

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1439

2001 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1439

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1439

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 2/2/01

Tape Number	Side A	Side B	Meter #
1		X	1517-3801
2	X		68-706
Committee Clerk Signature			<i>Robin L. Small</i>

Minutes:

REP. M. KLEIN called the meeting to order, all members were present except REP. HUNSKOR.

In favor:

REP. JAMES KERZMAN, DISTRICT 35

KERZMAN introduces the bill. KERZMAN is one of the sponsors on the bill. KERZMAN states that this bill is a very straight forward bill. 63,000 new jobs in the past ten years. What are we as tax payers getting for our investments in technology development? Good question to ask ourselves. We've had some successes and a few losses in our area. People are defiantly asking us. We as the public have the right to know what the return of our investment is. ND revenues picture is starting to look bleak. They are crying wolf down in appropriations like you wouldn't believe, they are starting to cut budgets.

REP. MEIER asks if KERZMAN is proposing this bill to have some wage competitiveness?

KERZMAN replies that he would really like to get a track record.

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**House Government and Veterans Affairs Committee
Bill/Resolution Number HB 1439
Hearing Date 2/2/01**

Neutral: (Mildly oppose, the way the bill is written.)

**MELISSA HAUER, DIRECTOR OF THE LEGAL ADVISORY UNIT OF THE
DEPARTMENT OF HUMAN SERVICES**

Please see attached testimony.

Oppose:

CONNIE SPRYNCZYNATYK, ND LEAGUE OF CITIES

SPRYNCZYNATYK states that there are other similar house bills to this one. Believes that they have to be accountable.

REP. KROEBER asks about the cities with the one cent sales tax. Comment on the gray area of economic development from that tax. **SPRYNCZYNATYK** replies that the information on success and failure is on the local level. There are 84 cities that are home rules. That money is primarily dedicated to infrastructure repair and replacement.

Oppose:

RON ROSCHENBERGER, DSC

ROSCHENBERGER states that the renaissance zone can involve those zones.

Neutral:

DANIEL L. ROUSE, TAX DEPARTMENT, LAWYER

ROUSE states that they were anticipating the conduct of a study would be proposed. Would support the study.

Oppose:

DAVE KOLAND, ND RURAL WATER

KOLAND states that he is here to ask what the bill would do. Also some concern about confidentiality.

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House Government and Veterans Affairs Committee

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Being there was no further testimony, the hearing was then closed.

Action was taken later in the day.

REP. CLARK motioned for a DO NOT PASS, seconded by **REP. KASPER**. The roll call vote was taken with 14 YES, 0 NO, 1 ABSENT AND NOT VOTING. The carrier of the bill is **REP. CLARK**.

HB 1439: DO NOT PASS 14-0

CARRIER: REP. CLARK

FISCAL NOTE
Requested by Legislative Council
01/23/2001

Bill/Resolution No.: HB 1439

Amendment to:

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

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

No fiscal impact. This assumes the wage information would be gathered and maintained by current staff.

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

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

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

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Name:	Pam sharp	Agency:	OMB
Phone Number:	328-4606	Date Prepared:	01/23/2001

Date: 9-9-2001

Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO.

HB 1439

House GOVERNMENT AND VETERANS AFFAIRS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Clark Seconded By Kasper

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	✓		REP KROEBER	✓	
VICE CHAIR GRANDE	✓				
REP BELLEW	✓				
REP BRUSEGAARD	✓				
REP CLARK	✓				
REP DEVLIN	✓				
REP HAAS	✓				
REP KASPER	✓				
REP KLEMIN	✓				
REP MEIER	✓				
REP WIKENHEISER	✓				
REP CLEARY	✓				
REP HUNSKOR		✓			
REP METCALF	✓				

Total (Yes) 14 No 0

Absent 1

Floor Assignment Rep. Clark

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

REPORT OF STANDING COMMITTEE (410)
February 2, 2001 11:54 a.m.

Module No: HR-19-2210
Carrier: Clark
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1439: Government and Veterans Affairs Committee (Rep. M. Klein, Chairman)
recommends **DO NOT PASS** (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).
HB 1439 was placed on the Eleventh order on the calendar.

2001 TESTIMONY

HB 1439

**TESTIMONY BEFORE
THE HOUSE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
REGARDING HOUSE BILL NO. 1439**
February 2, 2001

Chairman Klein and members of the House Government and Veterans Affairs Committee, my name is Melissa Hauer. I am the Director of the Legal Advisory Unit of the Department of Human Services.

The Department is neutral about this bill but is concerned about the broad definition of economic development assistance which, as stated in the bill, "includes grants, financing, in-kind assistance that exceeds one thousand dollars, tax waivers, tax credits, interest buydowns, and other types of financial incentives." The Department provides grants in several of its programs but they are not for economic development. For instance, its Aging Services Division pays grants to various non-profit organizations around the state to administer services such as congregate meals, meals on wheels and transportation for the elderly. The Department's Children and Family Services Division pays grants to non-profit organizations for child abuse and neglect prevention services. Because of the broad definition of economic development assistance used in the bill, the Department could be subject to its provisions when it seems that is probably not an intended result.

This concern could be alleviated by amending the bill so that it would apply only to those payments which are made specifically for the purpose of economic development. For instance, the definition of economic development assistance could be amended to state that it means grants, financing, in-kind assistance that exceeds one thousand dollars, tax waivers, tax credits, interest buydowns, and other types of financial incentives paid to or on behalf of an organization and which have as a primary purpose the promotion of economic diversification, facilitation of the

growth and expansion of existing enterprise and attraction and creation of new wealth-generating enterprises in the state.

For these reasons, the Department urges the committee to consider amendments to clarify the language of the bill to ensure that the requirements of the bill regarding wage information apply only to those entities that are providing economic development assistance.

**I would be happy to try to answer any questions the committee members may have.
Thank you.**

Prepared by:

**Melissa Hauer, Director
Legal Advisory Unit
Department of Human Services**