I never got very much feedback on survey. Is there any amount from the survey showing it will be a large amount? I got a few and it was like \$100 or something.

Rep. Delzer: I don't see that as problem.

Senator Christmann: I don't think we'd have to adjust the budget numbers. I think that next year's legislative manager, when the calendar is set, that we should talk about how late depending on how 2011 starts in January and how long we're likely to go.

Rep. Meyer: It's a case of one or two days in a motel.

Senator Holmberg: This was done in 2003 and 2007.

Rep. Delzer: I agree that we should send out a letter and notify management that they should maybe have a letter sent out before people rent out houses to watch for that situation.

Senator Christmann: When we do drafts, we'll include that amendment in any draft proposals. I had passed out an amendment that if accepted would have brought us together.

Rep. Delzer: Part of the consternation, is who would go on under the size. From the House standpoint, we'd be willing to draft legislation that would state the size. There has been talk of a 15-16 member committee. We could name positions that we want on there. I personally am very uncomfortable with size and the makeup of it. It's better left up to the Legislative Council or Legislative Management. We'd certainly be able to make that offer now. What I want to stress before we make that is that it is assumed that its either going to be a 15-16 member committee. (explained various make-up of committee sizes.) I personally have a problem with House majority being half as valuable as the Senate majority. Those are the issues to me when we talk about naming the committee. The council is almost evenly split already.

Senator Christmann: I haven't given it a lot of thought because I don't like the idea. I haven't given a lot of thought as far as majority/minority split. If I were ever to buy off on this, it would be with an even number because I wouldn't envision our budgets getting made up any differently than when we vote them out of the legislature. Never have I seen that one body takes precedence over the other.

Rep. Delzer: All of us are elected by the same number of people. When we sit here at the table we each have one vote. The senate body is $\frac{1}{2}$ the size of House, but we all have one vote. We are all representatives or senators.

Senator Christmann: I can just imagine how these conference committees would go if 6 House members and 3 Senate members on them.

Rep. Meyer: The make-up has concerned me. It's not so much majority/minority as much as a gender balance and regional balance. I represent oil country which is way different than Fargo. If you don't have a regional balance, if you don't have a gender balance, I can see that as being problematic when you start working with budgets.

Senator Christmann: Appreciate that.

Senator Holmberg: One of the things I believe strongly in is that in order to afford the balances that you're talking about, the percentages of majority/minority, their caucuses should have input as to who represents them. Number two – you could split the difference and could run the committee in such a manner that you could have 8 House members and 7 Senate members, but not bill drafts could go forth without a majority in each the Senate and the House like we do in conference committees.

Senator O'Connell: Setting up another committee is only establishing a road map that the governor sets forward. I don't see advantage of starting another committee.

Rep. Delzer: This is not starting another committee, but this changes the way the bills would come before the legislature. Senator Holmberg's idea is intriguing, -- Nothing this committee does has much strength. The House could propose amendment just like before and then the bill has to go through process until legislature votes on it.

Senator Christmann: We've been back and forth on amendment drafting aspect of this and drafting amendments to budgets. Would that be something that is bargainable that you'd be willing to eliminate?

Rep. Delzer: I think that is part that they may want that opportunity to do some of that. It's really pretty limited. What happens right now, a legislator can bring forth a bill draft.

Senator Christmann: Is this an interim committee that gets what it needs to get done and reports back to the legislative council or is this a standing committee and actually come up with its budget in December.

Rep. Delzer: My understanding is that this is done on report to the legislative council.

Senator O'Connell: This has got to be a tremendous job and will take a lot of time. Will there be staff?

Rep. Delzer: In proposal from the House, there is one more step. We made proposals that staff is needed. This is seen as an interim committee. We see this as the same as other interim committees. We're trying to get and share the information quicker. That's the goal.

Senator Christmann: I expect to get another meeting done this afternoon. We'll try to keep everyone posted.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2001 conference committee

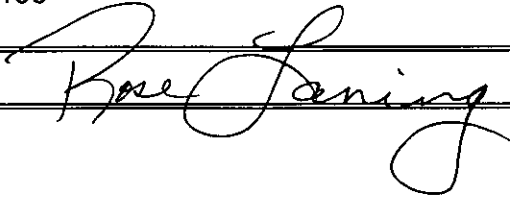
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: May 2, 2009 – 2:00 pm

Recorder Job Number: 12463

Committee Clerk Signature



Minutes:

Chairman Christmann called the conference committee hearing to order on SB 2001 which concerns the Legislative Assembly budget. The minutes are to reflect that all committee members are present: **Senators Christmann, Holmberg, and Senator O'Connell**

substituting for Senator Seymour; Representatives Delzer, Thoreson, and Meyer. Also present are **Roxanne Woeste** from the Legislative Council and **Tammy Dolan**, from OMB.

Senator Christmann: Any new ideas?

Rep. Delzer: The House has an offer to consider. The committee, we would like to have stay in – a set number of 16 – 8 from the House and 8 from the Senate - appointed by the majority leaders of each house.

Rep. Meyer: We're on section 11 of .0300.

Rep. Delzer: The council was working on amendments and didn't have time to get them done. If I miss something I may ask for clarification. I don't think we should put it in code that they need to work with both parties in their particular chamber but it should be understood. It should be intended and part of the record that the majority leaders work with the minority leaders in both houses to pick their people. This would be a standing committee. There was some consternation about the idea of drafts coming out during a campaign. The Houses position would be that the committee could meet 3-4 days after November 10 and before the

organizational session and any drafts that would be done would be done after November 10 and report not only to Legislative Council which would probably not include any bill drafts, but would also have to report to the organizational session on the 1st day of the organizational session to propose any drafts if there were drafts at that time. It would be limited to 3-4 days and you'd have to have at least two, and even up to four different meetings to bring a bill draft in with our rules.

Senator Christmann: Is that in your amendment or is it presumption?

Rep. Delzer: That I believe is being addressed in the amendment that's being drafted. The 8-8 was not in the amendment, but if that's what the committee desires, I would request that be part of the amendment that is being drafted. The HR study is still in there. The one FTE is still in there. I do not believe the one I'm asking for has any of the dues or the oil and gas money, but there may be a member of the committee that wishes to propose that separately. The amendment that was brought forth by Senator Holmberg – that is supposed to be part of it.

Senator Christmann: Is that the housing thing?

Rep. Delzer: Yes. The 40-40-10 split on the million dollars for improvements is in there, as it was in Senator Christmann's proposal. Allen (Knudson), does that pretty much cover everything?

Allen Knudson, Legislative Council: Did you want to talk about the data services section?

Rep. Delzer: That data services section – I think we need to take that out.

Senator Christmann: I'm personally indifferent on that one.

Rep. Delzer: We are too, I'm not sure there's a need for it.

Rep. Thoreson: Question – I'm still unclear? The portion on the data services on page 5 – are we talking about the entire section, the broadband and the smartphone also. I'm unclear about the smart phone - are we doing that now?

Rep. Delzer: I don't know if we're doing the smartphone, but the money to pay the data portion is in the bill. It has passed both houses, so the authority to do that will be there.

If the council is already doing this on the internet, the broad band service, they can certainly do the same situation on the smart phone. If it's so needed, it gives them the authority. I'm not sure we need to have it in code.

Senator Christmann: I think the reason that it's being done currently for broadband, but not for the handheld or smart phone devices is because we passed a policy once encouraging its use. This would just start the policy with the hand held.

Rep. Thoreson: With the hand helds, the money is there but the language would not be there?

Senator Christmann: Correct.

Senator Christmann: Any thoughts?

Senator Holmberg: I want to commend the House for coming back with a proposal that is really close to where I'm coming from. We took care of some meddlesome issues. I was like you on the smart phone and broadband. That's what we were going to give away. We found out we're both willing to give it away. I think we've made some motion. But you said 40-40-10. The appropriations math in the Senate would 40-40-20. (laughter) You're always shaving off 10%.

Rep. Thoreson: 90 is the new 100.

Senator Christmann: Regarding the committee- Would we be able to, rather than set in the days, just eliminate subsection 3 out of section 11? Or is that a non-starter.

Rep. Delzer: I'd be uncomfortable with that. I think that putting that after election so there's no consideration of doing anything like that, you're just gathering information until election. After election, if you want to do something, there's a small opportunity to try to do something.

Senator Christmann: I'm curious to hear from Senator O'Connell and Rep. Meyer on the majority leaders making the appointments. Rep. Meyer talked about gender and regional balance. If there are 4 different people appointing 16 people and they all appoint from the same corners, they may all appoint the same gender. I think the majority leadership has had a pretty good record of working with the minority leadership to get information on picking those members.

Senator O'Connell: Senator Stenehjem has always asked me for my input on pretty much everything. I'm concerned about down the future. Right now it works ok, but in the next session, it could be a real problem if you have a couple people that are going at each other all the time. I'm not really comfortable beyond this session.

Rep. Meyer: They do have the power and the ability to do this currently, to develop any type of community that they wish. If we're going on the honor system, the makeup of the committee will need to be in there.

Senator Christmann: I'm not charged up on the whole thing. There has been some movement. I'm not going to commit to holding hands next time to continue doing this but I think with this kind of language I would be willing to compromise and give it a try.

Senator Holmberg: I move we adopt the language in the amendment that is being prepared by Allen for what was discussed moments ago.

Rep. Delzer seconded.

Senator Christmann: There is a motion to adopt the amendments as proposed and when we're done, we'll look at them. Is there any discussion?

Rep. Thoreson: My question is more procedural. I actually had another amendment since Rep. Delzer chose not to deal with the issue of the fees. I had a separate motion that I would like to make.

Senator Christmann: Is that having to do with the organizational dues?

Rep. Thoreson: It's for the organizations and also for the energy council dues.

Senator Christmann: We'll do this first and then come back to that.

Voice vote passed.

Senator Christmann: We should've done a roll call vote. Let the minutes reflect that Senator O'Connell voted no.

Rep. Thoreson: There was discussion for the fees for organizations and those beign reimbursed upon the guidelines set by legislative management – previously legislative council. The chairman expressed interest in the energy council and the fees associated with that. The motion that I would make that we do allow the reimbursement for up to how many dollars a year that was stated in the version which we passed and we would also agree to membership in the energy council contingent upon that there would be two persons – one from each chamber being appointed by the chairman of the legislative management and then report back to legislative council so if those persons felt it was of value, there would also be membership or apply for membership in that organization.

Rep. Dlezer seconded.

Rep. Delzer: Becoming a member as soon as they allow it or after the next session?

Rep. Thoreson: As soon as the report was given back and approval was given by legislative management.

Rep. Delzer: What's the dollar figure we're talking about – 28 and 64, or 28 and 32?

Senator Christmann: 28 and 64 is energy council. 28,200 and 64,000 for energy council.

Rep. Delzer: This came through our committee and I will support it, but I have some slight concerns about it. I would hope the language would stay in and that the guidelines would be set by legislative management committee.

Rep. Meyer: I was hopeful that we could vote on them separately. I would support the energy council, but I do have a question on the dues. What if I decide to use 100 dollars for the Grain Growers? I hate to put that burden on legislative council. Both of their tax structures are different than NCSL and CSG. That is something that should be looked at and not necessarily jumping into that right now. I feel uncomfortable with the tax payers paying \$100 of my dues to an organization that I want to join.

Rep. Thoreseon: Right now the taxpayers are paying the dues for two organization that you're member of and we are all members of those regardless of whether we wish it. This is would be voluntary.

A Roll Call vote was taken. Yea: 4 Nay: O'Connell and Meyer

Senator Christmann: The amendments will be delivered to our desks on Monday for review.

Rep. Meyer: Just do it them Monday.

Senator Christmann: I'm going to be in here Sunday night. If you have a problem, talk to me.

Rep. Thoreson: Can we notify you by email?

Senator Christmann: Yes.

Senator Christmann meeting adjourned.

1
2001
03 4/27/09
early
meeting

PROPOSED AMENDMENTS

Page 1, line _____, after the semicolon insert "to provide for lodging reimbursement for members of the legislative assembly;"

Page _____, after line _____, insert:

"SECTION _____. ADDITIONAL LODGING REIMBURSEMENT FOR 2009 LEGISLATIVE ASSEMBLY.

Notwithstanding the per calendar month lodging maximum provided in section 54-03-20 for members of the legislative assembly during a legislative session, a member of the sixty-first legislative assembly is entitled to lodging reimbursement as provided in section 44-08-04 for state officers and employees for each calendar day the sixty-first legislative assembly is in session during the month of April 2009 if the member submits a voucher indicating the actual amount expended for lodging during the month of April."

Renumber accordingly

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

That the House recede from its amendments as printed on pages 1307-1310 of the Senate Journal and pages 1384-1387 of the House Journal and that Engrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 2, after the second semicolon insert "to create and enact a new section to chapter 54-03, relating to reimbursement of broadband and certain wireless expenses of members of the legislative assembly;"

Page 1, line 3, after "54-03-20" insert ", section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07"

Page 1, line 4, after "compensation" insert ", budget requests, and drafts of appropriation bills" and after the second semicolon insert "to provide for a legislative council study;"

Page 1, line 19, replace "1,224,000" with "794,000" and replace "1,430,000" with "1,000,000"

Page 1, line 24, replace "6,528,252" with "6,098,252" and replace "16,444,554" with "16,014,554"

Page 2, line 5, replace "925,394" with "1,073,394" and replace "6,728,369" with "6,876,369"

Page 2, line 6, replace "758,046" with "864,046" and replace "3,393,934" with "3,499,934"

Page 2, line 9, replace "1,474,440" with "1,728,440" and replace "10,163,303" with "10,417,303"

Page 2, line 11, replace "1,474,440" with "1,728,440" and replace "10,093,303" with "10,347,303"

Page 2, line 12, replace "0.00" with "1.00" and replace "33.00" with "34.00"

Page 2, line 18, replace "8,002,692" with "7,826,692" and replace "26,537,857" with "26,361,857"

Page 2, line 20, replace "8,002,692" with "7,826,692" and replace "26,607,857" with "26,431,857"

Page 2, line 29, replace "1,430,000" with "1,000,000"

Page 2, line 30, replace "5,433,327" with "5,003,327"

Page 3, after line 12, insert:

"State employee compensation study	0	100,000"
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Page 3, line 14, replace "70,000" with "170,000"

Page 3, line 30, replace "\$715,000" with "the sum of \$400,000"

Page 3, line 31, replace "\$1,430,000" with "\$1,000,000"

Page 4, line 2, replace "the remaining \$715,000" with "a separate sum of \$400,000 of the \$1,000,000"

Page 4, line 4, after "committee" insert "and any expenditures relating to the remaining \$200,000 must be approved by a majority of all members of this committee"

Page 4, after line 11, insert:

"SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE COMPENSATION. During the 2009-10 interim, the legislative council shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly."

Page 4, after line 27, insert:

"SECTION 10. A new section to chapter 54-03 of the North Dakota Century Code is created and enacted as follows:

Payment for broadband Internet and smartphone data services for legislators.

1. Each member of the legislative assembly may receive through the information technology department broadband internet service to be used for legislative business. If a member elects to receive broadband internet service for legislative business from a provider other than the information technology department, the member may be entitled to be reimbursed for the cost of the service if the legislative council determines that the purchase of that service from the provider will result in a cost-savings to the state, based upon the average cost of the information technology department to provide service to other members of the legislative assembly.
2. A member of the legislative assembly who acquires a smartphone to be used for legislative business may receive associated data services through the information technology department. If a member elects to receive smartphone data services for legislative business from a provider other than the information technology department's provider, the member may be entitled to be reimbursed for the cost of the service if the legislative council determines that the purchase of that service from the provider will result in a cost-savings to the state, based upon the average cost of the information technology department to provide the service to other members of the legislative assembly.
3. The legislative council shall establish guidelines and procedures for reimbursement under this section, including requiring necessary documentation of expenses being claimed.

SECTION 11. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

(Effective after June 30, 2009) Budget estimates of budget units filed with the office of the budget and the legislative council - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget, estimates of financial

requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget may extend the filing date by up to sixty days for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. Any extension beyond sixty days requires approval by the legislative council. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 12. AMENDMENT. Subsection 7 of section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2009, is amended and reenacted as follows:

7. Drafts of a proposed amendment to a general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. ~~The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.~~

SECTION 13. AMENDMENT. Section 54-44.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-07. Presentation of budget data - How presented to the legislative assembly. The director of the budget or the director's designee shall present the budget data information in section 54-44.1-06, except the drafts of ~~acts~~ amendments required by subsection 7 of that section, and make available sufficient copies thereof to the legislative assembly at the organizational session. The drafts of ~~acts~~ amendments required by subsection 7 of section 54-44.1-06 must be submitted to the legislative council within seven days after the day of adjournment of the organizational session. The budget data must be completed and made available to the legislative assembly in such form as may be prescribed by the legislative council. The legislative council shall set the time and place at which such budget data is to be presented."

