

2009 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1178

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1178

House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 01/22/09

Recorder Job Number: 7527

Committee Clerk Signature

*Lou Engleson*

Minutes:

**Chairman Grande:** We'll open the hearing on 1178.

The title was read by the clerk.

**Rep. DeKrey:** This is a simple bill. Every once in a while when we exchange out our computers, legislators often times have always asked if they could purchase their computer because usually what happens with the computers after the legislature gets done with them is they go off to surplus property or they sell them to some broker for \$20 apiece or whatever. So this bill is not mandatory. All it does is give the Legislative Council Management Committee the ability to sell it to the legislator if they want to. It also puts some parameters in there. It states in the bill that the legislator had to pay the monthly usage fee. We are charged \$10 to use our computer a month if we're going to use it for personal use. So I had a hunch those of us who paid that \$10, probably had \$300 or better in that computer the last time we had it anyway. And so it says you've had to have paid the \$10 a month and then Legislative Council has the option to sell it to you if they want because they can't by law. I talked to leadership, and leadership doesn't have a problem with the bill. It's permissive. It still lets leadership handle it however they want. If they don't want to do it, they don't have to. If they think there's political implications there, they shouldn't do it. They can do it that way and not deal with it. If

they think it makes good sense to sell it to a legislator and get a few dollars for it instead of just sending it off to excess property to some job who takes them apart for \$20 apiece, they can maybe get more money out of the legislators so that's what the bill does.

**Chairman Grande:** I appreciate you putting this in because I was one of those who was going to refuse to give their computer back until they told me how much they were going to charge me. But, I'm thinking that those who paid that \$10, because some of us had the computers for almost five years so we have an investment in there anywhere from a minimum of \$360 to almost \$600 invested in that computer already. And we know that's not the value of those computers at this point. I'm wondering if they shouldn't have had the option to have and retain those computers since they've already paid for it and then giving the option to those who did not choose the insurance-type policy of that, that they would have the purchase right.

**Rep. DeKrey:** You guys do whatever you want with the bill. I put it in. When I had the bill drawn up, my thought process was that legislators don't like opening up the newspaper and reading that the legislators are getting some kind of a deal that the rest of the public can't have and another reason to hate legislators. So I put the bill together as the easiest, most permissive way that it could happen because legislators feel being responsible for some monetary compensation or whatever came up. Legislative Council has the right by bill to say that the value of the computer is zero. It's fair market value, and all of us that have been around since computers came out, they are pretty much zero after about three years what their value is. I remember that first set of computers we got when everybody was issued one in the chambers, they were \$7500 a piece with the software on them because prices hadn't come down yet. So those first computers were really pricy, but now I think \$1000 a piece or a little better is what they are getting them for. After three years of usage, we basically have paid for them. I don't know how many legislators picked the \$10 option a month. It may not be 100%.

**Rep. Kasper:** Would you object if we amended the bill to say something along these lines that the cost to the legislator will be the appraised value minus the amount of dollars they have paid in for personal usage?

**Rep. DeKrey:** Fine. However the committee wants to handle it. I'm not married to the bill either. If you want to kill it, that's fine with me.

**Rep. Froseth:** What is the Legislative Services Fund?

**Rep. DeKrey:** I have no idea. Someone on the Management Committee probably can manage it.

**Chairman Grande:** We can find out. Any other questions from the committee? Any opposition to 1178? Closing the hearing on 1178.

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1178

House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 01/22/09

Recorder Job Number: 7609

Committee Clerk Signature *Lou Engelson*

Minutes:

**Chairman Grande** opened the hearing on HB 1178. Purchase of the computers. I know we had different ideas for some amendments on here. Does anybody have a suggestion how they want to do that?

**Rep. Wolf:** Some people pay the \$10 12 months of the year. I only do it for 4 months that I'm in session because when I go home, that computer just sits in my basement, and I don't take it out until the next session because I have my own personal laptop that I like better. I would like to amend it to say the value less what the legislator has paid.

**Chairman Grande:** And that's what we have him for. He drafts our amendments. Do you understand what she's looking for? How do you want to address the fact that if there was a legislator who did not make those payments, that they could pay in full? Would that be the understanding.

**Rep. Wolf:** I suppose you could put "legislator has paid, if any".

**Rep. Schneider:** The only thing with that is you could get the computer for free then. The market value for a four or five year old laptop is next to nothing anyway.

