

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

10007

2005 HOUSE APPROPRIATIONS

HB 1007

**Labor Commission - testifying was LeeAnn Birch** <sup>HB 1007</sup> (meter #2.8)

**Ms Birch** reviewed the variances listed in handout #4-5 (attached). She highlighted the change in FTE's saying that all changes would be paid for with federal dollars, and explained the discrepancy of the figures on the handout concerning compensation by saying that it represents the percentage that they apply to the federal funds for compensation. **Ms Birch** finished her review by discussing the goals and objectives for the agency.

**Public Service Commission - testifying was Kevin Kramer** <sup>HB 1008</sup> (meter #15.2)

**Mr Kramer** reviewed the notes in the distributed handout #4-6 (attached) regarding the variances from 03-05 and 05-07. **Rep. Mike Timm, Vice Chairman** asked about the Rail Rate Court Case and asked if we could accomplish a positive result for the requested \$900,000 when Montana has been fighting this same case for years and has spent millions of dollars. **Mr Kramer** answered that we are trying this case within a new method that would help keep both time spent and costs, lower. **Rep. Ron Carlisle** asked how many years Montana has been pursuing this issue. **Mr Kramer** answered that he believed it was 3-4 years. We expect 1-2 years within the new method. **Rep. Chet Pollert** explained that he knew a lot about this case and would be willing to visit with any representative who had any questions. **Rep. Ken Svedjan, Chairman** asked if the counsel for this case was being hired outside the Attorney General's office. **Mr Kramer** confirmed this. **Rep. Ole Aarsvold** asked about the costs of Connect ND and other storage fees. **Mike Pillard** answered that all indirect costs would be recovered from federal funds.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee  
Government Operations Division

Conference Committee

Hearing Date Monday, January 10, 2005

| Tape Number | Side A | Side B | Meter # |
|-------------|--------|--------|---------|
| 1           | ----   | X      | 13-3501 |

Committee Clerk Signature



Minutes:

**Chairman Carlisle** opened the Hearing on HB 1007 regarding the budget for the Department of Labor.

**Ms. Leann K. Bertsch, Commissioner of Labor**, read her testimony into the record. (See Handout #1) (Meter #823)

**Chairman Carlisle** asked for clarification of the \$6,000 salary increase mentioned in the breakdown of the general fund variance (p 4 of Handout #1) and how many FTE's the Dept. currently has.

**Ms. Bertsch** explained that the compensation package for this employee was presently \$3,500 a month. There are currently 10 FTE's.

**Rep. Kempenich** in looking at the budget details, noticed the Dept. is losing \$123,000 of Federal Funding and wanted to know why the number is so high.

**Ms. Bertsch** pointed out that the decrease comes from HUD funds that “were not going to be applied to salary, but which come out of a special pool of HUD funds, Partnership Initiative, which specifically have to be used for training, so those would not be applied to any salary line items, but with our EEOC contract and our HUD contract there would be sufficient federal funds.” She went on to explain the ratio of funds to cases closed.

**Rep. Kempenich** also asked about the overtime, noting that it was down.

**Ms. Bertsch** the training of temporary staff has helped decrease the work load.

**Chairman Carlisle** asked how the additional FTE is funded and **Ms. Bertsch** responded through federal funds. If federal funds run out, the position ends.

**Chairman Carlisle** referred to the salary of the deputy and asked for some history of what has taken place.

**Sandy Paulson, OMB**, explained that the salary dropped for several reasons: duties for the deputy changed and the Dept. was going through budget cuts. Human Resources stated that the deputy’s salary is the lowest in the State with the exception of the State Treasurer’s deputy. The \$6,000 is an attempt to bring it up over the next two years.

**Ms. Bertch** added that this deputy oversees the whole investigative staff and does case work as well.

**Chairman Carlisle** asked for a memo to explain the rationale for this request.

**Rep. Timm** asked if this position is important enough to retain should the federal funding expire.

**Ms. Bertch** explained that if the decrease takes place, it would be because the case load is down and then the position would no longer be relevant. “Projections are that our case load will

continue to increase and that will in addition basically increase our federal revenue coming in based on our contracts with EEOC and HUD.”

**Rep. Timm** wanted to know why case load would increase and **Ms. Bertch** responded that the “Human Rights Division is fairly new with the Department of Labor and we’ve taken on more duties. We traditionally did employment discrimination cases and had the work share contracts with the EOC, but as we continue to get enforcement authority with housing discrimination and employment and there’s been more outreach and awareness that we exist...more people will file complaints.” She pointed out that most cases are dual filed with the EOC. Also, that the Division is a neutral 3rd party whose mission is to educate and investigate complaints.

**Rep. Kroeber** asked for a number for total complaints.

**Ms. Bertsch** estimates there are 10 housing cases pending, 60 employment discrimination cases, and 50 public service/accommodation cases.

**Chairman Carlisle** requested a memo with exact figures.

**Rep. Timm** asked “do you feel your agency is able to accomplish the work and the tasks assigned to it and, therefore, there is no need for a Human Rights Commission in the State of ND?”

**Ms. Bertsch** responded that the “Dept. of Labor and the Div. of Human Rights is more than accomplishing it’s mission of addressing discriminatory complaints.” She went on to point out that EEOC is very particular about reviews and none of the cases have been turned back. Also, HUD gave the Division “glowing reviews.” (Meter #1702)

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Government Operations Division

Bill/Resolution Number HB 1007

Hearing Date Monday, January 10, 2005

awareness. She also submitted a fact sheet on the ND Commission on Human Rights (See Handout #3) even though this testimony relates to a bill which will come up later in the session.

Meeting Adjourned.

(Meter #3501)

**Re: HB 1007, Labor Commissioner**

Members discussed why the budget seemed to bounce around so much and Sandy Paulson explained that HUD changed the reporting requirements to a per case format. The budget is adapting to those changes; this is the transition. Members discussed the Memo dated 1/11/05 which clarified the request for salary increase. Rep. Timm agreed to carry HB 1007 to the floor.