Page 4, line 28, replace "7" with "8"

Page 4, line 29, replace "8" with "9"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0214 FN 1

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Legislative Assembly						
Total all funds	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554	\$16,014,554	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554	\$16,014,554	\$0
Legislative Council						
Total all funds	\$10,145,195	\$10,163,303	\$254,000	\$10,417,303	\$10,445,503	(\$28,200)
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$10,075,195	\$10,093,303	\$254,000	\$10,347,303	\$10,375,503	(\$28,200)
Bill total						
Total all funds	\$26,483,732	\$26,607,857	(\$176,000)	\$26,431,857	\$26,460,057	(\$28,200)
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$26,413,732	\$26,537,857	(\$176,000)	\$26,361,857	\$26,390,057	(\$28,200)

Senate Bill No. 2001 - Legislative Assembly - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$7,744,942	\$7,933,506		\$7,933,506	\$7,933,506	
Operating expenses	3,025,108	2,942,561		2,942,561	2,942,561	
Capital assets	1,430,000	1,430,000	(430,000)	1,000,000	1,000,000	
National Conf. of State Legislatures	227,660	227,660		227,660	227,660	
Legislative applications replacement	3,910,827	3,910,827		3,910,827	3,910,827	
Total all funds	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554	\$16,014,554	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554	\$16,014,554	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of Conference Committee Changes

	Reduces Legislative Improvements Funding ¹	Total Conference Committee Changes
Salaries and wages		
Operating expenses		
Capital assets	(430,000)	(430,000)
National Conf. of State Legislatures		
Legislative applications replacement		
Total all funds	(\$430,000)	(\$430,000)
Less estimated income	0	0
General fund	(\$430,000)	(\$430,000)
FTE	0.00	0.00

Funding for legislative wing equipment and improvements is reduced by \$430,000, from \$1,430,000 to \$1,000,000. This is the same reduction as provided in the House amendments. The section added by the Senate providing that 50 percent of these funds be used as determined by Senate members of the Legislative Management Committee and 50 percent by House members of the committee is changed to provide that \$400,000 is to be used as determined by Senate members of the Legislative Management Committee, \$400,000 is to be used as determined by House members of the Legislative Management Committee, and \$200,000 is to be used as determined by a majority of the members of the Legislative Management Committee. The House had amended the section to provide that 35 percent of the funds be used as determined by Senate members of the Legislative Management Committee, 55 percent of the funds by House members of the committee, and the remaining 10 percent of the funds by all members of the committee.

A section is added providing an option for legislators to be reimbursed for broadband and certain wireless expenses. This section was also added by the House.

Senate Bill No. 2001 - Legislative Council - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$6,710,261	\$6,728,369	\$148,000	\$6,876,369	\$6,876,369	
Operating expenses	3,393,934	3,393,934	106,000	3,499,934	3,528,134	(28,200)
Capital assets	41,000	41,000		41,000	41,000	
Total all funds	\$10,145,195	\$10,163,303	\$254,000	\$10,417,303	\$10,445,503	(\$28,200)
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$10,075,195	\$10,093,303	\$254,000	\$10,347,303	\$10,375,503	(\$28,200)
FTE	33.00	33.00	1.00	34.00	34.00	0.00

Department No. 160 - Legislative Council - Detail of Conference Committee Changes

	Adds Funding for Compensation Study ¹	Adds Fiscal Position ²	Total Conference Committee Changes
Salaries and wages		\$148,000	\$148,000
Operating expenses	100,000	6,000	106,000
Capital assets			
Total all funds	\$100,000	\$154,000	\$254,000
Less estimated income	0	0	0
General fund	\$100,000	\$154,000	\$254,000
FTE	0.00	1.00	1.00

¹ A section is added providing for a Legislative Council study of state employee compensation. Funding is added for hiring a consultant, if necessary, to assist with the study. These changes were also included in the House amendments.

² One additional fiscal staff position is added. This position was also added by the House.

Sections are added relating to the budget request deadline and making changes to the introduction process for appropriation bills, similar to sections added by the House.

his amendment does not include:

- Funding for discretionary fees added by the House.
- Sections creating a legislative budget committee.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

That the House recede from its amendments as printed on pages 1307-1310 of the Senate Journal and pages 1384-1387 of the House Journal and that Engrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 2, after the second semicolon insert "to create and enact a new subsection to section 54-03.1-03 and a new section to chapter 54-35 of the North Dakota Century Code, relating to the agenda of the organizational session and to a legislative budget committee;"

Page 1, line 3, after "54-03-20" insert ", section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07"

Page 1, line 4, after "compensation" insert ", budget requests, and drafts of appropriation bills" and after the second semicolon insert "to provide for a legislative council study;"

Page 1, line 19, replace "1,224,000" with "794,000" and replace "1,430,000" with "1,000,000"

Page 1, line 24, replace "6,528,252" with "6,098,252" and replace "16,444,554" with "16,014,554"

Page 2, line 5, replace "925,394" with "1,073,394" and replace "6,728,369" with "6,876,369"

Page 2, line 6, replace "758,046" with "956,246" and replace "3,393,934" with "3,592,134"

Page 2, line 9, replace "1,474,440" with "1,820,640" and replace "10,163,303" with "10,509,503"

Page 2, line 11, replace "1,474,440" with "1,820,640" and replace "10,093,303" with "10,439,503"

Page 2, line 12, replace "0.00" with "1.00" and replace "33.00" with "34.00"

Page 2, line 18, replace "8,002,692" with "7,918,892" and replace "26,537,857" with "26,454,057"

Page 2, line 20, replace "8,002,692" with "7,918,892" and replace "26,607,857" with "26,524,057"

Page 2, line 29, replace "1,430,000" with "1,000,000"

Page 2, line 30, replace "5,433,327" with "5,003,327"

Page 3, after line 12, insert:

"State employee compensation study	0	100,000"
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Page 3, line 14, replace "70,000" with "170,000"

Page 3, line 30, replace "\$715,000" with "the sum of \$400,000"

Page 3, line 31, replace "\$1,430,000" with "\$1,000,000"

Page 4, line 2, after "committee" insert ", or its successor" and replace "the remaining \$715,000" with "a separate sum of \$400,000 of the \$1,000,000"

Page 4, line 4, after "committee" insert ", or its successor, and any expenditures relating to the remaining \$200,000 must be approved by a majority of all members of this committee"

Page 4, after line 11, insert:

"SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE COMPENSATION. During the 2009-10 interim, the legislative council shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 8. ADDITIONAL LODGING REIMBURSEMENT FOR 2009 LEGISLATIVE ASSEMBLY. Notwithstanding the per calendar month lodging maximum provided in section 54-03-20 for members of the legislative assembly during a legislative session, a member of the sixty-first legislative assembly is entitled to lodging reimbursement as provided in section 44-08-04 for state officers and employees for each calendar day the sixty-first legislative assembly is in session during the month of April 2009 if the member submits a voucher indicating the actual amount expended for lodging during the month of April."

Page 4, after line 27, insert:

"SECTION 11. A new subsection to section 54-03.1-03 of the North Dakota Century Code is created and enacted as follows:

Presentation of the report of the legislative budget committee as provided in section 12 of this Act;

SECTION 12. A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

Legislative budget committee - Creation - Duties. The legislative council, during each biennium, shall appoint a legislative budget committee consisting of sixteen members, eight members of which must be appointed by the majority leader of the senate and eight members must be appointed by the majority leader of the house of representatives. The committee shall coordinate and direct activities involved in the development of budget recommendations to assist the legislative assembly as it develops policy and provides appropriations for the operations of state government. The legislative budget committee, with the assistance of the legislative budget analyst and auditor:

1. Shall develop recommendations for the office of management and budget to consider including in its forms and guidelines for agencies to use in preparing budget requests;
2. Shall review, analyze, and evaluate budgets, budget requests, programs, and activities of state agencies, institutions, and departments;

3. Shall prepare drafts of appropriations acts for the next biennium providing funding at the same base level approved by the most recently adjourned special or regular session of the legislative assembly;
4. May meet up to four times between November tenth of each even-numbered year and the organizational session of the legislative assembly to develop budget-related recommendations pertaining to the state budget or any portion of that budget, including revenues and appropriations to assist the legislative assembly as it develops policy and provides appropriations for the operations of state government. The committee may prepare draft amendments for consideration by the legislative assembly necessary to implement budget-related recommendations of the committee; and
5. Shall prepare a report for presentation on the first day of organizational session.

SECTION 13. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

(Effective after June 30, 2009) Budget estimates of budget units filed with the office of the budget and the legislative council - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget and the legislative council, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget considering recommendations of the legislative council, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget, subject to approval by the legislative council, may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 14. AMENDMENT. Subsection 7 of section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2009, is amended and reenacted as follows:

7. Drafts of a proposed amendment to a general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. ~~The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.~~

SECTION 15. AMENDMENT. Section 54-44.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-07. Presentation of budget data - How presented to the legislative assembly. The director of the budget or the director's designee shall present the budget data information in section 54-44.1-06, except the drafts of ~~acts~~ amendments

required by subsection 7 of that section, and make available sufficient copies thereof to the legislative assembly at the organizational session. The drafts of ~~aete~~ amendments required by subsection 7 of section 54-44.1-06 must be submitted to the legislative council within seven days after the day of adjournment of the organizational session. The budget data must be completed and made available to the legislative assembly in such form as may be prescribed by the legislative council. The legislative council shall set the time and place at which such budget data is to be presented."

Page 4, line 28, replace "7" with "9"

Page 4, line 29, replace "8" with "10"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0216 FN 3

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

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2001 - Summary of Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Legislative Assembly						
Total all funds	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554	\$16,014,554	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554	\$16,014,554	\$0
Legislative Council						
Total all funds	\$10,145,195	\$10,163,303	\$346,200	\$10,509,503	\$10,445,503	\$64,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$10,075,195	\$10,093,303	\$346,200	\$10,439,503	\$10,375,503	\$64,000
Bill total						
Total all funds	\$26,483,732	\$26,607,857	(\$83,800)	\$26,524,057	\$26,460,057	\$64,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$26,413,732	\$26,537,857	(\$83,800)	\$26,454,057	\$26,390,057	\$64,000

Senate Bill No. 2001 - Legislative Assembly - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$7,744,942	\$7,933,506		\$7,933,506	\$7,933,506	
Operating expenses	3,025,108	2,942,561		2,942,561	2,942,561	
Capital assets	1,430,000	1,430,000	(430,000)	1,000,000	1,000,000	
National Conf. of State Legislatures	227,660	227,660		227,660	227,660	
Legislative applications replacement	3,910,827	3,910,827		3,910,827	3,910,827	
Total all funds	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554	\$16,014,554	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$16,338,537	\$16,444,554	(\$430,000)	\$16,014,554	\$16,014,554	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of Conference Committee Changes

	Reduces Legislative Improvements Funding ¹	Total Conference Committee Changes
Salaries and wages		
Operating expenses		
Capital assets	(430,000)	(430,000)
National Conf. of State Legislatures		
Legislative applications replacement		
Total all funds	(\$430,000)	(\$430,000)
Less estimated income	0	0
General fund	(\$430,000)	(\$430,000)
FTE	0.00	0.00

¹ Funding for legislative wing equipment and improvements is reduced by \$430,000, from \$1,430,000 to \$1,000,000. This is the same reduction as provided in the House amendments. The section added by the Senate providing that 50 percent of these funds be used as determined by Senate members of the Legislative Management Committee, or its successor, and 50 percent by House members of the committee is changed to provide that \$400,000 is to be used as determined by Senate members of the committee, \$400,000 is to be used as determined by House members of the committee, and \$200,000 is to be used as determined by a majority of the members of the committee. The House had amended the section to provide that 35 percent of the funds be used as determined by Senate members of the committee, 55 percent of the funds by House members of the committee, and the remaining 10 percent of the funds by all members of the committee.

A section is added allowing legislators to exceed the monthly maximum lodging reimbursement for April 2009.

This amendment does not include a section for providing an option for legislators to be reimbursed for broadband and certain wireless expenses as added by the House.

Senate Bill No. 2001 - Legislative Council - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$6,710,261	\$6,728,369	\$148,000	\$6,876,369	\$6,876,369	
Operating expenses	3,393,934	3,393,934	198,200	3,592,134	3,528,134	64,000
Capital assets	41,000	41,000		41,000	41,000	
Total all funds	\$10,145,195	\$10,163,303	\$346,200	\$10,509,503	\$10,445,503	\$64,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$10,075,195	\$10,093,303	\$346,200	\$10,439,503	\$10,375,503	\$64,000
FTE	33.00	33.00	1.00	34.00	34.00	0.00

Department No. 160 - Legislative Council - Detail of Conference Committee Changes

	Adds Funding for Compensation Study ¹	Adds Fiscal Position ²	Adds Funding for Discretionary Fees ³	Adds Funding for Energy Council Dues ⁴	Total Conference Committee Changes
Salaries and wages		\$148,000			\$148,000
Operating expenses	100,000	6,000	28,200	64,000	198,200
Capital assets					
Total all funds	\$100,000	\$154,000	\$28,200	\$64,000	\$346,200
Less estimated income	0	0	0	0	0
General fund	\$100,000	\$154,000	\$28,200	\$64,000	\$346,200
FTE	0.00	1.00	0.00	0.00	1.00

¹ A section is added providing for a Legislative Council study of state employee compensation. Funding is added for hiring a consultant, if necessary, to assist with the study. These changes were also included in the House amendments.

² One additional fiscal staff position is added. This position was also added by the House.

Funding is added to allow each legislator to claim reimbursement of up to \$100 per year for membership fees or dues relating to one legislative-related organization similar to the National Conference of State Legislatures or the Council of State Governments as determined by each legislator in accordance with Legislative Management guidelines.

⁴ Funding is added for membership dues of joining an energy council organization, subject to the Legislative Management's determination of the benefits to the state of membership.

Sections are added relating to the creation of a legislative budget committee, budget request deadline, and making changes to the introduction process for appropriation bills, similar to sections added by the House.

This amendment does not include sections relating to broadband Internet and Smartphone data services added by the House.

REPORT OF CONFERENCE COMMITTEE

SB 2001, as engrossed: Your conference committee (Sens. Christmann, Holmberg, O'Connell and Reps. Delzer, Thoreson, S. Meyer) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1307-1310, adopt amendments as follows, and place SB 2001 on the Seventh order:

That the House recede from its amendments as printed on pages 1307-1310 of the Senate Journal and pages 1384-1387 of the House Journal and that Engrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 2, after the second semicolon insert "to create and enact a new subsection to section 54-03.1-03 and a new section to chapter 54-35 of the North Dakota Century Code, relating to the agenda of the organizational session and to a legislative budget committee;"

Page 1, line 3, after "54-03-20" insert ", section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07"

Page 1, line 4, after "compensation" insert ", budget requests, and drafts of appropriation bills" and after the second semicolon insert "to provide for a legislative council study;"

Page 1, line 19, replace "1,224,000" with "794,000" and replace "1,430,000" with "1,000,000"

Page 1, line 24, replace "6,528,252" with "6,098,252" and replace "16,444,554" with "16,014,554"

Page 2, line 5, replace "925,394" with "1,073,394" and replace "6,728,369" with "6,876,369"

Page 2, line 6, replace "758,046" with "956,246" and replace "3,393,934" with "3,592,134"

Page 2, line 9, replace "1,474,440" with "1,820,640" and replace "10,163,303" with "10,509,503"

Page 2, line 11, replace "1,474,440" with "1,820,640" and replace "10,093,303" with "10,439,503"

Page 2, line 12, replace "0.00" with "1.00" and replace "33.00" with "34.00"

Page 2, line 18, replace "8,002,692" with "7,918,892" and replace "26,537,857" with "26,454,057"

Page 2, line 20, replace "8,002,692" with "7,918,892" and replace "26,607,857" with "26,524,057"

Page 2, line 29, replace "1,430,000" with "1,000,000"

Page 2, line 30, replace "5,433,327" with "5,003,327"

Page 3, after line 12, insert:

"State employee compensation study	0	100,000"
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Page 3, line 14, replace "70,000" with "170,000"

Page 3, line 30, replace "\$715,000" with "the sum of \$400,000"

Page 3, line 31, replace "\$1,430,000" with "\$1,000,000"

Page 4, line 2, after "committee" insert ", or its successor" and replace "the remaining \$715,000" with "a separate sum of \$400,000 of the \$1,000,000"

Page 4, line 4, after "committee" insert ", or its successor, and any expenditures relating to the remaining \$200,000 must be approved by a majority of all members of this committee,"

Page 4, after line 11, insert:

"SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE COMPENSATION. During the 2009-10 interim, the legislative council shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 8. ADDITIONAL LODGING REIMBURSEMENT FOR 2009 LEGISLATIVE ASSEMBLY. Notwithstanding the per calendar month lodging maximum provided in section 54-03-20 for members of the legislative assembly during a legislative session, a member of the sixty-first legislative assembly is entitled to lodging reimbursement as provided in section 44-08-04 for state officers and employees for each calendar day the sixty-first legislative assembly is in session during the month of April 2009 if the member submits a voucher indicating the actual amount expended for lodging during the month of April."

