

2011 HOUSE APPROPRIATIONS

HB 1001

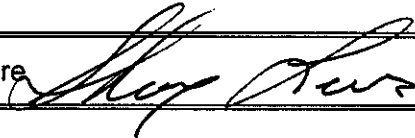
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1001
January 12, 2011
Recorder Job# 12808

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications and transfers; and to declare an emergency.

Minutes:

Chairman Thoreson opened the hearing on HB1001.

Representative Al Carlson, District 41, Fargo: I am the chairman of legislative management. As you go through this bill, this is the most important bill of all; because we are the policy and spending branch of government. Last session, as we based our budgets, it's usually based on a 77 day budget; last time the state kept us here 79 days. The staff is going to go through a lot of things, but, some of the things that were done during the interim were funded by this very budget. Not only the pay for the legislators are in here, the number of days we're going to be in session, some of the compensation things are in this bill; but, we are also continuing some of the spending on projects. The capital assets line, this time, includes \$500,000.00 for continued legislative wing improvements and \$800,000.00 for voting system upgrades in the chambers. Those things are necessary.

The legend system, I'm not going to talk a lot about that; because Jason can update you on that. But, that adventure started out a number of years ago with a failed system. Now, with the effort of he and his staff and the people at Propolong, created an important partnership. An important partnership was created between the legislative branch and ITD. Prior to that and prior to Mr. Smith coming in, there was always this big executive branch controls ITD and we're not going to work with those guys; but, those are all our experts. So, we melded those two together and we came up with a really good result for our legend system. It is a great system; not only for us, but, for the public to keep track of what we're doing. I can't say about the partnership. In future projects that come before you, if I were this committee and I sat on this sat on this committee, the first question I'd ask is what involvement is ITD have in your project. They are the experts and they can help create systems that don't cost as much and work better. So, ask those questions because everybody has ITD project sooner or later that comes rolling through their budgets.

You'll also see, in the budget, that there's one time funding for a special session. We are required to redistrict in the year 2011. There will be a committee established that will review the number of districts, the borders of the districts, the number of people that each representative will serve; and in November, we will come back in a special session and we will address redistricting. This will set the roadmap for what each of us, and the people we represent, for the next 10 years. That is in this budget as well; that is separate of the 77 day session we're budgeting. The salaries will be separate for the legislators and our expenses. That's an item that isn't normally in the budget you're going to see; but, it's in here this time. You're also going to see a one time funding of \$510,000.00 for replacement of our personal computers. Everybody else in state government, I believe, is on a 4 year recycle; and we're in at least the 6th year of these computers.

Chairman Thoreson: We've had these for awhile, but has it been that long, Jason:

Jason Steckler, Legislative Council: A little over 4 years.

Representative Kempenich: What are we going to do with the old computers?

Representative Al Carlson: Unless something has changed, they have to go to surplus property.

Representative Glassheim: Will our documents remain on it? Will they be accessible?

Jason Steckler, Legislative Council: We will reimage the computer back to factory specs; so we know we're not violating any software license agreement when we let it leave.

Jim Smith, Director, North Dakota Legislative Council: See attached testimony 1001.1.12.11A.

Chairman Thoreson: Has that bill been heard yet?

Mr. Smith: The hearing was yesterday on HB1062.

Chairman Thoreson: Mr. Smith, why is it we have funding for 130 when there's more than that in the 2 chambers?

Jim Smith: Some legislators elect not to take the health insurance; sometimes it's paid by their employer.

Testimony continued

Representative Kroeber: Is that basically a 5 day session?

Jim Smith: Yes. We anticipate it being a 5 day session. I thinks that's what it's been the last 2 times. We need a minimum of 3 days; but both the last 2 have been 5 days.

Testimony continued.

Representative Dahl: Mr. Smith can you talk about the surrounding conversation about the 5% increase for legislative employees instead of a 3% as is standard in the other branches?

Jim Smith: My recollection is when we were creating the budget last summer, legislative procedure and arrangements what was going to be paid for 2011 session; and they were trying to get those employee salaries up. At that time, I think, they used a little bit more than 5% to get to the 2011 levels. At that time, we didn't know what was going to be recommended in the Governor's budget.

Representative Kroeber: I think we need to keep in mind that these employees do not receive any housing allowance or meal allowance. So for them to be compensated at that small amount I think is appropriate.

Testimony continued.

Chairman Thoreson: Is that expected to change do you know?

Jim Smith: It's hard to predict that. I think we're currently at \$.51 and it's changed at 2 or 3 times during the interim. It's basically tied to the cost of gasoline.

Testimony continued.

Chairman Thoreson: Does this include all the telecommunications in the house and senate chambers and other facilities?

Jim Smith: I think it should.

Chairman Thoreson: Are we no longer having telephone services in the legislator lounge on the ground level?

Jim Smith: During the interim, the legislative procedure and arrangements committee authorized some renovations in those areas. What we ended up doing was removing a lot of telephone kiosks. I think there are still maybe 2 or 3 lines in each study area.

Representative Glassheim: Can we call out of state from our phones at the desks?

Jim Smith: I think you should be able to.

Representative Klein: I see on the back, funding for committee room renovations. Are we not completed yet with that operation?

Jim Smith: That's a good question. We do have some money that we haven't from the current appropriation. It's hard to identify all the possibilities that we could do; but, you mentioned the study areas. The one thing we did do there, in the ground floor one, we put in a private area in the back.

Representative Klein: Voting system upgrades. Are we changing that?

Jason Steckler: That \$800,000.00 that we're referring to, what that would be would be in the chambers; the replacement of the voting signs. It's based on a preliminary number put together by International Roll Call; replace both boards, as well as, the voting apparatus that you have on your desk.

Chairman Thoreson: A couple of things Mr. Smith, with the technology upgrades in the committee rooms. We did have some discussion last session in rooms, such as this committee room, some type of video board. So instead of having to have a projector and screen sitting here, we would have something. I'm guessing the interim committees dealing with that chose not to do so?

Jim Smith: Basically, the committee, staff and everybody involved ran out of time. We started replacement process before the last session; and worked through that the best we could during the interim.

Chairman Thoreson: So this might be something in the future?

Jason Steckler: You are correct. Every room has to be addressed differently.

Chairman Thoreson: One additional question, with the voting system upgrades. This doesn't include any further discussion, does it, of voting systems in the committee rooms?

Jason Steckler: No, this is strictly for the chambers; house and senate. Your current voting system is probably early '90's late 80's technology. Your votes and everything ties in to bill status, ties into the journal and the life expectancy in order to get the information from the voting system is starting to cause a lot of pain and suffering.

Testimony continued.

Chairman Thoreson: When are we going to start looking at that. Is there going to be something like we did last time; with a committee formed to test?

Jim Smith: We suggest that you use the same process you used 4 years ago, with the computer task force. The vendors would bring in different devices; meeting certain qualifications or requirements. Then, the legislators would pick what device they wanted to have.

Testimony continued.

Chairman Thoreson: The CSG dues are in the Governor's budget, is that correct?

Jim Smith: OMB.

Testimony continued.

Representative Kempenich: What's the cost of the follow-up and how many years is it? Is this an upgradeable system?

Jason Steckler: This is an upgradeable system. There is no contract. Because, one of the things we wanted to do, was while we bought their core legislative workbench; we wanted it customized in North Dakota. We own the source code as per the contract. One of the reasons ITD is actually involved, is, we want the ability to do our own modifications and enhancements. We don't want to be tied to multimillion dollar biennium contracts where the vendors' going to constantly come back; and we're held hostage by buying that maintenance support package. We still want to have that capability where the core system gets updated and then we apply our code on top.

Representative Kroeber: We do have \$400,000.00 under budget on this; and from the appropriation of \$3.9 million. But, wasn't there a different appropriation before then we had to add to it in order to take get the system up and running?

Jim Smith: We had money appropriated back in the '07 session. There was some unspent money that also rolled into this project; that was about \$2.2 million.

Representative Kroeber: In addition to the \$3 million?

Jim Smith: Right. The total was about \$6.1 million that was available; and of that amount we expect to not spend \$400,000.00.

Testimony continued.

Chairman Thoreson: Jim, last session, we put in language somewhere to provider additional funding to have legislators join one additional organization. Was there dollars tied to that; and if so, what happened to that?

Jim Smith: There was funding, I think it was put in by the conference committee. The chairman of legislative management decided not to go that route. We don't anticipate spending that money.

Representative Klein: The research librarians; are both those slots vacant?

Jim Smith: If you recall, Marilyn Johnson was the research librarian. She retired the end of September. Audrey Gragard was the assistant; she retired the end of December. What we chose to do, we've got 2 temporary people, was to hire them on a temporary, to get us through the session so we can look at the total staffing needs.

Representative Glassheim: What is the interim lodging reimbursement number based on?

Jim Smith: Interim lodging is at about \$69.00. I think we budget up to a total of \$77.00.

Representative Glassheim: That's for everybody?

Jim Smith: Yes. October 1 it went to \$70.00.

Chairman Thoreson: One question regard ITI, I have had some comments about the video streaming provided on the website; dealing with the quality of the picture. Is that something we're looking at switching over to a different provider?

Jim Smith: I'll let Jason speak to that; but, that's one of the items we looked at for the legislative wing improvements.

Jason Steckler: As Jim stated that's actually included in the legislative wing improvement. Just initial estimates; for about \$40,000.00 complete we could put in a camera system. Still controlled by one person.

Chairman Thoreson closed the hearing.

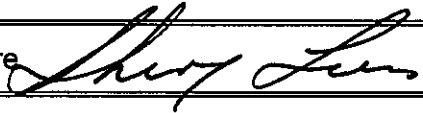
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1001
February 4, 2011
Recorder Job# 14008

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications and transfers; and to declare an emergency.

Minutes:

Chairman Thoreson opened the hearing on HB1001. Roll call was taken.

Chairman Thoreson: We're looking at replacing items in the chambers such as voting systems?

Jason Steckler, Information Technology Director, North Dakota Legislative Council: Included in the budget is \$800,000.00; what that does is, it provides full color LED voting boards for both chambers, installation of those boards, as well as new member voting stations, the hardware that goes with it, as well as, the software up front where the secretary of the senate or the chief clerk of the house operates the voting system.

Chairman Thoreson: These LED voting boards are they a video screen or are it similar to what we have now?

Jason Steckler: What I've heard is a lot of people don't want to ruin the decorum. So, we can make them look exactly how the voting boards look in the chambers right now as you're discussing bills. They are full color LED; which means, they will do full motion video, etc. So now when we have to have projectors and screens in the well; we probably wouldn't need to do that anymore. Other states that have installed this type of LED voting system, from a company called International Roll Call; there are very few companies that do this, there are probably 2 or 3 in the entire world. Most use 2 or 3 LED or board manufacturers, the biggest one being, Backtronix; which does most of the schools and large presentations. How they operate in a lot of other states; the chief clerk in the house would load the next bill, it shows the sponsors, the carriers on the boards, committee recommendations. They leave that on the top portion and switch to the video while you're in chambers and when you call for a vote, it goes back up there again.

Chairman Thoreson: If you have a link, I'd like to see it.

Jason Steckler: If you've never seen what the chief clerk operates up front and if you're familiar with older computer system, I would equate it to a Windows 3.1.

Representative Klein: Would this at the same time upgrade the speaker controls and screens?

Jason Steckler: Exactly. That would be all part of the voting system.

Representative Klein: So you wouldn't have to have the duplicate screens?

Jason Steckler: That would be the hope. With the new system we'd want to check layout. One thing we'd have to be conscious about is the size of the screens and how much data on one or if we put it on two to make it larger so it's easier for the speaker to see.

Representative Klein: Do we still have some of the rooms that need updating? I see there's another \$500,000.00 for committee room renovations.

Jason Steckler: Exactly. With that money that we're asking for is \$10,000.00 per room; and that's video and/or displays projectors for the rest of the rooms. We do believe for \$10,000.00 a room is a good budgetary quote.

Chairman Thoreson: Yesterday we had highway patrol in for their budget and they brought in a cart with a video monitor to show some video and it did present a bit of a challenge.

Representative Kroeber: Is the \$800,000.00 a pretty solid figure? This isn't one of the systems that we're going to have to do a lot changing to, is it?

Jason Steckler: No, the exact quote came back at \$760,000.00; that did include installation, configuration, as well as, their travel. The reason for the \$800,000.00 is for a few of the unforeseen or as they're installing they may ask for a few other things. I don't foresee it going beyond the \$800,000.00. This is a very complete system, it's highly configurable; we've worked with International Roll Call in the past. They are currently doing US Congress House of Representatives.

Representative Glassheim: Tell me again is the current system not functional, you can't get parts for it or you're just doing some improvements and upgrades?

Jason Steckler: The current system, we don't buy new components for it. Anything that breaks, you're member voting stations, buttons; we have to take off of your desk and send in for repair. There are no new components for that system anymore. I'm not saying that they won't support it; but, we do have to send it in to their electronics department and they have to try to repair those. We're more concerned about the electronics up front that manage the votes as well as the screens. During the interim we noticed probably every 2 weeks we had to reset your voting boards; because they're fairly old. In 2013, they'll be another 2 years older, there'll be additional issues. International Roll Call has not told us that they're going to stop repairing any of the hardware associated with it; but, it's becoming more of a challenge.

Chairman Thoreson: I'm looking at the green sheet, the one identified for legislative council department 160. There is that item #5 identified it's \$150,000.00 additional for travel for energy council, CGS and other out of state meetings. That's for legislators and staff or is it for just one? I'm not certain of the breakdown how that works.

Jim Smith, Director, North Dakota Legislative Council: The would be for legislators; that really reflects the increased costs of flying, hotels, some fee increases for registration fees.

Chairman Thoreson: What was used to determine that number?

Jim Smith: The big part would be the increases in your daily compensation.

Alan Knudson, Legislative Budget Analysis and Auditor, North Dakota Legislative Council: What we did on out of state travel; we specifically had major meetings that we budget for separately, like, NCSL annual meetings, CSG meetings, etc. We look at what we paid last biennium as far as motel rooms; and we inflate it by 5%.

Chairman Thoreson: Do you budget for a certain number of people to attend each of those events?

Alan Knudson: Yes, we do. We budget for major meetings. We can tell you how many people we budget for each of those. At the end we have for other travel; we base that on how you traveled this last biennium.

Chairman Thoreson: Who sets that number; the number of people to go to each meeting. Is that the chairman of legislative management?

Alan Knudson: We put it together based on history and then the legislative management chairman reviews that.

Chairman Thoreson: If you have any of that information, I'd like to review that if possible.

Alan Knudson: Sure.

Representative Kroeber: Did I understand you saying that the increase in daily expense from \$63.00 to \$77.00 is only for us; and not for all public employees?

Alan Knudson: The increase is for all employees. The amount we show here is just for legislators.

Representative Kroeber: But it's going to be the same increase for all public employees?

Alan Knudson: That's correct.

Representative Klein: I'm looking at one time funding administrative code and website information. Can you explain that a little bit?

Jason Steckler: Yes, there is one time funding for the administrative code program. The administrative code program is currently in an Abortext format; it's an XML format, but, it's a system that was built approximately 8 years ago. We haven't upgraded that system; it's very difficult to use. There were probably only 1 or 2 operators in our office that knew how to draft inside of that system. The \$235,000.00 entails the use of Legend; which we are doing all of our bill drafts and amendments on, allows us to convert administrative code into the same system that we draft century code and amendments on. It will allow us to convert administrative code into that same system.

Representative Klein: I'm looking at \$483,000.00. Is that changing the entire system from that Abortext to a different system?

Jason Steckler: The \$483,000.00 is actually 2 items. It is the administrative code rewrite; which is \$235,000.00 and the remaining \$247,000.00 is the legislative council/legislative assembly website rewrite. I've heard from many legislators that constituents find it very difficult to navigate our website. Our website has not gone through a rewrite or redesign for many years. We're trying to make it a little more user friendly for the legislative council website. I'd like to add that the legislative council rewrite for the website and legislative assembly rewrite; there's a lot of things we'd like to do. One of those things being the legislative bill tracking system is still hosted, this session, at North Dakota State University. It's a paid subscription service for anybody that's not a state employee; and it's our hope on the website that we make a bill tracking system for anybody that wants to use it, a non charge website. That's one of the key components of why the website would be rewritten.

Chairman Thoreson: What are they charging now for that service?

Jason Steckler: I would be wrong if I were to guess right now. I think it's fairly expensive.

Chairman Thoreson: They keep the funds for that? That's not something we receive?

Jason Steckler: Correct.

Speaker Drovdal: On our legal system on our laws in century code, we can go on our website and look up our laws. Some of us are getting discs every month that are costing us money. I question whether they're really necessary; since we can all go on the computer and do it anyway. Can you comment? I've tried to cancel that disc and have not been able to do it. Why is that still necessary that we continue to get these upgraded discs?

Jason Steckler: I do know that the disks that you get from Lexus Nexus; I believe is what you're referring to. I know that the code advisor, John Walstad, who seems to be our point of contact with that publishing body; has tried to work with them many times and cancel, not only that, but previous legislators, whom seem to get them for some time after they're no longer in office. As well as, legislators who choose not to receive the disc; with very little success rate with that company, of getting those cancelled. We try to pay for only what we've said we wanted to come out. Lexus Nexus for a legal person, does have some nice search capabilities.

Representative Klein: Following up on that, is there a way of instead of everybody getting these updates from this company; that the system could be set up through IT that they could put it on one system and it's automatically put on all the legislator's computers? Could there be a central system that does that?

Jason Steckler: I would have to look into that. I do believe that there's 2 main bodies that try to publish our code or make it available on a conic format; one being Lexus Nexus, the other one being Weslaw. As far as putting it into a central site and making it available for all legislators, I would have to look into that.

Representative Dahl: I know Lexus is also web based; but I'm guessing if sign up for the web subscription, it would probably be more than just the information they send us now. It would be interesting to find out.

Representative Kroeber: I think Lori has information on how university software costs.

Lori Laschkewitsch, Office of Management and Budget: For non state agency and non university agency, LBTSA/North Dakota State University bill tracking system is a subscription of \$390.00 per session.

Chairman Thoreson: So if an individual or business wishes to use that service, they pay that directly to North Dakota State University?

Lori Laschkewitsch: Correct.

Chairman Thoreson: Do you have any information on how many are subscribing to that service?

Lori Laschkewitsch: They don't have any of that information on the website.

Chairman Thoreson: Under the national conference of state legislators, I see that the dues are going up about \$4,500.00 roughly over the current biennium? If I take the number they have at \$232,110.00 and divide it by each of us, it's about \$1,650.00 per legislator. Is that about what they charge every state?

Jim Smith: I don't know the details, I know the larger states pay a lot more. So it's not based on the size of the legislature.

Chairman Thoreson: It's based on population, size of the states?

Jim Smith: I think that's pretty much the connection.

Chairman Thoreson: Talking to legislators from other states, there's some that have just either defunded that line or else have drastically cut back on how much they're paying these national organizations due to their budget situations. Are they penalized by them or are they allowed to fully participate if they're not paying their dues in full?

Jim Smith: To answer the first part of your question NCSL's dues statement that they sent in September; the formula that they use is based on a flat rate and population factors. There's a minimum amount for any state and that's probably what we're effected by. Some states like Michigan and California are probably not their fees. I think there's very limited participation by those states and NCSL as well. They're just not attending the meetings. Most of those states have travel restrictions.

Chairman Thoreson: What about when they're in session? Some of those states are more professional legislators where they're always in session. Say they contact NCSL for information; do they provide it to them on the same basis?

Jim Smith: I suspect they answer the questions.

Chairman Thoreson: I did have a question from a legislator asking why are we paying more, when other states aren't paying anything at all? If that's the case, are they getting services for it?

Jim Smith: I think John Bjornson is on the committee of NCSL and one of the things he has and we can provide it to the committee, is kind of a current status of where states are relative to the payment of dues.