**Re: HB 1011, Securities Department**

Members discussed the FTE request and generally agreed that this position pays for itself. The estimates for outside counsel seemed within reason. Rep. Kempenich agreed to carry HB 1011 to the floor (Meter #1955)

**Re: HB 1005, Treasurer's Department**

Members discussed the IT costs. Sandy Paulson estimates that the Treasurer has enough now in the budget to work on a study and do a quick fix. Rep. Thoreson pointed out that it's the application software that's costly. IT can help find that and adjust it to our state laws. Members also discussed the CO2 pipeline. Sandy Paulson will get more information regarding which counties are involved.

**Re: HB 1001, Governor's Office**

Discussed briefly that the office is authorized for 18 people and that adding one person still funds to 17.3. Noted that Governor & Lt. Governor did not take salary increases for the past two sessions. (Meter #3597)

**Re: HB 1010, Insurance Commission**

**Chairman Carlisle** Members discussed the amendment and generally agreed a flat amount would be most efficient and each session it could be re-evaluated. Members asked Roxanne

General Discussion

Page 2

House Appropriations, Government Operations Division

Wednesday, February 2, 2005

**Re: HB 1005 regarding the Treasurer's Office**

**Rep. Timm** said that budget is ready.

(Meter #28.2)

**Re: HB 1006 regarding the Tax Commission**

**Rep. Timm** said budget is a straight forward appropriation. The Tax Commissioner will take up his new tax plan with the Full Committee.

**Re: HB 1007 regarding the Labor Commissioner**

**Chairman Carlisle** and **Rep. Thoreson** met with the Commissioner and got the answer regarding the \$20,000. The money is necessary for that attorney due to a conflict of interest.

**Re: HB 1008 regarding Public Service Commissioner**

**Rep. Kempenich** will take this one and the amendment for \$1.8 million will be a subject of debate. The Metrology Lab issue is settled. There is the letter regarding IT.

**HB 1011 regarding Securities Commission**

**Rep. Kempenich** didn't raise anything of concern.

**Chairman Carlisle** called a recess until 10:00 a.m.

(Meter No. 30.4)

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

House Appropriations Committee  
Government Operations Division

Conference Committee

Hearing Date Friday, February 11, 2005

| Tape Number | Side A | Side B | Meter #   |
|-------------|--------|--------|-----------|
| 1           | X      |        | 24.1-26.1 |

Committee Clerk Signature

*Ronald T. Trumbull*

Minutes:

**Chairman Carlisle** opened discussion on HB 1007 and Amendment .0101 concerning the Labor Commission budget. **Ms. Roxanne Woeste, Legislative Council**, noted that the only change was the adjustments to salaries.

**Rep. Thoreson** moved to approve Amendment .0101; **Rep. Timm** seconded.

Hearing no further discussion, **Chairman Carlisle** called for a roll call vote (#1). Motion passed 4-2-0.

**Rep. Timm** moved a DO PASS on HB 1007 as amended; **Rep. Kempenich** seconded.

Hearing no further discussion, **Chairman Carlisle** called for a roll call vote (#2). Motion passed 6-0-0.

(Meter #26.1)

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1007  
Labor Commissioner

House Appropriations Full Committee

Conference Committee

Hearing Date February 15, 2005

| Tape Number | Side A | Side B | Meter #      |
|-------------|--------|--------|--------------|
| 4           |        | X      | #9.5 - #13.7 |

Committee Clerk Signature

*Chris Alexander*

Minutes:

**Rep. Ken Svedjan, Chairman** opened the discussion on HB1007.

**Rep. Mike Timm, Vice Chairman** explained that the amendment is #0101 and that this only adjusts the salary package.

**Rep. Mike Timm, Vice Chairman** moved to adopt amendment #0101 to HB1007.

**Rep. Blair Thoreson** seconded.

**Rep. Ken Svedjan, Chairman** called for a voice vote on the motion to adopt amendment #0101 to HB1007. Motion carried

**Rep. Mike Timm, Vice Chairman** explained this is another tight budget that operates with few employees. There is an additional FTE and an additional \$20,000 for purchase of legal services.

**Rep. Mike Timm, Vice Chairman** move a Do Pass As Amended motion on HB1007.

**Rep. Ron Carlisle** seconded.

Page 2

House Appropriations Committee

Bill/Resolution Number HB1007

Hearing Date February 15, 2005

**Rep. Ken Svedjan, Chairman** called for a roll call vote on the Do Pass As Amended motion on HB1007. Motion carried with a vote of 23 yeas, 0 neas, and 0 absences. Rep Timm will carry this bill to the house floor.

**Rep. Ken Svedjan, Chairman** closed the discussion on HB1007.

Date: 2/11/05  
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1007

House House Appropriations Government Operations

Committee

Check here for Conference Committee

Legislative Council Amendment Number

58030.0101

Action Taken

Approve

Amendment. 0101

Motion Made By

Rep. Thoreson

Seconded By

Rep. Tim

| Representatives   | Yes | No | Representatives | Yes | No |
|-------------------|-----|----|-----------------|-----|----|
| Chairman Carlisle | ✓   |    | Rep. Kroeber    |     | ✓  |
| Rep. Timm         | ✓   |    | Rep. Williams   |     | ✓  |
| Rep. Kempenich    | ✓   |    |                 |     |    |
| Rep. Thoreson     | ✓   |    |                 |     |    |

Total (Yes)

4

No

2

Absent

0

Floor Assignment

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

Date: 2/11/05  
Roll Call Vote #: 2

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1007

House House Appropriations Government Operations Committee

Check here for Conference Committee

Legislative Council Amendment Number 58030.0101

Action Taken DO PASS AS Amended

Motion Made By Rep. Timm Seconded By Rep. Kempenich

| Representatives   | Yes | No | Representatives | Yes | No |
|-------------------|-----|----|-----------------|-----|----|
| Chairman Carlisle | ✓   |    | Rep. Kroeber    | ✓   |    |
| Rep. Timm         | ✓   |    | Rep. Williams   | ✓   |    |
| Rep. Kempenich    | ✓   |    |                 |     |    |
| Rep. Thoreson     | ✓   |    |                 |     |    |

