

**2025 HOUSE GOVERNMENT AND VETERANS AFFAIRS**

**HB 1233**

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1233  
1/24/2025

Relating to the powers and duties of the emergency commission; and to provide an appropriation.

10:00 a.m. Chairman Schauer opened the hearing.

Members present: Chairman Schauer, Vice Chairman Satrom, Representatives Bahl, Brown, Christy, Grindberg, Karls, McLeod, Rohr, Schneider, Steiner, VanWinkle, Vetter, Wolff

### Discussion Topics:

- Combination of sections.
- Authority to the budget section.
- Timing of when budget section may approve funds.
- Approval of appropriation.
- Types of special funds.

10:00 a.m. House Leader Lefor, District 37, testified in favor and submitted testimony, #31292.

10:09 a.m. Allen Knudson, gave neutral testimony and answered questions.

10:17 a.m. Chairman Schauer closed the hearing.

10:17 a.m. Representative Vetter moved a Do Pass.

10:17 a.m. Representative Bahl seconded the motion.

Representatives	Vote
Representative Austen Schauer	Y
Representative Bernie Satrom	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Josh Christy	Y
Representative Karen Grindberg	Y
Representative Karen Karls	AB
Representative Carrie McLeod	Y
Representative Karen Rohr	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	Y
Representative Christina Wolff	Y

10:19 a.m. Motion passed 13-0-1.

Representative Steiner will carry the bill.

10:19 a.m. Chairman Schauer closed the meeting.

*Jackson Toman, Committee Clerk*

**REPORT OF STANDING COMMITTEE**  
**HB 1233 ([25.0404.01000](#))**

**Government and Veterans Affairs Committee (Rep. Schauer, Chairman)** recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1233 was placed on the Eleventh order on the calendar.

Representative Mike Lefor

## HB 1233 Testimony

Good morning, Chairman Schauer and members of the Government and Veterans Affairs committee. My name is Mike Lefor, and I represent District 37 - Dickinson in the House of Representatives. Today, I bring HB 1233 to you for your consideration. The purpose of the bill is to provide more clarity and consistency in the century code as it pertains to the emergency commission.

In going through the bill, sections 1 and 2 change the timing of when the Budget Section may approve a major higher education improvement project when approved by donated (Section 1) or a change to the scope or an increase in expenditures relating to any state agency construction or improvement project (Section 2) from not within the 6 months of the convening of a regular legislative session to not within 3 months of the convening of a regular legislative session (the same timing for not approving requests after a session). This would allow the Budget Section to consider any of these items at its September meeting prior to a legislative session.

Sections 3 through 9 relate to the Emergency Commission/Budget Section approval process. These sections:

- a. In Section 3 beginning on line 20, this section deals with the overall authority of the emergency commission, each of these areas is detailed more specifically later in the bill. Special funds are added under 2b, so they are accepted in the same way federal funds are accepted. (Detailed later in Section 5 of the bill.) Regarding the transfer from state contingencies fund under 2c, instead of the Emergency Commission authorizing an agency to expend funds as is done currently, under the bill, the Emergency Commission will authorize a transfer of appropriation authority from the state contingencies fund. – this way the legislative assembly appropriates the funds (detailed later in Section 6 of the bill.)
- b. In sections 4, 5 and 6 it would require Budget Section approval for all requests and allow the Budget Section to amend any request. Currently only certain requests are forwarded to the Budget Section and the Budget Section may amend only certain requests. Section 4 deals only with a transfer between line items or funds within an agency's appropriation approved by the legislative assembly. The rest of the language provides that any transfer must be approved by the Budget Section, not only those over \$50,000 and allows the Budget Section to amend any request, not only those over \$3 million.
- c. In Section 5 beginning on page 5, I will summarize the changes here. This section deals only with the acceptance of federal or special funds, not the spending of them. At times an agency may need to accept a grant even though the funds won't be spent until later. This allows the agency to receive those funds, but it will not be able to spend them until approved by the legislative assembly.

- d. In section 6, it provides that the agency requests for additional spending, will, if approved, result in the transfer of appropriation authority from the emergency commission appropriation to the agency making the request. The emergency commissions available appropriation would decrease by the amount approved. This is like how the general fund state contingencies appropriation is handled now. The process would be the same whether it is general funds, special funds or federal funds.
- e. In Section 8, it would repeal the provisions as follows:
  - a. Identifying the approval process for special funds. The special fund process is combined with the federal funds process, so both are handled the same.
  - b. Relating to the state contingencies appropriation, (54-16-08) pertinent provisions are contained in 54-16-09.
  - c. Providing separate approval processes for certain internal service agencies like ITD and Roughrider Industries (54-16-11.1) Requests from these agencies will be handled like any other agency request.
- f. Finally in section 9, the language provides specific legislative appropriation for state contingencies identifying the amount Emergency Commission and Budget section may approve each biennium for general fund, special funds and federal funds. This would alleviate constitutional concerns that the Emergency Commission and Budget Section are spending funds not appropriated by the Legislative assembly and will allow the legislative assembly to "set the caps" each biennium rather than having the caps in statute.