Chairman Thoreson: I'd like to see that and if they also have any policy written or otherwise saying if you're not fully participating, what level of services you're providing.

Representative Dahl: On line 7 on the green sheet, it talks about some office improvements. Can you go through that more specifically what that includes?

Jim Smith: What we did during the current interim; basically the furniture is a lot of what we received from REAP back in the '70's which is the Regional Environmental Assessment Program, that went out of business in 1975. We received their furniture and as our staff relocated to the second floor; that's what we've been using. During the current interim, we replaced the office furniture in 4 offices; basically to upgrade the furniture and to make it more functional with the use of laptops. So we did 4 this current interim, and the hope would be, we'd try to do a like number the next interim.

Representative Glassheim: We're in for a 5% increase for the legislative assembly?

Jim Smith: If you look at our testimony for the legislative employees, the clerks, task force, etc, we built that based on a 5% annual increase.

Chairman Thoreson: Employees that are here during session?

Jim Smith: Yes, the 78 employees we hire just for the session.

Representative Glassheim: Could you speak to why?

Jim Smith: When the budget was put together, that's what we were looking at. The legislative procedure and arrangements committee has been trying to increase those salaries to aid in recruitment and retention of some of their session employees.

Representative Glassheim: They're 3 or 4 month employees?

Jim Smith: That's correct.

Representative Glassheim: So only a 3 and 3 is 6. Full time employees are getting 3% and 3%.

Jim Smith: You are correct on that and whatever you wish to do on it. I think the legislative procedure and arrangements committee was trying to do more for those employees because it's difficult to recruit.

Chairman Thoreson: I think it's an important point, unlike those of us that are elected to serve, they're not getting housing allowance.

Jim Smith: Yes, they are.

Chairman Thoreson: Not from the Bismarck area. If they do live here, they don't get any kind of mileage or anything either.

Jim Smith: No.

Representative Brandenburg: It makes it difficult for people that don't live here to even come here and work.

Jim Smith: Just so you're reminded of it; there's also a kind of reward for returning. You get an extra dollar per day for each session you've worked.

Chairman Thoreson: If you worked here previously you're pay increases.

Jim Smith: Yes.

Speaker Drovdal: There are some legislators in the very close outlying area that do not get compensation for lodging; but do get mileage points. I'm talking mainly Mandan and that kind of radius.

Chairman Thoreson: How many miles of the capitol is it?

Jim Smith: Thirty or 35 miles. It's a decision if you're from like Steele, and want to drive back and forth or you want to do lodging.

Representative Kempenich: Unintelligible.

Jim Smith: The statute provides private plane reimbursement.

Jim Smith: The only thing I'd mention again is that there are some other bills that effect this budget.

Chairman Thoreson: Do you have any information on those; what the status is at this time?

Jim Smith: You've passed HB1141.

Chairman Thoreson: What's the status of HB1062?

Jim Smith: Did you mean HB1368? That was a do pass recommendation.

Representative Kempenich: How many days do we meet next fall?

Jim Smith: In the past, we have met 5 days.

Chairman Thoreson: I think there's talk about working not only on that but issues related to PPACA.

Chairman Thoreson: Have we received any of the information on the Census numbers yet?

Jim Smith: I think the Census information is April.

Jim Smith: We're actually going to have some training of staff in early March.

Representative Kroeber: Do we set the days or does the executive branch set the redistricting days?

Jim Smith: There's a bill that directs the Governor to call that special session. The time frames are somewhat set and it has to be completed in time for the election process to take place. The timeframe would be sometime in mid to late November.

Chairman Thoreson: That bill did get reported out of Chairman Johnson's Political Subdivisions Committee yesterday. There's a fiscal note of about \$260,000.00.

Representative Kroeber: Are there going to be anymore conferences on redistricting before November?

Chairman Thoreson: There was one additional one which took place about 2 weeks ago in Washington, DC. It was a NCSL sponsored conference on redistricting. I don't know if they're planning any additional ones.

Jim Smith: I'd have to check. I think it was a quarterly process.

Representative Kroeber: If we have any more, I don't think that any Democrats were placed on that last one. I hope if we do go to another one that a percentage of Democrats are allowed to attend the redistricting meeting.

Chairman Thoreson: I can certainly check with Representative Carlson.

Jim Smith: I'll check on it. Just to follow up on the impact of redistricting; #6 on our summary for legislative assembly, we do have it budgeted.

Chairman Thoreson: That's budgeted in here?

Jim Smith: Correct.

Chairman Thoreson closed the hearing.

2011 General Discussion
(Check appropriate box)

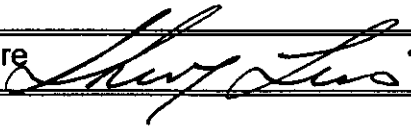
- ☐ Committee on Committees
- ☐ Rules Committee
- ☐ Confirmation Hearings
- ☐ Delayed Bills Committee
- ☐ House Appropriations
- ☐ Senate Appropriations
- ☐ Other

Government Operations

Date of meeting/discussion: February 11, 2011

Recorder Job Number: 14416

Committee Clerk Signature



Minutes:

Chairman Thoreson opened the general discussion on HB1001.

Chairman Thoreson: I don't know where we're at right now. As it stands as this action's being taken place today, we have not come to any clear answer as to where legislative pay will be set due to actions on the floor; and yesterday in the full appropriations committee there was the "do not pass" on a bill. I still have questions about our dues participation in the National Conference of State Legislators. We did receive a break down.

Representative Kroeber: The increase for lodging is in this bill and yet we've already voted on that in another bill; have we not?

Brady Larson, North Dakota Legislative Council: I believe you have voted; I believe that was Representative Carlson's bill that you voted on.

Representative Kroeber: How do we keep from doubling all these things up or do you just take care of that?

Brady Larson: We take care of it.

Representative Kroeber: Would we just remove it from this bill, being that it's already been passed?

Chairman Thoreson: The bill has past the house correct; it's been through the floor but it hasn't been through both chambers. We could take it out here but we would probably then risk the chance it just goes away in both places. Am I going along the right lines here?

Brady Larson: That's correct. I'm not familiar with the other bill; if it contains an appropriation or deficiency appropriation. I'm not sure if that other bill was retroactive for this session.

Chairman Thoreson: It is retroactive.

Brady Larson: I'm not sure if that other bill handles any sort of deficiency appropriation or if it could be absorbed in the current 2009-2011 legislative branch budget.

Chairman Thoreson: It's HB1141.

Representative Brandenburg: Are we going to do something this session with pay?

Chairman Thoreson: With legislative pay?

Representative Brandenburg: Yes.

Chairman Thoreson: That's what I don't know. We killed a bill which we had and then the other bill came to appropriations which we amended yesterday; then we failed the do pass motion. Right now that bill is still sitting in full committee.

Representative Kempenich: Even the other branches still have the legislature to fall back on.

Representative Brandenburg: On this pay raise, there is only a few people that holler about it.

Chairman Thoreson: I think if we can't justify it, then we probably don't need to be here.

Representative Kroeber: I would ask the question is the recommendation for the compensation commissioned? Is that what goes in the Governor's budget as far as legislative increases are concerned?

Alan Knudson, Legislative Budget Analysis and Auditor, North Dakota Legislative Council: When we prepare our budget request, we include what the legislative compensation commission recommends; and that is carried forward to the executive budget. The executive budget doesn't change the budget requests that we carry forward.

Representative Brandenburg: What does that relate to the 3% increase; what would that relate to in dollars?

Government Operations

February 11, 2011

Page 3

Alan Knudson: The daily pay would go from \$148.00 where it is now to \$152.00 per day and then \$157.00 for the second year of the biennium. So that's the 3% and 3%.

Representative Brandenburg: That's a \$4.00 increase is what you're saying?

Representative Kroeber: I think that does have a little bit of regulation then from the executive branch over our salaries as far as a recommendation is concerned. If we go with that; so there is oversight to that point of our salary increase. We always find it extremely difficult when the courts come in; because, the court's budget hasn't undergone the scrutiny of OMB and it makes it difficult to handle the courts. I think at the same time we have to be extremely careful with ours; but, there is some oversight.

Representative Dahl: Our daily rates while we're in session are the same as our interim rates?

Alan Knudson: Yes, that's correct.

Representative Dahl: Has it been that way for the last biennium?

Alan Knudson: It was that way for the last biennium; but, a couple of bienniums ago you're interim pay was less than your session pay.

Chairman Thoreson: One thing that we were provided with was a breakdown of the NCSL dues by state. I looked through here and North Dakota it says amount billed \$115,943.00, amount paid \$115,943.00; then you go to California, billed \$689,268.00, amount due \$689,268.00. Are they given the same voting privileges and rights as North Dakota at their meetings or do they have any kind of penalization when they attend NCSL that you're aware?

Alan Knudson: I'm not sure, but, I do believe in the past; that if states haven't paid, they granted some leeway. I'd guess if they haven't paid for a couple of years, they might have some sanctions put on them. I think NCSL tries to be accommodating with states that are having budget issues.

Chairman Thoreson: I'd heard that from another source also that they still have voting rights and privileges when they go to meetings and can sit on the executive committee, etc. It's not just California; there's Florida \$397,000.00, Illinois \$310,000.00, Michigan \$266,000.00, New York \$413,000.00, Pennsylvania \$304,000.00. These are huge numbers that these other states are not in compliance with. It says amount paid total for fiscal year 2011 was 62%; yet we're paid up 100% and our dues continue to go up. I don't know that we'll take any action on here; but, I feel that it's not right to continue billing increased amounts when these other states aren't paying their fair share.

Representative Kroeber: One of the things that was brought up in testimony was our use of Lexus Nexus and that it's really not used. Exactly what use do we get from Nexus Lexus than we basically have on our computer system now?

Alan Knudson: You should probably have one of the legal staff come down; because, they work much more closely with that than what we do on the fiscal side. They are the publisher of century code; so when they actually publish the books and in addition to that we get the CD's as well. The big part of it really is publishing the century code and the session law.

Representative Kroeber: So just us receiving those discs every 3 months; how much of an increased cost is that for us?

Alan Knudson: I would have to get back to you on that.

Representative Kroeber: That was just one of the things that was discussed as far as the use is concerned and if we would want to continue it or not.

Alan Knudson: The one item with that is after the session John Walstad puts all the information together and sends it to Lexus Nexus. Then they publish the code. The cost for printing all the books, that's paid out of the secretary of state's office in the public printing budget. So the funding isn't actually in our budget for Lexus Nexus.

Representative Kroeber: Even the discs that we get?

Alan Knudson: I'm guessing if you want details, you'll have to have John Walstad come down.

Representative Kempenich: The cost is up front; and the disc immaterial as far as cost goes.

Chairman Thoreson: I do have a question on the green sheet for the legislative assembly part. It has on item 6 the one time funding for the special redistricting session; didn't we just have a bill that Representative Carlson had that dealt with that? So were there dollars in that bill also or were they just in the budget?

Alan Knudson: That bill did not include any dollars. The dollars are all here to support.

Representative Kroeber: I asked the question, for example, there's a couple of bills in legislative compensation and the dollars; obviously, there's dollars in those bills and then there's dollars in this. Brady had just indicated that you take care of the fact so we don't double up those dollars when we get our crossover totals. Is that correct?

Alan Knudson: The other bills that are out there don't have funding in them. They only have the statutory changes to provide for the increase. The dollars are only in one place right now and that's in the budget.

Chairman Thoreson: Did that also include the lodging reimbursement; because we did pass a separate bill on that that was retroactive. Is that correct?

Alan Knudson: That's not in the budget at this point.

Representative Kempenich: I thought we based on SB1225.

Alan Knudson: We based the lodging amounts on current law and then Representative Carlson's bill; HB1141, increases that and makes it retroactive. So, we would need an additional \$215,000.00 to do both. The retroactive part is about \$97,000.00 for this session and we're estimating needing another \$118,000.00 for the 2013 session.

Chairman Thoreson: In this budget we'd need that dollar amount reflected.

Alan Knudson: At some point.

Representative Klein: If I look on the green sheet, item 5 which refers me to the monthly lodging; that's for the next legislative session?

Alan Knudson: That's correct. We projected out what we anticipated lodging would go up and that's how we come up with an amount there.

Chairman Thoreson: Go and get that prepared; if we have to make that change here, we will certainly go ahead and do so. Because HB1141 didn't have any money in it correct?

Representative Kempenich: We passed out that increased food budget for the meals?

Chairman Thoreson: It passed out of appropriations yesterday.

Representative Kempenich: Are going to have to build that into budgets?

Chairman Thoreson: We had it in appropriations yesterday HB1426 it passed 12-9 out of the committee. It says that we would be at 65% of the GSA rate. Is that going to require us to put additional money in this budget for that?

Alan Knudson: It would have an effect for when you travel during the interim. We haven't taken a look at what the potential impact would be. I know the bill used to be at 90% I think.

Chairman Thoreson: It was at 90% and then they brought it down because the fiscal not on it was incredibly large.

Representative Dahl: I thought it was \$173,000.00.

Chairman Thoreson: That sounds correct. We'll need to make that adjustment also. That bill hasn't passed the full assembly yet.

Alan Knudson: Roxanne just said that based on 65%; right now it's \$25.00 per day for meals, and it would go to \$29.90 per day. When that kind of thing's been done in the past, a lot of time agencies are just expected to find the money for that additional increase. At this point, we could go forward and leave it where it is; depending on

Government Operations

February 11, 2011

Page 6

where the bill ends up at the end, we can make an adjustment if necessary. I don't anticipate it will be a major impact on the budget since it's only the interim amounts that are affected.

Chairman Thoreson: I looked on testimony that Mr. Smith gave back on January 12 and I noticed the additional compensation per calendar day for leadership is \$10.00 and then for chairman of the committee is \$5.00; that hasn't been changed since 1985? Has there been any discussion about changing that.

Representative Kroeber: This is kind of going back to the special session, there's been some discussion. Of course we have those dollars on the green sheet and there's been some talk of whether we have to save 5 legislative days for the special session. We do not do we? That's completely separate; that has nothing to do with our 80 days or does it?

Alan Knudson: I think the way the bill is written it directs the Governor to call a special session. So in that case, you do not need to save the days. If legislative management committee was going to call the special session, then you would need to save those days. But, if the Governor calls it, you don't need to save them.

Chairman Thoreson: This was in Representative Carlson's bill, correct?

Alan Knudson: I think it was HB1267.

Chairman Thoreson: Does the language in that still say the Governor shall call us into session? I know that was in the political subdivisions committee and there was discussion that the Governor's office felt it was not constitutional for us to direct him to call us into session. Apparently, they found other circumstances where in code it says the Governor shall do certain things.

Representative Kroeber: Obviously, by constitution, we will have a session.

Chairman Thoreson: We will, but, the question is whether we can direct the Governor to direct us to come in to session.

Alan Knudson: The language in the bill now indicates that chairman of legislative management shall request the Governor to call a special session.

Chairman Thoreson: It does say shall request; because, I believe it originally said shall direct the Governor to call us into session and they said that might violate the policy between the different branches.

Representative Dahl: Are the salaries for the legislative council staff in here?

Alan Knudson: Yes, they are. They're in the legislative council portion.

Representative Dahl: Are those still at a 5% and 5% in the bill or did we change that?

Alan Knudson: It's a 3% and 3%; it's the same package as state employees have.

Chairman Thoreson: I was planning on taking action on this; but, maybe we need a little follow up.

Alan Knudson: If you're going to delay action, we'll find out exactly.

Chairman Thoreson closed the general discussion.


2011 General Discussion
(Check appropriate box)

- ☐ Committee on Committees
- ☐ Rules Committee
- ☐ Confirmation Hearings
- ☐ Delayed Bills Committee
- ☐ House Appropriations
- ☐ Senate Appropriations
- ☐ Other

Government Operations

Date of meeting/discussion: February 15, 2011

Recorder Job Number: 14589

| |
|---|
| Committee Clerk Signature  |
|---|

Minutes:

Chairman Thoreson opened the discussion of HB1001.

Representative Kempenich made a motion for a "do pass".

Representative Klein seconded the motion.

Roxanne Woeste, North Dakota Legislative Council: If you recall the other day I did pass out an amendment and it related to the housing bill.

Representative Klein made a motion to move the amendment.

Representative Kempenich seconded the motion.

A voice vote was made to adopt the amendment and carried.

Representative Klein made a motion for a "do pass as amended".

Representative Kempenich seconded the motion.

Representative Glassheim: There hasn't been any changes other than that amendment.

Chairman Thoreson: Not that I'm aware of.

A roll call vote was taken for a "do pass as amended". 7 Yea's 0 Nay's 0 Absent

Chairman Thoreson closed the meeting.

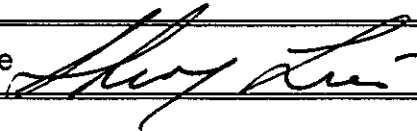
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Committee Roughrider Room, State Capitol

HB 1001
February 17, 2011
Recorder Job# 14651

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications and transfers; and to declare an emergency.

Minutes:

Chairman Delzer opened the discussion on HB1001.

Representative Klein: introduced the bill, advised there is an amendment.

Representative Klein made a motion to move the amendment.

Chairman Delzer: Roxanne, before we do this, the money is in here for a 3% pay raise currently, right?

Roxanne Woeste, North Dakota Legislative Council: Currently HB1001 was built on a 3% per year increase.

Vice Chairman Kempenich seconded the motion.

A voice vote was done to carry the motion.

Representative Klein made a motion for a "Do Pass as Amended".

Representative Thoreson seconded the motion.

Chairman Delzer: Representative Klein I would like you to go through a couple of things on the green sheet just so people are aware of them. I believe there's money here to redo the boards, room renovations.

Representative Klein: Explanation of green sheet department 150.

Chairman Delzer: Was there any discussion of are the room renovations the same as before? Is there any language on how that's handled? Before there was some concerns of is management in control of the room renovations?

Representative Klein: I don't recall we had any particular discussion.

Representative Thoreson: I don't recall that coming up. You're asking about the renovation of the committee rooms?

Chairman Delzer: All right. Council green sheet?

Representative Skarphol: I'm a little puzzled about number 5 in the amendment. I thought there was funding in here to increase it.

Chairman Delzer: I would guess that's the retroactive part that we did.

Representative Klein: That's correct.

Representative Kaldor: On item 9, for the room renovations, it also references voting system upgrades. Are we talking about on the floor?

Representative Klein: Correct, there's been some problems with the old system. This would change that board and the controls on your desk. Some of that they can't get parts for anymore; they have to send the original part back. They don't make the parts; they have to repair them.

Representative Kaldor: I thought we had done something to the voting system.

Chairman Delzer: About 5 or 6 sessions ago they changed.

Representative Klein: We did some work on the voice system; but, as far as the voting system; that hasn't been changed.

Representative Thoreson: They actually did replace the boards themselves in both chambers. We went to display boards as they are now; however, the technology behind those, is from the late 1970's early 1980's. They're troubles at the front desk with roll call. They're going to do a complete replacement; there's going to be significant upgrades as to how the boards will look when we're not voting. It may have live video, possibly; but, that's yet to be determined. It will be a very different system. They say they need it because of technology to get roll call and votes.

Chairman Delzer: I'd like on the record that people have talked to me and said that they do not like the idea of live video on the top side of the board.

Representative Hawken: Yesterday we passed a bill that would increase the taxes on the people who live in the state more than 30 days; that would affect us. I pulled up my room reservation and the amount on mine is \$370.00 a month. I've heard that we would just say the legislators get \$1,210.00 plus tax. I think we need to be mindful at some point somebody's going to comment on that.

Chairman Delzer: I do not believe there's anything in this bill that would cover that. Many of us did not support that bill for that reason. Representative Klein the council side?

Representative Klein: Let me walk through that one with you. We're going through the changes in pay per diem. It adds funding for the lodging and the travel increase for meetings to CSG and energy council. We took the money out of the information technology consulting. One time funding for office improvements; this is at the legislative council. The administrative code, I understand, is quite outdated and they want to bring that up. Then the computer replacement and office equipment replacement.

