2023 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1093

2023 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee

Pioneer Room, State Capitol

HB 1093 1/6/2023

A BILL for an Act authorizing the state of North Dakota acting through job service North Dakota to sell certain property.

Chairman Schauer called the meeting to order at 9:59 AM.

Chairman Austen Schauer, Vice Chairmen Bernie Satrom, Reps. Landon Bahl, Claire Cory, Jeff A. Hoverson, Jorin Johnson, Karen Karls, Scott Louser, Carrie McLeod, Karen M. Rohr, Vicky Steiner, Steve Vetter, Mary Schneider. All present.

Discussion Topics:

- Federal and state laws relating to property disposal
- Ability to transfer property
- Property appraisal

Phil Davis, Workforce Services of Job Service North Dakota, introduced HB 1093 with supportive testimony (#12431).

Chairman Schauer closed the hearing on HB 1093.

Rep. Vetter moved a do pass on HB 1093

Seconded by Rep. Bahl.

Roll Call Vote:

Representatives	Vote
Representative Austen Schauer	Υ
Representative Bernie Satrom	Υ
Representative Landon Bahl	Υ
Representative Claire Cory	Υ
Representative Jeff A. Hoverson	Υ
Representative Jorin Johnson	N
Representative Karen Karls	Υ
Representative Scott Louser	Υ
Representative Carrie McLeod	Υ
Representative Karen M. Rohr	Υ
Representative Mary Schneider	Υ
Representative Vicky Steiner	Υ
Representative Steve Vetter	Υ

Motion carries 12-1-0.

Carried by Rep. Bahl.

House Government and Veterans Affairs Committee HB 1093 1/6/2023 Page 2

Chairman Schauer adjourned the meeting at 10:10 AM.

Phillip Jacobs, Committee Clerk

REPORT OF STANDING COMMITTEE

Module ID: h_stcomrep_02_028

Carrier: Bahl

HB 1093: Government and Veterans Affairs Committee (Rep. Schauer, Chairman) recommends DO PASS (12 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1093 was placed on the Eleventh order on the calendar.

2023 SENATE INDUSTRY AND BUSINESS

HB 1093

2023 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee

Fort Union Room, State Capitol

HB 1093 3/6/2023

A bill authorizing the state of North Dakota acting through job service North Dakota to sell certain property.

9:30 AM Chairman D. Larsen called the meeting to order. Members present: Chairman D. Larsen, Vice Chairman Kessel, Senator Barta, Senator Klein, Senator Boehm.

Discussion Topics:

- Grand Forks property sale
- Bidding process
- Workforce

9:30 AM Phil Davis, Workforce Services Director, Job Service North Dakota, testified in favor of HB 1093. #21820

9:38 AM Chairman D Larsen closed the hearing.

9:38 AM Senator Klein moved DO PASS HB 1093. Senator Barta seconded the motion.

Roll call vote:

Senators	Vote
Senator Doug Larsen	Υ
Senator Greg Kessel	Υ
Senator Jeff Barta	Υ
Senator Keith Boehm	Υ
Senator Jerry Klein	Υ

Vote: 5-0-0-DO PASS HB 1093

Senator Klein will carry the bill.

10:40 AM Chairman D. Larsen closed the hearing.

Brenda Cook, Committee Clerk

REPORT OF STANDING COMMITTEE

Module ID: s_stcomrep_38_002

Carrier: Klein

HB 1093: Industry and Business Committee (Sen. Larsen, Chairman) recommends DO PASS (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1093 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.

TESTIMONY

HB 1093

House Bill 1093

Testimony of Phil Davis
Job Service North Dakota
Before the
House Committee On
Government and Veterans Affairs
Representative Schauer, Chair
January 6th, 2023

Mr. Chairman, members of the committee, my name is Phil Davis, Workforce Services Director of Job Service North Dakota. I am here today in support of House Bill 1093.

Selling property owned by Job Service is somewhat unique based upon the fact that the agency is funded almost exclusively by the federal government, with our properties funded entirely by the federal government. Because of the federal investment, we are required to follow both state and federal laws when disposing of these properties.

There are a variety of requirements that federal law outlines as it relates to property disposal, with a key component being that properties must be appraised and subsequently sold at fair market value, eliminating our ability to transfer the property to another entity at no cost or at a significantly reduced amount.

The property we are seeking permission to sell is the lot located directly west of the Grand Forks Workforce Center. It is mostly grass and measures 150 feet by 100 feet. We do not utilize the lot for any purpose and have no plans to do so in the future, however we do incur costs to maintain the appearance of the lot.

Although we have not expended the funds to complete an appraisal due to the lack of authority to sell the property, the value of the property is estimated at \$105,000.

Federal law also dictates how sale proceeds are to be disbursed, requiring that proceeds of any sale be returned to the program from which the funding originated. In the case of the Grand Forks property, the Unemployment Insurance and Wagner-Peyser federal programs provided the funding for the acquisition of the property and any sale proceeds would be returned to these federal grant programs for use in North Dakota.

Mr. Chairman, this concludes my testimony. At this time, I would be happy to answer questions from the committee.

House Bill 1093

Testimony of Phil Davis
Job Service North Dakota
Before the
Senate Committee On
Industry and Business
Senator Larsen, Chair
March 1st, 2023

Mr. Chairman, members of the committee, my name is Phil Davis, Workforce Services Director of Job Service North Dakota. I am here today in support of House Bill 1093.

Selling property owned by Job Service is somewhat unique based upon the fact that the agency is funded almost exclusively by the federal government, with our properties funded entirely by the federal government. Because of the federal investment, we are required to follow both state and federal laws when disposing of these properties.

There are a variety of requirements that federal law outlines as it relates to property disposal, with a key component being that properties must be appraised and subsequently sold at fair market value, eliminating our ability to transfer the property to another entity at no cost or at a significantly reduced amount.

The property we are seeking permission to sell is the lot located directly west of the Grand Forks Workforce Center. It is mostly grass and measures 150 feet by 100 feet. We do not utilize the lot for any purpose and have no plans to do so in the future, however we do incur costs to maintain the appearance of the lot.

Although we have not expended the funds to complete an appraisal due to the lack of authority to sell the property, the value of the property is estimated at \$105,000.

Federal law also dictates how sale proceeds are to be disbursed, requiring that proceeds of any sale be returned to the program from which the funding originated. In the case of the Grand Forks property, the Unemployment Insurance and Wagner-Peyser federal programs provided the funding for the acquisition of the property and any sale proceeds would be returned to these federal grant programs for use in North Dakota.

Mr. Chairman, this concludes my testimony. At this time, I would be happy to answer questions from the committee.