Page 4, after line 27, insert:

"SECTION 11. A new subsection to section 54-03.1-03 of the North Dakota Century Code is created and enacted as follows:

Presentation of the report of the legislative budget committee as provided in section 12 of this Act;

SECTION 12. A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

Legislative budget committee - Creation - Duties. The legislative council, during each biennium, shall appoint a legislative budget committee consisting of sixteen members, eight of whom must be appointed by the majority leader of the senate and eight of whom must be appointed by the majority leader of the house of representatives. The committee shall coordinate and direct activities involved in the development of budget recommendations to assist the legislative assembly as the legislative assembly develops policy and provides appropriations for the operations of state government. The legislative budget committee, with the assistance of the legislative budget analyst and auditor:

1. Shall develop recommendations for the office of management and budget to consider including in its forms and guidelines for agencies to use in preparing budget requests;
2. Shall review, analyze, and evaluate budgets, budget requests, programs, and activities of state agencies, institutions, and departments;
3. Shall prepare drafts of appropriations acts for the next biennium providing funding at the same base level approved by the most recently adjourned special or regular session of the legislative assembly;

4. May meet up to four times between November tenth of each even-numbered year and the organizational session of the legislative assembly to develop budget-related recommendations pertaining to the state budget or any portion of that budget, including revenues and appropriations to assist the legislative assembly as the legislative assembly develops policy and provides appropriations for the operations of state government. The committee may prepare draft amendments for consideration by the legislative assembly necessary to implement budget-related recommendations of the committee; and
5. Shall prepare a report for presentation on the first day of organizational session.

SECTION 13. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

(Effective after June 30, 2009) Budget estimates of budget units filed with the office of the budget and the legislative council - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget and the legislative council, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget considering recommendations of the legislative council, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget, subject to approval by the legislative council, may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 14. AMENDMENT. Subsection 7 of section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2009, is amended and reenacted as follows:

7. Drafts of a proposed amendment to a general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. ~~The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.~~

SECTION 15. AMENDMENT. Section 54-44.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-07. Presentation of budget data - How presented to the legislative assembly. The director of the budget or the director's designee shall present the budget data information in section 54-44.1-06, except the drafts of ~~acts~~ amendments required by subsection 7 of that section, and make available sufficient copies thereof to

the legislative assembly at the organizational session. The drafts of ~~acts~~ amendments required by subsection 7 of section 54-44.1-06 must be submitted to the legislative council within seven days after the day of adjournment of the organizational session. The budget data must be completed and made available to the legislative assembly in such form as may be prescribed by the legislative council. The legislative council shall set the time and place at which such budget data is to be presented."

Page 4, line 28, replace "7" with "9"

Page 4, line 29, replace "8" with "10"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0216 FN 3

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

Engrossed SB 2001 was placed on the Seventh order of business on the calendar.

2009 TESTIMONY

SB 2001

January 23, 2009

STATEMENT OF JIM W. SMITH, DIRECTOR, NORTH DAKOTA LEGISLATIVE COUNCIL, REGARDING SENATE BILL NO. 2001, JANUARY 23, 2009

Mr. Chairman and members of the Senate Appropriations Committee.

I am here this morning appearing on Senate Bill No. 2001 on behalf of the members of the Legislative Assembly and the members of the Legislative Council to explain the budget requests for the Legislative Assembly and the Legislative Council for the 2009-11 biennium.

The budget requests for these agencies are prepared using zero-based budgeting, meaning all amounts requested are calculated from a starting point of zero.

LEGISLATIVE ASSEMBLY

Subdivision 1 of Section 1 of the bill contains the 2009-11 biennium appropriation for the Legislative Assembly of \$16,338,537 from the general fund. This amount includes \$5.7 million of one-time funding requests. Excluding the one-time items, the Legislative Assembly request is \$10,625,663. This amount is \$709,361, or 7.2 percent, more than the 2007-09 "ongoing" appropriation of \$9,916,302. The amount requested is considered necessary for the organizational session and a 77-legislative-day (111-calendar-day) regular 2011 legislative session. The following schedule presents the number of legislative days for previous sessions:

Legislative Session	Legislative Days
2007	78
2005	76
2003	76*
2001	77
1999	71
1997	66
1995	67

*Excludes the three legislative days relating to the May 2003 special session.

The 2007 Legislative Assembly provided funding for an estimated 77-legislative-day 2009 legislative session.

Salaries and Wages

The salaries and wages line item of approximately \$7.7 million includes funding for:

- Legislative employees' pay for the 2011 legislative session based on the same number of employees employed for the 2007 legislative session of 79 and compensation increases equivalent to a 4 percent annual increase.
- Legislators' salary of \$140 per day for a 77-legislative-day regular session (111 calendar days). This includes the \$5 per day increase

proposed by the Legislative Compensation Commission in Senate Bill No. 2064 (an estimated cost of \$88,036).

- Additional compensation of \$10 per calendar day is provided for the legislative leaders and \$5 per calendar day for chairmen of the standing committees and assistant legislative leaders.
- Legislators' monthly compensation of \$393 per month, a \$15 per month increase as proposed by the Legislative Compensation Commission in Senate Bill No. 2064 (an estimated cost of \$54,640) and the additional \$270 per month provided to the House and Senate majority and minority leaders.
- Health insurance coverage for 130 legislators, the same number of legislators that received health insurance coverage during the 2007-08 interim. Current information indicates that 125 legislators have requested health insurance; however, additional legislators may join the plan during the open enrollment period.

Operating Expenses

The operating expenses line item of approximately \$3 million includes funding for:

- Legislators' travel costs for 16 trips at 58.5 cents per mile during the 2011 regular session and one trip for the 2010 organizational session. Based on the Legislative Compensation Commission recommendation as contained in Senate Bill No. 2064, the budget has been increased by \$105,168 to provide for a mileage reimbursement rate equivalent to the federal government's General Services Administration rate rather than the current rate of 45 cents per mile.
- Lodging costs for 125 legislators for four months during the legislative session at a reimbursement rate of \$1,000 per month, an increase of \$100 per month as proposed by the Legislative Compensation Commission in Senate Bill No. 2064 (an estimated cost of \$54,606).
- Telephone, telecommunications, and networking charges of \$462,000, a decrease of \$39,000 compared to the 2007-09 biennium.
- Professional services of \$118,000, which includes \$90,000 for the privatization of legislative secretarial services, bill and journal room operations, and telephone room

operations and \$11,000 for community access coverage of the legislative session.

- One-time funding of \$350,000 provided in the 2007-09 biennium for computer equipment replacement is removed.
- One-time funding is being requested for purchasing hand-held computer devices and payment of monthly costs for legislators (\$279,547) and for other computer equipment replacement (\$92,500).

Capital Assets

The capital assets line item of \$1,430,000 includes one-time funding of \$200,000 for continuing to renovate committee rooms, \$450,000 for committee room audiovisual displays, \$500,000 for committee room voting systems, and \$280,000 for hall monitor system replacement.

National Conference of State Legislatures

The National Conference of State Legislatures (NCSL) line item of \$227,660 is an increase of \$21,346 from the 2007-09 budget of \$206,314. This represents North Dakota's contribution to NCSL and the amount is based on NCSL's estimate of North Dakota's share of the NCSL budget for fiscal years 2010 and 2011.

Legislative Applications Replacement System

The legislative applications replacement line item includes \$3,910,827 of one-time funding for replacing the Legislative Assembly's mainframe-based computer system. The amount requested is the same amount provided for the 2007-09 biennium. The Information Technology Department (ITD) is currently in the process of developing a plan and cost estimate for completing the project. The expectation is that ITD will have a recommendation in time for the committee's consideration and the budget will be adjusted. See the attached project summary for additional information.

LEGISLATIVE COUNCIL

Subdivision 2 of Section 1 of Senate Bill No. 2001 contains the 2009-11 appropriation for the Legislative Council of \$10,145,195, of which \$10,075,195 is from the general fund and \$70,000 is from the insurance regulatory trust fund. The 2009-11 "ongoing" general fund request is \$1,386,332, or 16.1 percent more than the 2007-09 "ongoing" general fund appropriation of \$8,618,863.

The \$70,000 from the insurance regulatory trust fund is the same amount provided for the 2007-09 biennium and is for expenses relating to legislator involvement with the National Conference of Insurance Legislators (NCOIL). Prior to the 2007-09 biennium, these expenses were paid directly by the Insurance Department.

The Legislative Council is requesting 33 full-time equivalent (FTE) positions, the same number

authorized for the 2007-09 biennium. See the attached organizational chart reflecting the current structure.

Salaries and Wages

The salaries and wages line item of approximately \$6.7 million includes funding for:

- Thirty-three authorized FTE positions.
- Funding for the Governor's recommended salary increase for state employees of \$346,312 (5 and 5 package).
- The Governor's recommended health insurance premium increase and retiree health credit contribution increase of \$140,329.
- Salary equity funding of \$50,000.
- Temporary employees' pay during the 2011 legislative session.
- Legislators' per diem for meetings during the interim of \$827,807, \$208,824 more than the 2007-09 budgeted amount of \$618,983. This request is based on the same number of committees (26) appointed during the 2007-08 interim and assumes an 87.5 percent attendance rate at committee meetings. The increase is due to a proposed increase for legislators' interim meeting pay to \$140 per day as recommended by the Legislative Compensation Commission and included in Senate Bill No. 2064.

Operating Expenses

The operating expenses line item of approximately \$3.4 million includes funding for:

- Travel expenses relating to meetings during the interim of \$1,448,008, which is \$232,145 more than the 2007-09 budget of \$1,215,863. The funding request is based on the same number of committees (26) appointed during the 2005-06 interim and assumes an 87.5 percent attendance rate at committee meetings. Of the \$232,145 increase, approximately \$122,000 relates to the proposed mileage reimbursement increase from 45 cents per mile to 58.5 cents (as recommended by the Legislative Compensation Commission in Senate Bill No. 2064). Included as part of this increase is increasing the lodging reimbursement rate from \$55 to \$60 per night plus tax—a \$17,000 increase—as recommended by the Legislative Compensation Commission in Senate Bill No. 2064 and continuing the same level of legislator out-of-state travel as the 2007-09 biennium to date—a \$79,000 increase.
- Information technology consulting totals \$559,050, \$373,500 more than the 2007-09 budget. Of the increase, \$368,000 is for rewriting the document management and interim committee information systems.
- Professional services of \$315,000 is \$53,500 less than the 2007-09 budget. The decrease

relates primarily to reducing funding by \$55,000, from \$355,000 to \$300,000 for consulting services to assist with interim committee studies when required. Other professional services funding includes \$6,000 for contracting for the Legislative Council audit and \$9,000 for contracting for the State Auditor's office audit.

- One-time funding provided in the 2007-09 biennium for computer equipment replacement of \$104,579 is removed.
- Information technology equipment and software for **legislative redistricting** of \$105,300 is included.
- Other computer equipment replacement of \$61,750 is requested.
- Funding for beginning a process of upgrading office equipment and furniture is included for \$35,000 as well as funding to complete the carpet replacement project in the Legislative Council office of \$15,000.
- Other operating expenses changes are based on the Office of Management and Budget's guidelines as they are applicable and anticipated needs in other areas.

Capital Assets

The capital assets line item of \$41,000 includes funding for replacing a copier, purchasing a plotter for redistricting, and for Administrative Code software.

Prison Facilities Study

The 2007-09 biennium appropriation included \$250,000 from the general fund for hiring a consultant to assist with the prison facilities study. This funding is being removed.

OTHER AREAS

The chairman of the Legislative Council and the Senate majority leader have both asked that language be added to allow the carryover of unspent funds from the 2007-09 biennium to the 2009-11 biennium.

RELATED BILLS

Other bills under consideration that may affect the budget of the legislative branch include:

- As discussed above, Senate Bill No. 2064 recommended by the Legislative Compensation Commission increases legislators' compensation and expense reimbursement levels.
- Senate Bill No. 2337 creates a Legislative Council medical assistance committee and appropriates \$250,000, of which \$100,000 is from the general fund, for obtaining actuarial and consulting services to assist in the analysis of the medical assistance program.
- House Bill No. 1462 repeals statutory provisions relating to the Legislative Compensation Commission and the Advisory Commission on Intergovernmental Relations.
- House Bill No. 1557 requires the Legislative Assembly to reconvene each even-numbered year for budget adjustment purposes.
- House Bill No. 1081 establishes a P-20 education council and requires the Legislative Council to provide necessary staff services, travel expense reimbursement, and funding for other costs relating to the P-20 council.
- House Bill No. 1178 allows the purchase of used personal computers at market value by members of the Legislative Assembly if the members have paid a computer usage fee.
- House Bill No. 1222 provides for proportionate representation on the Legislative Council for each political party based on the political party membership of each chamber.

ATTACH:2

February 26, 2009

**STATEMENT OF JIM W. SMITH, DIRECTOR,
NORTH DAKOTA LEGISLATIVE COUNCIL,
REGARDING ENGROSSED SENATE BILL NO. 2001,
FEBRUARY 26, 2009**

Mr. Chairman and members of the House Appropriations - Government Operations Division.

I am here this morning appearing on Engrossed Senate Bill No. 2001 on behalf of the members of the Legislative Assembly and the members of the Legislative Council to explain the budget requests for the Legislative Assembly and the Legislative Council for the 2009-11 biennium.

The budget requests for these agencies are prepared using zero-based budgeting, meaning all amounts requested are calculated from a starting point of zero.

LEGISLATIVE ASSEMBLY

Subdivision 1 of Section 1 of the bill contains the 2009-11 biennium appropriation for the Legislative Assembly of \$16,444,554 from the general fund. This amount includes \$5.4 million of one-time funding requests. Excluding the one-time items, the Legislative Assembly request is \$11,011,227. This amount is \$1,094,925, or 11 percent, more than the 2007-09 "ongoing" appropriation of \$9,916,302. The amount requested is considered necessary for the organizational session and a 77-legislative-day (111-calendar-day) regular 2011 legislative session. The following schedule presents the number of legislative days for previous sessions:

Legislative Session	Legislative Days
2007	78
2005	76
2003	76*
2001	77
1999	71
1997	66
1995	67

*Excludes the three legislative days relating to the May 2003 special session.

The 2007 Legislative Assembly provided funding for an estimated 77-legislative-day 2009 legislative session.

Salaries and Wages

The salaries and wages line item of approximately \$7.9 million includes funding for:

- Legislative employees' pay for the 2011 legislative session based on the same number of employees employed for the 2007 legislative session of 79 and compensation increases equivalent to a 4 percent annual increase.
- Legislators' salary of \$148 per day for a 77-legislative-day regular session (111 calendar days). This includes the \$5 per day increase

proposed by the Legislative Compensation Commission in Senate Bill No. 2064 (an estimated cost of \$88,036) and the additional \$1 per day added by the Senate to provide for a daily salary of \$141 effective July 1, 2009, and the additional \$7 per day added by the Senate to provide for a daily salary of \$148 effective July 1, 2010 (the Senate added a total of \$140,858).

- Additional compensation of \$10 per calendar day is provided for the legislative leaders and \$5 per calendar day for chairmen of the standing committees and assistant legislative leaders.
- Legislators' monthly compensation of \$393 per month, a \$15 per month increase as proposed by the Legislative Compensation Commission in Senate Bill No. 2064 (an estimated cost of \$54,640). The Senate added \$45,536 to increase legislators' monthly compensation to \$396 effective July 1, 2009, and to \$415 effective July 1, 2010, in accordance with provisions of Engrossed Senate Bill No. 2064.
- The additional \$270 per month provided to the House and Senate majority and minority leaders. The Senate added \$2,170 and Sections 7 and 8 to Senate Bill No. 2001 to increase the additional monthly compensation for legislative leadership to \$284 effective July 1, 2009, and to \$298 effective July 1, 2010.
- Health insurance coverage for 130 legislators, the same number of legislators that received health insurance coverage during the 2007-08 interim. Current information indicates that 125 legislators have requested health insurance; however, additional legislators may join the plan during the open enrollment period.

Operating Expenses

The operating expenses line item of approximately \$2.9 million includes funding for:

- Legislators' travel costs for 16 trips at 58.5 cents per mile during the 2011 regular session and one trip for the 2010 organizational session. Based on the Legislative Compensation Commission recommendation as contained in Senate Bill No. 2064, the budget has been increased by \$105,168 to provide for a mileage reimbursement rate equivalent to the federal government's General Services Administration rate rather than the current rate of 45 cents per mile.

2001
2009A

- Lodging costs for 125 legislators for four months during the legislative session at a reimbursement rate of \$1,000 per month, an increase of \$100 per month as proposed by the Legislative Compensation Commission in Senate Bill No. 2064 (an estimated cost of \$54,606).
- Telephone, telecommunications, and networking charges of \$462,000, a decrease of \$39,000 compared to the 2007-09 biennium.
- Professional services of \$118,000, which includes \$90,000 for the privatization of legislative secretarial services, bill and journal room operations, and telephone room operations and \$11,000 for community access coverage of the legislative session.
- One-time funding of \$350,000 provided in the 2007-09 biennium for computer equipment replacement is removed.
- One-time funding was requested for purchasing hand-held computer devices and payment of monthly costs for legislators (\$279,547) and for other computer equipment replacement (\$92,500). The Senate reduced funding for BlackBerrys by \$82,547 to remove funding for purchasing the devices for legislators and to reflect revised operational cost estimates. Funding of \$194,000 remains for the initial connection fee and monthly server access fees and data plan fees.