As I stated previously, this bill makes the emergency commission and budget section process more fluid and more flexible while maintaining legislative control over the number of dollars allocated. I would ask for a "do pass" recommendation to the House. Thank you.

**2025 HOUSE APPROPRIATIONS**

**HB 1233**

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee Roughrider Room, State Capitol

HB 1233  
2/3/2025

Relating to the powers and duties of the emergency commission and budget section; to repeal sections 54-16-04.2, 54-16-08, and 54-16-11.1 relating to the powers and duties of the emergency commission; and to provide an appropriation.

9:36 a.m. Chairman Vigesaa opened the hearing.

Members Present: Chairman Vigesaa, Vice Chair Kempenich, Representatives: Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner.

Members Absent: Representative Brandenburg

### Discussion Topics:

- Emergency Funds
- Emergency Commission Statutes
- Emergency Commission Timeframe
- Remodeling State Building Process and Scope

9:36 a.m. Representative Austin Shauer introduced the bill, testimony #33747.

9:42 a.m. Alan Knudson, Legislative Council, testified neutrally. 9:54 a.m.

Representative Kempenich motioned a Do Pass.

9:54 a.m. Representative Monson seconded the motion.

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	AB
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y



Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

Motion Passed 22-0-1.

Representative Steiner will carry the bill.

9:56 a.m. Chairman Vigesaa closed the meeting.

*Madaline Cooper, Committee Clerk for Sierra Schartz, Committee Clerk*

**REPORT OF STANDING COMMITTEE**  
**HB 1233 ([25.0404.01000](#))**

**Appropriations Committee (Rep. Vigesaa, Chairman)** recommends **DO PASS** (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1233 was placed on the Eleventh order on the calendar.

Good Monday Morning Mr. Chairman and members of the Appropriations Committee.

My name is Austen Schauer, D13, West Fargo.

The purpose of **HB 1233** is to provide more **clarity and consistency** as it pertains to the **Emergency Commission**.

**Sections 1 and 2** change the **timing** of when the Budget Section may approve a major **higher education improvement project**.

The change comes on **page 2, line 29**, when the deadline for a change relating to any state agency construction project comes **three months** instead of **six months** from the legislative session.

This would allow the Budget Section to consider changes at its **September** meeting.

**Sections 3 through 9** relate to the **Emergency Commission, Budget Section** approval process.

- a. **Section 3, page 3, line 20**, deals with the overall authority of the emergency commission.

Special funds are added under **2b**, so they can be accepted in the same way federal funds are accepted.

Regarding the transfer from state contingencies fund under **2c**, instead of the **Emergency Commission** authorizing an agency to expend funds as is currently done, **HB 1233** says the Emergency Commission will authorize a transfer of appropriation authority from the state contingencies fund.

This way the legislative assembly appropriates the funds (detailed later in Section 6 of the bill.)

- b. **Sections 4, 5 and 6** would require Budget Section approval for **all** requests and allow the Budget Section to amend any request.

**Section 4** also deals only with a transfer between line items or funds within an agency's appropriation approved by the legislative assembly.

- c. **Section 5**, beginning on **page 5, line 5**, deals with the **acceptance** of federal or special funds, not the **spending** of them.

At times an agency may need to accept a grant even though the funds won't be spent until later.

- d. **Section 6** provides agency requests for additional spending, which will, if approved, result in the transfer of appropriation authority from the emergency commission to the agency making the request.

The emergency commission's available appropriation would **decrease** by the amount approved.

The process would be the same whether it is general funds, special funds or federal funds.

- e. **Section 8** would repeal the provisions as follows:

- 1. Identifying the approval process for special funds.

The special fund process is combined with the federal funds process, so both are handled the same.

- 2. Relating to the state contingencies appropriation, (54-16-08) pertinent provisions are contained in 54-16-09.

- 3. Providing separate approval processes for certain internal service agencies like ITD and Roughrider Industries (54-16-11.1)

Requests from these agencies will be handled like any other agency requests.

- f. In **section 9**, the language provides specific legislative appropriation for state contingencies identifying the amount Emergency Commission and Budget section may approve each biennium for general fund, special funds and federal funds.

This would alleviate constitutional concerns that the Emergency Commission and Budget Section are spending funds **not appropriated** by the Legislative assembly and will allow the legislative assembly to "**set the caps**" each biennium rather than having the caps in statute.

We believe **HB 1233** makes the emergency commission and budget section process more **fluid and flexible** while maintaining legislative control over the number of dollars allocated.

Your **GVA Committee** gave **HB 1233** a **DO PASS** by a 13-0 vote.  
We now seek your approval.  
Thank you, Mr. Chairman.