Chairman Delzer: Questions by the committee?

Representative Kaldor: The total travel budget is \$150,323.00; does that include NCSL as well?

Representative Klein: I'm sure it does.

Representative Thoreson: It does include travel for those meetings, the dues are separate.

Chairman Delzer: That's the increase in the travel budget; that's certainly not the whole travel budget.

Representative Kaldor: What is the travel expenditure line item for legislative council?

Representative Klein: I don't recall, I know we discussed it.

Chairman Delzer: It would be part of the operating, might be hard to split it out.

Representative Kaldor: I guess I don't need that, but I find it interesting that we're willing to add \$150,000.00 for travel. I'm not sure I heard a justification. Are there a lot more meetings? I suppose travel costs have increased.

Chairman Delzer: One of them, I think, are some things that we ended up making addition to the budget last time; afterwards, on the energy council meetings. That was a separate bill last time. I think that has 4 members that meet quarterly.

Representative Thoreson: That item, #5, is not just out of state; that does also include our travel within state; when we come here for interim meeting or for during the session, that is included in that number also.

Chairman Delzer: That would cover the increase in lodging for that as well.

Vice Chairman Kempenich: The operating expenses, there is approximately \$1.6 million for interim travel expenses; which is \$161,000.00 more than the 2009-2011 budget of \$1.4 million.

Representative Skarphol: It seems a little wasteful to me to get the CD's or the DVD's that we get on Lexus Nexus; when I can go on line and get it. I'm wondering if there's a cost associated with that that we can reduce by doing away with it?

Representative Klein: That issue came up, we discussed it at length. It's part of a package they had contracted with that outfit.

Representative Thoreson: That is part of the printing cost with the Secretary of State, and when they contract with Lexus Nexus for the code, that is included. For the most part, it's a one time cost.

Representative Skarphol: I would ask we be re-notified as to our options; so that we can decide whether or not we want to continue receiving them. I think it's really silly to keep getting them.

Representative Thoreson: I agree, now that everything is available on line we probably don't need that at this point.

Representative Skarphol: How current is the online version as compared to the discs we receive?

Representative Thoreson: I don't recall that we had that discussion. That would be something we would need to look into.

Chairman Delzer: Do we have the Secretary of State this time?

Representative Thoreson: No, we have that after crossover.

Chairman Delzer: We also passed out a bill that increased the meal allowance? My understanding is that has to be found within the budget; same as all the other agencies?

Representative Klein: That's correct. We discussed with OMB and they said they would handle it within the system.

A roll call vote was made for a "Do Pass as Amended". 16 Yea's 3 Nay's 2 Absent

Chairman Delzer closed the discussion.

VR
2/17/11
1082

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1001

Page 1, replace line 15 with:

"Operating expenses 2,850,061 1,264,023 4,114,084"

Page 1, replace line 18 with:

"Total general fund \$11,011,227 \$3,332,547 \$14,343,774"

Page 2, replace line 10 with:

"Grand total general fund \$21,280,730 \$4,524,202 \$25,804,932"

Page 2, replace line 12 with:

"Grand total all funds \$21,350,730 \$4,524,202 \$25,874,932"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of House Action

| | Executive Budget | House Changes | House Version |
|-----------------------|---------------------|------------------|------------------|
| Legislative Assembly | | | |
| Total all funds | \$14,128,734 | \$215,040 | \$14,343,774 |
| Less estimated income | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$215,040 | \$14,343,774 |
| Legislative Council | | | |
| Total all funds | \$11,531,158 | \$0 | \$11,531,158 |
| Less estimated income | 70,000 | 0 | 70,000 |
| General fund | \$11,461,158 | \$0 | \$11,461,158 |
| Bill total | | | |
| Total all funds | \$25,659,892 | \$215,040 | \$25,874,932 |
| Less estimated income | 70,000 | 0 | 70,000 |
| General fund | \$25,589,892 | \$215,040 | \$25,804,932 |

House Bill No. 1001 - Legislative Assembly - House Action

| | Executive Budget | House Changes | House Version |
|--|---------------------|------------------|------------------|
| Salaries and wages | \$8,697,580 | | \$8,697,580 |
| Operating expenses | 3,899,044 | 215,040 | 4,114,084 |
| Capital assets | 1,300,000 | | 1,300,000 |
| National Conf of State Legislatures | 232,110 | | 232,110 |
| Total all funds | \$14,128,734 | \$215,040 | \$14,343,774 |
| Less estimated income | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$215,040 | \$14,343,774 |
| FTE | 0.00 | 0.00 | 0.00 |

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

| | Adds Funding for Lodging Expense Reimbursement ¹ | Total House Changes |
|--|--|------------------------|
| Salaries and wages | | |
| Operating expenses | 215,040 | 215,040 |
| Capital assets | | |
| National Conf of State Legislatures | | |
| Total all funds | \$215,040 | \$215,040 |
| Less estimated income | 0 | 0 |
| General fund | \$215,040 | \$215,040 |
| FTE | 0.00 | 0.00 |

¹ This amendment adds funding of \$215,040 from the general fund for additional costs relating to House Bill No. 1141 which amends the maximum monthly lodging expense reimbursement allowed during legislative sessions from 30 times 55 percent of the state daily lodging expense reimbursement rate to 30 times 65 percent of the state daily lodging expense reimbursement rate. House Bill No. 1141 is effective January 1, 2011. The estimated cost is \$96,768 from the general fund for the 2009-11 biennium and \$118,272 from the general fund for the 2011-13 biennium.

Date: 2-15-11
Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1001

House Appropriations Government Operations Division Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 11.0308.01001

Action Taken Do Pass As Amended

Motion Made By Representative Klein Seconded By Representative Kempenich

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------------|-----|----|--------------------------|-----|----|
| Chairman Thoreson | ✓ | | Representative Glassheim | ✓ | |
| Vice Chairman Klein | ✓ | | Representative Kroeber | ✓ | |
| Representative Brandenburg | ✓ | | | | |
| Representative Dahl | ✓ | | | | |
| Representative Kempenich | ✓ | | | | |
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Total (Yes) 7 No 0

Absent 0

Floor Assignment Representative Klein

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

Date: 2/17
Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1001

House Appropriations Committee

Legislative Council Amendment Number 0/001

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Klein Seconded By Kempenich

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------------|-----|----|--------------------------|-----|----|
| Chairman Delzer | | | Representative Nelson | | |
| Vice Chairman Kempenich | | | Representative Wieland | | |
| Representative Pollert | | | | | |
| Representative Skarphol | | | | | |
| Representative Thoreson | | | Representative Glassheim | | |
| Representative Bellew | | | Representative Kaldor | | |
| Representative Brandenburg | | | Representative Kroeber | | |
| Representative Dahl | | | Representative Metcalf | | |
| Representative Dosch | | | Representative Williams | | |
| Representative Hawken | | | | | |
| Representative Klein | | | | | |
| Representative Kreidt | | | | | |
| Representative Martinson | | | | | |
| Representative Monson | | | | | |

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

voice vote carries

Date: 2/17
Roll Call Vote #: 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1001

House Appropriations Committee

Legislative Council Amendment Number 01001

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Klein Seconded By Rep. Thoreson

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------------|-----|----|--------------------------|-----|----|
| Chairman Delzer | X | | Representative Nelson | | |
| Vice Chairman Kempenich | X | | Representative Wieland | X | |
| Representative Pollert | | | | | |
| Representative Skarphol | X | | | | |
| Representative Thoreson | X | | Representative Glassheim | X | |
| Representative Bellew | | X | Representative Kaldor | | X |
| Representative Brandenburg | X | | Representative Kroeber | X | |
| Representative Dahl | X | | Representative Metcalf | X | |
| Representative Dosch | X | | Representative Williams | X | |
| Representative Hawken | X | | | | |
| Representative Klein | X | | | | |
| Representative Kreidt | X | | | | |
| Representative Martinson | X | | | | |
| Representative Monson | | X | | | |

Total (Yes) 16 No 3

Absent 2

Floor Assignment Rep. Klein

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

REPORT OF STANDING COMMITTEE

HB 1001: Appropriations Committee (Rep. Delzer, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (16 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING). HB 1001 was placed on the Sixth order on the calendar.

Page 1, replace line 15 with:

"Operating expenses 2,850,061 1,264,023 4,114,084"

Page 1, replace line 18 with:

"Total general fund \$11,011,227 \$3,332,547 \$14,343,774"

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"Grand total all funds \$21,350,730 \$4,524,202 \$25,874,932"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of House Action

| | Executive Budget | House Changes | House Version |
|-----------------------|-----------------------------|--------------------------|--------------------------|
| Legislative Assembly | | | |
| Total all funds | \$14,128,734 | \$215,040 | \$14,343,774 |
| Less estimated income | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$215,040 | \$14,343,774 |
| Legislative Council | | | |
| Total all funds | \$11,531,158 | \$0 | \$11,531,158 |
| Less estimated income | 70,000 | 0 | 70,000 |
| General fund | \$11,461,158 | \$0 | \$11,461,158 |
| Bill total | | | |
| Total all funds | \$25,659,892 | \$215,040 | \$25,874,932 |
| Less estimated income | 70,000 | 0 | 70,000 |
| General fund | \$25,589,892 | \$215,040 | \$25,804,932 |

House Bill No. 1001 - Legislative Assembly - House Action

| | Executive Budget | House Changes | House Version |
|-------------------------------------|-----------------------------|--------------------------|--------------------------|
| Salaries and wages | \$8,697,580 | | \$8,697,580 |
| Operating expenses | 3,899,044 | 215,040 | 4,114,084 |
| Capital assets | 1,300,000 | | 1,300,000 |
| National Conf of State Legislatures | 232,110 | | 232,110 |
| | \$14,128,734 | \$215,040 | \$14,343,774 |
| Total all funds | | | |
| Less estimated income | 0 | 0 | 0 |
| | \$14,128,734 | \$215,040 | \$14,343,774 |
| General fund | | | |
| | 0.00 | 0.00 | 0.00 |
| FTE | | | |

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

| | Adds Funding for Lodging Expense Reimbursement ¹ | Total House Changes |
|--|--|---------------------|
| Salaries and wages | | |
| Operating expenses | 215,040 | 215,040 |
| Capital assets | | |
| National Conf of State Legislatures | | |
| | \$215,040 | \$215,040 |
| Total all funds | | |
| Less estimated income | 0 | 0 |
| | \$215,040 | \$215,040 |
| General fund | | |
| | 0.00 | 0.00 |
| FTE | | |

¹ This amendment adds funding of \$215,040 from the general fund for additional costs relating to House Bill No. 1141 which amends the maximum monthly lodging expense reimbursement allowed during legislative sessions from 30 times 55 percent of the state daily lodging expense reimbursement rate to 30 times 65 percent of the state daily lodging expense reimbursement rate. House Bill No. 1141 is effective January 1, 2011. The estimated cost is \$96,768 from the general fund for the 2009-11 biennium and \$118,272 from the general fund for the 2011-13 biennium.

2011 SENATE APPROPRIATIONS

HB 1001

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

HB 1001
March 2, 2011
Job # 14813

☐ Conference Committee

Committee Clerk Signature

Rose Lanning

Explanation or reason for introduction of bill/resolution:

A bill for an appropriation for defraying the expenses of the legislative branch of state government.

Minutes:

See attached testimony - #1.

Chairman Holmberg called the committee hearing to order on HB 1001.

Roxanne Woeste - Legislative Council; **Lori Laschkewitsch** - OMB

Rep. Al Carlson, District 41, Chairman of Legislative Management

Testified in support of HB 1001

He wanted to give a couple highlights of the bill. There are two budgets here; the Legislative Council and Legislative Assembly. Some of things done since last session were the new desks in the Harvest Room and the panels that are in front of each of the committee rooms throughout the chambers. They put money aside for those in both the House and the Senate. They are also upgrading the sound systems in each of the rooms. There is still money in the next budget to continue the improvements. There is also \$510,000 for replacement of legislative personal computers. This is the fifth year and everyone else has been on the four year replacement cycle. What they did in the past and would like to do again is have a couple members from both House and the Senate who are technologically inclined and meet with Mr. Steckler and go through the options they have with equipment and machines because it changes so rapidly. They want to make sure they get the most up-to-date for the next four year time frame. There is also money for some IT projects and also \$1.3M in the budget of which \$500,000 is for legislative wing improvements. There is \$800,000 in the budget for a voting system upgrade in the chambers. Those numbers are included as the bill came from the House.

There is about a 5.4% increase over last time; the salaries match up to the salaries line in the Governor's Executive Budget but there are also some separate bills that should be highlighted and have a direct effect upon this bill: HB 1261 repeals the legislative compensation commission; HB 1267 establishes a redistricting committee and there is money in this budget for the special session for redistricting that will be held in November; HB 1368 increases legislative compensation; HB 1426 is meal reimbursements; and SB 2169 has the recorded audio of the floor sessions. He encouraged the committee to continue to fund the improvements in the rooms.

Chairman Holmberg commented that the Harvest room is much improved compared to what they had before.

Jim Smith, Director, Legislative Council –

Testimony attached - # 1 Statement of Jim W. Smith, Director, ND Legislative Council, Regarding engrossed House Bill No. 1001.

Senator Warner: When is the decision made on the number of legislative districts after reapportionment? All of this is based on 47 districts. Is this something that is done during the interim committee or is there a resolution at some point as to what the proper number to build redistricting around?

Jim Smith: There is a bill which requires redistricting study. That would be conducted from the end of the regular session through the special session in November. That committee makes a recommendation regarding the number of districts. If the bill is passed, it would play out in the election process and would be reflected in the 2013 session.

Senator Warner: So there is no resolution of the legislature as a whole with regard to the number of districts? **Jim Smith** replied, "Not that he's seen."

Chairman Holmberg: The only thing you have is the constitution which says 40 to 54 districts. The Legislative Council will have to determine a budget estimate cost for adding one or two legislative districts or reducing one or two. Each district is about the same meaning it cost \$X to have three legislators from that district. That would be an interesting figure to have because during the interim, the redistricting committee will want to know costs associated with going up or down in size.

Jim Smith: We can provide that fairly quickly.

(**Jim Smith** continuing -)

Senator Grindberg: (asking about replacing the personal computers) Quick math –How many units with 141 legislators is about \$3500-3600. Is that above and beyond legislative computers?

Jim Smith: That would reflect all legislative laptops for the session help as well. There are 227 units which includes the desk force in both the House and Senate and committee clerks. The cost is roughly \$2000 per device as budgeted.

Senator Fischer asked if that includes the licensing – total package. Answer - Yes.

Senator Warner asked if there were going to be cameras installed in the House and Senate chambers that as people watch via internet, they would be able to see the faces of the legislators.

Jim Smith said they have had discussions with the company who installs the cameras and explained the various areas and angles that the cameras would cover.

Chairman Holmberg asked about the operating expenses and equipment. Is the copier in our back room is on short term lease?

Jim Smith: All copiers are leased or rented for 5 month plan and cost is based on the number of copies made.

Senator Grindberg: on average, what is the out of state travel budget per biennium?

Jim Smith: We budget for each of the major conferences, like NCSL has three conferences a year, CSG, the Midwest CSG, and some of the miscellaneous meetings that the legislators attend. It would include the cost of the registration fee, travel, legislators per diem as well. It's slightly over \$1M for the 2 year period.

Chairman Holmberg asked about improvements to the committee rooms and if the money is divided between the Senate and the House, or is it one lump sum that is doled out.

Jim Smith: Right now, the way the bill is, it's a lump sum. It's not divided out like it was for 2009-2011.

Senator Warner: Are legislative salaries tied to the action done in OMB which frontloaded state employees' salaries. In other words, are we front loading our own salaries as well?

Jim Smith: It's tied to HB 1368 because those salary levels are set statutorily. The current rate is \$148. That bill increases it to \$152 and then \$157 a second year. It's roughly a 3 & 3. If you wanted to make it consistent with the 4 & 1, you would need to change those statutory levels to reflect that.

Chairman Holmberg: And there would be a difference there too because the 4 & 1 was done to accommodate employees who are paying in to a retirement system and legislators don't pay into that system.

Senator Robinson wanted to express that the committee is well served by this Legislative Council. They have a great staff.

Chairman Holmberg announced the subcommittee who will be: Senator Christmann, Chairman Holmberg and Senator O'Connell.

Senator Wanzek was curious about there being two bills to repeal the legislative compensation commission. Was that to make doubly sure that we get rid of that commission?

Jim Smith: I think the thinking is that the legislature ultimately has to decide itself what they're going to do. They just don't see the value in it.

Chairman Holmberg said it's a policy decision. Those bills will be in GVA so the committee won't see those bills.

Senator Krebsbach: Is there a dollar amount on the legislative compensation commission that we could get costs on it?

Jim Smith: In terms of the savings from repealing it, it would be very slight. In the past few years, they have met one time, maybe twice, but we can get that for you.

Chairman Holmberg asked if anyone had questions for Jason Steckler.

Senator Kilzer: Has a question about the upcoming redistricting – If you remember last time, 10 years ago, we had the software and there was only four copies. What is that going to cost compared to 10 years ago and how many copies there will be out.

Jason Steckler: Actually, Mr. Bjornson with Legislative Council is the head for our redistricting. There has been six copies of software. It is a different vendor and is probably a little more user friendly. We're going through some staff training right now with the vendor to take a look at some of the capabilities. There will be six copies and the intent for that is to not have a single person or Legislative Council that has that. We also have a back up – someone who can assist Mr. Bjornson. As far as the cost, I don't have that in front of me since that was an 09 expenditure that has already been purchased with the exception of the hardware. We wanted to purchase that in the next two to three weeks since the vendor has been on site and able to answer our questions.

Chairman Holmberg said that one of the stumbling blocks 10 years ago was that the computers they had, the rank and file legislators did not have the capability to run that program. So you had a more powerful computer. I'm guessing that the computers we have now could run it if you had the license. There is a lot you can do on the internet.

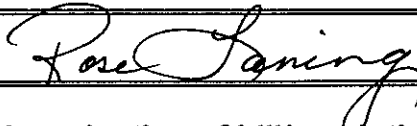
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

HB 1001
April 6, 2011
Job # 16408

☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A bill for an appropriation for defraying the expenses of the legislative branch of state government.

Minutes:

You may make reference to "attached testimony."

Chairman Holmberg called the committee hearing to order on HB 1001.

Senator Christmann handed out amendment 11.0308.02001.

Senator Christmann: HB 1368 would provide compensation increases to legislators and the subcommittee would like to meld that into HB 1001 because that's where the money has to be and kill HB 1368. So we have that up front.

The increases are basically the 3% this year and 3% next year. They are a dollar different on the daily; it's \$4.00/day this summer and \$5.00/day next year because with the percentages it comes out under \$4.50 the first year and then over \$4.50 the next year. This would increase the daily as well as the monthly.

In section 2, the legislative wing equipment and improvements, some of that money is for our voting system and some other renovations in the chambers, but \$500,000 of that is for the legislative procedures and arrangements committee to work with as they see fit. That is exactly how it stands in the current bill. These amendments would change that to a similar format as we did last session whereby 40% of it is spent with the approval of the Senate members of Procedures and Arrangements, 40% with approval of the House members of Procedures and Arrangements and the other 20% for common things, such as something in the Brynhild Haugland room or something that is used by both chambers.

Over the years, there have been increases and in the last few sessions, they have been pretty regular where legislators got basically the same salary increases as other state employees. Before that, there was more of a tradition of leaving it go for a few sessions and then bumping it more significantly. Through that all, and back to the mid-80s, one part of the Legislative Compensation plan that has not been addressed is committee chairs and assistant leaders get an additional \$5/day. The four leaders and the speaker of the house get an additional \$10/day. This amendment would increase each of those by \$5, so instead of \$5 and \$10, it

would be \$10 and \$15. Percentage-wise that's significant, but it goes back to the 1985 or 1987 session when those were implemented.

