

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2232

2001 SENATE APPROPRIATIONS

SB 2232

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2232

Senate Appropriations Committee

Conference Committee

Hearing Date January 23, 2001

Tape Number	Side A	Side B	Meter #
1		ED & F grants	29.6-44.4
Committee Clerk Signature <i>Betty Stalder</i>			

Minutes:

Senator Nething opened the hearing on SB 2232.

Senator Kroeplin, sponsor of SB 2232, stating that the bill was pretty explanatory for an appropriation out of the profits of the Bank of ND in the sum of \$100,000 to the department of economic development and finance for the purpose of providing grants. The funds are to be used to establish a pilot project to provide grants to cities, school districts, or authorized job development in remodeling abandoned public school buildings for that location or for relocation of a new or expanding business.

Senator Nething: This is only a pilot project?

Senator Kroeplin: That's correct.

Senator Schobinger: Is this project for a specific building or specific area or is it up to ED & F to determine?

Senator Kroeplin: No; this is state wide, first come basis.

Senator Heitkamp: Would you call this a renaissance bill but for smaller towns? Or in a sense, with no tax breaks?

Senator Kroeplin: A renaissance bill is for rural communities and not funded.

Senator Tallackson: Primary feasibility; or subsidize the purpose?

Senator Kroeplin: No; directly tied to jobs for the building to be remodeled, up to \$5,000 for the building for each new full-time job proposed to be created as a result of the project. To keep jobs in rural communities. Bill does state that only one school building can be in the town that applies for the grant.

Eric Hardmeyer, Interim President, Bank of North Dakota, testified, not in opposition of the bill but asking that a different way of funding be done; suggesting from the general fund and not from profits of the Bank of North Dakota.

Senator Robinson: Other sources to fund this pilot project with right situation and source?

Eric Hardmeyer: This is a good concept; rural development at a federal level could possibly fund this project.

Senator Heitkamp: Why the concern, difference from Bank of ND or general fund?

Eric Hardmeyer: mechanism not right for the bank.

Senator Heitkamp: Conditions need to be met to finance; just curious, analysis of what fiscal impact could be, with jobs to create?

Eric Hardmeyer: I'm not the person to answer you on that question.

Senator Nething: That will be covered later.

Representative Aarsvold, sponsor SB 2232, testified in support of the bill (testimony attached).

With no opposition, hearing was closed. Tape 1, Side B, meter 44.4

Page 3  
Senate Appropriations Committee  
Bill/Resolution Number 2232  
Hearing Date January 23, 2001

February 16, 2001 Full Committee Action (Tape #1, Side B; Meter No. 12.6-14.3)

Senator Nething reopened the hearing on SB2232.

Discussion.

Senator Grindberg moved a DO NOT PASS; seconded by Senator Holmberg. Call for the Roll

Call Vote: 12 yes; 1 no; 1 absent and not voting. Senator Grindberg accepted the floor assignment.

Date: 2-16-01

Roll Call Vote #: \_\_\_\_\_

**2001 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. SB2232**

Senate Appropriations Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken As Not Passed

Motion Made By Sen Brundberg Seconded By Sen Holmberg

Senators	Yes	No	Senators	Yes	No
Dave Nething, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindaas		✓			
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac	✓				
Joel C. Heitkamp					
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg	✓				
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 12 No 1

Absent 1

Floor Assignment Senator Brundberg

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

**REPORT OF STANDING COMMITTEE (410)**  
February 16, 2001 12:00 p.m.

**Module No: SR-29-3651**  
**Carrier: Grindberg**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2232: Appropriations Committee (Sen. Nething, Chairman) recommends DO NOT PASS (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). SB 2232 was placed on the Eleventh order on the calendar.**

2001 TESTIMONY

SB 2232

SB 2232

**SENATE APPROPRIATIONS COMMITTEE**  
**TESTIMONY, PREPARED BY REPRESENTATIVE AARSVOLD**  
**SENATE BILL 2232 (1-23-01)**

IN RECENT YEARS, NORTH DAKOTA HAS SEEN A DRAMATIC REDUCTION IN THE NUMBER SCHOOL DISTRICTS. FINANCIAL DIFFICULTIES, REDUCED ENROLLMENTS, AND THE NEED FOR BROADER CURRICULAR OFFERINGS TO MEET STUDENT NEEDS HAVE ALL CONTRIBUTED TO THIS SITUATION. BY WAY OF EXAMPLE, THE SCHOOL DISTRICT IN WHICH I LIVE, NORTHERN CASS, EDUCATES STUDENTS THAT FORMERLY WERE HOUSED IN SIX SETS OF BUILDINGS OPERATED BY SIX SEPARATE SCHOOL DISTRICTS. SUCH REORGANIZATIONS OF TWO, THREE, FOUR OR MORE DISTRICTS ARE COMMON IN MY LEGISLATIVE DISTRICT AND HAVE AFFORDED THE STATE OF NORTH DAKOTA AND LOCAL TAXPAYERS CERTAIN TAX SAVINGS.

MANY OF THE VACATED SCHOOL BUILDINGS IN THOSE REORGANIZED DISTRICTS DO HAVE ECONOMIC POTENTIAL TO HOUSE NEW AND/OR EXISTING BUSINESSES. THE PILOT PROJECT SUGGESTED IN SENATE BILL 2232 COULD PROVIDE A MODEL FOR DEVELOPMENT IN OUR RURAL COMMUNITIES THAT ARE IN DESPERATE NEED OF ECONOMIC DIVERSIFICATION AND ADDITIONAL EMPLOYMENT. THE MODEST APPROPRIATION REQUESTED IN THIS BILL IS MINIMAL COMPARED TO ITS POTENTIAL BENEFIT AS AN ECONOMIC MODEL FOR OTHER RURAL COMMUNITIES HAVING VACANT BUILDINGS.

I URGE THE COMMITTEE'S FAVORABLE CONSIDERATION. I WILL BE HAPPY TO ANSWER ANY QUESTIONS.