Total (Yes) 6 No 0

Absent 0

Floor Assignment Rep. Timm

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

Date: **February 15, 2005**  
Roll Call Vote #: \_\_\_\_\_ **1**

**2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. HB1007**

House Appropriations - Full Committee

Check here for Conference Committee

Legislative Council Amendment Number **58030.0101**

Action Taken **DO PASS AS AMENDED**

Motion Made By **Rep Timm**                      Seconded By **Rep Carlisle**

| <b>Representatives</b>        | <b>Yes</b> | <b>No</b> | <b>Representatives</b> | <b>Yes</b> | <b>No</b> |
|-------------------------------|------------|-----------|------------------------|------------|-----------|
| Rep. Ken Svedjan, Chairman    | X          |           | Rep. Bob Skarphol      | X          |           |
| Rep. Mike Timm, Vice Chairman | X          |           | Rep. David Monson      | X          |           |
| Rep. Bob Martinson            | X          |           | Rep. Eliot Glasheim    | X          |           |
| Rep. Tom Brusegaard           | X          |           | Rep. Jeff Delzer       | X          |           |
| Rep. Earl Rennerfeldt         | X          |           | Rep. Chet Pollert      | X          |           |
| Rep. Francis J. Wald          | X          |           | Rep. Larry Bellew      | X          |           |
| Rep. Ole Aarsvold             | X          |           | Rep. Alon C. Wieland   | X          |           |
| Rep. Pam Gulleason            | X          |           | Rep. James Kerzman     | X          |           |
| Rep. Ron Carlisle             | X          |           | Rep. Ralph Metcalf     | X          |           |
| Rep. Keith Kempenich          | X          |           |                        |            |           |
| Rep. Blair Thoreson           | X          |           |                        |            |           |
| Rep. Joe Kroeber              | X          |           |                        |            |           |
| Rep. Clark Williams           | X          |           |                        |            |           |
| Rep. Al Carlson               | X          |           |                        |            |           |

Total    Yes                      **23**                      No                      **0**

Absent    **0**

Floor Assignment                      **Rep Timm**

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

**REPORT OF STANDING COMMITTEE**

**HB 1007: Appropriations Committee (Rep. Svedjan, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (23 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 16, replace "187,962" with "183,404"

Page 1, line 18, replace "349,192" with "344,634"

Page 1, line 19, replace "268,517" with "267,432"

Page 1, line 20, replace "80,675" with "77,202"

Page 2, line 3, replace "1,132,494" with "1,127,936"

Page 2, line 5, replace "1,456,837" with "1,452,279"

Page 2, line 6, replace "498,215" with "497,130"

Page 2, line 7, replace "958,622" with "955,149"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1007 - Labor Commissioner - House Action**

|                       | EXECUTIVE<br>BUDGET | HOUSE<br>CHANGES | HOUSE<br>VERSION |
|-----------------------|---------------------|------------------|------------------|
| Salaries and wages    | \$1,132,494         | (\$4,558)        | \$1,127,936      |
| Operating expenses    | <u>324,343</u>      |                  | <u>324,343</u>   |
| Total all funds       | \$1,456,837         | (\$4,558)        | \$1,452,279      |
| Less estimated income | <u>498,215</u>      | <u>(1,085)</u>   | <u>497,130</u>   |
| General fund          | \$958,622           | (\$3,473)        | \$955,149        |
| FTE                   | 11.00               | 0.00             | 11.00            |

**Dept. 406 - Labor Commissioner - Detail of House Changes**

|                       | REDUCES<br>COMPENSATION<br>PACKAGE TO 3/4 | TOTAL<br>HOUSE<br>CHANGES |
|-----------------------|---|---------------------------|
| Salaries and wages    | (\$4,558)                                 | (\$4,558)                 |
| Operating expenses    |   |                           |
| Total all funds       | (\$4,558)                                 | (\$4,558)                 |
| Less estimated income | <u>(1,085)</u>                            | <u>(1,085)</u>            |
| General fund          | (\$3,473)                                 | (\$3,473)                 |
| FTE                   | 0.00                                      | 0.00                      |

2005 SENATE APPROPRIATIONS

HB 1007

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

Senate Appropriations Committee

Conference Committee

Hearing Date 02/23/05

| Tape Number | Side A | Side B | Meter #  |
|-------------|--------|--------|----------|
| 2           | x      |        | 300-1455 |

Committee Clerk Signature



Minutes: **Chairman Holmberg** opened discussion on HB 1007.

**Leann Beltsch, Commissioner of Labor** appeared in support of HB 1007. Ms. Beltsch provided the committee with written testimony, which she read verbatim. Testimony is attached as appendix I.

**Sen. Tallackson (1045)** Other funds, are those federal?

**Ms. Beltsch:** All of the other funds are federal funds.

**Sen. Grindberg:** FTE's You have 1 person handling all of the 24,000 requests.

**Ms. Beltsch:** 3 people will handle it, three rotate and the person on the phones will answer then all day long.

**Sen. Mathern:** What changes would you like to see if any?

**Ms. Beltsch:** Salary increases for state employees.

**Sen. Thane:** What is the one major complaint your office receives?

**Ms. Beltsch:** Employment Discrimination.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1007

Senate Appropriations Committee

Conference Committee

Hearing Date March 21, 2005

| Tape Number | Side A | Side B | Meter # |
|-------------|--------|--------|---------|
| 2           | a      |        | 207     |

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the discussion on HB 1007 asking for amendments and there were none.

**Senator Kringstad** moved a DO PASS as Amended, Senator Fischer seconded. Discussion followed. The amendment is to reduce the health plan because the bid came in lower.

**Senator Robinson** asked if the reduction in the health plan in the budget is across the board.

**Senator Tallackson** asked if this is the first bill to carry through all the bills it effects.

**Chairman Holmberg** responded that yes, for the health this will be on every bill. For the salary we use HB 1050 is the vehicle if the Senate determines a different pay increase then 3 and 4 percent.

**Senator Robinson** asked why not use OMB as the vehicle for all of the affected bills.

**Chairman Holmberg** indicated we could use OMB however if it is extremely contentious, in the end OMB is one of the bills that will pass and if it is in HB 1050, the focus is on that issue.