**Chairman Grande:** And that was my argument to council is what is the value of this computer that you insist that we return. Now some people who don't take really good care of their computers, probably don't see the benefit of that.

**Rep. Froseth:** I'm going to resist that amendment because this is exactly the type of bill that the news media will pick up on and just run with blasting the legislators for taking advantage of the taxpayers money. I didn't personally pay a fee on mine because I didn't use it. I think those that did, the \$10 a month that they use it, they got their value out of that computer. And if they have to buy it for the \$20 that is the suggested value, that shouldn't be any big thing if it's a useable computer for them. This bill, we can make it so the legislators can basically get a free computer from the state.

**Chairman Grande:** Two things to that. One, if you're paying that \$10 a month and you're using it, the idea for me, do I receive personal emails on my computer? Yes. Do I have control over who sends me those? No. But I have to pay that to cover myself, and that's why I do it. I don't conduct business on that computer of personal business, but if I receive an email from a friend who uses my state email address, could somebody use that against me in a campaign. I'd hope they wouldn't, but they might. So I pay my \$10. If my family who likes to keep in contact with me wants to email me during the session and they know that's the only email system I have time to check, is that going to be held against me that my family was communicating by email. Somebody might want to use that against me so I have to pay that \$10. That \$10 is out of pocket. There are agencies that pay an extra \$8 of insurance money for each one of their employees who have laptops and carry them around because that person might drop it and break it. Personally, they should have to pay that \$8 out of their pocket if they are going to carry them around and break them. This is my insurance policy, that \$10. Will the public get this under their skin. Not with the fact that I have already paid \$600 for that

computer. If they understand, it's minus the \$600 I already paid in. The other thing, if we don't pass something like this, I cannot buy my computer. I turned it in, and I absolutely cannot purchase that computer. As a legislator, I don't get to purchase that computer. It goes to surplus, and everybody else has first call on my computer before I even get to ask for it. I think I should be able to ask for my surplus property.

**Rep. Froseth:** I wasn't arguing the point that you shouldn't be able to buy it. I was arguing the point that I don't think you should get credit for the months that you've paid to use that computer because you've paid \$10 a month to have that computer and use it for your personal use. You've gotten that \$10 value for those months. I don't believe it should be deducted from the purchase price. I like the idea you can buy it if you want to at the salvage price. I don't think we should be deducting the money you spent for using them.

**Rep. Schneider:** I like this bill because it will encourage legislators to take better care of their property too if they may want to purchase it down the road. I pay the \$10 a month. I don't really look at it as a rent to own type situation. I look at it as a service fee more so just for protection to use it personally. I agree with Rep. Froseth. I think paying some nominal amount, market value, \$20 or \$50 down the road would address a lot of those concerns that the public may have. It's really a nominal amount. I think it would be negated if we took into account for deducting the \$10.

**Rep. Karls:** How much are these computers worth?

**Chairman Grande:** I think I've had mine for six sessions. I wanted mine for word processing at home.

**Rep. Amerman:** This doesn't necessarily mean we got our new computers and we turned in our old one.

**Chairman Grande:** You can't come back as an ex-legislator to get one. I think you have to be a legislator.

**Rep. Dahl:** Are we the only branch that has to pay the \$10?

**Chairman Grande:** Yes. Legislative assembly, I believe, is the only one that has to do that. And you don't have to buy them.

**Rep. Kasper:** Based upon the discussion, is Rep. Wolf wanting to continue with her amendment or does she wish to withdraw it.

**Rep. Wolf:** I'll withdraw it.

**Rep. Froseth:** I move do pass.

**Chairman Grande:** Without amendments? As is?

**Rep. Meier:** I'll second it.

**Chairman Grande:** I have just clarification. If you didn't pay, you don't have an option to buy it. Is that correct?

**Rep. Kasper:** The way this is written, I sort of like it because it says "A member of the legislative assembly who has paid a computer usage fee under subsection 1". It does not say how long. It does not say how much. And I think that's just fine.

**Chairman Grande:** Do pass motion made by Rep. Froseth. Second by Meier. Any other discussion?

The roll was called by the clerk.