**2025 SENATE STATE AND LOCAL GOVERNMENT**

**HB 1233**

# 2025 SENATE STANDING COMMITTEE MINUTES

State and Local Government Committee  
Room JW216, State Capitol

HB 1233  
3/27/2025

Relating to the powers and duties of the emergency commission and budget section; and to the powers and duties of the emergency commission; and to provide an appropriation.
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2:34 p.m. Chair Roers called the hearing to order.

Members Present: Chairman Roers; Vice Chair Castaneda; Senators: Barta, Braunberger, Lee and Walen.

## Discussion Topics:

- Unexpected expenses
- Approval process
- Provides flexibility
- Improves process flow

2:34 p.m. Representative Lefor, District #37, introduced the bill and submitted testimony #44328

2:42 p.m. Allen Knudson, Legislative Council staff, testified neutral.

2:42 p.m. Chair Roers closed the hearing.

*Susan Helbling, Committee Clerk*



Representative Mike Lefor

## HB 1233 Testimony

Good afternoon, Chair Roers and members of the Senate State and Local Government committee, my name is Mike Lefor, and I represent District 37 - Dickinson in the House of Representatives. Today, I bring HB 1233 to you for your consideration.

This bill deals with certain provisions in code regarding the emergency commission and the Budget Section committee. The emergency commission is comprised of the Governor, Secretary of State, Senate Majority Leader, House Majority Leader and chairs of the appropriations committee from the House and the Senate.

This group meets on a quarterly basis to go over funding requests and to be able to work with funding grants received during the interim. I am a strong believer that the legislative assembly has the sole discretion of allocating dollars and fund state government. However, due to the fact the legislature meets every two years, situations occur which are not contemplated during the session.

The fires in the western part of the state is a perfect example of something totally unexpected and was not included in the various state agencies budgets. Every action taken by the emergency commission must be ratified at the next meeting of the Budget Section committee. This bill, while technical in nature, provides flexibility and improved flows in the process.

First, sections 1 and 2 change the timing of when the Budget Section may approve a major higher education improvement project paid for with donated funds (Section 1) or a change to the scope or an increase in expenditures relating to any state agency construction or improvement project (Section 2) from not within six months of the convening of a regular legislative session to not within 3 months. This would allow the Budget Section to consider any of these items at its September meeting prior to session.

Next, Sections 3 through 9 relate to the Emergency Commission/Budget Section approval process. These sections provide a specific legislative appropriation for state contingencies identifying the amounts the Emergency Commission and Budget Section may approve each biennium for general fund, special funds and federal funds. (Section 9)

This would alleviate constitutional concerns that these groups are spending funds not appropriated by the legislative assembly to "set the caps" each biennium rather than having the caps in statute. Provides that agency requests for additional spending will, if approved, result in the transfer of appropriation authority from the Emergency Commission appropriation to the agency making the request. (Section 6). The Emergency Commissions available appropriation would decrease by the amount approved. This is similar to how the general fund state contingencies appropriation is handled currently. The process would be the same whether it is general fund, special funds or federal funds.



Further, it would require Budget Section approval for all requests and allow the Budget Section to amend any request (Sections 4, 5, 6) This will make the process more consistent. Currently, the Budget Section may only amend certain requests.

There are repeal provisions contained in Section 8 including:

- a. Identifying the approval process for special funds. This special fund process is combined with the federal funds process so they are the same.
- b. Relating to the state contingencies appropriation.

On page 9, it provides for the allocation of dollars to the Emergency Commission by category for the 2025-2027 biennium for a total of \$70 million.

Chair Roers and members of the State and Local Government committee, HB 1233 makes the process of accepting and allocating dollars easier and adds more authority to the Budget Section. Further, it provides clarity and consistency in code when it comes to the different categories such as the general fund, special funds, and federal funds.

# 2025 SENATE STANDING COMMITTEE MINUTES

## State and Local Government Committee Room JW216, State Capitol

HB 1233  
3/28/2025

Relating to the powers and duties of the emergency commission and budget section; and to the powers and duties of the emergency commission; and to provide an appropriation.

9:28 a.m. Chair Roers called the hearing to order.

Members Present: Chairman Roers; Vice Chair Castaneda; Senators: Barta, Braunberger, Lee and Walen.

### Discussion Topics:

- Committee Action

9:28 a.m. Senator Lee moved Do Pass.

9:28 a.m. Senator Castaneda seconded the motion.

Senators	Vote
Senator Kristin Roers	Y
Senator Jose L. Castaneda	Y
Senator Jeff Barta	Y
Senator Ryan Braunberger	Y
Senator Judy Lee	Y
Senator Chuck Walen	Y

Motion Passed 6-0-0

Senator Lee will carry the bill.

9:30 a.m. Chair Roers closed the hearing.

*Susan Helbling, Committee Clerk*

**REPORT OF STANDING COMMITTEE**  
**HB 1233 ([25.0404.01000](#))**

**State and Local Government Committee (Sen. Roers, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1233 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.