I would ask Roxanne to correct me but that would be the extent of the amendments.

Roxanne Woeste: The only other change included in the amendments is removing the funding that had been added by the House relating to lodging expense reimbursement. The House had added funding in regards to 1141 which was retroactive - the maximum lodging reimbursement. The House had added money for the retroactive part. That funding was removed since this committee passed the bill without that retroactive section.

Senator Christmann: Thank you Roxanne. Who would've thought that I'd missed the part where we're saving money?

Senator Robinson: Apparently the decision has been made to separate legislative pay from state employees. At one time, Rep. Carlson's presentation on this bill, it was going to be tied together so we wouldn't have to deal with it again. That's not in here, is it? This is a separate appropriation increase for the legislative assembly.

Senator Christmann: Correct. I used to be on the other side of the issue, now I think we should do it this way – keeping it separate. I used to think they should be tied together. I've heard a lot of good arguments on both sides of that. Years ago, when I thought that we should change it and tie ourselves to the rest of the state employees, the more senior people in leadership at the time said that when they used to do that the criticism of the legislature was that they're spending millions and millions of dollars granting these raises to state employees just so they can have one. So they separated it out because that obviously wasn't the reason and so now we get criticized for having our own special built reserve. Bottom line is that's the reality of the job, we're going to get some criticism.

Senator Christmann moved amendment 11.0308.02001

Senator Bowman second.

A Roll Call vote was taken. Yea: 11 Nay: 2 Absent: 0

Senator Christmann moved Do Pass as Amended on HB 1001.

Senator Bowman seconded.

A Roll Call vote was taken. Yea: 11 Nay: 2 Absent: 0

Senator Christmann will carry the bill on the floor.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

Page 1, line 2, after the second semicolon insert "to amend and reenact sections 54-03-10, 54-03-20, and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide an effective date;"

Page 1, replace lines 14 and 15 with:

| | | | |
|---------------------|-------------|-----------|-------------|
| "Salaries and wages | \$7,933,506 | \$784,985 | \$8,718,491 |
| Operating expenses | 2,850,061 | 1,167,255 | 4,017,316" |

Page 1, replace line 18 with:

| | | | |
|---------------------|--------------|-------------|---------------|
| "Total general fund | \$11,011,227 | \$3,256,690 | \$14,267,917" |
|---------------------|--------------|-------------|---------------|

Page 2, replace line 10 with:

| | | | |
|---------------------------|--------------|-------------|---------------|
| "Grand total general fund | \$21,280,730 | \$4,448,345 | \$25,729,075" |
|---------------------------|--------------|-------------|---------------|

Page 2, replace line 12 with:

| | | | |
|------------------------|--------------|-------------|---------------|
| "Grand total all funds | \$21,350,730 | \$4,448,345 | \$25,799,075" |
|------------------------|--------------|-------------|---------------|

Page 3, after line 31, insert:

"SECTION 6. COMMITTEE ROOM RENOVATIONS AND IMPROVEMENTS FUNDING - EXPENDITURE DETERMINATION. Any expenditure of funds relating to the sum of \$200,000 of the \$500,000 provided for committee room renovations and improvements in subdivision 1 of section 1 of this Act must be approved by a majority of the senate members of the interim legislative procedures and arrangements committee. Any expenditures relating to a separate sum of \$200,000 of the \$500,000 for committee room renovations and improvements must be approved by a majority of the house of representatives members of the interim legislative procedures and arrangements committee, and any expenditures relating to the remaining \$100,000 must be approved by a majority of all members of the interim legislative procedures and arrangements committee, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 7. AMENDMENT. Section 54-03-10 of the North Dakota Century Code is amended and reenacted as follows:

54-03-10. Compensation of speaker, majority and minority leaders, assistant majority and minority leaders, committee chairmen, and employees.

The speaker of the house, the house majority leader, the senate majority leader, the house minority leader, and the senate minority leader shall each receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of ~~ten~~fifteen dollars per day for each calendar day during any regular, special, or organizational session. Chairmen of the substantive standing committees, the house assistant majority leader, the senate assistant majority leader, the house assistant minority leader, and the senate assistant minority leader shall

receive additional compensation of ~~five~~^{ten} dollars for each calendar day during any regular, special, or organizational session. The additional compensation provided by this section must be paid in the manner provided in section 54-03-20. The legislative assembly, by concurrent resolution, shall fix the compensation of the other officers and employees elected or appointed.

SECTION 8. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~forty-eight~~^{fifty-two} dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
 - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times fifty-five percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
 - b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member

would be entitled to receive as mileage reimbursement for travel by motor vehicle.

- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of four hundred ~~fifteen~~twenty-seven dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, 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~~three hundred ~~ninety-eight~~seven dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127

of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 9. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~fifty-two~~fifty-seven dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
 - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times fifty-five percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
 - b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member

would be entitled to receive as mileage reimbursement for travel by motor vehicle.

- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of four hundred ~~twenty-seven~~forty dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, 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 three hundred ~~sevensixteen~~ dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127

of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 10. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~forty-eight~~fifty-two dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 11. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~fifty-two~~fifty-seven dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 12. EFFECTIVE DATE. Sections 7, 8, and 10 of this Act become effective on July 1, 2011, and sections 9 and 11 of this Act become effective on July 1, 2012."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of Senate Action

| | Executive Budget | House Version | Senate Changes | Senate Version |
|-----------------------|---------------------|------------------|-------------------|-------------------|
| Legislative Assembly | | | | |
| Total all funds | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Less estimated income | 0 | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Legislative Council | | | | |
| Total all funds | \$11,531,158 | \$11,531,158 | \$0 | \$11,531,158 |
| Less estimated income | 70,000 | 70,000 | 0 | 70,000 |
| General fund | \$11,461,158 | \$11,461,158 | \$0 | \$11,461,158 |
| Bill total | | | | |
| Total all funds | \$25,659,892 | \$25,874,932 | (\$75,857) | \$25,799,075 |
| Less estimated income | 70,000 | 70,000 | 0 | 70,000 |
| General fund | \$25,589,892 | \$25,804,932 | (\$75,857) | \$25,729,075 |

House Bill No. 1001 - Legislative Assembly - Senate Action

| | Executive Budget | House Version | Senate Changes | Senate Version |
|--|---------------------|------------------|-------------------|-------------------|
| Salaries and wages | \$8,697,580 | \$8,697,580 | \$20,911 | \$8,718,491 |
| Operating expenses | 3,899,044 | 4,114,084 | (96,768) | 4,017,316 |
| Capital assets | 1,300,000 | 1,300,000 | | 1,300,000 |
| National Conf of State Legislatures | 232,110 | 232,110 | | 232,110 |
| Total all funds | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Less estimated income | 0 | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

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

| | Adds Funding for Legislative Compensation ¹ | Removes Funding for Lodging Expense Reimbursement ² | Total Senate Changes |
|--|--|--|-------------------------|
| Salaries and wages | \$20,911 | | \$20,911 |
| Operating expenses | | (96,768) | (96,768) |
| Capital assets | | | |
| National Conf of State Legislatures | | | |
| Total all funds | \$20,911 | (96,768) | (\$75,857) |
| Less estimated income | 0 | 0 | 0 |
| General fund | \$20,911 | (96,768) | (\$75,857) |
| FTE | 0.00 | 0.00 | 0.00 |

¹ Funding is added for increasing the additional compensation for legislative leaders during legislative session from \$10 per calendar day to \$15 per calendar day and for chairmen of the standing committees and assistant legislative leaders from \$5 per calendar day to \$10 per calendar day. A section is added making the statutory change necessary to provide for the increase.

² Funding of \$96,768 from the general fund for increasing the reimbursement maximum for legislators' lodging costs for the 2011 legislative session is removed. House Bill No. 1141 amends the maximum monthly lodging expense reimbursement allowed during legislative sessions from 30 times 55 percent of the state daily lodging expense reimbursement rate to 30 times 65 percent of the state daily lodging expense reimbursement rate. House Bill No. 1141 as passed by the House is effective January 1, 2011. House Bill No. 1141 as passed by the Senate is effective August 1, 2011. Therefore, funding of \$96,768 which was added by the House for increased costs relating to the 2011 legislative session is removed.

A section is added to provide that the determination of expenditures relating to the \$500,000 of funding for committee room renovations and improvements are:

- \$200,000 by Senate members of the Legislative Procedure and Arrangements Committee.
- \$200,000 by House members of the Legislative Procedure and Arrangements Committee.
- \$100,000 by all members of the Legislative Procedure and Arrangements Committee.

Sections are added to:

- Increase the compensation for regular, special, or organizational sessions from \$148 to \$152 per calendar day effective July 1, 2011, and to \$157 per calendar day effective July 1, 2012.
- Increase legislators' monthly compensation from \$415 to \$427 effective July 1, 2011, and to \$440 effective July 1, 2012.
- Increase additional monthly compensation for legislative leaders from \$298 to \$307 effective July 1, 2011, and to \$316 effective July 1, 2012.

These provisions were originally included in House Bill No. 1368. Funding for the increases was included in House Bill No. 1001 as introduced.

House Bill No. 1001 - Legislative Council - Senate Action

A section is added to increase the interim compensation rate from \$148 to \$152 per day effective July 1, 2011, and to \$157 per day effective July 1, 2012. This provision was originally included in House Bill No. 1368. Funding for the increase was included in House Bill No. 1001 as introduced.

Date: 4-6-11Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1001Senate APPROPRIATIONS Committee☐ Check here for Conference CommitteeLegislative Council Amendment Number 11 0308.02001Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment☐ Rerefer to Appropriations ☐ ReconsiderMotion Made By Christmann Seconded By Bowman

| Senators | Yes | No | Senators | Yes | No |
|--------------------|-----|----|-------------------|-----|----|
| Chairman Holmberg | ✓ | | Senator Warner | | ✓ |
| Senator Bowman | ✓ | | Senator O'Connell | ✓ | |
| Senator Grindberg | ✓ | | Senator Robinson | | ✓ |
| Senator Christmann | ✓ | | | | |
| Senator Wardner | ✓ | | | | |
| Senator Kilzer | ✓ | | | | |
| Senator Fischer | ✓ | | | | |
| Senator Krebsbach | ✓ | | | | |
| Senator Erbele | ✓ | | | | |
| Senator Wanzek | ✓ | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Total (Yes) 11 No 2Absent 0

Floor Assignment _____

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

Date: 4-6-11Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1001Senate APPROPRIATIONS Committee☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment☐ Rerefer to Appropriations ☐ ReconsiderMotion Made By Christmann Seconded By Bowman

| Senators | Yes | No | Senators | Yes | No |
|--------------------|-----|----|-------------------|-----|----|
| Chairman Holmberg | ✓ | | Senator Warner | | ✓ |
| Senator Bowman | ✓ | | Senator O'Connell | ✓ | |
| Senator Grindberg | ✓ | | Senator Robinson | | ✓ |
| Senator Christmann | ✓ | | | | |
| Senator Wardner | ✓ | | | | |
| Senator Kilzer | ✓ | | | | |
| Senator Fischer | ✓ | | | | |
| Senator Krebsbach | ✓ | | | | |
| Senator Erbele | ✓ | | | | |
| Senator Wanzek | ✓ | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Total (Yes) 11 No 2

Absent _____

Floor Assignment Christmann

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

REPORT OF STANDING COMMITTEE

HB 1001, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (11 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1001 was placed on the Sixth order on the calendar.

Page 1, line 2, after the second semicolon insert "to amend and reenact sections 54-03-10, 54-03-20, and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide an effective date;"

Page 1, replace lines 14 and 15 with:

| | | | |
|---------------------|-------------|-----------|-------------|
| "Salaries and wages | \$7,933,506 | \$784,985 | \$8,718,491 |
| Operating expenses | 2,850,061 | 1,167,255 | 4,017,316" |

Page 1, replace line 18 with:

| | | | |
|---------------------|--------------|-------------|---------------|
| "Total general fund | \$11,011,227 | \$3,256,690 | \$14,267,917" |
|---------------------|--------------|-------------|---------------|

Page 2, replace line 10 with:

| | | | |
|---------------------------|--------------|-------------|---------------|
| "Grand total general fund | \$21,280,730 | \$4,448,345 | \$25,729,075" |
|---------------------------|--------------|-------------|---------------|

Page 2, replace line 12 with:

| | | | |
|------------------------|--------------|-------------|---------------|
| "Grand total all funds | \$21,350,730 | \$4,448,345 | \$25,799,075" |
|------------------------|--------------|-------------|---------------|

Page 3, after line 31, insert:

"SECTION 6. COMMITTEE ROOM RENOVATIONS AND IMPROVEMENTS FUNDING - EXPENDITURE DETERMINATION. Any expenditure of funds relating to the sum of \$200,000 of the \$500,000 provided for committee room renovations and improvements in subdivision 1 of section 1 of this Act must be approved by a majority of the senate members of the interim legislative procedure and arrangements committee. Any expenditures relating to a separate sum of \$200,000 of the \$500,000 for committee room renovations and improvements must be approved by a majority of the house of representatives members of the interim legislative procedure and arrangements committee, and any expenditures relating to the remaining \$100,000 must be approved by a majority of all members of the interim legislative procedure and arrangements committee, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 7. AMENDMENT. Section 54-03-10 of the North Dakota Century Code is amended and reenacted as follows:

54-03-10. Compensation of speaker, majority and minority leaders, assistant majority and minority leaders, committee chairmen, and employees.

The speaker of the house, the house majority leader, the senate majority leader, the house minority leader, and the senate minority leader shall each receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of ~~ten~~fifteen dollars per day for each calendar day during any regular, special, or organizational session. Chairmen of the substantive standing committees, the house assistant majority leader, the senate assistant majority leader, the house assistant minority leader, and the senate assistant minority leader shall receive additional compensation of ~~five~~ten dollars for each calendar day during any regular, special, or organizational session. The additional compensation provided by this section must be paid in the manner provided in section 54-03-20. The legislative assembly, by concurrent resolution, shall fix the compensation of the other officers and employees elected or appointed.

SECTION 8. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~forty-eight~~fifty-two dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
 - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times fifty-five percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
 - b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that

the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.

4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of four hundred ~~fifteen~~twenty-seven dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, 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~~three hundred ~~ninety-eight~~seven dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 9. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~fifty-two~~fifty-seven dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.

2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times fifty-five percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
 - b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
 3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of four hundred ~~twenty-seven~~forty dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, 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 three hundred ~~seventy~~sixteen dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 10. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~forty-eight~~fifty-two dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 11. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~fifty-two~~fifty-seven dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 12. EFFECTIVE DATE. Sections 7, 8, and 10 of this Act become effective on July 1, 2011, and sections 9 and 11 of this Act become effective on July 1, 2012."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of Senate Action

| | Executive Budget | House Version | Senate Changes | Senate Version |
|-----------------------|------------------|---------------|----------------|----------------|
| Legislative Assembly | | | | |
| Total all funds | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Less estimated income | 0 | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Legislative Council | | | | |
| Total all funds | \$11,531,158 | \$11,531,158 | \$0 | \$11,531,158 |
| Less estimated income | 70,000 | 70,000 | 0 | 70,000 |
| General fund | \$11,461,158 | \$11,461,158 | \$0 | \$11,461,158 |
| Bill total | | | | |
| Total all funds | \$25,659,892 | \$25,874,932 | (\$75,857) | \$25,799,075 |
| Less estimated income | 70,000 | 70,000 | 0 | 70,000 |
| General fund | \$25,589,892 | \$25,804,932 | (\$75,857) | \$25,729,075 |

House Bill No. 1001 - Legislative Assembly - Senate Action

| | Executive Budget | House Version | Senate Changes | Senate Version |
|-------------------------------------|------------------|---------------|----------------|----------------|
| Salaries and wages | \$8,697,580 | \$8,697,580 | \$20,911 | \$8,718,491 |
| Operating expenses | 3,899,044 | 4,114,084 | (96,768) | 4,017,316 |
| Capital assets | 1,300,000 | 1,300,000 | | 1,300,000 |
| National Conf of State Legislatures | 232,110 | 232,110 | | 232,110 |
| Total all funds | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Less estimated income | 0 | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

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

| Adds Funding for Legislative Compensation ¹ | Removes Funding for Lodging | Total Senate Changes |
|--|-----------------------------|----------------------|
|--|-----------------------------|----------------------|

| | | Expense Reimbursement ² | |
|--|----------|--|------------|
| Salaries and wages | \$20,911 | | \$20,911 |
| Operating expenses | | (96,768) | (96,768) |
| Capital assets | | | |
| National Conf of State Legislatures | | | |
| Total all funds | \$20,911 | (\$96,768) | (\$75,857) |
| Less estimated income | 0 | 0 | 0 |
| General fund | \$20,911 | (\$96,768) | (\$75,857) |
| FTE | 0.00 | 0.00 | 0.00 |

¹ Funding is added for increasing the additional compensation for legislative leaders during legislative session from \$10 per calendar day to \$15 per calendar day and for chairmen of the standing committees and assistant legislative leaders from \$5 per calendar day to \$10 per calendar day. A section is added making the statutory change necessary to provide for the increase.

² Funding of \$96,768 from the general fund for increasing the reimbursement maximum for legislators' lodging costs for the 2011 legislative session is removed. House Bill No. 1141 amends the maximum monthly lodging expense reimbursement allowed during legislative sessions from 30 times 55 percent of the state daily lodging expense reimbursement rate to 30 times 65 percent of the state daily lodging expense reimbursement rate. House Bill No. 1141 as passed by the House is effective January 1, 2011. House Bill No. 1141 as passed by the Senate is effective August 1, 2011. Therefore, funding of \$96,768 which was added by the House for increased costs relating to the 2011 legislative session is removed.

A section is added to provide that the determination of expenditures relating to the \$500,000 of funding for committee room renovations and improvements are:

- \$200,000 by Senate members of the Legislative Procedure and Arrangements Committee.
- \$200,000 by House members of the Legislative Procedure and Arrangements Committee.
- \$100,000 by all members of the Legislative Procedure and Arrangements Committee.

Sections are added to:

- Increase the compensation for regular, special, or organizational sessions from \$148 to \$152 per calendar day effective July 1, 2011, and to \$157 per calendar day effective July 1, 2012.
- Increase legislators' monthly compensation from \$415 to \$427 effective July 1, 2011, and to \$440 effective July 1, 2012.
- Increase additional monthly compensation for legislative leaders from \$298 to \$307 effective July 1, 2011, and to \$316 effective July 1, 2012.

These provisions were originally included in House Bill No. 1368. Funding for the increases was included in House Bill No. 1001 as introduced.

House Bill No. 1001 - Legislative Council - Senate Action

A section is added to increase the interim compensation rate from \$148 to \$152 per day effective July 1, 2011, and to \$157 per day effective July 1, 2012. This provision was

originally included in House Bill No. 1368. Funding for the increase was included in House Bill No. 1001 as introduced.

2011 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1001

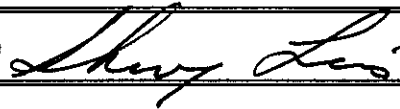
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1001
April 14, 2011
Recorder Job# 16606

☒ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications and transfers; and to declare an emergency.

Minutes:

Representative Kempenich: Sat in for Chairman Thoreson and opened the conference committee on HB1001. Basically I understand the issues are the chairman's salary and the upgrades to committee rooms?

Senator Christmann: That's probably the significant things. Our compensation increases that were in HB1368; the money was in here, we provided the language in here and just killed HB1368. The money was taken out for the motel reimbursement; that bill exists yet I believe, but the money for retroactive part of it was taken out of here. There were some years when the legislature didn't increase salary and we've gotten into the pattern of taking a similar amount like other state employees. The one thing that was never adjusted was that leadership extra and we thought after this many years it would be alright to make it \$10.00 and \$15.00.