Capital Assets

The capital assets line item of \$1,430,000 includes one-time funding of \$200,000 for continuing to renovate committee rooms, \$450,000 for committee room audiovisual displays, \$500,000 for committee room voting systems, and \$280,000 for hall monitor system replacement. The Senate added Section 5 providing that the \$1,430,000 be also available for other legislative wing equipment and improvements and that 50 percent of the funds be used as determined by the House members of the Legislative Management Committee and 50 percent as determined by the Senate members of the Legislative Management Committee.

National Conference of State Legislatures

The National Conference of State Legislatures (NCSL) line item of \$227,660 is an increase of \$21,346 from the 2007-09 budget of \$206,314. This represents North Dakota's contribution to NCSL and the amount is based on NCSL's estimate of North Dakota's share of the NCSL budget for fiscal years 2010 and 2011.

Legislative Applications Replacement System

The legislative applications replacement line item includes \$3,910,827 of one-time funding for replacing the Legislative Assembly's mainframe-based computer system. The amount requested is the same

amount provided for the 2007-09 biennium. The Information Technology Department developed a plan and cost estimate for completing the project. Propolyn is conducting a "fit analysis" and quote by March 24, 2009. The Information Technology Department also will have a refined recommendation and cost estimate in time for the committee's consideration. See the attached project summary for additional information.

LEGISLATIVE COUNCIL

Subdivision 2 of Section 1 of Senate Bill No. 2001 contains the 2009-11 appropriation for the Legislative Council of \$10,163,303, of which \$10,093,303 is from the general fund and \$70,000 is from the insurance regulatory trust fund. The 2009-11 "ongoing" general fund request is \$1,404,440, or 16.3 percent more than the 2007-09 "ongoing" general fund appropriation of \$8,618,863.

The \$70,000 from the insurance regulatory trust fund is the same amount provided for the 2007-09 biennium and is for expenses relating to legislator involvement with the National Conference of Insurance Legislators (NCOIL). Prior to the 2007-09 biennium, these expenses were paid directly by the Insurance Department.

The Legislative Council is requesting 33 full-time equivalent (FTE) positions, the same number authorized for the 2007-09 biennium. See the attached organizational chart reflecting the current structure.

Salaries and Wages

The salaries and wages line item of approximately \$6.7 million includes funding for:

- Thirty-three authorized FTE positions.
- Funding for the Governor's recommended salary increase for state employees of \$346,312 (5 and 5 package).
- The Governor's recommended health insurance premium increase and retiree health credit contribution increase of \$140,329.
- Salary equity funding of \$50,000.
- Temporary employees' pay during the 2011 legislative session.
- Legislators' per diem for meetings during the interim of \$827,807, \$208,824 more than the 2007-09 budgeted amount of \$618,983. This request is based on the same number of committees (26) appointed during the 2007-08 interim and assumes an 87.5 percent attendance rate at committee meetings. The increase is due to a proposed increase for legislators' interim meeting pay to \$140 per day as recommended by the Legislative Compensation Commission and included in Senate Bill No. 2064. The Senate added \$18,108 to increase interim compensation to \$141 per day effective July 1, 2009, and to \$148 per day effective July 1, 2010, in

accordance with provisions of Engrossed Senate Bill No. 2064.

Operating Expenses

The operating expenses line item of approximately \$3.4 million includes funding for:

- Travel expenses relating to meetings during the interim of \$1,448,008, which is \$232,145 more than the 2007-09 budget of \$1,215,863. The funding request is based on the same number of committees (26) appointed during the 2005-06 interim and assumes an 87.5 percent attendance rate at committee meetings. Of the \$232,145 increase, approximately \$122,000 relates to the proposed mileage reimbursement increase from 45 cents per mile to 58.5 cents (as recommended by the Legislative Compensation Commission in Senate Bill No. 2064). Included as part of this increase is increasing the lodging reimbursement rate from \$55 to \$60 per night plus tax--a \$17,000 increase--as recommended by the Legislative Compensation Commission in Engrossed Senate Bill No. 2064 and continuing the same level of legislator out-of-state travel as the 2007-09 biennium to date--a \$79,000 increase.
- Information technology consulting totals \$559,050, \$373,500 more than the 2007-09 budget. Of the increase, \$368,000 is for rewriting the document management and interim committee information systems.
- Professional services of \$315,000 is \$53,500 less than the 2007-09 budget. The decrease relates primarily to reducing funding by \$55,000, from \$355,000 to \$300,000 for consulting services to assist with interim committee studies when required. Other professional services funding includes \$6,000 for contracting for the Legislative Council audit and \$9,000 for contracting for the State Auditor's office audit.
- One-time funding provided in the 2007-09 biennium for computer equipment replacement of \$104,579 is removed.
- Information technology equipment and software for **legislative redistricting** of \$105,300 is included.
- Other computer equipment replacement of \$61,750 is requested.
- Funding for beginning a process of upgrading office equipment and furniture is included for \$35,000 as well as funding to complete the carpet replacement project in the Legislative Council office of \$15,000.
- Other operating expenses changes are based on the Office of Management and Budget's

guidelines as they are applicable and anticipated needs in other areas.

Also attached is a copy of the *History and Functions of the North Dakota Legislative Council*.

Capital Assets

The capital assets line item of \$41,000 includes funding for replacing a copier, purchasing a plotter for redistricting, and for Administrative Code software.

Prison Facilities Study

The 2007-09 biennium appropriation included \$250,000 from the general fund for hiring a consultant to assist with the prison facilities study. This funding is being removed.

OTHER AREAS

At the request of the chairman of the Legislative Council and the Senate majority leader, the Senate added language to allow the carryover of unspent funds from the 2007-09 biennium to the 2009-11 biennium.

RELATED BILLS

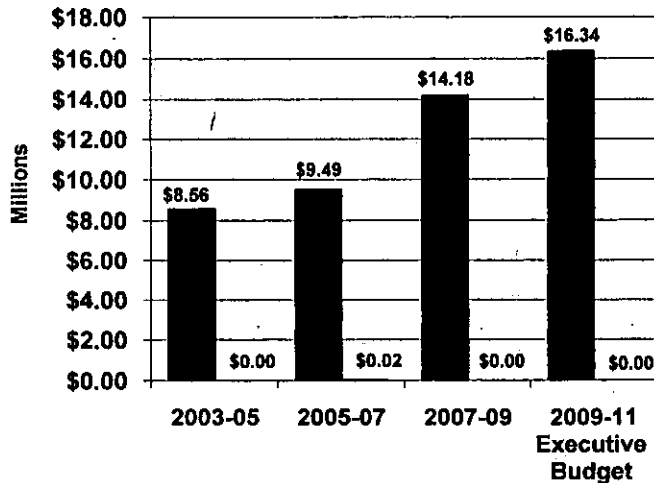
Other bills under consideration that may affect the budget of the legislative branch include:

- As discussed above, Senate Bill No. 2064 increases legislators' compensation and expense reimbursement levels.
- House Bill No. 1178 allows the purchase of used personal computers at market value by members of the Legislative Assembly if the members have paid a computer usage fee.
- House Bill No. 1222 provides for proportionate representation on the Legislative Council for each political party based on the political party membership of each chamber.
- House Bill No. 1436 differentiates between the Legislative Council and legislative services as an agency of the legislative branch.
- House Concurrent Resolution No. 3036 directs the Legislative Council to prepare and publish an annual pocket brochure of pertinent state economic indicators and state government statistics.
- House Concurrent Resolution No. 3057 proposes a constitutional amendment increasing the maximum number of days the Legislative Assembly may meet in regular session each biennium from 80 to 120 days.
- House Concurrent Resolution No. 3062 proposes a constitutional amendment increasing the maximum number of days the Legislative Assembly may meet in regular session each biennium from 80 to 100 days.

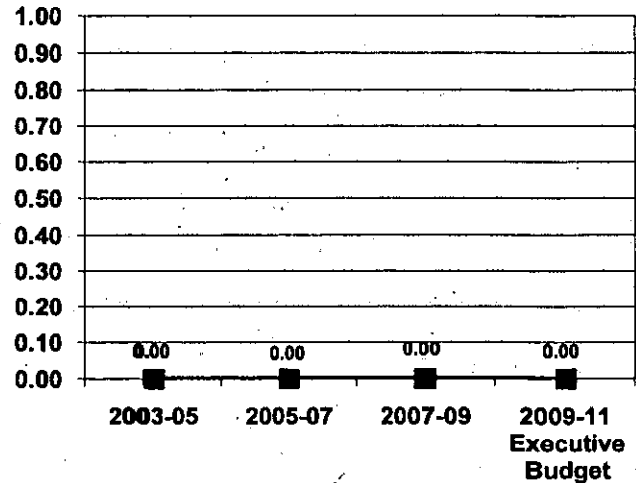
Department 150 - Legislative Assembly
Senate Bill No. 2001

	FTE Positions	General Fund	Other Funds	Total
2009-11 Executive Budget	0.00	\$16,338,537	\$0	\$16,338,537
2007-09 Legislative Appropriations	0.00	14,177,129	0	14,177,129
Increase (Decrease)	0.00	\$2,161,408	\$0	\$2,161,408

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 Executive Budget	\$10,625,663	\$5,712,874	\$16,338,537
2007-09 Legislative Appropriations	9,916,302	4,260,827	14,177,129
Increase (Decrease)	\$709,361	\$1,452,047	\$2,161,408

First House Action

Attached is a summary of first house changes.

Executive Budget Highlights
(With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Adds funding for increasing legislators' monthly compensation from \$378 to \$393 (Legislative Compensation Commission recommendation in Senate Bill No. 2064). The Senate added \$45,536 to increase legislators' monthly compensation to \$396 effective July 1, 2009, and to \$415 effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064.	\$54,640		\$54,640
2. Adds funding for increasing legislative compensation for regular, special, or organizational sessions from \$135 to \$140 per day (Legislative Compensation Commission recommendation in Senate Bill No. 2064). The Senate added \$140,858 to increase legislative daily session pay to \$141 effective July 1, 2009, and to \$148 effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064.	\$88,036		\$88,036
3. Adds funding for increasing the maximum monthly lodging expense reimbursement allowed during legislative sessions from \$900 to \$1,000 (\$51,200) and for increasing the daily lodging expense reimbursement from \$55 plus tax to \$60 plus tax (\$3,406) (Legislative Compensation Commission recommendation in Senate Bill No. 2064)	\$54,606		\$54,606

4. Adds funding for additional costs of legislative travel resulting from the increase in the mileage reimbursement rate from 45 cents to 58.5 cents per mile (Legislative Compensation Commission recommendation in Senate Bill No. 2064)	\$105,168	\$105,168
5. Provides one-time funding for information technology equipment under \$5,000, including color printers (\$52,500), BlackBerry devices for legislators (\$276,547), and other equipment (\$40,000). The Senate reduced funding for BlackBerry devices by \$82,547 to remove funding for purchasing the devices for legislators and to reflect revised operational cost estimates. Funding of \$194,000 remains for the initial connection fee and monthly server access fees and data plan fees.	\$372,047	\$372,047
6. Adds funding for an increase in dues for the National Conference of State Legislatures from \$206,314 to \$227,660	\$21,346	\$21,346
7. Increases one-time funding for committee room improvements from \$200,000 to \$1,430,000. The Senate added provisions that the funding also be available for other legislative wing equipment and improvements and that 50 percent of the funds be allocated for House projects and 50 percent for Senate projects.	\$1,230,000	\$1,230,000
8. Continues one-time funding of \$3,910,827 for the legislative applications replacement system project		
9. Removes one-time funding provided for the 2007-09 biennium	(\$4,260,827)	(\$4,260,827)

Continuing Appropriations

No continuing appropriations for this agency.

Major Related Legislation

Senate Bill No. 2064 - This bill provides for the following legislative compensation changes:

- Increase legislators' monthly compensation by 5 percent per year, from \$378 to \$396 effective July 1, 2009, and to \$4 effective July 1, 2010.
- Increase the compensation for regular, special, or organizational sessions by 5 percent per year from \$135 to \$141 per calendar day effective July 1, 2009, and to \$148 per calendar day effective July 1, 2010.
- Increase the interim compensation rate by 5 percent per year from \$135 to \$141 per day effective July 1, 2009, and to \$148 per day effective July 1, 2010.
- Increase the maximum monthly lodging expense reimbursement allowed during legislative sessions by \$100 from \$900 to \$1,000 per month effective July 1, 2009.
- Increase the state daily lodging expense reimbursement rate by \$5 per night from \$55 plus tax to \$60 plus tax per night effective July 1, 2009.
- Provide that the state mileage expense reimbursement rate be equal to the federal mileage expense reimbursement rate. (The current state mileage expense reimbursement rate is 45 cents per mile. The estimated federal mileage expense reimbursement rate included in the budget request is 58.5 cents per mile.)

House Bill No. 1178 - This bill allows the purchase of used personal computers at market value by members of the Legislative Assembly if the members have paid a computer usage fee.

House Concurrent Resolution No. 3057 - This resolution proposes a constitutional amendment increasing the maximum number of legislative days the Legislative Assembly may meet in regular session each biennium from 80 days to 120 days.

House Concurrent Resolution No. 3062 - This resolution proposes a constitutional amendment increasing the maximum number of legislative days the Legislative Assembly may meet in regular session each biennium from 80 days to 100 days.

ATTACH:1

LEGISLATIVE ASSEMBLY OVERVIEW INFORMATION PROVIDED TO HOUSE APPROPRIATIONS - GOVERNMENT OPERATIONS DIVISION
February 25, 2009

Agency historical perspective and mission and purpose

The Legislative Assembly is the policymaking branch of state government. The Legislative Assembly meets for organization and orientation purposes during the month of December in the even-numbered years and convenes each odd-numbered year for the regular session, which may not exceed 80 days during the biennium. The Legislative Assembly's primary goal is to determine policies for the operation of state and local government by making the laws of the state. The Legislative Assembly appropriates funds for the operation of state government and enacts legislation to carry out the policies it establishes.

Budget detail comparison - Ongoing funding

	2005-07 Actual	2007-09 Appropriation	2007-09 Estimate	Comparison of 2007-09 Estimate to 2007-09 Appropriation	2009-11 Request With Senate Adjustments	Comparison of 2009-11 Request to 2007-09 Appropriation
Salaries and wages	\$6,169,616	\$8,655,557	\$8,774,920	\$80,637	\$7,933,506	\$1,077,949
Operating expenses						
IT - Data processing	\$491,705	\$545,984	\$478,542	\$67,442	\$705,420	\$159,436
IT - Software	26,739	41,700	77,095	(35,395)	102,020	60,320
IT - Equipment	29,806	20,000	2,500	17,500	0	(20,000)
Dues - NCSL	177,750	206,314	206,314	0	227,660	21,346
Lease/rental equipment	22,033	26,000	23,000	3,000	26,000	0
Operating services	26,631	27,000	25,606	1,394	27,000	0
Miscellaneous supplies	17,932	13,432	27,847	(14,415)	20,494	7,062
Other equipment	79,217	124,840	58,508	66,332	73,124	(51,716)
Office supplies	31,490	41,441	41,186	255	38,102	(3,339)
Postage	3,981	10,787	10,493	294	10,248	(539)
Printing	178,708	274,022	245,137	28,885	221,419	(52,603)
IT - Consulting	52,862	34,000	24,047	9,953	13,000	(21,000)
Professional services	134,370	118,000	114,435	3,565	118,000	0
Repairs	35,820	24,150	49,710	(25,560)	24,150	0
IT - Telephone	337,792	501,650	406,417	95,233	462,479	(39,171)
Travel	741,888	845,425	859,722	(14,297)	1,008,605	163,180
Total operating expenses	\$2,388,722	\$2,854,745	\$2,650,559	\$204,186	\$3,077,721	\$222,976
Capital assets	214,826	208,000	200,000	8,000	0	(208,000)
Total - General fund	\$8,773,184	\$9,918,302	\$9,625,479	\$292,823	\$11,011,227	\$1,094,925

Budget detail comparison - One-time funding

	2007-09 Appropriation	2007-09 Estimate	Comparison of 2007-09 Estimate to 2007-09 Appropriation	2009-11 Request With Senate Adjustments	Comparison of 2009-11 Request to 2007-09 Appropriation
Operating expenses					
Computer equip. replacement and hand-held devices	\$350,000	\$317,489	\$32,531	\$92,500	(\$257,500)
Capital assets					
Legislative wing equipment and improvements	0	0	0	1,430,000	1,430,000
Legislative applications replacement system	3,910,827	1,765,000	2,145,827	3,910,827	0
Total one-time funding	\$4,260,827	\$2,082,489	\$2,178,358	\$5,433,327	\$1,172,500

Major variances

2007-09 Estimates to 2007-09 Appropriation

Major anticipated variances under operating expenses include information technology data processing being less than appropriated due primarily to less information technology services being needed on current information technology systems due to the development of the legislative applications replacement system project, other equipment being less than appropriated due to less purchases than anticipated, and information technology telephone expenses being less than anticipated due to long-distance and device connection charges being less than estimated.