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Senate Appropriations Committee

Bill/Resolution Number 1007

Hearing Date March 21, 2005

**Senator Kringstad** asked if this bill is a reduction, the response was yes, however, the state employee raise is 3 and 4 percent. The dollar amount in this bill is a few hundred dollars.

**A voice vote was taken for a DO PASS on the AMENDMENT. All were in favor.**

**Senator Mathern indicated he would move to further amend the bill to change the salary package from the present to 4 and 4.**

**Chairman Holmberg** indicated lets have this in writing next time and stop on this motion.

The discussion closed.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1007

Senate Appropriations Committee

Conference Committee

Hearing Date March 24, 2005

| Tape Number | Side A | Side B | Meter #  |
|-------------|--------|--------|----------|
| 2           |        | X      | 691-1040 |

Committee Clerk Signature



Minutes:

**Chairman Holmberg opened the meeting to discuss House Bill 1007. All Senators were present with the exception of Senators Kringstad and Tallackson.**

Action taken:

**Senator Fischer made a Do Pass recommendation for the amendments (58030.0202).**

**Seconded by Senator Kilzer. It passed by a voice vote.**

**Senator Mathern made a Do Pass recommendation for the amendments ( 58030.0203).**

**Seconded by Senator Krauter. The amendments failed with a vote of 4-9-2.**

**Senator Fischer moved a Do Pass as Amended recommendation for the bill. Seconded by**

**Senator Robinson. The vote was 13-0-2. Senator Kringstad will be the carrier.**

Chairman Holmberg closed the meeting on HB 1007.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

Page 1, line 16, replace "183,404" with "182,031"

Page 1, line 18, replace "344,634" with "343,261"

Page 1, line 19, replace "267,432" with "267,054"

Page 1, line 20, replace "77,202" with "76,207"

Page 2, line 3, replace "1,127,936" with "1,126,563"

Page 2, line 5, replace "1,452,279" with "1,450,906"

Page 2, line 6, replace "497,130" with "496,752"

Page 2, line 7, replace "955,149" with "954,154"

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1007 - Labor Commissioner - Senate Action**

|                       | EXECUTIVE<br>BUDGET | HOUSE<br>VERSION | SENATE<br>CHANGES | SENATE<br>VERSION |
|-----------------------|---------------------|------------------|-------------------|-------------------|
| Salaries and wages    | \$1,132,494         | \$1,127,936      | (\$1,373)         | \$1,126,563       |
| Operating expenses    | <u>324,343</u>      | <u>324,343</u>   |                   | <u>324,343</u>    |
| Total all funds       | \$1,456,837         | \$1,452,279      | (\$1,373)         | \$1,450,906       |
| Less estimated income | <u>498,215</u>      | <u>497,130</u>   | <u>(378)</u>      | <u>496,752</u>    |
| General fund          | \$958,622           | \$955,149        | (\$995)           | \$954,154         |
| FTE                   | 11.00               | 11.00            | 0.00              | 11.00             |

**Dept. 406 - Labor Commissioner - Detail of Senate Changes**

|                       | REDUCES<br>RECOMMENDED<br>FUNDING FOR<br>HEALTH<br>INSURANCE <sup>1</sup> | TOTAL<br>SENATE<br>CHANGES |
|-----------------------|---|----------------------------|
| Salaries and wages    | (\$1,373)   | (\$1,373)                  |
| Operating expenses    |   |                            |
| Total all funds       | (\$1,373)   | (\$1,373)                  |
| Less estimated income | <u>(378)</u>  | <u>(378)</u>               |
| General fund          | (\$995)   | (\$995)                    |
| FTE                   | 0.00  | 0.00                       |

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1007

Page 1, line 16, replace "183,404" with "191,329"

Page 1, line 18, replace "344,634" with "352,559"

Page 1, line 19, replace "267,432" with "269,267"

Page 1, line 20, replace "77,202" with "83,292"

Page 2, line 3, replace "1,127,936" with "1,135,861"

Page 2, line 5, replace "1,452,279" with "1,460,204"

Page 2, line 6, replace "497,130" with "498,965"

Page 2, line 7, replace "955,149" with "961,239"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1007 - Labor Commissioner - Senate Action**

|                       | EXECUTIVE<br>BUDGET | HOUSE<br>VERSION | SENATE<br>CHANGES | SENATE<br>VERSION |
|-----------------------|---------------------|------------------|-------------------|-------------------|
| Salaries and wages    | \$1,132,494         | \$1,127,936      | \$7,925           | \$1,135,861       |
| Operating expenses    | <u>324,343</u>      | <u>324,343</u>   |                   | <u>324,343</u>    |
| Total all funds       | \$1,456,837         | \$1,452,279      | \$7,925           | \$1,460,204       |
| Less estimated income | <u>498,215</u>      | <u>497,130</u>   | <u>1,835</u>      | <u>498,965</u>    |
| General fund          | \$958,622           | \$955,149        | \$6,090           | \$961,239         |
| FTE                   | 11.00               | 11.00            | 0.00              | 11.00             |

**Dept. 406 - Labor Commissioner- Detail of Senate Changes**

|                       | ADJUSTS<br>COMPENSATION<br>PACKAGE TO 4/4 | REDUCES<br>RECOMMENDED<br>FUNDING FOR<br>HEALTH<br>INSURANCE | TOTAL SENATE<br>CHANGES |
|-----------------------|---|--|-------------------------|
| Salaries and wages    | \$9,298                                   | (\$1,373)  | \$7,925                 |
| Operating expenses    |   |  |                         |
| Total all funds       | \$9,298                                   | (\$1,373)  | \$7,925                 |
| Less estimated income | <u>2,213</u>                              | <u>(378)</u>   | <u>1,835</u>            |
| General fund          | \$7,085                                   | (\$995)  | \$6,090                 |
| FTE                   | 0.00                                      | 0.00   | 0.00                    |

Date 3-24  
Roll Call Vote #:

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. ~~SB~~ HB 1007

Senate SENATE APPROPRIATIONS

Committee

Check here for Conference Committee

Legislative Council Amendment Number

0203

Action Taken

Amendment

Motion Made By

Mather

Seconded By

Krauter

| Senators                | Yes | No | Senators         | Yes | No |
|-------------------------|-----|----|------------------|-----|----|
| CHAIRMAN HOLMBERG       |     | X  | SENATOR KRAUTER  | X   |    |
| VICE CHAIRMAN BOWMAN    |     | X  | SENATOR LINDAAS  | X   |    |
| VICE CHAIRMAN GRINDBERG |     | X  | SENATOR MATHERN  | X   |    |
| SENATOR ANDRIST         |     | X  | SENATOR ROBINSON | X   |    |
| SENATOR CHRISTMANN      |     | X  | SEN. TALLACKSON  |     |    |
| SENATOR FISCHER         |     | X  |                  |     |    |
| SENATOR KILZER          |     | X  |                  |     |    |
| SENATOR KRINGSTAD       |     | X  |                  |     |    |
| SENATOR SCHOBINGER      |     | X  |                  |     |    |
| SENATOR THANE           |     | X  |                  |     |    |

Total (Yes)

4

No

2

Absent

9

Floor Assignment

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

Date 3-24  
Roll Call Vote #:

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. ~~SB~~ HB 1007

Senate SENATE APPROPRIATIONS

Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

DO PASS as Amended

Motion Made By

Fisher

Seconded By

Roberson

| Senators                | Yes | No | Senators         | Yes | No |
|-------------------------|-----|----|------------------|-----|----|
| CHAIRMAN HOLMBERG       | X   |    | SENATOR KRAUTER  | X   |    |
| VICE CHAIRMAN BOWMAN    | X   |    | SENATOR LINDAAS  | X   |    |
| VICE CHAIRMAN GRINDBERG | X   |    | SENATOR MATHERN  | X   |    |
| SENATOR ANDRIST         | X   |    | SENATOR ROBINSON | X   |    |
| SENATOR CHRISTMANN      | X   |    | SEN. TALLACKSON  |     |    |
| SENATOR FISCHER         | X   |    |                  |     |    |
| SENATOR KILZER          | X   |    |                  |     |    |
| SENATOR KRINGSTAD       | X   |    |                  |     |    |
| SENATOR SCHOBINGER      | X   |    |                  |     |    |
| SENATOR THANE           | X   |    |                  |     |    |

Total (Yes)

13

No

0

Absent

Floor Assignment

2  
Kringstad

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

**REPORT OF STANDING COMMITTEE**

HB 1007, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 16, replace "183,404" with "182,031"

Page 1, line 18, replace "344,634" with "343,261"

Page 1, line 19, replace "267,432" with "267,054"

Page 1, line 20, replace "77,202" with "76,207"

Page 2, line 3, replace "1,127,936" with "1,126,563"

Page 2, line 5, replace "1,452,279" with "1,450,906"

Page 2, line 6, replace "497,130" with "496,752"

Page 2, line 7, replace "955,149" with "954,154"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1007 - Labor Commissioner - Senate Action**

|                       | EXECUTIVE BUDGET | HOUSE VERSION  | SENATE CHANGES | SENATE VERSION |
|-----------------------|------------------|----------------|----------------|----------------|
| Salaries and wages    | \$1,132,494      | \$1,127,936    | (\$1,373)      | \$1,126,563    |
| Operating expenses    | <u>324,343</u>   | <u>324,343</u> |                | <u>324,343</u> |
| Total all funds       | \$1,456,837      | \$1,452,279    | (\$1,373)      | \$1,450,906    |
| Less estimated income | <u>498,215</u>   | <u>497,130</u> | <u>(378)</u>   | <u>496,752</u> |
| General fund          | \$958,622        | \$955,149      | (\$995)        | \$954,154      |
| FTE                   | 11.00            | 11.00          | 0.00           | 11.00          |

**Dept. 406 - Labor Commissioner - Detail of Senate Changes**

|                       | REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1 | TOTAL SENATE CHANGES |
|-----------------------|--|----------------------|
| Salaries and wages    | (\$1,373)  | (\$1,373)            |
| Operating expenses    |  |                      |
| Total all funds       | (\$1,373)  | (\$1,373)            |
| Less estimated income | <u>(378)</u>                                       | <u>(378)</u>         |
| General fund          | (\$995)  | (\$995)              |
| FTE                   | 0.00   | 0.00                 |

1 This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

2005 TESTIMONY

HB 1007

**ND DEPARTMENT OF LABOR - 406**  
**Overview Presentation to the House Appropriations Committee**  
 January 7, 2005

| Line Item               | 2003-05<br>Legislative<br>Appropriation | 2003-05<br>Est. Expend &<br>Filled FTE | Variance         | 2005-07<br>Exec<br>Recomm | 2005-07<br>Recommend<br>Change to<br>2003-05<br>Leg. Appn. |
|-------------------------|---|--|------------------|---------------------------|--|
| Salaries & Wages        | \$944,532                               | \$1,044,532                            | \$100,000        | \$1,132,494               | \$187,962  |
| Operating Expenses      | \$163,113                               | \$438,113                              | \$275,000        | \$324,343                 | \$161,230  |
| <b>Total Line Items</b> | <b>\$1,107,645</b>                      | <b>\$1,482,645</b>                     | <b>\$375,000</b> | <b>\$1,456,837</b>        | <b>\$349,192</b>   |
| General Funds           | \$877,947                               | \$877,947                              | \$0              | \$958,622                 | \$80,675   |
| Federal Funds           | \$229,698                               | \$604,698                              | \$375,000        | \$498,215                 | \$268,517  |
| <b>Total Funds</b>      | <b>\$1,107,645</b>                      | <b>\$1,482,645</b>                     | <b>\$375,000</b> | <b>\$1,456,837</b>        | <b>\$349,192</b>   |
| <b>FTE</b>              | <b>10.00</b>                            | <b>10.00</b>                           | <b>0.00</b>      | <b>11.00</b>              | <b>1.00</b>  |