Representative Kempenich: What bill was that lodging in?

Senator Christmann: That was HB1141. There's a line item on here \$1.3 million for improvements; \$800,000.00 is for things up in the chambers and \$500,000.00 that's for room kinds of things. Which is the same as last biennium. We put a provision in here that is the same as last biennium where of the \$500,000.00 that's for these rooms, etc; \$200,000.00 is for things approved by senate members of the procedures and arrangements committee, \$200,000.00 is for the house members of the procedures and arrangements committee, and the other \$100,000.00 is for the committee as a whole.

Representative Klein: So what you did was just split the \$500,000.00 into 3 components.

Senator Christmann: That's correct.

Representative Klein: Was that the same we had done it before?

Senator Christmann: It worked out real good last biennium. Maybe several bienniums ago, there'd be conflict because there was an unequal amount and the other side is about it. This just allows each side to take care of their own stuff.

Representative Klein: What was the logic for taking out the retroactive housing allowance?

Senator Christmann: A lot of folks were asked for more money than what we get reimbursed; but I shopped around and found lodging at the regular rate. Some chose to pay more; but we all knew what we were getting into when we signed up. No matter rate we put it you can always find housing for more.

Representative Klein: I checked with at least 10 motels in town; and other than some I didn't feel comfortable having my wife and myself stay there, I opted to go to a nicer place and pay with extra with the understanding that we would be reimbursed for it. There weren't many motels in town that would accept the state rate.

Representative Kempenich: If you're coming from out of the area it does get to be a challenge. A lot of people do move down for the winter and it does become an issue. What we did do on the house side and we discussed toward moving to the 65% federal rate last session. I know the former places I stayed at last session weren't going to accept the state rate; you had to give them the federal rate. I don't think that should be one of the challenges when you come to Bismarck. It does become an issue when you're out of the area. I started looking in August already because I got a letter from the place I stayed at last session saying they weren't accepting state rates.

Senator Holmberg: Is that issue and really it revolves around the fact that the senate removed the money to fund that retroactive basis. We brought it up at our caucus and there was zero support for retroactivity provisions. The retroactivity is on the table and being discussed in conference committee on HB1141. Is there any reason to meet again until there's a resolution on HB1141?

Representative Klein: I agree with that. I don't believe we'd have a problem with your section 6. I don't believe there should be a major problem with section 7. But that issue with retroactivity needs to be resolved.

Senator Holmberg: I would agree but the policy committee has to wrestle with that.

Senator O'Connell: We felt that it was easier if we all took care of our own chamber.

Representative Kempenich: Closed the conference committee.

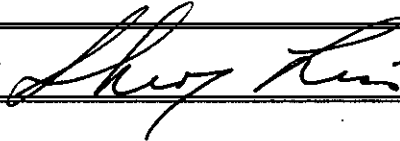
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1001
April 19, 2011
Recorder Job# 16767

☒ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications and transfers; and to declare an emergency.

Minutes:

Chairman Thoreson: Opened the conference committee on HB1001.

Chairman Thoreson: I wanted us to get together one more time. I know HB1141 is still in conference; that deals with lodging. That issue we don't have a lot to discuss until there's some resolution to HB1141. Let's go over the other two things; reimbursement for chair's.

Senator Christmann: We talked a little bit about compensation increases for the legislator's; the daily, monthly, lodging and meals. One thing that has not changed for about a quarter century is the compensation for committee chair's and leader's. This would increase it from 10.00 to 15.00 and 5.00 to 10.00.

Chairman Thoreson: That's about a total of \$20,911.00; is that correct?

Senator Christmann: That's correct.

Chairman Thoreson: We looked at that on this side before it crossed and didn't make that change on the house side. That's probably something that should have been changed awhile ago and now we're just playing catch up on that.

Representative Kroeber: That's a very appropriate increase.

Chairman Thoreson: Perhaps we're in agreement on the increase.

Representative Klein: On the renovations, instead of leaving it all in one pot they had come up for so much for the senate and so much for the house. We didn't think that was out of line either.

Senator O'Connell: It worked well last biennium when we split it up between the house and senate and we have that additional 20% for the Brynhild Haugland room, etc.

Chairman Thoreson: On the reimbursement for the lodging; it has been brought up. I do know that there is a difference and we haven't discussed it formally; just informal discussions with members around the house chamber. That maybe one that we're still in some disagreement on; but, HB1141 hasn't been settled.

Senator Christmann: One thing I don't think we talked about last time; regarding the bulk of the bill. As far as the bulk of the amendments. We set this based on the 3%/3% house plan. When we had OMB in the first place, we were planning a different salary increase where more of it was up front; and to avoid the cost to continue. That's already taken care of here.

Chairman Thoreson: That would not have to be adjusted.

Chairman Thoreson: Closed the conference committee.

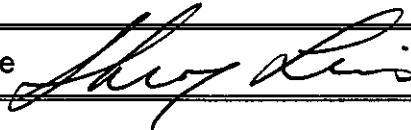
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1001
April 25, 2011
Recorder Job# 16857

☒ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications and transfers; and to declare an emergency.

Minutes:

Chairman Thoreson: Opened the conference committee on HB1001.

Chairman Thoreson: The senate has defeated HB1141 and we would like to have a little discussion about that; and come to an understanding as to why that action was taken.

Senator Christmann: I think that there was pretty strong sentiment and I think it was discussed at length in the conference committee on the bill number you just said.

Chairman Thoreson: HB1141.

Senator Christmann: The senate felt strongly about the retroactive part of that. I didn't hear a lot of objection to raising the reimbursement rate for future sessions; but there seemed to be a lot of concern about the retroactive part. I don't know if it's going to be addressed anywhere else; if it is, then I suppose the funding could be added there.

Representative Klein: As I understand it what happened before is that the senate changed that method the previous session which would have addressed this issue. So now we're faced with about a \$1000.00 bill for each one of us who've stayed at one of those motels. I think that's wrong. So I'm wondering if we can address that in this bill or in some other bill. In order to address it in this bill and say we'll add the funding on to section 5 and go from there.

Senator Christmann: My own opinion would be that typically once one house or the other just completely votes something down; if that gets added back in on another bill, it's typically one of those things that the leaders do on OMB.

Chairman Thoreson: The house had added language to SB2015 dealing with this issue however it did refer to HB1141; it was not the understanding of the house that that bill would be defeated.

Senator Holmberg: I think that language in SB2015 is without effect now because it specifically refers to HB1141. I think whatever we do should be done with the approval of the leadership in SB2015. I think we can pass this bill; because, this bill stands alone. If the leaders decide they want to do something in SB2015 and money needs to be added; they can do it there.

Representative Klein: You're saying that we could just pass this as is with the funding in it and go from there?

Senator Holmberg: There is no funding for retroactivity in this bill.

Chairman Thoreson: There was the senate did remove that also

Senator Holmberg: Right. So this bill would fund the legislative branch for the next 2 years and if the folks who are on SB2015 determined that there should be an increase for next biennium; I think they would be inclined to support that. It could be added into SB2015; then the question of the retroactivity could also be added at that time.

Chairman Thoreson: What we're coming down to is a fundamental difference between the house and senate. I've been told that there was no support on the senate side; there was strong support on the house side for this and we were under an understanding that perhaps this issue would be dealt with. It comes down to whether or not we are going to be faced with the situation where we are left holding the bag for this session. Until we can get that resolved, I'm not certain where we're standing with this.

Senator Holmberg: From the standpoint of passage, but, it's the bill that's passed last that has the controlling influence. If OMB passes and then we get together again and decide we're going to pass this, what impact that might be. We might want to think about that.

Chairman Thoreson: I do appreciate that.

Representative Klein: So if we passed this as is with the money in it; then OMB could resolve that issue? The only way to pass this is to remove item 5 is what you're saying?

Senator Holmberg: There is nothing that needs to be done.

Senator Holmberg: I make a motion that the house accede to the senate amendments.

Senator OConnell: Seconded the motion.

A roll call vote was made. 3 Yea's 3 Nay's 0 Absent.

The motion failed.

Chairman Thoreson: Closed the conference committee.

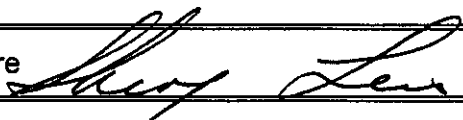
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1001
April 26, 2011
Recorder Job# 16891

☒ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications and transfers; and to declare an emergency.

Minutes:

Chairman Thoreson: Opened the conference committee on HB1001.

It was noted that all members were present.

Chairman Thoreson: See attached amendment 11.0308.02005.

Representative Klein: We had a similar situation a couple of years ago. We're adding section 6 additional lodging reimbursement for the 2011 Legislative Assembly and goes on to explain what the dollar value is in HB1001.

Representative Klein: Made a motion to move amendment 11.0308.02005.

Representative Kroeber: Seconded the motion.

Chairman Thoreson: This was something that was SB2001 last session. There were some people who had issues with moving out and there was some language added; not calling it retroactive or anything of the type, just having additional lodging reimbursement added to make them whole. That's where this idea came from, since it was passed by this assembly 2 years ago, I thought we could discuss this and see if we could do something along those lines.

Senator Holmberg: Two years I lived in a house where the people came back early and I had to move into the Comfort Inn and they accepted the regular state rate. This issue has been in front of the senate twice and has garnered 3 votes. The issue was proposed this morning at the OMB hearing and what was presented was HB1141 as passed by the house and that got 2 yes votes and 4 no votes. Now we have an amendment that is being prepared; but we haven't voted on it or anything; that would essentially take HB1141, remove the last section that talks about retroactivity and increase the reimbursement rate for the next legislative session. The 2 sections that are in SB2015 that have to do with

retroactivity in HB1141, are inoperative because HB1141 doesn't exist, they have no meaning now. We will have that amendment and I can't tell you how it's going to be voted on. That is certainly under consideration in SB2015.

Chairman Thoreson: That's why I left that issue out of this and my idea was that this didn't call it retroactivity. I've heard time and again how people were able to find housing for this rate; I know of several, including myself, who were not able to do that. I've always said it's an honor to serve even if I have to pay for it to do so. In this case, if we don't address this issue; that's where many of us will be. We're going to end up paying out of our own pockets to spend time here serving the people of North Dakota. While I'm still honored to do so; I don't feel that that's right. That's why this amendment was brought forward. I tried to find some language which was used previously which addressed this issue; where we could move forward.

Representative Klein: I for one when I heard that the usual place I'd been staying wasn't accepting the state rate; I must have called 10 different hotels. I did check out 3 of them and I didn't feel that they were places I wanted to stay for that length of time. I feel this is unfair and there were quite a number of us that were caught in this situation and I don't feel that this is proper.

Senator Christmann: When I heard the rates had gone up, I called the motel I had stayed at to verify it. I went to 3 or 4 places and the 3rd or 4th one would accept state rate. I went back over to where I've traditionally stayed and I told them I was cancelling out and they accepted the state rate. If they realize that they're not going to get more will lower their rates.

Chairman Thoreson: Unfortunately that was not the case that several of us encountered.

Senator O'Connell: When I first started down here I think we were getting \$85.00 per day and we paid for our own lodging.

Chairman Thoreson: It seems we may be going that way again.

A roll call vote was made 3 Yea's 3 Nay's 0 Absent

Representative Klein: I don't know which direction to go to from here; but, this certainly is an indication that if it costs \$1,000.00 to serve the people of this state, I certainly feel abandoned.

Chairman Thoreson: In the grand scheme of things it's not a huge amount of money; I'm not certain that it's a precedent we're wishing to set if we want to find qualified people to run for office in the state of North Dakota, to let them know that they may have to pay for it out of their own pockets that's fine.

Representative Klein: Made a motion to remove the increased compensation for leadership.

Representative Kroeber: Seconded the motion.

A roll call vote was made 2 Yea's 4 Nay's 0 Absent

Representative Klein: Made a motion that the "house accede to senate amendments"

Senator O'Connell: Seconded the motion

A roll call vote was made 6 Yea's 0 Nay's 0 Absent.

Chairman Thoreson: Closed the conference committee.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations - Government operation

Bill/Resolution No. HB 1001 as (re) engrossed

Date: 4-25-11

Roll Call Vote #: 1

Action Taken

- ☒ HOUSE accede to Senate amendments
☐ HOUSE accede to Senate amendments and further amend
☐ SENATE recede from Senate amendments
☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) HB 1001 was placed on the Seventh order of business on the calendar

Motion Made by: Senator Holmberg Seconded by: Senator O'Connell

| Representatives | | | | Yes | No | Senators | | | | Yes | No |
|----------------------------|----------|----------|----------|----------|----------|-------------------------|----------|----------|----------|----------|----------|
| <u>Blair Leason</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>David Christmann</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> |
| <u>Matthew Flein</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>Ray Holmberg</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> |
| <u>Joe Roeder</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>David O'Connell</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> |
| <u>Keith Kuylenstierna</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | <u>✓</u> | | | | | | |

Vote Count Yes: 3 No: 3 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

That the Senate recede from its amendments as printed on pages 1599-1606 of the House Journal and pages 1297-1303 of the Senate Journal and that Engrossed House Bill No. 1001 be amended as follows:

Page 3, after line 31, insert:

"SECTION 6. ADDITIONAL LODGING REIMBURSEMENT FOR THE 2011 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-second legislative assembly is entitled to lodging reimbursement as provided in section 44-08-04 for state officers and employees for each calendar day in an amount not to exceed \$1,229 per month for each month the sixty-second legislative assembly is in session during the months of January 2011 through April 2011 if the member submits a voucher indicating the actual amount expended for lodging during each month."

Renumber accordingly

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriation Government Operation

Bill/Resolution No. 1001 as (re) engrossed

Date: 4-26-11

Roll Call Vote #: 2

Action Taken

- ☐ HOUSE accede to Senate amendments
☐ HOUSE accede to Senate amendments and further amend
☐ SENATE recede from Senate amendments
☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) HB1001 was placed on the Seventh order of business on the calendar

Motion Made by: Rep Klein Seconded by: Rep Kroeber

| Representatives | | | | Senators | | | |
|---------------------|-------------------------------------|---|--|--------------------------|---|---|-------------------------------------|
| | Y | N | | | Y | N | |
| <u>Blair Thayer</u> | <input checked="" type="checkbox"/> | | | <u>David Christensen</u> | | | <input checked="" type="checkbox"/> |
| <u>Matthew Lina</u> | <input checked="" type="checkbox"/> | | | <u>Rep. G. H. H. H.</u> | | | <input checked="" type="checkbox"/> |
| <u>Joe Kroeber</u> | <input checked="" type="checkbox"/> | | | <u>David Kroeber</u> | | | <input checked="" type="checkbox"/> |
| | | | | | | | |
| | | | | | | | |

Vote Count Yes: 3 No: 3 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number 11.0308.02005 of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations - Government Operations

Bill/Resolution No. HB1001 as (re)engrossed

Date: 4-26-11

Roll Call Vote #: 3

Action Taken

- ☐ HOUSE accede to Senate amendments
☐ HOUSE accede to Senate amendments and further amend
☐ SENATE recede from Senate amendments
☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) --

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) HB1001 was placed on the Seventh order of business on the calendar

Motion Made by: Rep Klein Seconded by: Rep Krosch

| Representatives | | | | Senators | | | |
|-----------------------|---|---|--|-------------------------|---|---|---|
| | Y | N | | | Y | N | |
| <u>Blair Thompson</u> | ✓ | | | <u>Landel Christman</u> | | | ✓ |
| <u>Matthew Klein</u> | ✓ | | | <u>Pat Holmberg</u> | ✓ | | ✓ |
| <u>Rep Krosch</u> | ✓ | | | <u>Chris O'Connell</u> | ✓ | | ✓ |
| | | | | | | | |
| | | | | | | | |

Vote Count Yes: 2 No: 4 Absent: 2

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: House Appropriations & Government Operations

Bill/Resolution No. HB 1001 as (re)engrossed

Date: 4-26

Roll Call Vote #: 4

Action Taken

- ☒ HOUSE accede to Senate amendments
☐ HOUSE accede to Senate amendments and further amend
☐ SENATE recede from Senate amendments
☐ SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on HJ/SJ page(s) 1599-1606

- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re) Engrossed) HB 1001 was placed on the Seventh order of business on the calendar

Motion Made by: _____ Seconded by: _____

| Representatives | | | | Yes | No | Senators | | | | Yes | No |
|-----------------------|----------|--|--|----------|----|---------------------------|----------|--|--|----------|----|
| <u>Blair, Thayer</u> | <u>✓</u> | | | <u>✓</u> | | <u>Landell, Chastanet</u> | <u>✓</u> | | | <u>✓</u> | |
| <u>Matthew, Flier</u> | <u>✓</u> | | | <u>✓</u> | | <u>Ray, Douglas</u> | <u>✓</u> | | | <u>✓</u> | |
| <u>Joe, Fischer</u> | <u>✓</u> | | | <u>✓</u> | | <u>David, Donald</u> | <u>✓</u> | | | <u>✓</u> | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Rep Thayer Senate Carrier Senator Chastanet

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

HB 1001, as engrossed: Your conference committee (Sens. Christmann, Holmberg, O'Connell and Reps. Thoreson, Klein, Kroeber) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1599-1606 and place HB 1001 on the Seventh order.

Engrossed HB 1001 was placed on the Seventh order of business on the calendar.