The legislative applications replacement system expenditures are anticipated to be less than appropriated due to the cancellation and closeout of the project by PTC Global Services.

2009-11 Request to 2007-09 Appropriation

Salaries and wages increases relate primarily to the recommended compensation increases included in Senate Bill No. 2064.

The requested increase in travel relates to an increase for mileage reimbursement from 45 cents to 58.5 cents per mile as recommended by the Legislative Compensation Commission.

Major agency initiatives and program changes

- Provided \$1,430,000 for legislative wing equipment and improvements
- Provided \$3,910,827 for continuing the legislative applications replacement system
- Added \$194,000 for costs relating to hand-held computer devices for legislators

Long-term planning

The agency is in the process of:

- Evaluating its information technology services and support to provide current technology solutions to meet the information demands of legislators and the public.
- Planning for future legislative information storage and retrieval processes and systems.

INFORMATION REGARDING THE LEGISLATIVE ASSEMBLY'S 2009-11 BUDGET REQUEST

The Legislative Assembly budget request of \$1,230,000 is for "funding for committee room audio/video/wall displays (\$450,000), committee room voting systems (\$500,000), and hall monitor system and software rewrite (\$280,000)." An additional \$200,000 is requested for continuing to renovate committee rooms, resulting in a total request of \$1,430,000.

BACKGROUND INFORMATION

The request for committee room audio/video/wall displays (\$450,000) and for committee room voting systems (\$500,000) were budgetary estimates provided as a result of a request by the Legislative Management Committee for the estimate of complete updates for committee rooms. This estimate was based on Audio Visual Incorporated's (AVI) participation with the Montana Legislature. Montana's initiative included full electronic voting systems for committee rooms (\$500,000 estimate) as well as audio and video integration (\$450,000 estimate). The capabilities of these systems would provide for live and stored streaming content of committee meetings as well as digital reporting of committee votes. The \$280,000 requested relates to the replacement of the hall monitor system and updated software.

2009 SESSION INITIATIVES

The 2009 session initiatives for committee rooms are focused on increasing audio quality in committee rooms and enhancing committee schedule presentations.

Sound systems - The ability to record audio for committee rooms has been a point of frustration for many committee clerks, committee members, and the public during the past couple of sessions. The previous system used hand-held digital recorders, typically used for dictation purposes, with passive microphone "buds" laid on meeting tables to capture committee member comments and testimony. This is less than desirable due to the varying levels of human speech, room acoustics, and the low power abilities of the hand-held recorders.

During the 2009 session the Legislative Council staff has installed various room size conferencing devices to enhance the audible experience and increase the quality of recordings. These systems are portable and require no expensive room penetrations or modifications. These systems allow the use of the technology the clerks are already familiar with (hand-held digital recorders) as well as provide an enhanced speaker system scaled to the size of the room. These systems have proven to enhance the sound quality for committee members, committee clerks, and the public. Larger committees require more microphones

and longer extension cables making them scalable but also increasing costs. Costs range from \$4,800 to \$7,800 per room. These devices have many additional capabilities not currently used. Due to the short timeframe from purchase to implementation and the start of the 2009 legislative session, the testing of additional capabilities will be done during the 2009-10 interim.

Rooms completed to date are Missouri River, Medora, Fort Lincoln, and Sakakawea.

Digital signs - Committee schedules previously were posted outside committee rooms using existing placards. This "sheet under glass" approach causes some problems for committee members and others planning to testify. Since the proposed schedule affixed to the placard does not allow dynamic updates, the only way for those waiting outside the room to be aware of committee progress is to actually enter the room disrupting committee members and others. The initiation of digital signs has allowed the committee intern or Legislative Council fiscal staff to dynamically update the daily schedule as well as update a current meeting box. This serves the purpose of informing those waiting for a certain bill where the committee is at on its schedule. Each digital sign implementation costs approximately \$7,000 to \$8,000, including electrical preparation. Variables to this cost include the size of the display and required viewing distances and angles.

Rooms completed to date are the Fort Union, Peace Garden, Harvest, Pioneer, and Fort Totten.

Hall monitors - The \$280,000 was requested to replace the monitor system, including the monitors located by the bill and journal room, elevator banks, and kiosk area off of the Great Hall. This amount includes the software and hardware to professionally display chamber and committee activities feed from the legislative scheduling system. The current CRT monitors are past their expected life expectancy, are difficult to read, and the software is from a mainframe application expected to be discontinued with the legislative software rewrite. This initiative will ensure schedules will be professionally displayed in common areas and time-sensitive information will be provided to Capitol visitors.

RECOMMENDATIONS

The Legislative Assembly budget request was for upgrades to committee rooms and the monitor system. The Senate expanded this line item to be for legislative wing equipment and improvements. The Legislative Management Committee will need to decide the specific legislative wing improvements. Items to be addressed could include:

1. Committee room enhanced audio and video capabilities, such as the room sound systems previously mentioned, as well as video displays in committee rooms. Since each room will require different applications of technology, costs will be determined separately and be based upon required functionality. This initiative increases the ability of persons testifying to display items of interest. In addition, the ability to provide live video or audio from committee hearings is within architectural capability and all expenditures must ensure available technologies and integration for the future.
2. Continuation and expansion of digital signs in the legislative wing. This initiative has proven to be a success for providing information regarding committee schedules. The digital signs allow committee chairmen to develop and change a schedule, but not be limited to the "sheet under glass" scenario.

Since not all committees will have the same requirements for audio and video enhancements, this area allows the legislative branch the ability to address specific needs and capabilities. Many factors such as committee size, functions, and location would determine the cost of technology improvements.

3. Hall monitor system replacement mentioned previously.
4. Carpet replacement in Prairie, Sakakawea, Red River, Harvest, and Roughrider Rooms.
5. Table replacement in remaining committee rooms.
6. Furniture replacement in the leaders' offices and clerk areas.
7. Restoration of copper alloy and wood in House and Senate chambers.
8. Other legislative space renovations and improvements.

HOUSE AND SENATE SQUARE FOOTAGE

Senate Space	Square Feet	House Space	Square Feet	Other Space	Square Feet
Missouri River Room	580	Sakakawea Room	680	Brynhild Haugland Room	1,943
Lewis and Clark Room	615	Medora Room	834	Ground floor legislative lounge	700
Red River Room	560	Roughrider Room	1,080	First floor legislative lounge	555
Roosevelt Park Room	560	Fort Union Room	778	Total	3,198
Fort Lincoln Room	725	Fort Totten Room	778		
Harvest Room	1,047	Peace Garden Room	778		
Senate Conference Room	375	Pioneer Room	2,915		
Senate locker room	276	Prairie Room	1,120		
Senate chamber	5,100	House Conference Room	496		
Senate support offices	1,737	House locker room	550		
Total	11,575	House chamber	7,259		
		House support offices	1,097		
		Total	18,365		

Total 33138

Senate - 35%

House - 55%

Joint - 10%

325,500

511,500

93,000

100000

35%

55%

10%

350,000

550,000

100,000

SB 2001

Senate Appropriations

MICHAEL J.

BURNSARCHITECTS
824 CENTER AVENUE MOORHEAD, MN 56560 LTD.
T: 218-233-6620 F: 218-233-6621 www.mjbaihd.com**PROJECT COST ESTIMATE****LEGISLATIVE WING
RESTORATION****ND State Capitol
Bismarck, ND**

January 21, 2009

*Same
given to the
House***Copper Alloy (Brass/Bronze) Restoration**Handrails, columns, grilles, edge trim, door hardware
(latches, knobs, hinges, kickplates, etc.)

9,190 sf @ \$35.00 \$321,700

Wood Restoration -- clean, strip, repair & moisturize, stain and refinish

Walls, cornice, base, doors, trim, etc.

38,380 sf @ \$4.80 \$184,200

Subtotal

\$505,900

Other Project Costs

Contractor Mobilization, General Conditions, Bond	7%	\$35,400
Contractor Overhead and Profit	15%	\$75,900
Design Contingency	10%	\$50,600
Subtotal		\$667,800
Design Fees and Project Expenses	15%	\$100,200
Subtotal		\$768,000
Project Contingency	10%	\$76,800

ESTIMATED Total Project Cost**\$844,800**

LEGISLATIVE APPLICATIONS REPLACEMENT SYSTEM UPDATE AS OF JANUARY 21, 2009

This memorandum provides an update regarding the status of the legislative applications replacement system (LARS).

CONTRACT AND PAYMENT INFORMATION

Parametric Technology Corporation (PTC) was under contract for Phase 2 of this project during the 2007-09 biennium, with the total project budget of \$3,910,827, detailed by item and compared to actual costs as follows:

Item	Planned Costs	Actual Costs	Difference (Unspent)
PTC services /	\$2,507,215	\$843,125	(\$1,664,090)
Hardware and software	436,569	297,518	(139,051)
Third-party consulting, training, and project management	590,961	377,582	(213,379)
Travel expenses	376,082	173,257	(202,825)
Total project cost - Phase 2	\$3,910,827	\$1,691,482	(\$2,219,345)

The project included 46 milestones and the contract provided for the payment of 85 percent of a completed milestone amount upon delivery by PTC and the remaining 15 percent paid upon acceptance by the Legislative Council. Of the 46 milestones, 18 were delivered. Only two milestones were delivered after January 1, 2008—the budget status interface and the Century Code import functions. When Phase 2 began, it was anticipated that the project would be completed and operational in time for the 2009 legislative session. This is no longer the case.

PROJECT REPORTS

A Legislative Applications Replacement System Executive Steering Group was established for project oversight, including legislators, Legislative Council staff, project management, and Information Technology Department staff. Also reports were provided to the Legislative Council, the Legislative Management Committee, and the Information Technology Committee. The following is a listing of the dates of project reports (18) made to the legislative committees and the LARS Executive Steering Group:

Date	Committee
May 15, 2007	Legislative Council
June 5, 2007	LARS Executive Steering Group
June 6, 2007 (approved contract for Phase 2)	Legislative Council
July 24, 2007	Information Technology Committee
September 13, 2007	LARS Executive Steering Group
October 29, 2007	Legislative Management Committee
November 16, 2007	Information Technology Committee
January 18, 2008	Information Technology Committee
January 29, 2008	Legislative Management Committee
January 29, 2008	Legislative Council
January 30, 2008	LARS Executive Steering Group
March 25, 2008	LARS Executive Steering Group
March 26, 2008	Information Technology Committee
June 4, 2008	LARS Executive Steering Group
June 5, 2008	Information Technology Committee
June 17, 2008	Legislative Management Committee
July 7, 2008	LARS Executive Steering Group
August 27, 2008	Information Technology Committee

KEY EVENTS

The following is a summary of key events that have occurred since May 2008:

- PTC reported to the executive steering group on June 4, 2008, that certain key "bundles" or modules were not delivered in late May 2008 as anticipated in the project plan due to integration issues.
- PTC reported to the executive steering group on July 7, 2008, that it would **NOT** be able to deliver the new system before the 2009 legislative session.
- PTC was working on determining a reliable end date (likely the second half of 2009).

- PTC began capturing detail system requirements from the Legislative Council.
- PTC replaced the project's lead architect with Tad Guski (Nils Edstrom remained on the project as an architect and Nancy O'Dell was used in an advisory capacity only).
- PTC replaced Paul DeMarco with Brad Patterson as the project manager (the fourth project manager).
- The Legislative Council replaced its project manager, Jim Gienger, with project management from the Information Technology Department (ITD)—Sonja Olson.
- PTC developed a new solution architecture and reviewed the architecture with the Legislative Council staff and the ITD staff on August 13. The Information Technology Department had additional questions to be answered by PTC.
- The Information Technology Department was, after questions were answered, to provide comments to the Legislative Council staff relative to the viability of the new architecture solution.
- PTC was to continue to work on an updated project schedule.
- PTC was to continue to work on gathering and documenting system requirements.
- PTC was onsite the week of August 11 to also discuss:
 - LAWS.
 - Calendar.
 - Journal (including standing committee reports and chamber messages).
 - Reports.
 - Monitor system.
 - Library/folder structure within ACM.
- PTC was onsite the weeks of August 25 and September 8.

PROJECT TERMINATION

The following items relate to PTC's termination of the contract:

- PTC informed the Legislative Council on September 24, 2008, that PTC was providing a 30-day notice to withdraw from its contractual arrangements to complete Phase 2 of the project.
- On September 25, 2008, Representative Al Carlson, Chairman of the Legislative Council, informed all members of the Legislative Assembly that:

PTC was hired for Phase 2 of the project during the 2007-09 biennium. When this phase began it was anticipated the project would be completed and operational in time for the 2009 legislative session. This is no longer the case. While the new system will not be available for the 2009 legislative session, the existing mainframe system will be available for use.

PTC failed in its delivery of key portions of the project in late May 2008 and has not delivered any project components since that date. PTC has changed project managers four times and has been attempting to develop a new architecture for the system since June 2008.

Due to the complexity of the project, PTC informed us on September 24, 2008, that PTC is withdrawing from its contractual arrangements to complete Phase 2 of the project. We will begin planning for a new consultant for completion of the project.

- On October 2, 2008, the director of the Legislative Council sent a letter to PTC that:

Acknowledged receipt of PTC's 30-day notice to the North Dakota Legislative Council dated September 24, 2008, that under Section 8.3 of the Global Services Agreement, PTC has terminated without cause the Statement of Work entitled "Legislative Applications Replacement Project (LARP) Phase II Implementation Initiative" dated June 6, 2007, and signed June 6 and 11, 2007.

Stated that in accordance with the plan developed by Brad Patterson, PTC Project Manager, and Sonja Olson, North Dakota Legislative Council Project Manager, to close out the project, PTC was to:

Deliver a journal process capture document by October 8 and deliver a calendar process capture document by October 9;

Package, install, and provide usage training of the conference committee system by October 9;

Deliver a project status document containing milestone status, architecture overview, and legislative process by October 15; and

Deliver project documentation and source code by October 13.

Stated that PTC's termination of the Statement of Work will impact the Legislative Council's ability to provide information technology services to the legislative branch, legislators, state agencies, and the public and will cause the Legislative Council to incur additional costs to complete the replacement of legislative applications.

- On October 23, 2008, PTC invoiced the Legislative Council for \$303,516 for services related to PTC's estimated percentage of completion for incomplete milestones not delivered.
- On Tuesday, October 28, 2008, PTC, Legislative Council, Information Technology Department, and the Legislative Council's project management held a LARS project closure meeting. At that meeting, PTC reviewed the project closure plan status regarding:

Process capture workshop output and review.

Conference committee scheduling system delivery and review.

Project status document delivery and review.

Project artifacts delivery and review.

The Legislative Council acknowledged receipt of, but did not accept, the project status document, in which PTC attempted to assign a percentage complete to various milestones that were not finished and not delivered to the Legislative Council and which have no value to the Council.

- On November 13, 2008, the chairman of the Legislative Council wrote PTC that because the invoice requests payment for partial completion of milestones and does not constitute a deliverable that holds any value to the Legislative Council, the Legislative Council will not be submitting any payment.

NEXT STEPS

- The Legislative Council is capturing lessons learned from the previous effort and looking at options to move forward.
- On Tuesday, November 4, 2008, the Legislative Council initiated a process with ITD for a review of the PTC items developed that may be reusable and the potential cost and benefits of ITD completing the LARS project.
- The Information Technology Department presented a cost estimate on November 10, 2008, which the Legislative Council accepted which will be for a comprehensive review of the current systems and the previous vendor's initiatives and documentation, this will allow ITD to determine if it is feasible for ITD to complete the system. The project started on December 9, 2008, and is expected to be complete by mid-February.
- If ITD determines that it can complete the project, ITD will deliver system review, findings, and recommendations; cost and time estimates (including any phased delivery recommendations); estimated ongoing costs; staff training requirements; and architecture diagrams.
- If ITD determines that ITD cannot complete the project, ITD will recommend alternatives for successful completion of the project. The options could include ITD providing the lead in partnership with a third party or an application to promote the use of commercial off-the-shelf capabilities.
- The Legislative Assembly budget request contained in Senate Bill No. 2001 contains \$3,910,827 for the project for the 2009-11 biennium. When ITD has completed the analysis, this amount should be adjusted to the funds required.

North Dakota Legislative Council

Application Replacement Study

Recommendation Document

Revision 1

Prepared By:



'ITD - Software that works'

February 12, 2009

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Introduction

In November 2008, Legislative Council asked ITD to study the deliverables from the cancelled PTC Legislative Application Replacement Project and make a recommendation on how to move forward with a new project.