**1. Explanation of Major Funding & FTE Variances for 2003-05 Legislative Appropriation to 2003-05 Current Estimates**

|  | FTE      | General    | Federal          | Total            |
|--|----------|------------|------------------|------------------|
| (A) In October 2003, \$375,000 in additional federal spending authority was approved by the Emergency Commission due to increased contracts with the EEOC and HUD. These increases resulted from increased employment discrimination case closures over the prior contract and unanticipated access to additional pools of HUD funds for specific purposes (training, public education, and special enforcement activities) that became available when the department's contract with HUD changed from capacity-building funding to per-case funding. Of the \$375,000, \$100,000 was added to salaries to fund a temporary office support position and overtime for investigators, while \$275,000 was added to operating for staff training, public education, and special enforcement activities. | 0        | \$0        | \$375,000        | \$375,000        |
| <b>TOTAL</b>   | <b>0</b> | <b>\$0</b> | <b>\$375,000</b> | <b>\$375,000</b> |

**2. Explanation of Major Funding & FTE Variances for 2005-07 Recommendation to 2003-05 Legislative Appropriations**

|  | FTE      | General         | Federal          | Total            |
|--|----------|-----------------|------------------|------------------|
| (A) Salaries are increased as follows:   |          |                 |                  |                  |
| * \$69,355 for the Governor's compensation package,  |          | \$52,140        | \$17,215         | \$69,355         |
| * \$56,836 to fund the department's office support FTE request,  | 1        | \$0             | \$56,836         | \$56,836         |
| * \$6,000 for Human Rights Director salary adjustment  |          | \$6,000         | \$0              | \$6,000          |
| * \$10,000 to continue overtime hours for investigators  |          | \$0             | \$10,000         | \$10,000         |
| * and the remainder to continue current staff salary levels which include 2003 biennium reclassification adjustments for the department's investigators. |          | \$0             | \$45,771         | \$45,771         |
| <b>TOTAL</b>   | <b>1</b> | <b>\$58,140</b> | <b>\$129,822</b> | <b>\$187,962</b> |

|   | FTE | General  | Federal   | Total     |
|---|-----|----------|-----------|-----------|
| (B) Operating is increased as follows:  |     |          |           |           |
| * \$20,000 for Special Assistant AG costs associated with the human rights lawsuit filed against the department,              |     | \$20,000 | \$0       | \$20,000  |
| * \$2,535 for ConnectND costs transferred from ITD,   |     | \$2,535  | \$0       | \$2,535   |
| * and the remainder for human rights activities including staff training, public education/outreach, and special enforcement. |     | \$0      | \$138,695 | \$138,695 |
| <b>TOTAL</b>  | 0   | \$22,535 | \$138,695 | \$161,230 |
| <b>GRAND TOTAL</b>  | 1   | \$80,675 | \$268,517 | \$349,192 |

**NOTE:** The total general fund increase from the 2003-05 Legislative Appropriation to the 2005-07 Executive Recommendation of \$80,675 is comprised of 4 items:

- 1) \$52,140 for the executive compensation package,
- 2) \$6,000 for a salary adjustment to the department's appointed Human Rights Director added in the executive recommendation to bring the pay more in line with other appointed Deputy positions,
- 3) \$20,000 is for Special Assistant AG costs associated with the human rights lawsuit filed against the department. These costs were unforeseen at the time the department's budget request was prepared and were added into the executive recommendation.
- 4) \$2,535 is due to ConnectND continuation costs transferred to the department from ITD.

#### Summary of Major Goals and Objectives

The Department of Labor's recent major accomplishments include:

- \* Disposed of the backlog in pending complaint caseloads. The Department was able to reduce the average number of days to investigate and employment discrimination case from 252 days in 2003 to 132 days in 2004.
- \* During the first 18 months of the 2003-2005 biennium, the Department resolved 243 employment discrimination complaints, 70 housing discrimination complaints, and 34 complaints alleging discrimination in public accommodation and public services. The Department obtained \$211,409 in monetary relief for claimants.
- \* Agency staff received training from the National Association of Human Rights and the National Fair Housing Training Academy and completed training in civil mediation.
- \* The Department continued to broaden awareness of equal rights protections and the Department's services through public education and outreach. Agency staff provided for 50 presentations in the first 18 months of the biennium and arranged for staff to be available in person at regularly scheduled times each month in the city of Fargo.
- \* The Department created a "Fair Housing in North Dakota" poster for distribution throughout the State, as well as a new brochure titled "How to File a Discrimination Complaint in North Dakota: A Guide for Those Who Believe They Have Been Discriminated Against."

John Hoeven  
Governor

Leann K. Bertsch  
Commissioner



1/10/05 9:30 a.m.  
HB 1007 #1  
State Capitol - 13th Floor  
600 E Boulevard Ave Dept 406  
Bismarck, ND 58505-0340  
  
discovernd.com/labor  
discovernd.com/humanrights

Testimony on HB 1007  
Prepared for the  
House Appropriations Committee

January 10, 2005

Chairman Carlisle and members of the House Appropriations Committee, good morning. For the record, I am Leann Bertsch, Commissioner of Labor.

The department has two primary areas of responsibility. The Office of the Labor Commissioner is responsible for establishing and enforcing rules relating to the wages and working conditions of employees in the state.

In addition to these traditional duties, the Human Rights Division within the Department of Labor administers the provisions of the North Dakota Human Rights Act and the North Dakota Housing Discrimination Act. Under these anti-discrimination laws, the Department receives and investigates complaints alleging discrimination in employment, housing and public accommodations from members of protected classes who are covered under these laws. In addition, the Department emphasizes conciliation to resolve complaints, provides administrative hearings on complaints where probable cause is found to believe a discriminatory practice has occurred, and fosters prevention of discrimination through education about the rights and responsibilities provided under North Dakota human rights laws.

During the first eighteen months of the current biennium, the Department's Wage and Hour Division resolved **426 claims** for unpaid wages and collected **\$232,464** for workers. Wage claims were investigated and resolved in a timely manner, with the average claim being completed within 65 days. In addition, the Department resolved 175 informal complaint inquiries alleging noncompliance with state labor laws, issued 1303 Employment and Age Certificates (work

permits) to 14 and 15 year old workers and received an average of 1,000 telephone, email, and "walk-in" inquiries from citizens around the state each month.