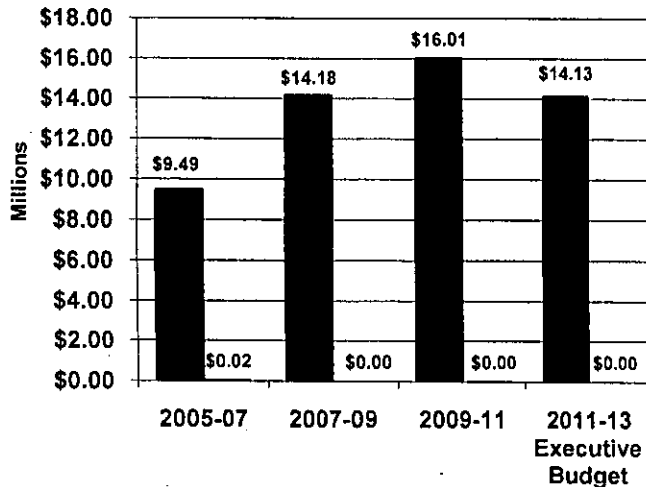
2011 TESTIMONY

HB 1001

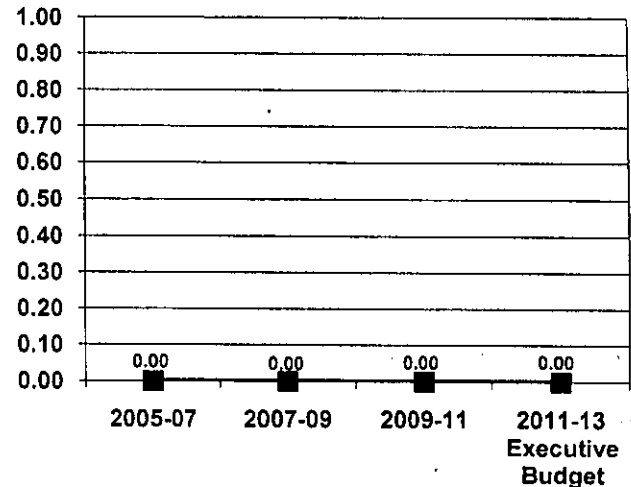
Department 150 - Legislative Assembly
House Bill No. 1001

| | FTE Positions | General Fund | Other Funds | Total |
|------------------------------------|---------------|---------------|-------------|---------------|
| 2011-13 Executive Budget | 0.00 | \$14,128,734 | \$0 | \$14,128,734 |
| 2009-11 Legislative Appropriations | 0.00 | 16,014,554 | 0 | 16,014,554 |
| Increase (Decrease) | 0.00 | (\$1,885,820) | \$0 | (\$1,885,820) |

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 |
|------------------------------------|------------------------------------|-------------------------------------|----------------------------------|
| 2011-13 Executive Budget | \$11,886,028 | \$2,242,706 | \$14,128,734 |
| 2009-11 Legislative Appropriations | 11,011,227 | 5,003,327 | 16,014,554 |
| Increase (Decrease) | \$874,801 | (\$2,760,621) | (\$1,885,820) |

Executive Budget Highlights

| | General Fund | Other Funds | Total |
|---|--------------|-------------|-----------|
| 1. Adds funding for increasing legislators' monthly compensation from \$415 to \$427 effective July 2011 and \$440 effective July 2012 | \$67,393 | | \$67,393 |
| 2. Adds funding for increasing additional monthly compensation for legislative leaders from \$298 to \$307 effective July 2011 and \$316 effective July 2012 | \$1,395 | | \$1,395 |
| 3. Adds funding for increasing legislative compensation for regular, special, or organizational sessions from \$148 per day to \$152 per day effective July 2011 and \$157 per day effective July 2012 | \$158,464 | | \$158,464 |
| 4. Adds funding for legislators' health insurance coverage, including an increase in health insurance premiums from \$826 to \$886 | \$189,228 | | \$189,228 |
| 5. Adds funding for increasing the maximum monthly lodging expense reimbursement allowed during legislative sessions from \$1,000 to \$1,271 (\$138,752) and for increasing the daily lodging expense reimbursement from \$63 plus tax to \$77 plus tax | \$150,333 | | \$150,333 |
| 6. Adds one-time funding for redistricting special session, including \$167,265 for legislative pay, \$27,093 for temporary salaries, and \$77,660 for travel | \$272,018 | | \$272,018 |
| 7. Adds one-time funding for information technology projects, including replacement of the fiscal notes system (\$75,700) and the legislative bill tracking system (\$84,238) | \$159,938 | | \$159,938 |
| 8. Adds one-time funding for replacement of legislative laptops | \$510,750 | | \$510,750 |

| | | |
|--|---------------|---------------|
| 9. Adds one-time funding for committee room renovations (\$500,000) and voting system upgrades (\$800,000) | \$1,300,000 | \$1,300,000 |
| 10. Removes one-time funding provided for the 2009-11 biennium relating primarily to the LEGEND computer system and committee room renovations | (\$5,003,327) | (\$5,003,327) |

Other Sections in Bill

Continuation of appropriation authority - Section 4 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2009-11 biennium be continued.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

The audit of the Legislative Assembly conducted by Eide Bailly during the 2009-10 interim included the following significant audit finding:

Condition: The financial statement provided by the agency did not properly reflect the fixed asset activity for the period under audit.

Recommendation: We recommend that all general ledger accounts are reconciled in a timely manner and adjustments made for any differences noted.

Response: The Legislative Council agrees with the finding. The adjustments made by the auditor all relate to transactions associated with the discontinuation of one major information technology project and the initiation of another major information technology project during the same period. Although the Legislative Council believes this to be a unique and isolated incident, the Legislative Council has made and will continue to make internal control improvements to more closely monitor the recording of transactions and their reflection on the financial statements.

Major Related Legislation

House Bill No. 1062 provides for the following recommendation of the Legislative Compensation Commission:

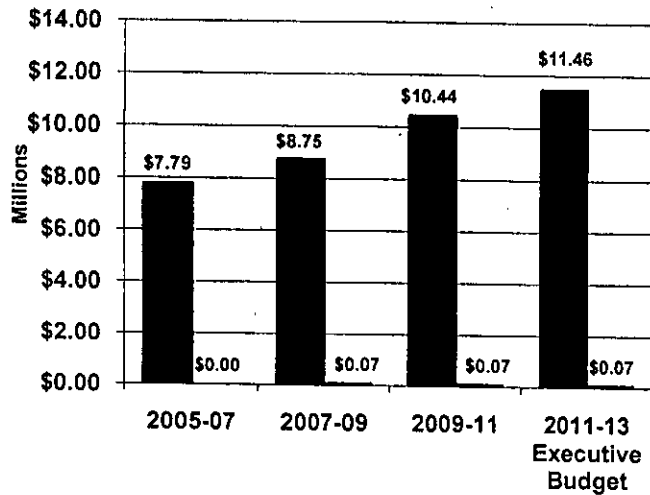
- Increase the compensation for regular, special, or organizational sessions by 3 percent per year from \$148 per day to \$152 per day effective July 2011 and \$157 per day effective July 2012.
- Increase the interim compensation rate by 3 percent per year from \$148 per day to \$152 per day effective July 2011 and \$157 per day effective July 2012.

House Bill No. 1141 increases the maximum monthly lodging expense reimbursement allowed during legislative sessions.

**Department 160 - Legislative Council
House Bill No. 1001**

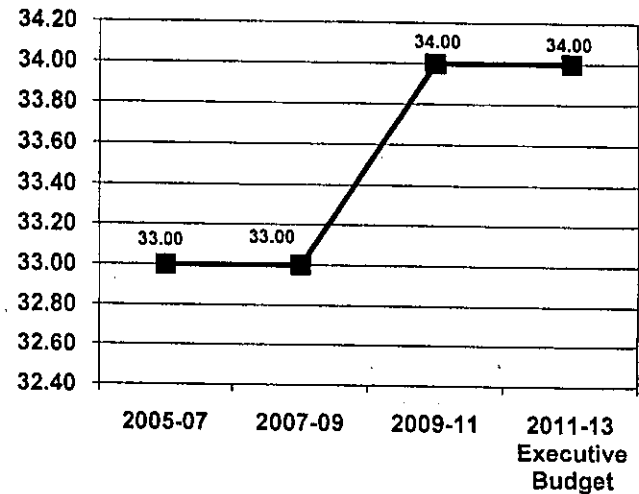
| | FTE Positions | General Fund | Other Funds | Total |
|------------------------------------|---------------|--------------|-------------|--------------|
| 2011-13 Executive Budget | 34.00 | \$11,461,158 | \$70,000 | \$11,531,158 |
| 2009-11 Legislative Appropriations | 34.00 | 10,439,503 | 70,000 | 10,509,503 |
| Increase (Decrease) | 0.00 | \$1,021,655 | \$0 | \$1,021,655 |

Agency Funding



■ General Fund □ Other Funds

FTE Positions



Ongoing and One-Time General Fund Appropriations

| | Ongoing General Fund Appropriation | One-Time General Fund Appropriation | Total General Fund Appropriation |
|------------------------------------|------------------------------------|-------------------------------------|----------------------------------|
| 2011-13 Executive Budget | \$10,489,593 | \$634,807 | \$11,124,400 |
| 2009-11 Legislative Appropriations | 10,269,503 | 170,000 | 10,439,503 |
| Increase (Decrease) | \$220,090 | \$464,807 | \$684,897 |

Executive Budget Highlights

| | General Fund | Other Funds | Total |
|--|--------------|-------------|-------------|
| 1. Adds funding for increasing legislator per diem from \$148 per day to \$152 per day for fiscal year 2012 and \$157 per day for fiscal year 2013 | \$36,471 | | \$36,471 |
| 2. Adds funding for increasing legislator per diem (\$25,150) and travel (\$31,140) relating to increased interim committee membership and increased lodging reimbursement rates | \$56,290 | | \$56,290 |
| 3. Continues funding for performance pay adjustments (total of \$55,000) | \$5,000 | | \$5,000 |
| 4. Adds funding for increasing the daily lodging reimbursement from \$63 per night plus tax to \$70 plus tax for fiscal year 2012 and \$77 plus tax for fiscal year 2013 | \$36,504 | | \$36,504 |
| 5. Adds funding for other increases in travel such as attendance at Energy Council meetings, CSG meetings, and other out-of-state travel | \$150,323 | | \$150,323 |
| 6. Decreases funding for information technology consulting | (\$280,750) | | (\$280,750) |
| 7. Adds one-time funding for office improvements | \$50,000 | | \$50,000 |
| 8. Adds one-time funding for Administrative Code and website information technology projects | \$483,807 | | \$483,807 |
| 9. Adds one-time funding for computer replacement | \$76,000 | | \$76,000 |

| | | |
|---|-------------|-------------|
| 10. Adds one-time funding for office equipment replacement | \$25,000 | \$25,000 |
| 11. Removes one-time funding provided for the 2009-11 biennium relating primarily to state employee compensation study, office improvements, and equipment replacements | (\$170,000) | (\$170,000) |

Other Sections in Bill

Continuation of appropriation authority - Section 4 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2009-11 biennium be continued.

Continuing Appropriations

Legislative services fund - North Dakota Century Code Section 54-35-19 - This fund is used for depositing and spending funds relating to legislative information.

Significant Audit Findings

There are no significant audit findings for the Legislative Council.

Major Related Legislation

House Bill No. 1062 provides for the following recommendation of the Legislative Compensation Commission:

- Increase the compensation for regular, special, or organizational sessions by 3 percent per year from \$148 per day to \$152 per day effective July 2011 and \$157 per day effective July 2012.
- Increase the interim compensation rate by 3 percent per year from \$148 per day to \$152 per day effective July 2011 and \$157 per day effective July 2012.

Senate Bill No. 2053 extends the Committee on Tribal and State Relations.

January 12, 2011

**STATEMENT OF JIM W. SMITH, DIRECTOR,
NORTH DAKOTA LEGISLATIVE COUNCIL,
REGARDING HOUSE BILL NO. 1001,
JANUARY 12, 2011**

Mr. Chairman and members of the House
Appropriations - Government Operations Division.

I am here this morning appearing on House Bill
No. 1001 on behalf of the members of the Legislative
Assembly and the members of the Legislative
Management to explain the budget requests for the
Legislative Assembly, the Legislative Management,
and the Legislative Council for the 2011-13 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.

The financial statements for the fiscal years ending
June 30, 2009 and 2008 for the Legislative Assembly
and Legislative Council had unqualified opinions. A
summary of significant audit findings is attached as
Appendix A.

LEGISLATIVE ASSEMBLY

Subdivision 1 of Section 1 of the bill contains the
2011-13 biennium appropriation for the Legislative
Assembly of \$14,128,734 from the general fund. This
amount includes \$2,242,706 of one-time funding
requests. The Legislative Assembly "ongoing"
request is \$11,886,028, an increase of \$874,801, or
7.9 percent, more than the 2009-11 "ongoing"
appropriation of \$11,011,227. The amount requested
is considered necessary for the organizational session
and a **77-legislative-day** (111-calendar-day) regular
2013 legislative session. The following schedule
presents the number of legislative days for previous
sessions:

| Legislative Session | Legislative Days |
|---------------------|------------------|
| 2009 | 79 |
| 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 2009 Legislative Assembly provided funding
for an estimated 77-legislative-day 2011 legislative
session.

Salaries and Wages

The salaries and wages line item of approximately
\$8.7 million includes funding for:

- Legislative employees' pay for the 2013
legislative session based on the number of

employees anticipated to be employed for the
2011 legislative session of 78.5 and
compensation increases equivalent to a
5 percent annual increase.

- Legislators' salary of \$157 per day for a
77-legislative-day regular session (111 calendar
days). This includes the 3 percent per year
increase proposed by the Legislative
Compensation Commission in House Bill
No. 1062 (an estimated cost of \$158,464).
- Continuing the additional compensation of
\$10 per calendar day for the legislative leaders
and \$5 per calendar day for chairmen of the
standing committees and assistant legislative
leaders.
- Legislators' monthly compensation of \$427 per
month for the first year of the biennium, a \$12,
or 3 percent, per month increase and \$440 per
month for the second year of the biennium, a
\$13, or 3 percent, per month increase (an
estimated cost of \$67,393). The increase
would require a statutory change to become
effective.
- Additional monthly compensation for House and
Senate majority and minority leaders of
\$307 per month for the first year of the
biennium, a \$9, or 3 percent, per month
increase and \$316 per month for the second
year of the biennium, a \$9, or 3 percent,
per month increase (estimated cost of \$1,395).
This increase would require a statutory change
to become effective.
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for 130 legislators, the same number of
legislators that were budgeted for the 2009-11
biennium. Current information indicates that
132 legislators have requested health
insurance.
- One-time funding of \$159,580, including
\$132,487 for legislative pay and \$27,093 for
temporary salaries for an anticipated
redistricting special session during the 2011-12
interim.

Operating Expenses

The operating expenses line item of approximately
\$4 million includes funding for:

- Legislators' travel costs for 16 trips at 55 cents
per mile during the 2013 regular session and
one trip for the 2012 organizational session.
- Lodging costs for 128 legislators for four
months during the 2013 legislative session at a

reimbursement rate of \$1,271 per month, an increase of \$271 per month from the \$1,000 per month budgeted for the 2011 legislative session (an estimated cost of \$138,752).

- Information technology data processing, telecommunications, and networking charges of \$1,383,782, an increase of \$215,883 compared to the 2009-11 biennium, including funding for maintenance and upgrades to the legislative enterprise system North Dakota (LEGEND) system.
- 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.
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- One-time funding of \$159,938 for information technology projects, including \$75,700 for replacement of the fiscal notes system and \$84,238 for replacement of the legislative bill tracking system.
- One-time funding of \$510,750 for replacement of legislators' personal computers.

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The capital assets line item of \$1,300,000 includes one-time funding of \$500,000 for continuing legislative wing improvements and \$800,000 for voting system upgrades in the chambers.

National Conference of State Legislatures

The National Conference of State Legislatures (NCSL) line item of \$232,110 is an increase of \$4,450 from the 2009-11 budget of \$227,660. 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 2012 and 2013.

Legislative Applications

Replacement System - LEGEND

The 2009-11 biennium appropriation included \$3,910,827 from the general fund for replacing the Legislative Assembly's mainframe-based computer system. The system is operational and is being used for bill drafting and legislative processes for the 2011 session. The development was a partnership between Propylon and the North Dakota Information Technology Department that began at the close of the 2009 session. Both entities are providing support for the 2011 session. The system is on schedule and is expected to be \$400,000 under budget.

LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

Subdivision 2 of Section 1 of House Bill No. 1001 contains the 2011-13 appropriation for the Legislative Management and the Legislative Council of \$11,531,158, of which \$11,461,158 is from the general fund and \$70,000 is from the insurance regulatory trust fund. The 2011-13 "ongoing" general fund request is \$10,826,351, an increase of \$556,848, or **5.4 percent more** than the 2009-11 "ongoing" general fund appropriation of \$10,269,503.

The \$70,000 from the insurance regulatory trust fund is the same amount provided for the 2009-11 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 34 full-time equivalent (FTE) positions, the same number authorized for the 2009-11 biennium. The organizational chart reflecting the current staff structure is attached as Appendix B.

Salaries and Wages

The salaries and wages line item of approximately \$7.6 million includes funding for:

- Thirty-four authorized FTE positions.
- Funding for the Governor's recommended salary increase for state employees of \$239,478 (3 and 3 package).
- The Governor's recommended health insurance premium increase and retirement contribution increase of \$97,281.
- Performance pay funding of \$55,000.
- Temporary employees' pay for the 2013 legislative session.
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Operating Expenses

The operating expenses line item of approximately \$3.9 million includes funding for:

- Travel expenses relating to meetings during the interim of \$1,610,912, which is \$161,704 more than the 2009-11 budget of \$1,449,208. The funding request is based on the same number of committees (26) budgeted for the 2009-10

interim and assumes an 87 percent attendance rate at committee meetings. Of the \$161,704 increase, approximately \$35,000 relates to increased lodging reimbursement rates and approximately \$125,000 relates to out-of-state travel cost increases.

- Information technology consulting totals \$278,300, \$280,750 less than the 2009-11 budget.
- Professional services of \$315,000 is \$100,000 less than the 2009-11 budget due to removal of one-time funding provided for the state employee compensation study. The \$315,000 includes \$300,000 for consulting services to assist with interim committee studies when required, \$6,000 for contracting for the Legislative Council audit, and \$9,000 for contracting for the State Auditor's office audit.
- One-time funding of \$483,807 for information technology projects, including replacement of the Administrative Code system and rewrite of the legislative branch website.
- One-time funding of \$50,000 for office improvements.
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- One-time funding of \$25,000 for office equipment replacement.
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Capital Assets

The capital assets line item of \$41,000 includes funding for replacing a copier and information technology equipment needs.

OTHER AREAS

The chairman of the Legislative Management and the Senate majority leader have both asked that language be added to allow unspent funds from the 2009-11 biennium to be continued to the 2011-13 biennium.

RELATED BILLS

Other bills under consideration that may affect the budget of the legislative branch include:

- As discussed above, House Bill No. 1062 recommended by the Legislative Compensation Commission increases legislators' compensation and expense reimbursement levels.
- House Bill No. 1141 amends the maximum monthly lodging expense reimbursement allowed during legislative sessions retroactive to January 1, 2011. If approved, this bill would require an additional funding of \$96,768 for the 2009-11 biennium and \$118,272 for the 2011-13 biennium.

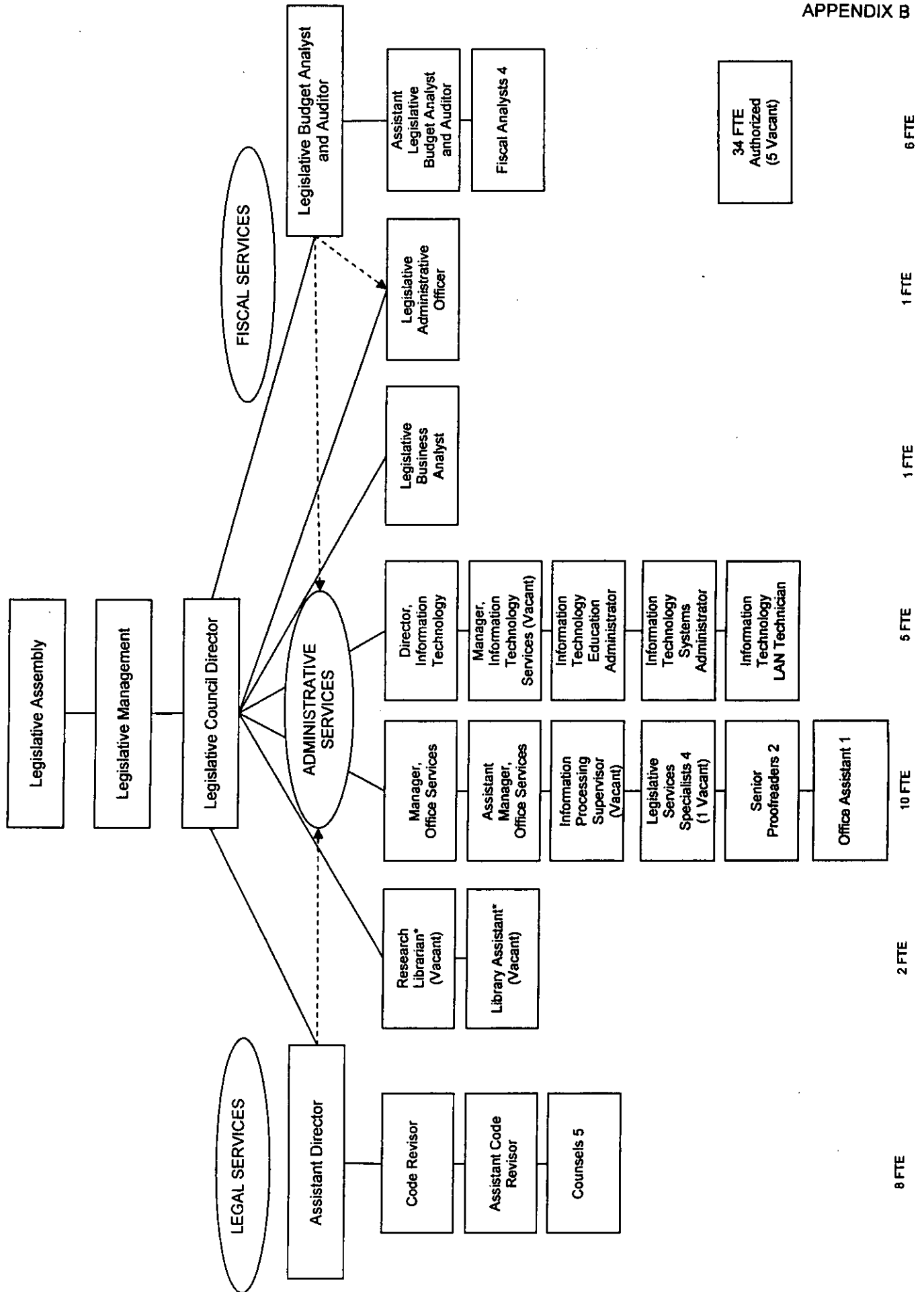
ATTACH:2

SIGNIFICANT AUDIT FINDINGS FOR THE LEGISLATIVE ASSEMBLY AND LEGISLATIVE COUNCIL

The following is a summary of significant audit findings for the Legislative Assembly and the Legislative Council for the years ended June 30, 2009 and 2008:

| | |
|----------------------|--|
| Legislative Assembly | <p>Condition: The financial statement provided by the agency did not properly reflect the fixed asset activity for the period under audit.</p> <p>Recommendation: We recommend that all general ledger accounts are reconciled in a timely manner and adjustments made for any differences noted.</p> <p>Response: The Legislative Council agrees with the finding. The adjustments made by the auditor all relate to transactions associated with the discontinuation of one major information technology project and the initiation of another major information technology project during the same period. Although the Legislative Council believes this to be a unique and isolated incident, the Legislative Council has made and will continue to make internal control improvements to more closely monitor the recording of transactions and their reflection on the financial statements.</p> |
| Legislative Council | None |

LEGISLATIVE COUNCIL ORGANIZATIONAL CHART



To: Jason Steckler, Director
From: Bill Schaeffer, President
Ref: Voting System Upgrade Budget Estimates
Date: August 4, 2010

1. Introduction:

International Roll-Call® Corporation is pleased to provide an upgrade estimate to the voting systems for the North Dakota Senate and House of Representatives. We have prepared the estimates in four parts, full-color LED voting display boards, new member voting stations, migration to .net voting software and travel expenses.