**12 yes, 0 no, 1 absent. Rep. Amerman was assigned to carry the bill.**

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/09/2009

Bill/Resolution No.: HB 1178

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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>						\$16,605
<b>Expenditures</b>						
<b>Appropriations</b>						

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill allows the purchase of used personal computers at market value by members of the Legislative Assembly if the members have paid a computer usage fee.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The bill provides that a member of the Legislative Assembly who has paid a computer usage fee as provided for in NDCC Section 54-03-26 may purchase the computer used by that member for the appraised or market value of the computer upon replacement of the computer. Any funds received by the Legislative Council through the sale of computers must be deposited in the legislative services fund.

The Legislative Council does not anticipate replacement of computers for members of the Legislative Assembly during the 2009-11 biennium; therefore any related fiscal impact of the bill would be in the 2011-13 biennium.

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.*

An estimated \$16,605 of special fund revenue would be generated in the 2011-13 biennium assuming 82 members of the Legislative Assembly would decide to purchase their computer at an estimated market value of 15 percent of the original purchase price for the computer.

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, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

<b>Name:</b>	Allen H. Knudson	<b>Agency:</b>	Legislative Council
<b>Phone Number:</b>	328-2916	<b>Date Prepared:</b>	01/13/2009

Date: 1-22-09  
Roll Call Vote #: \_\_\_\_\_

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1178

House Government and Veterans Affairs Committee

Check here for Conference Committee

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

Action Taken DP

Motion Made By Froseth Seconded By Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande	✓		Rep. Amerman	✓	
Vice Chairman Boehning	✓		Rep. Conklin	✓	
Rep. Dahl	✓		Rep. Schneider	✓	
Rep. Froseth	✓		Rep. Winrich		
Rep. Karls	✓		Rep. Wolf	✓	
Rep. Kasper	✓				
Rep. Meier	✓				
Rep. Nathe	✓				

Total (Yes) 12 No 0

Absent 1

Floor Assignment Amerman

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

**REPORT OF STANDING COMMITTEE (410)**  
January 23, 2009 8:40 a.m.

**Module No: HR-13-0795**  
**Carrier: Amerman**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1178: Government and Veterans Affairs Committee (Rep. Grande, Chairman)**  
recommends **DO PASS** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).  
HB 1178 was placed on the Eleventh order on the calendar.

2009 SENATE POLITICAL SUBDIVISIONS

HB 1178

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1178

Senate Political Subdivisions Committee

Check here for Conference Committee

Hearing Date: February 26, 2009

Recorder Job Number: 9785

Committee Clerk Signature

  
Troy Schuchard

Minutes:

**Chairman Andrist:** Opened the hearing on HB 1178, all members present.

**Duane Dekrey:** Representative District 14 introduced HB 1178, explained the simplicity in that it gives Legislative Council discretion to allow Legislators who have been paying the usage fees to purchase their personal computer issued to them from the state when the computer is deemed obsolete. Several House members expressed interest in purchasing them and LC looked into it and found out it was against the law. It is completely discretionary. It is expensive to decommission a computer. We have to pay for someone to scrub the hard drive, and then they have to find a vendor to purchase these 3 year old computers that have no value. It ends up costing money. In 3 years from now, these brand new computers we just got will be obsolete, LC can still exactly what they do now or they can give the member the option to buy their computer.

**Senator Anderson:** This would be for the computers now, not computers from previous sessions, correct?

**Duane Dekrey:** Correct. This would not be retroactive.

**Senator Dotzenrod:** Is there going to be a question about what that value is?

**Duane Dekrey:** There our leadership and somebody has got to make the call. As Legislators that is what we do. We elect them to make that call.

**Senator Dotzenrod:** Is there stuff that is loaded on these computers that have to be removed before they could be purchased such as the law system?

**Duane Dekrey:** Yes, in fact there is. Some of the software is licensed to LC and not to individual legislators. The scrubbing process would take care of that.

**Senator Olafson:** Move Do Pass on HB 1178

**Senator Dotzenrod:** Second

**Chairman Andrist:** Motion made for a Do Pass, 6-0, Senator Olafson to carry.



**REPORT OF STANDING COMMITTEE (410)**  
February 26, 2009 3:00 p.m.

**Module No: SR-34-3679**  
**Carrier: Olafson**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1178: Political Subdivisions Committee (Sen. Andrist, Chairman) recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1178 was placed on the Fourteenth order on the calendar.**