The Department's Human Rights Division, in addition to receiving and investigating complaints directly from individuals who believe they have been victims of unlawful discrimination under North Dakota's anti-discrimination laws, also processes cases for the U.S. Department of Housing and Urban Development (HUD) and the Equal Employment Opportunity Commission (EEOC). During the first eighteen months of the current biennium, the Department Resolved **243** employment discrimination complaints, **70** housing discrimination complaints, and **34** complaints alleging discrimination in public accommodations and public services. The Department obtained directly **\$211,409** in monetary relief for claimants. The Department was able to reduce the average number of days to investigate an employment discrimination case from 252 days in 2003 to **132 days** in 2004. This has been accomplished without sacrificing fair and effective enforcement. This achievement is largely attributable to the hard work, experience and ongoing training of the investigative staff and the additional assistance of the temporary office support position.

In addition to monetary relief, significant affirmative relief was also obtained. The Department seeks affirmative relief for four basic reasons: to enforce civil rights laws, stop discriminatory conduct, prevent future harm to complainants, and assist respondents in avoiding future violations. Department settlements and conciliation agreements routinely included various types of affirmative relief, including developing and implementing anti-discrimination policies, employee and supervisor training on anti-discrimination policies, posting policies, and publishing notices informing the public of the Department of Labor's role in enforcing state anti-discrimination laws.

The Department of Labor continued to broaden awareness of equal rights protections and the Department's services through public education and outreach. The Department of Labor has maintained a number of public

education efforts, working with civil rights, business, labor, professional, and non-profit organizations. The Department of Labor continued to provide speakers and trainers for conferences, workshops, schools, employers, labor organizations, businesses, landlord and tenant organizations, government agencies, and other community groups on rights and responsibilities under anti-discrimination laws. The Department provided over 50 presentations in the first eighteen months of the 2003-2005 biennium. The Department recently developed a "Fair Housing in North Dakota" poster for distribution throughout the state and is developing a public service announcement to promote fair housing and equal opportunity in North Dakota.

The Governor's Executive Recommendation contained in HB 1007 proposes a total appropriation for the Department for the 2005-07 biennium, excluding the proposed compensation package, that is \$95,163 less than our total appropriation for the current biennium.

The bill proposes a total appropriation of \$1,456,837. Of that, \$69,355 is for the recommended compensation package. Excluding that amount, the recommended appropriation is \$1,387,482, with \$481,000 in federal authority and \$906,482 in general funds.

Our original appropriation for the current biennium was \$1,107,645. In October of 2003, \$375,000 in additional federal spending authority was approved by the Emergency Commission due to increased contracts with EEOC and HUD. These increase resulted from increased employment discrimination case closures over the prior contract and unanticipated access to HUD funds for specific purposes such as training, public education and special enforcement. These additional HUD funds became available when the Department's contract with HUD changed from capacity building funding to per case funding. The \$375,000 was divided between salaries and operating expenses with \$100,000 added to salaries and \$275,000 added to operating. The \$100,000 added to salaries has been used to fund a temporary office support position and to fund overtime pay for investigators, as well as fund the salary adjustment due to

reclassification of our investigative staff. The \$275,000 was added to operating for staff training, public education, and special enforcement activities.

The executive budget recommendation for 05-07 includes funding for one additional FTE. No general funds will be used to pay for this additional FTE. Also included is \$10,000 to continue overtime hours for investigators. The overtime hours would involve no general fund, but rather the federal funds generated as a result of increased case work under our federal contracts with EEOC and HUD. The executive budget recommendation also includes funding for an additional \$6,000 in salary for the Director of the Human Rights Division (formerly the Deputy Labor Commissioner position) who is an appointed official. The increase is to bring her salary level into line with other state agency deputy positions. The executive budget recommendation also includes \$20,000 to pay for legal services as a result of a lawsuit pending against the Department. Because the Attorney General's office is defending the Department in the litigation, it was a conflict of interest for the Attorney General's Office to represent claimants in administrative hearings who were also plaintiffs in the lawsuit against the Department. As a result, the Department has had to retain outside counsel to represent those claimants in administrative hearings. This cost was unforeseen when the Department was developing its budget.

The breakdown of the general fund variance is as follows:

\$20,000 in legal fees;

\$6,000 in salary increase for appointed official;

\$52,140 for Governor's proposed increase in salary and compensation package.

\$ 2,535 for ConnectND cost to continue.

In regard to the additional FTE, this position will be an administrative support person, primarily tasked with responding to the approximate 24,000 inquiries each year directly from citizens, employers, and business people through our telephone, email systems and directly in our office. In nearly all cases, people are able to talk to or meet with someone from our staff immediately.

This position, as a temporary position, since 2001 has had a significant impact on relieving investigative staff of phone duties to allow them to focus on their case work. The position also performs intake of employment discrimination complaints and maintains information in the EEOC database. This position was included in the Department's base budget request at a salary of \$1,600 per month.

I believe this is a fair budget for our agency and that we can operate our programs on it. I would appreciate your support for HB 1007. I would be happy to answer any questions you may have.

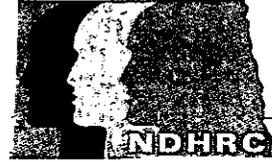
Cheryl Bergian

11/01/05 #2

H B1007

## North Dakota Human Rights Coalition

P.O. Box 1961, Fargo, ND 58107-1961 (701) 239-9323 Fax (701) 478-4452 www.ndhrc.org



Testimony  
House Bill 1007  
House Appropriations Committee  
Government Operations Division  
January 10, 2005

Chairman Carlisle and members of the Committee, thank you for the opportunity to present testimony in favor of House Bill 1007. I am Cheryl Bergian, Director of the North Dakota Human Rights Coalition. The Coalition includes a broad-based, statewide membership of individuals and organizations interested in the furtherance of human rights in North Dakota; the Coalition's mission is to effect change so that all people in North Dakota enjoy full human rights.

We support the work of the Division of Human Rights in the North Dakota Department of Labor for the enforcement of the North Dakota Human Rights Act and North Dakota Housing Discrimination Act. The request of our Coalition for enforcement of the anti-discrimination law in North Dakota was the impetus for the creation of the Division of Human Rights in 2000 and the assignment of its regulatory responsibilities in 2001. It is my understanding that two-thirds of the work of the North Dakota Department of Labor now consists of activity for those two chapters of state law, as opposed to enforcement of the Wage and Hour laws and other duties of the department.