In addition to the other documents we included in the email, we have provided at the end of this document project costs for recently replaced or upgraded state voting systems.

Although there may not be a need at this time to replace the audio equipment at the member's desks in the Senate and House of Representatives, we do have products and several designs to accommodate should the need arise.

Given the fact that the economy is moving slowly and that state budgets are tight, we can provide other hardware display options should the proposed full-color LED displays not fit within the budget. We have also worked with states to support project payments over several years.

If there is any additional information you need, please let us know.

2. Full -Color LED Voting Display Board Estimates:

In light of available technologies LED display boards are best suited for the North Dakota Senate and House of Representatives. The LED technology is expensive. However, the boards are well worth the initial investment. The life expectancy of the new LED display technology will be 15 to 20 years and beyond depending on hours of usage and depending on the intensity settings of the display LEDs. States which are currently using the new LED technology typically set the brightness of the LEDs at only 30% even with intense video lighting. There is no other technology that can provide sufficient brightness to be seen in chambers with any ambient light or video lights and provides long life expectancy with minimal maintenance impact.

IRC proposes 6.25 mm full-color LED display technology which will provide:

- Low glare.
- Ability to control brightness of LEDs
- Wide viewing angle of displays
- Depending on the intensity setting of the LEDs the life expectancy of the displays will go longer than twenty years.

- The LED pixels are calibrated to a uniform intensity and can be re-calibrated as LEDs fade.
- Easy access to all components and the ability to exchange parts easily.
- The ability to display different sequence of information. For example, one sequence can contain bill number, sponsor, short title, motion(s) and a listing of other items on the calendar. A second sequence could be used to display informational messages. A third sequence could show video. A fourth sequence could be used after session to display to visitors information about the Senate.
- The displays will not fade as a result of intense ambient light.
- Displays can show video, power point presentations and other media material.
- Flexibility in the control of various font and font sizes.

North Dakota Senate: For the purpose of the Senate estimate we are proposing to replace the existing separated top and bottom displays with the following pixel sizes and costs outlined below (a pixel is the individual LEDs). However, we could remove the separator and install a solid LED matrix which would be 320 pixels tall x 280 pixels wide. With a solid matrix you could increase the height, by adding LED modules, from 320 pixel to as many as 722 pixels tall.

Top display of 160 pixels tall x 280 pixels wide\$ 89,700.00
Bottom display at 160 pixels tall x 280 pixels wide\$ 89,700.00

Display control equipment with redundancy:

Two (2) DMP 7000-SE-rack mounted hardware & software

Two (2) DD4042 Rack mount data distributors

One (1) V-Max 4 A/B Switch

One (1) VIP-4500 video processor

One (1) UPS

One (1) LCD Monitor with Keyboard and Mouse

One (1) 24RU Office Rack

Cost\$ 56,500.00

Total Senate. Display Board Hardware Upgrade Estimate.....\$235,900.00
(Price include spare parts and shipping.)

North Dakota House of Representatives: For the purpose of the House estimate we are proposing to replace the existing separated top and bottom displays with the following pixel sizes and costs outlined below. However, we could remove the separator and install a solid LED matrix which would be 480 pixels tall x 280 pixels wide. With a solid matrix you could increase the height, by adding LED modules, from 480 pixel to as many as 722 pixels tall.

Top display of 160 pixels tall x 280 pixels wide\$ 89,700.00
Bottom display at 320 pixels tall x 280 pixels wide\$170,500.00

**Display control equipment with redundancy:**

Two (2) DMP 7000-SE-rack mounted hardware & software

Two (2) DD4042 Rack mount data distributors

One (1) V-Max 4 A/B Switch

One (1) VIP-4500 video processor

One (1) UPS

One (1) LCD Monitor with Keyboard and Mouse

One (1) 24RU Office Rack

Cost\$ 56,500.00

Total House of Reps. Display Board Hardware Upgrade Estimate.....\$316,700.00
(Price include spare parts and shipping.)

• Installation of Senate and House Displays:

Removal of old displays, installation of four LED displays, setup of display equipment and software, testing and technical training.

Cost estimate.....\$ 34,500.00

3. Member Voting Stations Estimate:

Member voting stations in the Senate and House of Representatives would be replaced with a new faceplate, pushbutton assembly, engraved key caps, PC-card and connector. Estimate includes assembly, installation labor, and testing of Senate and House voting stations.

Cost estimate.....\$ 77,500.00

4. Migration to .net Voting Software Estimate:

Over the years we have gone to great lengths to integrate the voting system to existing legislative infrastructures to support the real-time release of voting results, floor actions to status and real-time updates to session calendars. Our new .net voting application has improved this process tremendously. Additionally, our new .net voting system has been developed to support a number of other applications we provide; camera control, video and audio tagging, vote reporter, request to speak, member summoning, page control, presiding officer control, sound control, message control, smart card and biometric identification, script assistant, debate timer and internet chamber automation.

Our estimate takes into consideration North Dakota as a current client, the existing IRC applications (Operator, Clerk, Presiding Officer, Request to Speak, and Page), the interface between SQL and the State's Oracle database structure, installation, testing and training.

Cost Senate and House .net Voting Systems\$ 82,000.00

5. Travel Expenses Estimate:

All travel related expenses during the upgrading process of both the Senate and House voting systems as estimated above.

Cost estimate\$ 12,700.00

Project Costs of Recently Installed Systems:

Every voting system is unique when you consider membership, security requirements, voting system functionality and display board type and size. Nevertheless, we find it important to share examples of costs associated with installing other voting systems. With the replacement or upgrading of these voting systems they all include the new LED technology which controls the calibration of the LEDs and controlled brightness as well as a number of other features over the current displays in North Dakota.

- Montana House of Representatives (100 members with tri-color displays).....\$ 640,800.00
- Kansas House of Representatives (125 members with tri-color displays)\$1,042,200.00
- Minnesota Senate (67 members, two full color displays).....\$ 513,700.00
- Tennessee Senate (33 members with two tri-color displays).....\$ 437,850.00
- Tennessee House of Representatives (99 members with full color displays).....\$ 844,640.00
- Virginia House of Delegates (100 members with two full color displays).....\$ 870,190.00

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March 2, 2011

**STATEMENT OF JIM W. SMITH, DIRECTOR,
NORTH DAKOTA LEGISLATIVE COUNCIL,
REGARDING ENGROSSED HOUSE BILL NO. 1001,
MARCH 2, 2011**

Mr. Chairman and members of Senate Appropriations.

I am here this morning appearing on Engrossed House Bill No. 1001 on behalf of the members of the Legislative Assembly and the members of the Legislative Management to explain the budget requests for the Legislative Assembly, the Legislative Management, and the Legislative Council for the 2011-13 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

As adjusted by the House, subdivision 1 of Section 1 of the bill contains the 2011-13 biennium appropriation for the Legislative Assembly of \$14,343,774 from the general fund. This amount includes \$2,242,706 of one-time funding requests. The Legislative Assembly "ongoing" request is \$12,101,068, an increase of \$1,089,841, or 9.9 percent, more than the 2009-11 "ongoing" appropriation of \$11,011,227. The amount requested is considered necessary for the organizational session and a 77-legislative-day (111-calendar-day) regular 2013 legislative session. The following schedule presents the number of legislative days for previous sessions:

| Legislative Session | Legislative Days |
|---------------------|------------------|
| 2009 | 79 |
| 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 2009 Legislative Assembly provided funding for an estimated 77-legislative-day 2011 legislative session.

Salaries and Wages

The salaries and wages line item of approximately \$8.7 million includes funding for:

- Legislative employees' pay for the 2013 legislative session based on the number of employees anticipated to be employed for the 2011 legislative session of 78.5 and

compensation increases equivalent to a 5 percent annual increase.

- Legislators' salary of \$157 per day for a 77-legislative-day regular session (111 calendar days). This includes the 3 percent per year increase included in Reengrossed House Bill No. 1368 (an estimated cost of \$158,464).
- Continuing the additional compensation of \$10 per calendar day for the legislative leaders and \$5 per calendar day for chairmen of the standing committees and assistant legislative leaders.
- Legislators' monthly compensation of \$427 per month for the first year of the biennium, a \$12, or 3 percent, per month increase and \$440 per month for the second year of the biennium, a \$13, or 3 percent, per month increase (an estimated cost of \$67,393). (The statutory change is in Reengrossed House Bill No. 1368.)
- Additional monthly compensation for House and Senate majority and minority leaders of \$307 per month for the first year of the biennium, a \$9, or 3 percent, per month increase and \$316 per month for the second year of the biennium, a \$9, or 3 percent, per month increase (estimated cost of \$1,395). (The statutory change is in Reengrossed House Bill No. 1368.)
- Health insurance coverage at \$887 per month for 130 legislators, the same number of legislators that were budgeted for the 2009-11 biennium. Current information indicates that 132 legislators have requested health insurance.
- One-time funding of \$159,580, including \$132,487 for legislative pay and \$27,093 for temporary salaries for an anticipated redistricting special session during the 2011-12 interim.

Operating Expenses

The operating expenses line item of approximately \$4.1 million includes funding for:

- Legislators' travel costs for 16 trips at 55 cents per mile during the 2013 regular session and one trip for the 2012 organizational session.
- Lodging costs for 128 legislators for four months during the 2013 legislative session at a reimbursement rate of \$1,271 per month, an increase of \$271 per month from the \$1,000 per

month budgeted for the 2011 legislative session (an estimated cost of \$138,752). The House added funding of \$215,040 from the general fund for additional costs relating to House Bill No. 1141 which increases the maximum monthly lodging reimbursement effective January 1, 2011.

- Information technology data processing, telecommunications, and networking charges of \$1,383,782, an increase of \$215,883 compared to the 2009-11 biennium, including funding for maintenance and upgrades to the legislative enterprise system North Dakota (LEGEND) system.
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The salaries and wages line item of approximately \$7.6 million includes funding for:

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- Travel expenses relating to meetings during the interim of \$1,610,912, which is \$161,704 more than the 2009-11 budget of \$1,449,208. The funding request is based on the same number of committees (26) budgeted for the 2009-10 interim and assumes an 87 percent attendance rate at committee meetings. Of the \$161,704 increase, approximately \$35,000 relates to increased lodging reimbursement rates and approximately \$125,000 relates to out-of-state travel cost increases.
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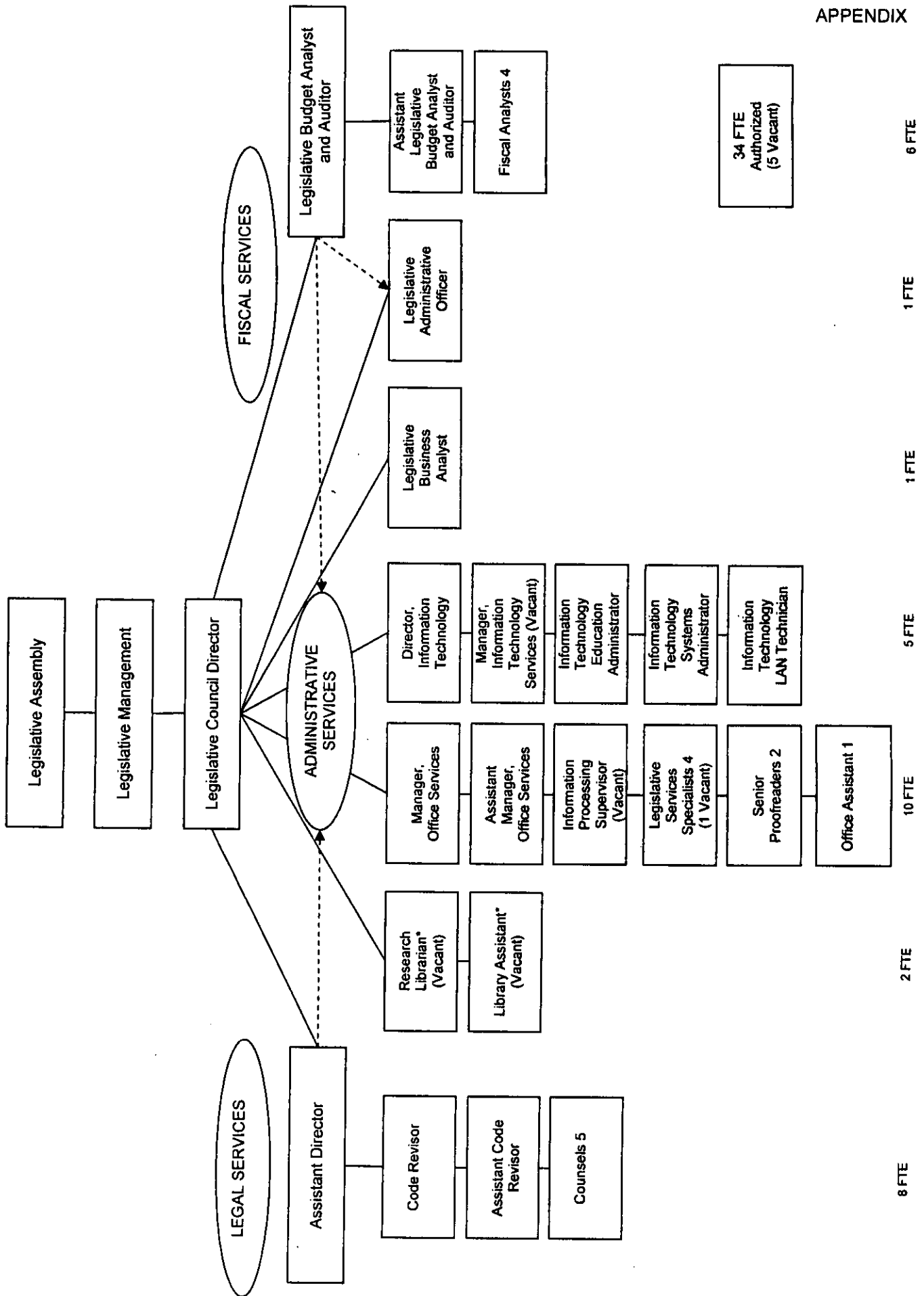
RELATED BILLS

Other bills under consideration that may affect the budget of the legislative branch include:

- House Bill No. 1141 amends the maximum monthly lodging expense reimbursement allowed during legislative sessions retroactive to January 1, 2011. As a result, the maximum monthly lodging expense reimbursement for the 2011 session is increased from \$1,040 to \$1,229, and it is estimated that the maximum lodging reimbursement for the 2013 session would be \$1,502.
- Engrossed House Bill No. 1261 repeals the Legislative Compensation Commission.
- Engrossed House Bill No. 1267 provides for the establishment of a Legislative Management redistricting committee, the implementation of a legislative redistricting plan, and a special legislative session.
- As discussed above, Reengrossed House Bill No. 1368 increases legislative compensation by 3 percent per year for the 2011-13 biennium and also repeals the Legislative Compensation Commission.
- Engrossed House Bill No. 1426 ties the meal reimbursement rates for state employees to 65 percent of the rate established by the United States General Services Administration.
- Engrossed Senate Bill No. 2004 requires the Legislative Management to contract with a national private accounting firm for a performance audit of the State Auditor's office. The bill includes a \$100,000 general fund appropriation to the Legislative Council for the cost of the audit.
- Engrossed Senate Bill No. 2169 provides that the Legislative Council is to record the audio of floor sessions based on rules adopted by the House and the Senate. The Legislative Council is to also archive all recordings and make the recordings available to the public.