During the last two months, ITD performed the following:

- Reviewed PTC deliverables
- Met with Legislative Council staff
- Evaluated the PTC technical design
- Searched for vendors in the legislative systems marketplace

The following sections of this document provide an executive summary, the results of the study, and a detailed recommendation for moving forward with a new project, including a preliminary implementation plan with estimated costs.

Executive Summary

ITD recommends the State of North Dakota establish a partnership with Propylon to implement the Propylon Legislative Workbench Suite for the North Dakota Legislature during the 2009-11 legislative interim.

ITD does not recommend moving forward with a new vendor using PTC's technical design or proprietary software. PTC's software is primarily utilized for engineering and product design businesses. The software would require heavy customization for legislative business processes which would be very difficult and costly to maintain with new releases of PTC software.

ITD does not recommend considering vendors who would design and build a custom solution from scratch as this effort is not feasible due to the time constraints for a vendor to learn and understand legislative business processes and build the custom solution in a single interim. This is evident from the canceled project.

Propylon is a world leader in legislative systems and was a responder to the original RFP for replacing legislative systems. Propylon has both the knowledge and expertise in legislative processes and a bill/document drafting publishing solution which is already implemented by the Pennsylvania Legislature and the Irish Parliament. Propylon also has contracts with two other states: Oregon and Kansas. Oregon is scheduled to go live with their special legislative session in 2010. Kansas has recently started their implementation and is scheduled to go live with their next legislative session in January, 2011.

Legislative Council and ITD will be major participants in the partnership with Propylon for the new project. Legislative Council will need to determine their staffing requirements for the new project. The current ITD project manager will be the full-time project manager. ITD will assign 6 full-time software development staff to participate in analysis, design, development, testing, and implementation of the solution. This participation will provide ITD staff with the knowledge transfer for all aspects of the solution. This knowledge will allow ITD staff to maintain, enhance, and support the solution after the 2011-13 legislative session without assistance from Propylon.

The total estimate budget for the 2009-11 biennium is \$5.4 to \$8.9 million with an estimated on-going monthly cost after implementation of \$34,500 per month. This estimate would be finalized per the following next steps 1 and 2. Note, certain legislative business functions will continue to use currently existing systems for the 2009-11 biennium. These business processes would be replaced during the 2011-13 biennium for an estimated cost of \$1.1 to \$1.6 million.

Next Steps

1. ITD recommends going forward with Propylon's recommendation to perform a Fit Analysis of North Dakota legislative requirements, business processes, and outputs to the Propylon Legislative Workbench Suite. This effort would allow North Dakota to prioritize its business processes and output for automation in the new solution. Propylon would also provide a Statement of Work for a North Dakota implementation during the next legislative interim. Propylon would be asked to deliver these documents to North Dakota by March 31, 2009.
2. ITD will prepare a revised cost estimate for ITD's participation in the project based on Propylon's Statement of Work. The revised estimate will be delivered during the first week of April, 2009.
3. ITD recommends the new project to begin immediately following the current legislative session.

Study Results

The study identified several issues and concerns with the PTC project and PTC's solution. The following list identifies several of the identified issues and concerns:

- Legislative Council staff indicated the workflow designed by PTC was not going to meet their business needs.
- Legislative Council staff provided very few positive comments on the PTC project. One staff member commented "Wishes became dreams", meaning what was originally desired in the solution became only a dream of actually making it into the solution.

- PTC's proposed new technical design was to utilize their proprietary Windchill content and process management product to manage workflow and the user interface. This product would have required heavy customization for legislative business processes and data objects as this product's focused line of business is manufacturing and engineering product design and not legislative business processes. This customization would be difficult and expensive to maintain with each new release of Windchill. This maintenance would require involvement of PTC product consultants for the life of the product or solution.
- Ongoing support for PTC's design would have required external consultant involvement for the life of the system. PTC was not interested in providing this ongoing support as they indicated they would not market the proposed solution to any other states. Basically, North Dakota would be the only state running this technical solution and would have to bear all costs for any required enhancements.
- Legislative Council staff indicated bill drafting and the processes centered on bill drafting were the most important functionality of a new solution. PTC focused on the Work Registry System where they tried to use the information stored in the registry to initiate the building of a bill draft. Legislative Council staff indicated PTC spent 6 to 8 months trying to get this figured out.
- PTC did not complete any integration between the Arbortext XML editor and legislative business processes. PTC spent months customizing their Arbortext XML editor trying to meet the requirements for bill drafting.
- Legislative Council staff indicated PTC did not understand the business processes performed by staff during the interim.
- PTC delivered documentation has limited re-usability for a future solution implementation. The Use Case documents are geared towards PTC's implementation and are not reusable. The Business Process Analysis document may provide some insight into current document flows and systems. However, the document is more of an "As Is" versus a "To Be" description of legislative processing.
- Portions of the North Dakota Century Code conversion routines may be reusable in a future implementation.

Recommendation

ITD recommends the State of North Dakota establish a partnership with Propylon to implement the Propylon Legislative Workbench Suite for the North Dakota Legislature.

ITD does not recommend moving forward with a new vendor using PTC's technical design or proprietary software. PTC's software is primarily utilized for engineering and product design businesses. The software would require heavy customization for legislative business processes which would be very difficult and costly to maintain with new releases of PTC software.

To successfully implement a solution to replace the legislature's core business processes (bill drafting, bill amendments, resolutions, session management, daily calendar and journals, session laws, and other legislative publications) within a single interim, the solution provider must possess both the knowledge and expertise of legislative processes and a document drafting and publishing solution that is already configured for legislative document drafting/publishing. Building a custom solution from scratch is not feasible due to the time constraints for a vendor to learn and understand legislative business processes and build a custom solution in a single interim. This is evident from the canceled project.

ITD staff has the knowledge of legislative processes and currently implemented systems. However, ITD would need to acquire external expertise on implementing a document drafting and publishing solution to meet legislative process requirements.

ITD identified only Propylon Legislative Workbench Suite as a viable solution for the North Dakota Legislature. A major component of any solution would be a bill draft editing component that utilizes XML as the data format. There are XML editor vendors in the marketplace today but their solutions would require extensive customization for legislative bill drafting and these same vendors lack the necessary experience in legislative business processes to successfully implement a solution.

Propylon is a world leader in legislative systems and was a responder to the original RFP for replacing legislative systems. Propylon has both the knowledge and expertise in legislative processes and a bill/document drafting publishing solution which is already implemented by the Pennsylvania Legislature and the Irish Parliament. Propylon also has contracts with two other states: Oregon and Kansas. Oregon is scheduled to go live with their special legislative session in 2010. Kansas has recently started their implementation and is scheduled to go live with their next legislative session in January, 2011.

Propylon demonstrated their Legislative Workbench Suite to ITD, Legislative Council staff, and several legislators. The purpose of the demonstration was to see a working legislative solution that integrates bill drafting with legislative business processes, including bill draft versioning processes (draft – proofing – final), amendments with auto engrossment, bill enrollment, session laws, and publishing.

Propylon's approach is to form a partnership with a state to implement their solution. Propylon provides a source code license for the solution and developer training for state technical staff. The knowledge gained during the implementation would allow state staff to support the solution after the project with minimal dependence on Propylon. Propylon's solution is implemented using solid technology choices such as XML, open standards, and widely used open source software. The following section identifies the benefits of the Propylon solution and a partnership between the State of North Dakota and Propylon.

As a next step in establishing this partnership, ITD recommends going forward with Propylon's recommendation to perform a Fit Analysis of North Dakota legislative requirements, business processes, and outputs to the Propylon Legislative Workbench Suite. This effort would allow North Dakota to prioritize its business processes and output for automation in the new solution. Propylon would also provide a Statement of Work for a North Dakota implementation during the next legislative interim.

Solution/Partnership Benefits

Propylon's solution utilizes open standards, XML, and widely used open source software. This is very beneficial as the solution is not dependent on third-party vendor products that require ongoing licensing fees to use the product. This benefit goes well with Propylon's approach to train state staff to maintain and manage the solution after implementation. Therefore, ITD staff would be able to maintain, enhance, and support the solution without on-going support from Propylon.

The following list identifies some of the open standards and open source software used within the Propylon solution:

- XML
 - Extensible Markup Language (XML) is fee-free open standard for defining data elements within a document.
- Open Office
 - Open Office is a free cross-platform office application suite similar to Microsoft Office. Propylon's solution utilizes the WYSIWYG word processor (Writer) for document editing and publishing.
- Open Document Format (ODF)
 - ODF is the open XML-based document file format used within OpenOffice. This industry standard document format is readable by other prominent office suites.
- Subversion
 - Subversion is the document repository used to store all bill versions and other documents used within legislative business processes.
- Apache Lucene
 - Apache Lucene is a high-performance, full-featured text search engine with full text search and proximity word search for documents stored in the solution.
- Eclipse Rich Client Platform
 - Eclipse Rich Client Platform is a platform for building and deploying rich client applications which is the base of the Legislative Workbench Suite.
- Java
 - The core language for Propylon's solution utilizes Java which is the industry standard language for developing scalable enterprise applications.

- Messaging
 - The solution uses industry standard messaging protocols for processing business events within the solution or integration to external business applications.

The following list identifies a few major functional benefits for the Propylon solution:

- User interface for drafting bills and other documents utilizes a word processor application.
- Ability to immediately go into special session following a regular session and continue to complete after-session business process for the regular session during the special session.
- Ability to create bill drafts for the next regular session during a current legislative session.
- Fully-automated amendment engrossment.
- Fully-integrated legislative application suite which eliminates the storing of redundant data to accomplish business processes.
- The document repository will be the standard repository for all NDLC documents.
- Documents are full-text searchable.
- The solution utilizes business event processing which will allow easy integration to other business applications.

The following list identifies a few major benefits to a partnership with Propylon:

- Propylon's approach to train state technical staff on the solution during the implementation, as well as, allowing state staff to participate in the development effort in order to become knowledgeable and proficient in the solution.
- ITD staff involved in the project will be able to ensure the solution will meet the needs of the North Dakota legislature during all phases of the project.
- ITD would staff the project with its own analyst and development employees which will keep the knowledge of the solution in-house. The assigned staff will then be available to work on future enhancements to the solution during future interims.
- The solution's core development language is Java and ITD currently has 40 Java developers on staff. ITD has been developing in Java for over 10 years.
- No vendor lock-in as the solution utilizes open source software.
- ITD staff will be able to implement releases to the core solution.

Preliminary Implementation Plan

The preliminary implementation plan is based on Propylon indicating they would be able to successfully implement their Legislative Workbench Suite in North Dakota during 2009-11 interim. The North Dakota Legislature would run the new solution during the 2011 legislative session.

The preliminary implementation plan also identifies estimated budget costs for ITD staffing and hosting of the solution. Note, the implementation plan and estimated ITD costs will need to be revised after Propylon delivers the Fit Analysis of North Dakota legislative requirements, business processes, and outputs to the Propylon Legislative Workbench Suite and their Statement of Work for the 2009-11 legislative interim. Propylon would be asked to deliver these documents to North Dakota by March 31, 2009. These documents will identify North Dakota's prioritization of its business processes and outputs for automation within the new solution. The information will also be used to identify ITD staff involvement in the design and building of the new solution.

The technical implementation will be lead by Propylon project staff. ITD will assign full-time staff to participate in analysis, design, development, testing, and implementation of the solution. This participation will provide ITD staff with the knowledge transfer for all aspects of the solution. This knowledge is necessary for ITD to maintain, enhance, and support the solution after implementation. ITD's estimate includes a full-time project manager, (3) full-time analysts, and (3) full-time application developers.

The implementation will include Propylon Legislative Workbench Suite customized to North Dakota business requirements and business processes. The Legislative Workbench Suite includes the following modules:

- Core
 - Document Repository
 - Publishing
 - Bill Status
 - Indexing/Searching
 - Workflow/Workload Management
 - Conversion (Data/Document)
- Lawmaking
 - Document Drafting (Bills, Resolutions, Session Laws, Century Code, ...)
 - Amendment Management (Auto-Engrossment)
 - Conflicts
- Chamber Business
 - Journal
 - Calendar

The preliminary implementation plan also includes ITD estimated costs for ITD staff to develop custom applications, develop functionality within Legislative Workbench Suite, and integrate existing applications into Legislative Workbench Suite. This includes the following:

- International Roll Call voting system will be integrated into the new solution.
- A new custom web application will be developed for bill tracking/subscriptions to replace the current Legislative Bill Tracking System (LBTS) ran by NDSU.
- A new custom web application will be developed for legislators (LAWS) to improve the user interface and access information from the new solution.

- A new custom Integrated Voice Response (IVR) application will be developed to access bill status and committee hearing schedule information from the new solutions via the telephone.
- Legislative Workbench Suite will be enhanced to manage the fiscal note business processes currently running in Lotus Notes. Additionally, a new custom web application will be developed for state agency staff to draft a fiscal note and submit it to Legislative Council.
- Legislative Workbench Suite will be enhanced to include Statement of Purpose of Amendment (SPA) business processes.

Budget Estimate for the 2009-11 Biennium

The following budget estimate for the 2009-11 biennium is based on information ITD's knowledge of the Propylon solution and current legislative systems. After Propylon completes the Fit Analysis and delivers the Statement of Work, ITD will provide a revised budget estimate which corresponds to Propylon's Statement of Work.

Estimated One-Time Costs:

Provider	Description	Estimated Cost
Propylon	Legislative Workbench Suite Implementation	\$2.5 to \$6 million
ITD	ITD Staff Participation	\$2.7 million
ITD	Production Hardware/Software Acquisition: (2) Physical server blades (4) VMWare OS images	\$26,300
ITD	Development/Test/Training Hardware/Software Acquisition: (2) Physical server blades (12) VMWare OS images	\$27,500
TBD	Independent Validation and Verification	\$100,000
	TOTAL Estimated One-Time Cost	\$5.4 to \$8.9 million

Supporting Information:

- Propylon's contract for the State of Kansas is \$4.5 Million.
- ITD's estimate cost includes (1 1/2) full-time Project Managers and the following full-time analysts/developers to ensure successful knowledge transfer of the solution to ITD staff:
 - Business Analyst
 - (2) Technical Analysts
 - (3) Developers
- ITD's estimated cost includes additional skilled staff to be involved in the project (i.e. Software Architects, Systems Architects, Quality Assurance Analysts, Systems Administrators, Database Analysts, IVR Developer, and Web Designers)

Assumptions:

- Propylon will be primary support during the 2011 legislative session with ITD staff providing secondary support.
- Propylon will provide necessary training to Legislative Council and ITD staff during the implementation.
- The production environment will consist of two Linux servers that provide the core server infrastructure for the application. In addition, two Windows XP or Vista machines will be used for document rendering.
- The development, training, and test environments will mirror the production environment.
- Server virtualization will be used for development, test, training and production to minimize hardware costs.
- The development, training, and test hardware will be used to provide a disaster recovery environment for production. This environment will be located in the State's second data center.
- Disaster Recovery will provide the shortest possible recovery time and recovery point objectives. This implies full replication of the production servers to the second data center.
- Propylon Legislative Workbench leverages open source software such as Apache ActiveMQ, Apache Lucene, and DRBD for data replication. It is assumed that commercial support, if available, is desired for this open source software.
- All meta-data will be stored in Oracle.
- Total production disk space requirement of 1 Terabyte.
- Estimated 200 GB disk space for test.

Estimated On-going Costs:

Provider	Description	Estimated Cost
Propylon	Legislative Workbench Suite Maintenance Releases	TBD
ITD	Systems Maintenance/Session Support - Full-time Business Analyst and Developer (used as necessary for maintenance or enhancements to the solution)	\$19,500 per month
ITD	Hosting - Systems Administration - Storage (SAN, Management, and Backup) - Disaster Recovery * See below for detailed estimated hosting costs	\$15,000 per month
TOTAL On-going Costs		\$34,500 per month

Assumptions:

- On-going costs for Systems Maintenance/Session Support are based on the assumption that a full-time Business Analyst and Developer will be kept busy during interim maintaining or enhancing the system as well as supporting the system during a session. Note, only actual time will be billed for maintenance and enhancement requests. Also, cost estimates will be issued based on requested user requirements for each maintenance or enhancement project.

Estimated On-going Hosting Cost Detail:

Item	Description	Quantity	Unit Cost per Month	Total Cost per Month
Linux Vendor Software Support	Redhat Support	8	20.83	166.67
Windows Software Assurance		8	4.17	33.33
System Admin Time	ITD Support for Prod/Servers	16	250.00	4,000.00
Oracle Costs - Includes Prod and Dev/Test Disaster Recover (DR)	Use of, and support, of DB in ITD shared infrastructure	1	300.00	300.00
Storage – Production, Dev/Test, Disaster Recover (DR)	Data SAN Storage, Management, Backup for Bills, etc.	2.2 TB	6,000.00	6,000.00
DRBD Commercial Support	Commercial support for Linux Replication	2	666.67	1,333.33
ActiveMQ Commercial Support	Commercial Support for ActiveMQ - PROD	2	833.33	1,666.67
ActiveMQ Commercial Support	Commercial Support for ActiveMQ - Dev	6	250.00	1,500.00
TOTAL Ongoing Costs				\$15,000

Budget Estimate for the 2011-13 Biennium

The following budget estimate for the 2011-13 biennium identifies legislative business processes/applications which were not included in the implementation plan for the 2009-11 interim due to staffing and time constraints.