We support the continued appropriation for the North Dakota Department of Labor, and any increase in that appropriation that the Department requests. With continued visibility and outreach, we anticipate that the work of the Division of Human Rights will continue to grow, and adequate resources for the eradication of discrimination in North Dakota are necessary.

We ask for a do pass recommendation on House Bill 1007. I appreciate this opportunity to testify on behalf of the North Dakota Human Rights Coalition.

John Hoeven  
Governor

Leann K. Bertsch  
Commissioner



State Capitol - 13th Floor  
600 E Boulevard Ave Dept 406  
Bismarck, ND 58505-0340

[discovernd.com/labor](http://discovernd.com/labor)  
[discovernd.com/humanrights](http://discovernd.com/humanrights)

## Memorandum

**To:** The Honorable Representative Carlisle, Chairman,  
Government Operations Division of the House Appropriations Committee

**From:** Leann K. Bertsch, Commissioner of Labor

**Subject:** HB 1007

**Date:** January 11, 2005

During the hearing yesterday morning on HB 1007, information regarding the Department of Labor's pending caseload was requested. As of today, the Department has the following complaints pending:

- Claims for unpaid wages – 30
- Employment Discrimination & Retaliation – 65
- Housing Discrimination – 15
- Discrimination in Public Service, Public Accommodations & Credit – 46

Additional information regarding the requested salary increase for Director of the Human Rights Division position (formerly the Deputy Labor Commissioner position) was also requested.

The Director of the Human Rights Division is currently paid \$3,667 per month. This position was previously titled Deputy Labor Commissioner. The title of the position was changed in 2001 to reflect the new duties and mission of the Department in enforcing the Human Rights Act and the Housing Discrimination Act. The current Human Rights Director was instrumental in disposing of a backlog of employment discrimination cases that were pending when she was appointed. Today, the Department's caseload in all areas is manageable and current. The average salary for the last three individuals who held the position of Deputy Labor Commissioner/Human Rights Director was \$4,248 per month. There is no apparent reason as to why there is such a disparity in what previous individuals in this position earned with what the present individual earns. I don't believe that the full range of duties and responsibilities of the Director position was fully known and considered when her salary was initially set. The current Director has provided exemplary service within the Department and deserves to be paid accordingly. The requested \$6,000 salary increase for the Director over the course of the biennium would raise her monthly salary to \$3,917.

Please let me know if you have any additional questions or concerns regarding this bill.

Cheryl Bergian  
HB 1007

11/10/05

#3

## North Dakota Human Rights Coalition

P.O. Box 1961, Fargo, ND 58107-1961 (701) 239-9323 Fax (701) 478-4452 www.ndhrc.org



### **The Proposed North Dakota Commission on Human Rights**

#### **The proposed North Dakota Commission on Human Rights would:**

- Be created within the Department of Labor/Division of Human Rights
- Be seven members
- Be volunteers
- Be bipartisan or multipartisan
- Represent persons likely to experience discrimination
- Represent business and government
- Provide statewide representation
- Be selected by the Governor with the consent of the Senate
- Investigate and study the existence, character, causes and extent of unfair or discriminatory practices and formulate plans for the elimination of these practices
- Issue publications and reports of investigations and research as in the commission's judgment will tend to promote good will among the various racial, religious, age and ethnic groups of the state, and which will tend to minimize or eliminate discriminatory practices prohibited by state law
- Recommend policies to the governor and to the legislature
- May intervene in racial, religious, cultural, age and intergroup tensions or conflicts for the purpose of informal mediation using alternative dispute resolution techniques, and in cooperation with other agencies or organizations

John Hoeven  
Governor

Leann K. Bertsch  
Commissioner



I  
State Capitol - 13th Floor  
600 E Boulevard Ave Dept 406  
Bismarck, ND 58505-0340

discovernd.com/labor  
discovernd.com/humanrights

Testimony on HB 1007  
Prepared for the  
Senate Appropriations Committee

February 24, 2005

Chairman Holmberg and members of the Senate Appropriations Committee, good afternoon. For the record, I am Leann Bertsch, Commissioner of Labor.

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The bill, as amended by the House, proposes a total appropriation of \$1,452,279. Of that, \$64,797 is for the recommended compensation package. Excluding that amount, the recommended appropriation is \$1,387,482, with \$481,000 in federal authority and \$906,482 in general funds.

Our original appropriation for the current biennium was \$1,107,645. In October of 2003, \$375,000 in additional federal spending authority was approved by the Emergency Commission due to increased contracts with EEOC and HUD. This increase resulted from increased employment discrimination case closures over the prior contract and unanticipated access to HUD funds for specific purposes such as training, public education and special enforcement. These additional HUD funds became available when the Department's contract with HUD changed from capacity building funding to per case funding. The \$375,000 was divided between salaries and operating expenses with \$100,000 added to salaries and \$275,000 added to operating. The \$100,000 added to salaries has been used to fund a temporary office support position and to fund overtime pay for investigators, as well as fund the salary adjustment due to reclassification of our

investigative staff. The \$275,000 was added to operating for staff training, public education, and special enforcement activities.

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The breakdown of the general fund variance is as follows:

\$20,000 in legal fees;

\$6,000 in salary increase for appointed official;

\$48,667 for the proposed increase in salary and compensation package as passed out of the House.

\$ 2,535 for ConnectND cost to continue.

In regard to the additional FTE, this position will be an administrative support person, primarily tasked with responding to the approximate 24,000 inquiries each year directly from citizens, employers, and business people through our

telephone, email systems and directly in our office. In nearly all cases, people are able to talk to or meet with someone from our staff immediately.

This position, as a temporary position, since 2001 has had a significant impact on relieving investigative staff of phone duties to allow them to focus on their case work. The position also performs intake of employment discrimination complaints and maintains information in the EEOC database. This position was included in the Department's base budget request at a salary of \$1,600 per month.

I believe this is a fair budget for our agency and that we can operate our programs on it. I would appreciate your support for HB 1007. I would be happy to answer any questions you may have.