ATTACH:1

LEGISLATIVE COUNCIL ORGANIZATIONAL CHART



National Conference of State Legislatures
Appropriations Schedule
FY2011

| | | Amount | Amount | Amount | Current as of | 11/29/2010 |
|----------------------|----|---------|------------|---------|-----------------|---------------------|
| | | Billed | Paid | Due | Amount Expected | Amount not Expected |
| Alabama | \$ | 179,609 | \$ 179,609 | \$ - | \$ - | \$ - |
| Alaska | | 116,630 | 116,630 | - | - | - |
| Arizona | | 206,924 | 206,924 | - | - | - |
| Arkansas | | 150,985 | 150,985 | - | - | - |
| California | | 689,268 | | 689,268 | 689,268 | - |
| Colorado | | 183,328 | 166,753 | 16,575 | 16,575 | - |
| Connecticut | | 161,633 | 161,633 | - | - | - |
| Delaware | | 119,519 | 119,500 | 19 | 19 | - |
| District of Columbia | | 115,113 | | 115,113 | 115,113 | - |
| Florida | | 397,090 | | 397,090 | 397,090 | - |
| Georgia | | 258,105 | 248,006 | 10,099 | 10,099 | - |
| Hawaii | | 126,224 | 107,290 | 18,934 | 18,934 | - |
| Idaho | | 129,657 | | 129,657 | 129,657 | - |
| Illinois | | 310,899 | | 310,899 | 310,899 | - |
| Indiana | | 207,019 | 190,337 | 16,682 | 16,682 | - |
| Iowa | | 153,427 | 153,427 | - | - | - |
| Kansas | | 150,043 | 150,043 | - | - | - |
| Kentucky | | 173,431 | 173,431 | - | - | - |
| Louisiana | | 174,261 | 174,261 | - | - | - |
| Maine | | 126,751 | 126,751 | - | - | - |
| Maryland | | 195,413 | 195,413 | - | - | - |
| Massachusetts | | 208,696 | 208,696 | - | - | - |
| Michigan | | 266,518 | | 266,518 | 266,518 | - |
| Minnesota | | 188,708 | 188,708 | - | - | - |
| Mississippi | | 152,326 | 57,837 | 94,489 | 94,489 | - |
| Missouri | | 199,564 | | 199,564 | 199,564 | - |
| Montana | | 121,020 | 121,020 | - | - | - |
| Nebraska | | 134,047 | 134,047 | - | - | - |
| Nevada | | 146,674 | | 146,674 | 146,674 | - |
| New Hampshire | | 126,735 | 126,735 | - | - | - |
| New Jersey | | 244,392 | 184,000 | 60,392 | 60,392 | - |
| New Mexico | | 137,176 | 62,415 | 74,761 | 74,761 | - |
| New York | | 413,804 | | 413,804 | 413,804 | - |
| North Carolina | | 250,378 | 250,378 | - | - | - |
| North Dakota | | 115,943 | 115,943 | - | - | - |
| Ohio | | 288,788 | 288,788 | - | - | - |
| Oklahoma | | 163,469 | 141,551 | 21,918 | 21,918 | - |
| Oregon | | 165,544 | | 165,544 | 165,544 | - |
| Pennsylvania | | 304,210 | | 304,210 | 304,210 | - |
| Puerto Rico | | 168,641 | 168,641 | - | - | - |
| Rhode Island | | 122,616 | 122,616 | - | - | - |
| South Carolina | | 176,097 | 176,097 | - | - | - |
| South Dakota | | 118,434 | 118,434 | - | - | - |

**National Conference of State Legislatures
Appropriations Schedule
FY2011**

| | Amount Billed | Amount Paid | Amount Due | Current as of Amount Expected | 11/28/2010 Amount not Expected |
|--------------------------|----------------------|---------------------|---------------------|-------------------------------------|--------------------------------------|
| Tennessee | 204,018 | | 204,018 | 204,018 | - |
| Texas | 487,336 | 487,336 | - | - | - |
| Utah | 147,952 | | 147,952 | 147,952 | - |
| Vermont | 115,640 | 115,640 | - | - | - |
| Virgin Islands | 107,482 | | 107,482 | 107,482 | - |
| Virginia | 228,842 | 197,957 | 30,885 | 30,885 | - |
| Washington | 208,983 | 130,614 | 78,369 | 78,369 | - |
| West Virginia | 134,653 | 134,653 | - | - | - |
| Wisconsin | 195,142 | 193,491 | 1,651 | 1,651 | - |
| Wyoming | 114,075 | 114,075 | - | - | - |
| American Samoa | 21,957 | | 21,957 | 21,957 | - |
| Guam | 23,521 | 23,521 | - | - | - |
| North Marianas | 22,149 | | 22,149 | 22,149 | - |
| Quebec, Canada | 36,788 | 36,788 | - | - | - |
| Scotland | 10,000 | | 10,000 | 10,000 | - |
| Grand Total | \$ 10,597,647 | \$ 6,520,974 | \$ 4,076,673 | \$ 4,076,673 | \$ - |
| <i>per cent of total</i> | | 62% | 38% | 38% | 0% |

Summary:

Paid to date \$ 6,520,974

Expected 4,076,673

Breakage Factor
@ 15% (1,572,485)

Budgeted Dues* \$ 8,910,747

Projected for FY11 \$ 10,597,647

* Excludes American Samoa, Guam, North Marianas, Quebec & Scotland

NATIONAL CONFERENCE OF STATE LEGISLATURES

Schedule of Appropriations by Entity
For the Year Ended June 30, 2010

Fiscal year 2009 reversal of accrued appropriations

| | |
|----------------|------------------|
| Utah | \$ (35,819) |
| Virgin Islands | (99,907) |
| Total | <u>(135,726)</u> |

Fiscal year 2009 appropriations received in fiscal year 2010

| | |
|----------------|----------------|
| Illinois | 19,752 |
| Utah | 35,819 |
| Virgin Islands | <u>99,907</u> |
| Total | <u>155,478</u> |

Fiscal year 2010 appropriations received

| | |
|----------------------|---------|
| Alabama | 172,753 |
| Alaska | 112,375 |
| Arizona | 198,939 |
| Arkansas | 145,311 |
| California | 200,000 |
| Colorado | 166,753 |
| Connecticut | 155,519 |
| Delaware | 115,146 |
| District of Columbia | 110,921 |
| Florida | 321,739 |
| Georgia | 248,006 |
| Hawaii | 103,259 |
| Idaho | 53,067 |
| Illinois | - |
| Indiana | 190,337 |
| Iowa | 73,826 |
| Kansas | 144,408 |
| Kentucky | 166,830 |
| Louisiana | 167,625 |
| Maine | 122,079 |
| Maryland | 187,904 |
| Massachusetts | 200,638 |
| Michigan | - |
| Minnesota | 181,476 |
| Mississippi | 146,597 |
| Missouri | 169,850 |
| Montana | 116,584 |
| Nebraska | 129,073 |
| Nevada | 14,118 |
| New Hampshire | 122,063 |
| New Jersey | 184,000 |
| New Mexico | 132,073 |

(Continued on the following page)

NATIONAL CONFERENCE OF STATE LEGISLATURES

Schedule of Appropriations by Entity
For the Year Ended June 30, 2010

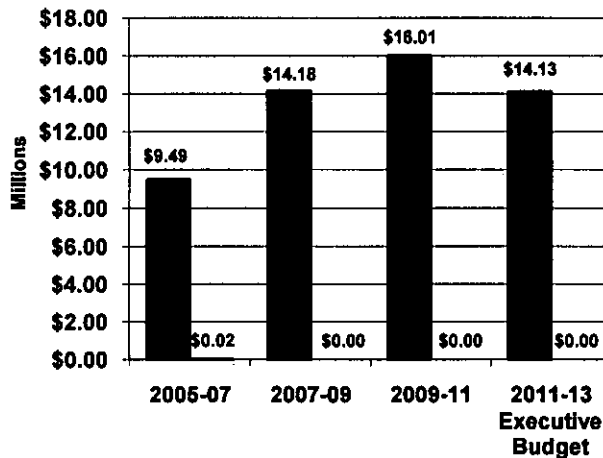
(Continued from the previous page)

| | |
|---|---------------------|
| New York | 380,867 |
| North Carolina | 240,598 |
| North Dakota | 111,717 |
| Ohio | 277,422 |
| Oklahoma | 157,279 |
| Oregon | 159,269 |
| Pennsylvania | - |
| Puerto Rico | 162,238 |
| Rhode Island | 118,115 |
| South Carolina | 169,386 |
| South Dakota | 114,105 |
| Tennessee | 196,153 |
| Texas | 467,766 |
| Utah | - |
| Vermont | 111,427 |
| Virginia | 219,952 |
| Washington | 150,684 |
| West Virginia | 129,654 |
| Wisconsin | 186,007 |
| Wyoming | 109,927 |
| American Samoa | - |
| Guam | 22,417 |
| Quebec, Canada | 34,063 |
| The Scottish Parliament | 10,000 |
| Total | <u>8,082,315</u> |
| Fiscal year 2010 accrued appropriations | |
| California | 200,000 |
| Pennsylvania | 292,206 |
| Utah | <u>103,900</u> |
| Total | <u>596,106</u> |
| Total fiscal year 2010 appropriations | <u>\$ 8,698,173</u> |

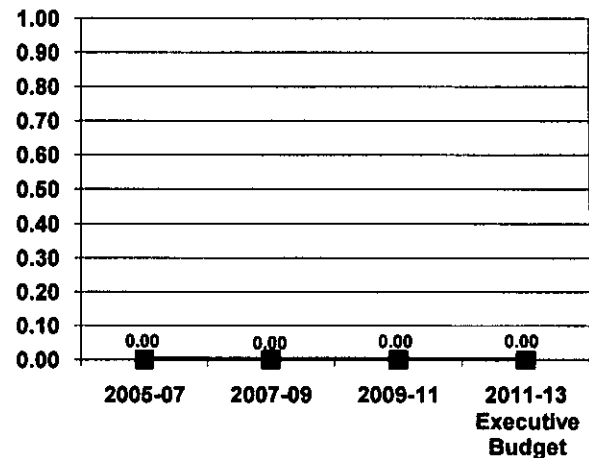
Department 150 - Legislative Assembly
House Bill No. 1001

| | FTE Positions | General Fund | Other Funds | Total |
|------------------------------------|---------------|---------------|-------------|---------------|
| 2011-13 Executive Budget | 0.00 | \$14,128,734 | \$0 | \$14,128,734 |
| 2009-11 Legislative Appropriations | 0.00 | 16,014,554 | 0 | 16,014,554 |
| Increase (Decrease) | 0.00 | (\$1,885,820) | \$0 | (\$1,885,820) |

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 |
|------------------------------------|------------------------------------|-------------------------------------|----------------------------------|
| 2011-13 Executive Budget | \$11,886,028 | \$2,242,706 | \$14,128,734 |
| 2009-11 Legislative Appropriations | 11,011,227 | 5,003,327 | 16,014,554 |
| Increase (Decrease) | \$874,801 | (\$2,760,621) | (\$1,885,820) |

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 \$415 to \$427 effective July 2011 and \$440 effective July 2012 | \$67,393 | | \$67,393 |
| 2. Adds funding for increasing additional monthly compensation for legislative leaders from \$298 to \$307 effective July 2011 and \$316 effective July 2012 | \$1,395 | | \$1,395 |
| 3. Adds funding for increasing legislative compensation for regular, special, or organizational sessions from \$148 per day to \$152 per day effective July 2011 and \$157 per day effective July 2012 | \$158,464 | | \$158,464 |
| 4. Adds funding for legislators' health insurance coverage, including an increase in health insurance premiums from \$826 to \$886 | \$189,228 | | \$189,228 |
| 5. Adds funding for increasing the maximum monthly lodging expense reimbursement allowed during legislative sessions from \$1,000 to \$1,271 (\$138,752) and for increasing the daily lodging expense reimbursement from \$63 plus tax to \$77 plus tax. The House added \$215,040 from the general fund for additional costs relating to House Bill No. 1141 which increases the monthly lodging expense reimbursement effective January 1, 2011. | \$150,333 | | \$150,333 |

| | | |
|---|---------------|---------------|
| 6. Adds one-time funding for redistricting special session, including \$167,265 for legislative pay, \$27,093 for temporary salaries, and \$77,660 for travel | \$272,018 | \$272,018 |
| 7. Adds one-time funding for information technology projects, including replacement of the fiscal notes system (\$75,700) and the legislative bill tracking system (\$84,238) | \$159,938 | \$159,938 |
| 8. Adds one-time funding for replacement of legislators' laptops | \$510,750 | \$510,750 |
| 9. Adds one-time funding for committee room renovations (\$500,000) and voting system upgrades (\$800,000) | \$1,300,000 | \$1,300,000 |
| 10. Removes one-time funding provided for the 2009-11 biennium relating primarily to the LEGEND computer system and committee room renovations | (\$5,003,327) | (\$5,003,327) |

Other Sections in Bill

Continuation of appropriation authority - Section 4 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2009-11 biennium be continued.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

The audit of the Legislative Assembly conducted by Eide Bailly during the 2009-10 interim included the following significant audit finding:

Condition: The financial statement provided by the agency did not properly reflect the fixed asset activity for the period under audit.

Recommendation: We recommend that all general ledger accounts are reconciled in a timely manner and adjustments made for any differences noted.

Response: The Legislative Council agrees with the finding. The adjustments made by the auditor all relate to transactions associated with the discontinuation of one major information technology project and the initiation of another major information technology project during the same period. Although the Legislative Council believes this to be a unique and isolated incident, the Legislative Council has made and will continue to make internal control improvements to more closely monitor the recording of transactions and their reflection on the financial statements.

Major Related Legislation

House Bill No. 1141 increases the maximum monthly lodging expense reimbursement allowed during legislative sessions.

House Bill No. 1261 repeals the Legislative Compensation Commission.

House Bill No. 1267 provides for the establishment of a Legislative Management redistricting committee, the implementation of a legislative redistricting plan, and a special legislative session.

House Bill No. 1368 amends North Dakota Century Code Sections 54-03-20 and 54-35-10 to increase legislative compensation by 3 percent per year for the 2011-13 biennium and repeals Sections 54-03-19.1 and 54-03-19.2 establishing the Legislative Compensation Commission.

Senate Bill No. 2169 provides that the Legislative Council is to record the audio of floor sessions based on rules adopted by the House and the Senate. The Legislative Council is to also archive all recordings and make the recordings available to the public.

ATTACH:1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

Page 1, line 2, after the second semicolon insert "to amend and reenact sections 54-03-10, 54-03-20, and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide an effective date;"

Page 1, replace lines 14 and 15 with:

| | | | |
|---------------------|-------------|-----------|-------------|
| "Salaries and wages | \$7,933,506 | \$784,985 | \$8,718,491 |
| Operating expenses | 2,850,061 | 1,167,255 | 4,017,316" |

Page 1, replace line 18 with:

| | | | |
|---------------------|--------------|-------------|---------------|
| "Total general fund | \$11,011,227 | \$3,256,690 | \$14,267,917" |
|---------------------|--------------|-------------|---------------|

Page 2, replace line 10 with:

| | | | |
|---------------------------|--------------|-------------|---------------|
| "Grand total general fund | \$21,280,730 | \$4,448,345 | \$25,729,075" |
|---------------------------|--------------|-------------|---------------|

Page 2, replace line 12 with:

| | | | |
|------------------------|--------------|-------------|---------------|
| "Grand total all funds | \$21,350,730 | \$4,448,345 | \$25,799,075" |
|------------------------|--------------|-------------|---------------|

Page 3, after line 31, insert:

"SECTION 6. COMMITTEE ROOM RENOVATIONS AND IMPROVEMENTS FUNDING - EXPENDITURE DETERMINATION. Any expenditure of funds relating to the sum of \$200,000 of the \$500,000 provided for committee room renovations and improvements in subdivision 1 of section 1 of this Act must be approved by a majority of the senate members of the interim legislative procedure and arrangements committee. Any expenditures relating to a separate sum of \$200,000 of the \$500,000 for committee room renovations and improvements must be approved by a majority of the house of representatives members of the interim legislative procedure and arrangements committee, and any expenditures relating to the remaining \$100,000 must be approved by a majority of all members of the interim legislative procedure and arrangements committee, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 7. AMENDMENT. Section 54-03-10 of the North Dakota Century Code is amended and reenacted as follows:

54-03-10. Compensation of speaker, majority and minority leaders, assistant majority and minority leaders, committee chairmen, and employees.

The speaker of the house, the house majority leader, the senate majority leader, the house minority leader, and the senate minority leader shall each receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of ~~ten~~^{fifteen} dollars per day for each calendar day during any regular, special, or organizational session. Chairmen of the substantive standing committees, the house assistant majority leader, the senate assistant majority leader, the house assistant minority leader, and the senate assistant minority leader shall

receive additional compensation of ~~five~~^{ten} dollars for each calendar day during any regular, special, or organizational session. The additional compensation provided by this section must be paid in the manner provided in section 54-03-20. The legislative assembly, by concurrent resolution, shall fix the compensation of the other officers and employees elected or appointed.

SECTION 8. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~forty-eight~~^{fifty-two} dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
 - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times fifty-five percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
 - b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member

would be entitled to receive as mileage reimbursement for travel by motor vehicle.

- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of four hundred ~~fifteen~~twenty-seven dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, 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~~three hundred ~~ninety-eight~~seven dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127

of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 9. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~fifty-two~~fifty-seven dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
 - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times fifty-five percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
 - b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member

would be entitled to receive as mileage reimbursement for travel by motor vehicle.

- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of four hundred ~~twenty seven~~forty dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, 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 three hundred ~~seven~~sixteen dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127

of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 10. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~forty-eight~~fifty-two dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 11. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~fifty-two~~fifty-seven dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 12. EFFECTIVE DATE. Sections 7, 8, and 10 of this Act become effective on July 1, 2011, and sections 9 and 11 of this Act become effective on July 1, 2012."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of Senate Action

| | Executive Budget | House Version | Senate Changes | Senate Version |
|-----------------------|---------------------|------------------|-------------------|-------------------|
| Legislative Assembly | | | | |
| Total all funds | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Less estimated income | 0 | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Legislative Council | | | | |
| Total all funds | \$11,531,158 | \$11,531,158 | \$0 | \$11,531,158 |
| Less estimated income | 70,000 | 70,000 | 0 | 70,000 |
| General fund | \$11,461,158 | \$11,461,158 | \$0 | \$11,461,158 |
| Bill total | | | | |
| Total all funds | \$25,659,892 | \$25,874,932 | (\$75,857) | \$25,799,075 |
| Less estimated income | 70,000 | 70,000 | 0 | 70,000 |
| General fund | \$25,589,892 | \$25,804,932 | (\$75,857) | \$25,729,075 |

House Bill No. 1001 - Legislative Assembly - Senate Action

| | Executive Budget | House Version | Senate Changes | Senate Version |
|--|---------------------|------------------|-------------------|-------------------|
| Salaries and wages | \$8,697,580 | \$8,697,580 | \$20,911 | \$8,718,491 |
| Operating expenses | 3,899,044 | 4,114,084 | (96,768) | 4,017,316 |
| Capital assets | 1,300,000 | 1,300,000 | | 1,300,000 |
| National Conf of State Legislatures | 232,110 | 232,110 | | 232,110 |
| Total all funds | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| Less estimated income | 0 | 0 | 0 | 0 |
| General fund | \$14,128,734 | \$14,343,774 | (\$75,857) | \$14,267,917 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

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

| | Adds Funding for Legislative Compensation ¹ | Removes Funding for Lodging Expense Reimbursement ² | Total Senate Changes |
|--|--|--|-------------------------|
| Salaries and wages | \$20,911 | | \$20,911 |
| Operating expenses | | (96,768) | (96,768) |
| Capital assets | | | |
| National Conf of State Legislatures | | | |
| Total all funds | \$20,911 | (\$96,768) | (\$75,857) |
| Less estimated income | 0 | 0 | 0 |
| General fund | \$20,911 | (\$96,768) | (\$75,857) |
| FTE | 0.00 | 0.00 | 0.00 |

¹ Funding is added for increasing the additional compensation for legislative leaders during legislative session from \$10 per calendar day to \$15 per calendar day and for chairmen of the standing committees and assistant legislative leaders from \$5 per calendar day to \$10 per calendar day. A section is added making the statutory change necessary to provide for the increase.

² Funding of \$96,768 from the general fund for increasing the reimbursement maximum for legislators'

lodging costs for the 2011 legislative session is removed. House Bill No. 1141 amends the maximum monthly lodging expense reimbursement allowed during legislative sessions from 30 times 55 percent of the state daily lodging expense reimbursement rate to 30 times 65 percent of the state daily lodging expense reimbursement rate. House Bill No. 1141 as passed by the House is effective January 1, 2011. House Bill No. 1141 as passed by the Senate is effective August 1, 2011. Therefore, funding of \$96,768 which was added by the House for increased costs relating to the 2011 legislative session is removed.

A section is added to provide that the determination of expenditures relating to the \$500,000 of funding for committee room renovations and improvements are:

- \$200,000 by Senate members of the Legislative Procedure and Arrangements Committee.
- \$200,000 by House members of the Legislative Procedure and Arrangements Committee.
- \$100,000 by all members of the Legislative Procedure and Arrangements Committee.

Sections are added to:

- Increase the compensation for regular, special, or organizational sessions from \$148 to \$152 per calendar day effective July 1, 2011, and to \$157 per calendar day effective July 1, 2012.
- Increase legislators' monthly compensation from \$415 to \$427 effective July 1, 2011, and to \$440 effective July 1, 2012.
- Increase additional monthly compensation for legislative leaders from \$298 to \$307 effective July 1, 2011, and to \$316 effective July 1, 2012.

These provisions were originally included in House Bill No. 1368. Funding for the increases was included in House Bill No. 1001 as introduced.

House Bill No. 1001 - Legislative Council - Senate Action

A section is added to increase the interim compensation rate from \$148 to \$152 per day effective July 1, 2011, and to \$157 per day effective July 1, 2012. This provision was originally included in House Bill No. 1368. Funding for the increase was included in House Bill No. 1001 as introduced.