The following business processes will be enhancements to the Legislative Workbench Suite and will be completed by ITD staff using the knowledge gained during the original implementation of Propylon's solution:

- Migrate Administrative Code into the Legislative Workbench Suite.

- Enhance the Legislative Workbench Suite to include miscellaneous legislative documents such as:
 - Memos
 - Agendas
 - Minutes
 - Letters
 - Study/Reports

The following business processes/applications will be rewritten:

- Mainframe Applications:
 - Events system
 - Library Resource and Library Indexes
 - Committee Hearing Schedule
- Lotus Notes Applications:
 - Expense Voucher
 - Telephone Messages

The Legislative Council public website will be redesigned to provide a friendlier user interface and take advantage of content stored in the new solution.

Estimated One-Time Costs:

Provider	Description	Estimated Cost
ITD	ITD Software Development Projects (identified above)	\$1.1 to \$1.6 million

Supporting Information:

- ITD will utilize the knowledge gained during the Propylon implementation to complete the solution enhancements without assistance from Propylon.
- ITD's estimate cost includes a full-time Project Manager and the following full-time ITD staff:
 - Business Analyst
 - Technical Analyst
 - (2) Developers
- ITD's estimated cost includes additional skilled staff to be involved in the project (Software Architects, Systems Architects, Quality Assurance Analysts, Systems Administrators, Database Analysts, and Web Designers)

LEGISLATIVE APPLICATIONS REPLACEMENT SYSTEM UPDATE AS OF FEBRUARY 26, 2009

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- PTC was working on determining a reliable end date (likely the second half of 2009).

- PTC began capturing detail system requirements from the Legislative Council.
- PTC replaced the project's lead architect with Tad Guski (Nils Edstrom remained on the project as an architect and Nancy O'Dell was used in an advisory capacity only).
- PTC replaced Paul DeMarco with Brad Patterson as the project manager (the fourth project manager).
- The Legislative Council replaced its project manager, Jim Gienger, with project management from ITD--Sonja Olson.
- PTC developed a new solution architecture and reviewed the architecture with the Legislative Council staff and the ITD staff on August 13. ITD had additional questions to be answered by PTC.
- ITD was, after questions were answered, to provide comments to the Legislative Council staff relative to the viability of the new architecture solution.
- PTC was to continue to work on an updated project schedule.
- PTC was to continue to work on gathering and documenting system requirements.
- PTC was onsite the week of August 11 to also discuss:
 - LAWS.
 - Calendar.
 - Journal (including standing committee reports and chamber messages).
 - Reports.
 - Monitor system.
 - Library/folder structure within ACM.
- PTC was onsite the weeks of August 25 and September 8.

PROJECT TERMINATION

The following items relate to PTC's termination of the contract:

- PTC informed the Legislative Council on September 24, 2008, that PTC was providing a 30-day notice to withdraw from its contractual arrangements to complete Phase 2 of the project.
- On September 25, 2008, Representative Al Carlson, Chairman of the Legislative Council, informed all members of the Legislative Assembly that:

PTC was hired for Phase 2 of the project during the 2007-09 biennium. When this phase began it was anticipated the project would be completed and operational in time for the 2009 legislative session. This is no longer the case. While the new system will not be available for the 2009 legislative session, the existing mainframe system will be available for use.

PTC failed in its delivery of key portions of the project in late May 2008 and has not delivered any project components since that date. PTC has changed project managers four times and has been attempting to develop a new architecture for the system since June 2008.

Due to the complexity of the project, PTC informed us on September 24, 2008, that PTC is withdrawing from its contractual arrangements to complete Phase 2 of the project. We will begin planning for a new consultant for completion of the project.

- On October 2, 2008, the director of the Legislative Council sent a letter to PTC that:

Acknowledged receipt of PTC's 30-day notice to the North Dakota Legislative Council dated September 24, 2008, that under Section 8.3 of the Global Services Agreement, PTC has terminated without cause the Statement of Work entitled "Legislative Applications Replacement Project (LARP) Phase II Implementation Initiative" dated June 6, 2007, and signed June 6 and 11, 2007.

Stated that in accordance with the plan developed by Brad Patterson, PTC Project Manager, and Sonja Olson, North Dakota Legislative Council Project Manager, to close out the project, PTC was to:

Deliver a journal process capture document by October 8 and deliver a calendar process capture document by October 9;

Package, install, and provide usage training of the conference committee system by October 9;

Deliver a project status document containing milestone status, architecture overview, and legislative process by October 15; and

Deliver project documentation and source code by October 13.

Stated that PTC's termination of the Statement of Work will impact the Legislative Council's ability to provide information technology services to the legislative branch, legislators, state agencies, and the public and will cause the Legislative Council to incur additional costs to complete the replacement of legislative applications.

- On October 23, 2008, PTC invoiced the Legislative Council for \$303,516 for services related to PTC's estimated percentage of completion for incomplete milestones not delivered.
- On Tuesday, October 28, 2008, PTC, Legislative Council, ITD, and the Legislative Council's project management held a LARS project closure meeting. At that meeting, PTC reviewed the project closure plan status regarding:

Process capture workshop output and review.

Conference committee scheduling system delivery and review.

Project status document delivery and review.

Project artifacts delivery and review.

The Legislative Council acknowledged receipt of, but did not accept, the project status document, in which PTC attempted to assign a percentage complete to various milestones that were not finished and not delivered to the Legislative Council and which have no value to the Council.

- On November 13, 2008, the chairman of the Legislative Council wrote PTC that because the invoice requests payment for partial completion of milestones and does not constitute a deliverable that holds any value to the Legislative Council, the Legislative Council will not be submitting any payment.

NEXT STEPS

- The Legislative Council is capturing lessons learned from the previous effort and looking at options to move forward.
- On Tuesday, November 4, 2008, the Legislative Council initiated a process with ITD for a review of the PTC items developed that may be reusable and the potential cost and benefits of ITD completing the LARS project. The review included PTC deliverables, PTC technical design, research custom build options, and searching for vendors.
- ITD presented a report on February 13, 2009, which recommended the Legislative Council and ITD partner with Propylon, a world leader in legislative systems, that has both knowledge in legislative systems and bill/document solutions. (Attached is a copy of the ITD review.)
- The Legislative Council has entered an agreement with Propylon for a "fit analysis" of North Dakota legislative requirements, business processes, and outputs. Propylon will provide a quote by March 24, 2009, and ITD will refine its partnership responsibilities and costs.
- The Legislative Assembly budget request contained in Senate Bill No. 2001 contains \$3,910,827 for the project for the 2009-11 biennium. When the analysis has been completed, this amount should be adjusted to the funds required.

ATTACH:1

Legislator Broadband and BlackBerry Cost Figures

Broadband information:

Average Broadband Cost per month	\$43.00 (approximate)
Lowest Rate per month	\$33.00
Highest Rate per month	\$70.00

(Rates are dependent upon provider and service area availability.)

129 Legislators are receiving broadband service through the State.

BlackBerry Device and Data Plan Information:

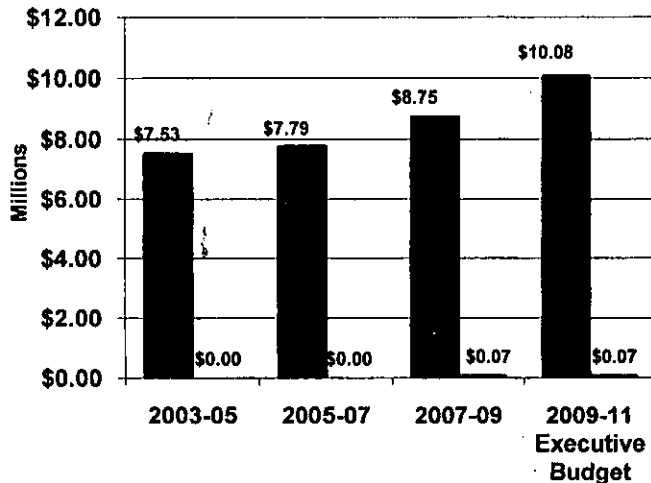
BlackBerry Device Costs to Purchase	\$30.00 – \$200.00 (Depending on device selected)
Monthly data plan for BlackBerry	\$36.99 (State rate through ITD) \$45.00 - \$50.00 (Personal rate if acquired separately)
Voice Plans vary by provider	\$45.00 (Approximately for 900 minutes / month. State Rate through ITD) Personal rates slightly higher if acquired separately

split billing —

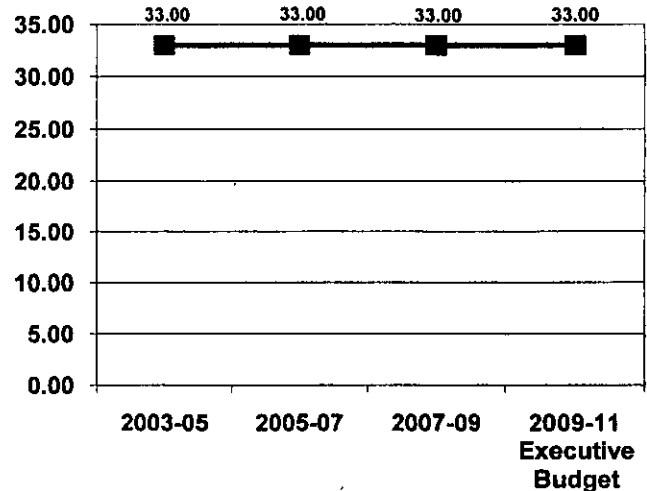
Department 160 - Legislative Council
Senate Bill No. 2001

	FTE Positions	General Fund	Other Funds	Total
2009-11 Executive Budget	33.00	\$10,075,195	\$70,000	\$10,145,195
2007-09 Legislative Appropriations	33.00	8,748,442	70,000	8,818,442
Increase (Decrease)	0.00	\$1,326,753	\$0	\$1,326,753

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 Executive Budget	\$10,005,195	\$70,000	\$10,075,195
2007-09 Legislative Appropriations	8,618,863	129,579	8,748,442
Increase (Decrease)	\$1,386,332	(\$59,579)	\$1,326,753

First House Action

Attached is a summary of first house changes.

Executive Budget Highlights
(With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Increases legislator per diem to \$140 per day (Legislative Compensation Commission recommendation in Senate Bill No. 2064). The Senate added \$18,108 to increase interim pay to \$141 per day effective July 1, 2009, and to \$148 effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064.	\$208,824		\$208,824
2. Adds funding for salary equity adjustments	\$50,000		\$50,000
3. Adds funding for interim committee travel due to the proposed mileage reimbursement rate increase (Legislative Compensation Commission recommendation in Senate Bill No. 2064). Funding is included to provide reimbursement at 58.5 cents per mile.	\$121,516		\$121,516
4. Adds funding for interim committee travel to reflect the proposed lodging rate increase from \$55 to \$60 per night plus tax (Legislative Compensation Commission recommendation in Senate Bill No. 2064)	\$16,929		\$16,929
5. Increases funding to continue the same level of legislator out-of-state travel as the 2007-09 biennium	\$79,172		\$79,172

6. Adds funding for information technology consultants to develop and maintain legislative computer systems	\$368,000	\$368,000
7. Adds funding for information technology equipment and software for legislative redistricting	\$116,300	\$116,300
8. Removes funding for the prison facilities study.	(\$250,000)	(\$250,000)
9. Decreases funding for consulting assistance for interim committees to provide a total of \$300,000	(\$55,000)	(\$55,000)
10. Removes 2007-09 biennium one-time funding items relating to computer equipment (\$104,579) and a copier replacement (\$25,000)	(\$129,579)	(\$129,579)
11. Includes funding for information technology equipment	\$61,750	\$61,750
12. Provides one-time funding for office improvements and a copier replacement	\$70,000	\$70,000

Continuing Appropriations

Legislative services fund - North Dakota Century Code Section 54-35-19 - Used for depositing and spending funds relating to legislative information.

Major Related Legislation

Senate Bill No. 2064 - This bill increases legislators' compensation and travel expense reimbursement levels.

House Bill No. 1178 - This bill allows the purchase of used personal computers at market value by members of the Legislative Assembly if the members have paid a computer usage fee.

House Bill No. 1222 - This bill provides for proportionate representation on the Legislative Council for each political party based on the political party membership of each chamber.

House Bill No. 1436 - This bill differentiates between the Legislative Council and legislative services as an agency of the legislative branch.

House Concurrent Resolution No. 3036 - This resolution directs the Legislative Council to prepare and publish an annual pocket brochure of pertinent state economic indicators and state government statistics.

ATTACH:1

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2001 - Funding Summary

	Executive Budget	Senate Changes	Senate Version
Legislative Assembly			
Salaries and wages	\$7,744,942	\$188,564	\$7,933,506
Operating expenses	3,025,108	(82,547)	2,942,561
Capital assets	1,430,000		1,430,000
National Conf. of State Legislatures	227,660		227,660
Legislative applications replacement	3,910,827		3,910,827
Total all funds	\$16,338,537	\$106,017	\$16,444,554
Less estimated income	0	0	0
General fund	\$16,338,537	\$106,017	\$16,444,554
FTE	0.00	0.00	0.00
Legislative Council			
Salaries and wages	\$6,710,261	\$18,108	\$6,728,369
Operating expenses	3,393,934		3,393,934
Capital assets	41,000		41,000
Total all funds	\$10,145,195	\$18,108	\$10,163,303
Less estimated income	70,000	0	70,000
General fund	\$10,075,195	\$18,108	\$10,093,303
FTE	33.00	0.00	33.00
Bill Total			
Total all funds	\$26,483,732	\$124,125	\$26,607,857
Less estimated income	70,000	0	70,000
General fund	\$26,413,732	\$124,125	\$26,537,857
FTE	33.00	0.00	33.00

Senate Bill No. 2001 - Legislative Assembly - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$7,744,942	\$188,564	\$7,933,506
Operating expenses	3,025,108	(82,547)	2,942,561
Capital assets	1,430,000		1,430,000
National Conf. of State Legislatures	227,660		227,660
Legislative applications replacement	3,910,827		3,910,827
Total all funds	\$16,338,537	\$106,017	\$16,444,554
Less estimated income	0	0	0
General fund	\$16,338,537	\$106,017	\$16,444,554
FTE	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of Senate Changes

	Adds Funding for Monthly Pay ¹	Adds Funding for Leaders' Pay ²	Adds Funding for Session Pay ³	Reduces Funding for "BlackBerries" ⁴	Total Senate Changes
Salaries and wages	45,536	2,170	140,858		188,564
Operating expenses				(82,547)	(82,547)
Capital assets					
National Conf. of State Legislatures					
Legislative applications replacement					
Total all funds	\$45,536	\$2,170	\$140,858	(\$82,547)	\$106,017
Less estimated income	0	0	0	0	0
General fund	\$45,536	\$2,170	\$140,858	(\$82,547)	\$106,017
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is added for increasing legislators' monthly compensation to \$396 effective July 1, 2009, and to \$415 effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064. The budget request included funding to increase the monthly compensation rate from the current level of \$378 to \$393.

² Funding is added to increase the additional monthly pay for legislative leadership to \$284 effective July 1, 2009, and to \$298 effective July 1, 2010, compared to the current level of \$270. Sections are added making the statutory changes necessary to provide for the increases.

Funding is added for increasing legislative session pay to \$141 per day effective July 1, 2009, and to \$148 per day effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064. The budget request included funding to increase the daily session pay on July 1, 2009, from \$135 to \$140.

⁴ Operating expenses are reduced to remove funding for the costs of purchasing handheld communications devices for legislators and for other estimated cost reductions relating to operating fees associated with these devices. Funding of \$194,000 remains for paying the initial connection fee, monthly fees for legislators to access the state's "BlackBerry" server, and to pay for a monthly data plan.

A section is added providing that funding of \$1,430,000 for committee room renovation and modernization projects also be available for other legislative wing equipment and improvements and that 50 percent of the funding be available for projects approved by House members of the Legislative Management Committee and 50 percent be available for projects approved by Senate members of the Legislative Management Committee.

A section is added authorizing the Legislative Assembly to continue its 2007-09 biennium unspent general fund appropriation authority.

Senate Bill No. 2001 - Legislative Council - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$6,710,261	\$18,108	\$6,728,369
Operating expenses	3,393,934		3,393,934
Capital assets	41,000		41,000
Total all funds	\$10,145,195	\$18,108	\$10,163,303
Less estimated income	70,000	0	70,000
General fund	\$10,075,195	\$18,108	\$10,093,303
FTE	33.00	0.00	33.00

Department 160 - Legislative Council - Detail of Senate Changes

	Adds Funding for Interim Pay¹	Total Senate Changes
Salaries and wages	18,108	18,108
Operating expenses		
Capital assets		
Total all funds	\$18,108	\$18,108
Less estimated income	0	0
General fund	\$18,108	\$18,108
FTE	0.00	0.00

Funding is added for increasing legislators' interim pay to \$141 per day effective July 1, 2009, and to \$148 per day effective July 1, 2010, in accordance with provisions of Senate Bill No. 2064. The budget request included funding to increase the interim daily pay from \$135 to \$140 effective July 1, 2009.

A section is added authorizing the Legislative Council to continue its 2007-09 biennium unspent general fund appropriation authority.

LEGISLATIVE COUNCIL OVERVIEW INFORMATION PROVIDED TO HOUSE APPROPRIATIONS - GOVERNMENT OPERATIONS DIVISION
February 26, 2009

Agency historical perspective and mission and purpose

The Legislative Council, established in 1945 and originally named the Legislative Research Council, oversees activities of the legislative branch when the Legislative Assembly is not in session. The mission of the Legislative Council is to fulfill its statutory mandates and to assist the Legislative Assembly in performing its constitutional responsibilities. The Legislative Council staff, consisting of a group of professional and clerical people, provides administrative, research, analysis, drafting, and technical support services for the legislative branch.

Budget detail comparison - Ongoing funding

	2005-07 Actual	2007-09 Appropriation	2007-09 Estimate	Comparison of 2007-09 Estimate to 2007-09 Appropriation	2009-11 Request With Senate Adjustments	Comparison of 2009-11 Adjusted Request to 2007-09 Appropriation
Salaries and wages						
Staff salaries	\$4,329,180	\$5,183,992	\$5,101,564	\$82,428	\$5,882,454	\$698,462
Legislator per diem	467,804	618,983	581,765	37,218	845,915	226,932
Total salaries and wages	\$4,796,984	\$5,802,975	\$5,683,329	\$119,646	\$6,728,369	\$925,394
Operating expenses						
IT - Data processing	\$200,220	\$305,890	\$221,359	\$84,531	\$358,065	\$52,175
IT - Software	82,457	134,270	122,924	11,346	151,900	17,630
Dues & prof. developmt.	17,699	26,040	36,894	(10,854)	49,980	23,940
Lease/rental equipment	17,316	34,000	27,554	6,446	28,000	(6,000)
Operating services	41,579	41,111	53,984	(12,873)	44,109	2,998
IT - Equip. under \$5,000	17,528	30,676	20,429	10,247	93,750	63,074
Office equip. < \$5,000	7,806	18,407	47,014	(28,607)	6,800	(11,607)
Miscellaneous supplies	3,444	20,000	7,814	12,186	20,000	0
Office supplies	34,572	28,624	30,150	(1,526)	38,830	10,206
Postage	18,654	18,671	18,290	381	19,264	593
Printing	21,729	34,296	32,452	1,844	36,078	1,782
IT - Consulting	567,556	185,550	217,504	(31,954)	559,050	373,500
Professional services	37,009	368,500	73,205	295,295	315,000	(53,500)
Repairs	33,595	37,500	48,546	(11,046)	58,000	20,500
Resource & ref. material	63,853	76,000	69,792	6,208	74,000	(2,000)
IT - Telephone	37,051	40,490	42,237	(1,747)	43,100	2,610
Interim committee and other travel	834,516	1,235,863	1,037,497	198,366	1,448,008	212,145
Total operating expenses	\$2,034,584	\$2,635,888	\$2,107,645	\$528,243	\$3,343,934	\$708,046
Capital assets	30,637	0	0	0	21,000	21,000
Prison facilities study	0	250,000	248,869	1,131	0	(250,000)
Higher education study	174,980	0	0	0	0	0
Total	\$7,037,185	\$8,688,863	\$8,039,843	\$649,020	\$10,063,303	\$1,404,440
Less insurance regulatory trust fund	0	70,000	70,000	0	70,000	0
Total general fund	\$7,037,185	\$8,618,863	\$7,969,843	\$649,020	\$10,023,303	\$1,404,440
FTE Positions	33.00	33.00	32.00	1.00	33.00	0.00

Budget detail comparison - One-time funding

Operating expenses						
Computer equipment replacement		\$72,579	\$72,099	\$480	\$0	(\$72,579)
Office improvements		0	0	0	50,000	50,000
Capital assets						
Computer equipment replacement		32,000	0	32,000	0	(32,000)
Office equipment replacement		25,000	23,600	1,400	20,000	(5,000)
Total one-time funding		\$129,579	\$95,699	\$33,880	\$70,000	(\$59,579)

Major variances

2007-09 Estimates to 2007-09 Appropriations

Salaries and wages:

Salaries and wages are anticipated to be less than appropriated due primarily to a support staff position vacancy, staff turnover in the fiscal division, and interim committees not meeting as often as anticipated in the budget.

Major anticipated variances under operating expenses include professional services being less than appropriated due primarily to less consulting services being needed by interim committees than provided for in the budget, travel expenses being less than appropriated due primarily to fewer than anticipated interim committee meetings and interim committee meetings being held in conjunction with other committee meetings, and information technology data processing being less than appropriated due primarily to less information technology services being needed on current information technology systems due to the development of the legislative applications replacement system project by the Legislative Assembly.

2009-11 Request to 2007-09 Appropriation

Salaries and wages increases relate primarily to the Governor's recommended compensation increases for state employees, health insurance premium increases, salary equity increases, and legislator per diem increases.

Operating expenses increases relate primarily to information technology consulting to rewrite document management and interim committee information systems and travel for meetings during the interim as a result of the proposed mileage increase, lodging increase, and continuing the same level of out-of-state legislator travel as the 2007-09 biennium. Operating expenses decreases relate primarily to a reduction in funding available for consulting services by interim committees.

Major agency initiatives and program changes

Added \$50,000 for a salary equity pool

Added \$118,300 for IT - Equipment and software for redistricting

Added funding for rewriting document management and interim committee information systems

Long-term planning

The agency is in the process of:

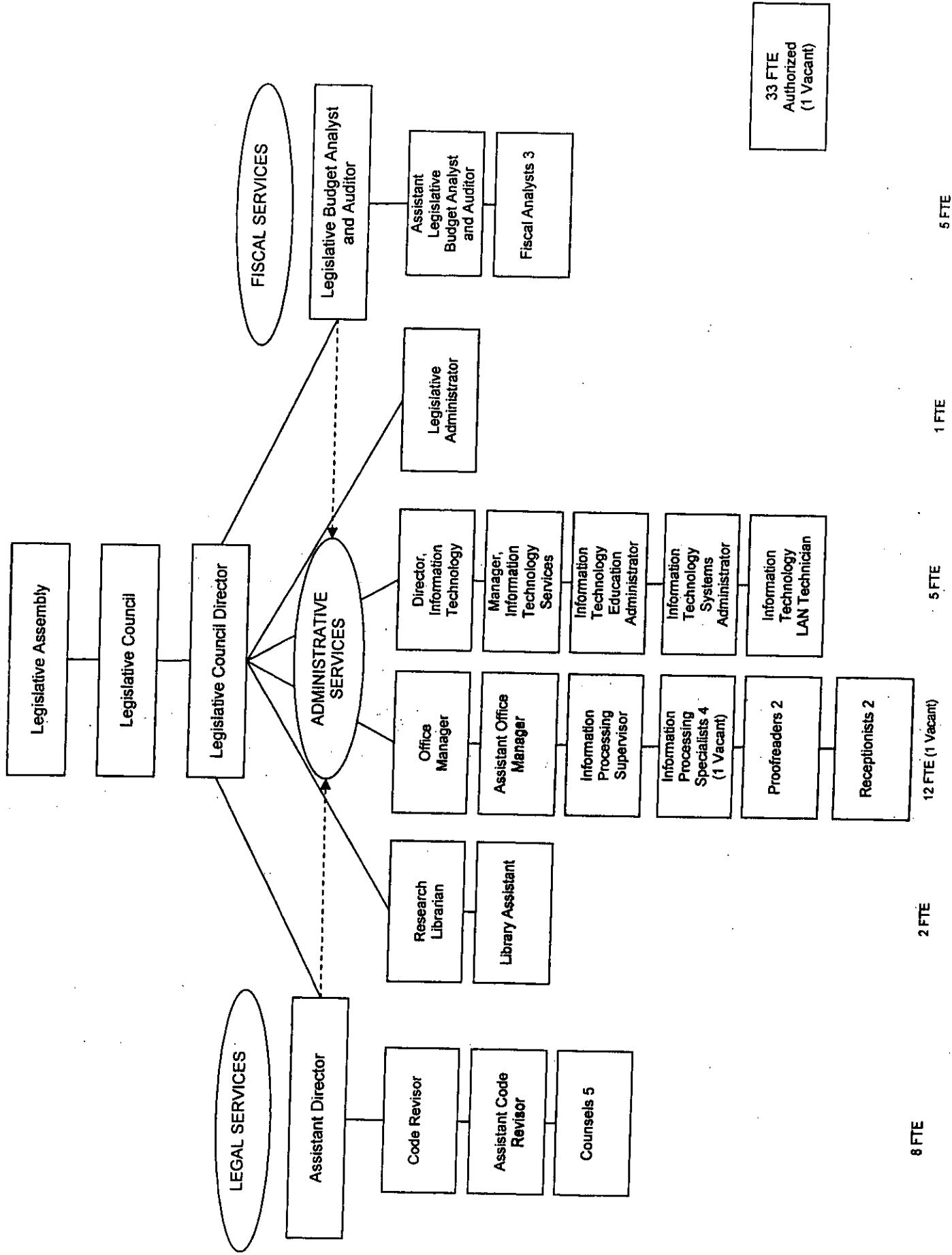
Developing a plan for addressing future retirements of key agency personnel involving knowledge transfer and succession planning.

Evaluating its information technology services and support to provide current technology solutions to meet the information demands of legislators and the public.

Planning for future legislative information storage and retrieval processes and systems.

The agency continues to monitor and evaluate its responsiveness to drafting, research, and analysis requests made by legislators, legislative committees, and others and make changes to meet the information demands.

LEGISLATIVE COUNCIL ORGANIZATIONAL CHART



----- Line of Authority ----- Input and Assigned Oversight Responsibilities

HISTORY AND FUNCTIONS OF THE NORTH DAKOTA LEGISLATIVE COUNCIL

HISTORY OF THE LEGISLATIVE COUNCIL

The North Dakota Legislative Council was created in 1945 as the Legislative Research Committee (LRC). The LRC had a slow beginning during the first interim of its existence because, as reported in the first biennial report, the prevailing war conditions prevented the employment of a research director until April 1946.

After the hiring of a research director, the first LRC held monthly meetings prior to the 1947 legislative session and recommended a number of bills to that session. Even though the legislation creating the LRC permitted the appointment of subcommittees, all of the interim work was performed by the 11 statutory members until the 1953-54 interim, when other legislators participated in studies. Although "research" was its middle name, in its early years the LRC served primarily as a screening agency for proposed legislation submitted by state departments and organizations. This screening role is evidenced by the fact that as early as 1949, the LRC presented 100 proposals prepared or sponsored by the committee which the biennial report indicated were not all necessarily endorsed by the committee and included were several alternative or conflicting proposals.

The name of the LRC was changed to the Legislative Council in 1969 to more accurately reflect the scope of its duties. Although research is still an integral part of the functioning of the Legislative Council, it has become a comprehensive legislative service agency with various duties in addition to research.

THE NEED FOR A LEGISLATIVE SERVICE AGENCY

Nearly all states have a legislative council or its equivalent, although a few states use varying numbers of special committees.

Legislative service agencies provide legislators with the tools and resources that are essential if they are to fulfill the demands placed upon them. In contrast to other branches of government, the Legislative Assembly in the past had to approach its deliberations without its own information sources, studies, or investigations. Some of the information relied upon was inadequate or slanted because of special interests of the sources.

To meet these demands, the Legislative Assembly established the North Dakota Legislative Council. The existence of the Council has made it possible for the Legislative Assembly to meet the demands of today while remaining a part-time citizen legislature that meets a limited number of days every other year.

COMPOSITION OF THE COUNCIL

The Legislative Council by statute consists of 17 legislators, including the majority and minority leaders of both houses and the Speaker of the House. The

Speaker appoints six other representatives, three from the majority and three from the minority as recommended by the majority and minority leaders, respectively. The Lieutenant Governor, as President of the Senate, appoints four senators from the majority and two from the minority as recommended by the majority and minority leaders, respectively.

The Legislative Council is thus composed of 10 majority party members and 7 minority party members and is served by a staff of attorneys, accountants, researchers, and auxiliary personnel who are hired and who serve on a strictly nonpartisan basis.

FUNCTIONS AND METHODS OF OPERATION OF THE COUNCIL

Although the Legislative Council has the authority to initiate studies or other action deemed necessary between legislative sessions, much of the Council's work results from study resolutions passed by both houses. The usual procedure is for the Council to designate committees to carry out the studies, although a few Council committees, including the Administrative Rules Committee, Employee Benefits Programs Committee, Information Technology Committee, and Legislative Audit and Fiscal Review Committee, are statutory committees with duties imposed by state law.

Regardless of the source of authority of interim committees, the Council appoints the members with the exception of a few members appointed as provided by statute. Nearly all committees consist entirely of legislators, although a few citizen members are sometimes selected to serve when it is determined they can provide special expertise or insight for a study.

The Council committees hold meetings throughout the interim at which members hear testimony, review information and materials provided by staff, other state agencies, and interested persons and organizations, and consider alternatives. Occasionally it is necessary for the Council to contract with universities, consulting firms, or outside professionals on specialized studies and projects. However, the vast majority of studies are handled entirely by the Council staff.

Committees make their reports to the full Legislative Council, usually in November preceding a regular legislative session. The Council may accept, amend, or reject a committee's report. The Legislative Council then presents the recommendations it has accepted, together with bills and resolutions necessary to implement them, to the Legislative Assembly.

In addition to conducting studies, the Council and its staff provide a wide range of services to legislators, other state agencies, and the public. Attorneys on the staff provide legal advice and counsel on legislative matters to legislators and legislative committees. The Council supervises the publication of the Session Laws, the North Dakota Century Code, and the North Dakota Administrative Code. The Council reviews state agency

rules and rulemaking procedures, legislative proposals affecting health and retirement programs for public employees, and information technology management of state agencies. The Council has on its staff the legislative budget analyst and auditor and assistants who provide technical assistance to Council committees and legislators, review audit reports for the Legislative Audit and Fiscal Review Committee, provide budget analysis, and assist the Legislative Assembly in developing the state's biennial budget. The Council provides information technology services to the legislative branch, including legislative publishing and bill drafting capabilities. The Council makes arrangements for legislative sessions and controls the use of the legislative chambers and use of space in the legislative wing of the State Capitol. The Council also maintains a wide variety of materials and reference documents, many of which are not available from other sources.

MAJOR PAST PROJECTS OF THE COUNCIL

Nearly every facet of state government and statutes has been touched by one or more Council studies since 1945. Statutory revisions, including the rewriting of criminal laws, election laws, game and fish laws, insurance laws, motor vehicle laws, school laws, and weapons laws have been among the major accomplishments of interim committees. Another project was the republication of the North Dakota Revised Code of 1943, the resulting product being the North Dakota Century Code.

Government reorganization has also occupied a considerable amount of attention. Included have been studies of the delivery of human services, agriculturally related functions of state government, the creation of the Information Technology Department and the cabinet-level position of Chief Information Officer, the creation of the Department of Commerce, organization of the state's higher education system, and the creation of the Commission on Legal Counsel for Indigents, as well as studies of the feasibility of consolidating functions in state government. Unification of the state's judicial

system and the establishment of a public venture capital corporation were also subjects of studies.

The review and updating of uniform and model acts, such as the Uniform Probate Code and the Uniform Commercial Code, have also been included in past Council agendas. Constitutional revision has been studied several interims, as well as studies to implement constitutional measures that have been approved by the voters.

Pioneering in new and untried areas is one major function of interim committees. The regulation and taxation of natural resources, including oil and gas in the 1950s and coal in the 1970s, have been the highlights of several interim studies. The closing of the constitutional institution of higher education at Ellendale also fell upon an interim committee after a fire destroyed one of the major buildings on that campus. The expansion of the University of North Dakota School of Medicine and Health Sciences is another area that has been the subject of several interim studies.

The Legislative Council has permitted the legislative branch to be on the cutting edge of technological innovation. North Dakota was one of the first states to have a computerized bill status system in 1969 and, beginning in 1989, the Legislator's Automated Work Station system has allowed legislators to access legislative documents at their desks in the House and Senate. Since 1997, the Legislative Council has had the responsibility to study emerging technology and evaluate its impact on the state's system of information technology.

Perhaps of most value to citizen legislators are committees that permit members to keep up with rapidly changing developments in complex fields. Among these are the Budget Section, which receives the executive budget prior to each legislative session. The Administrative Rules Committee allows legislators to monitor executive branch department rules. Other subjects that have been regularly studied include school finance, health care, property taxes, and legislative rules.