

2013 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1056

2013 HOUSE STANDING COMMITTEE MINUTES

House Government and Veterans Affairs Committee
Fort Union Room, State Capitol

HB 1056
January 10, 2013
17069

Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

Pay of National Guard members when called to state active duty

Minutes:

You may make reference to "attached testimony."

Chairman Jim Kasper started out by giving some updated information about the rerefer of appropriations. Anytime a bill has a \$5,000 or greater spending increase or a \$50,000 or greater spending or revenue decrease, then it goes to appropriations. However, according to House Rule 329, that action is automatically done on the floor and so we as a committee do not need to add the tag on the end and rerefer to appropriations.

Rep. Ben Koppelman Would that mean the \$50,000 rule would be where it doesn't happen on the floor?

Chairman Jim Kasper If there is a \$50,000 or greater reduction in revenue, it goes to appropriations automatically and if there is a \$5,000 or greater spending increase, it goes to appropriations automatically. We are okay with the motion we made. We will not reopen the hearing on HB 1057 and I will assign the carrier probably tomorrow so that we can take quick action on that.

Chairman Jim Kasper The hearing was opened on HB 1056.

David Spryncznatyk, Adjutant General for the state of North Dakota appeared and presented **Attachment 1**. (2:40-4:10) Before giving his testimony, he acknowledged some of his other staff present to see the legislative process.

Rep. Steven Zaiser As you are aware, disasters are growing greatly. I am curious. In developing your budget, have you factored some of that in--that expecting this is going to be a more frequent occurrence?

David Spryncznatyk No. We looked back over the last several years and selected the two or three years that we thought would be normal in terms of representation of disasters for the state of North Dakota. We looked back at what we had done, and that is how we arrived at the \$40,000 for the biennium. For purposes of looking to the future, we wanted to assume a steady state. Your observations or comments may certainly reflect what may

happen, but we didn't feel it appropriate to speculate and assume a worse case scenario. We wanted to be as even, if you will, in terms of future based upon the past.

Rep. Steven Zaiser Wouldn't it be in your interest in extrapolating a worse case or trend here for having more money rather than running out and then say, hey, we are going to do some out of budget kind of spending?

David Spryncznatyk The way disaster response is approached in an appropriations standpoint within the state of North Dakota has been that the agency has the authority to borrow money after a disaster and then come back and seek an efficiency appropriation. That is how we operated for years. That has changed slightly. In 2009 the legislative assembly created the state's Disaster Relief Fund. The legislature put money into that fund and with that fund in place, there are means to access that money without having to come back to the legislature. The philosophy of the state legislature has been when we talk about disasters, we don't want to over appropriate. We will provide a means to adequately readjust the budget and adequately address the cost of budget without putting a lot of money into the budget up front and then, hopefully, not using it over a period of years.

Rep. Marie Strinden What are the benefits to the National Guard members through the state? Do they have the option of opting into health insurance?

David Spryncznatyk No. When a soldier or airman goes on state active duty, they are essentially temporary state employees. They are put on the pay system as a temporary employee for whatever number of days they serve; that is the basis for their pay. We haven't been able to provide health insurance. What happens is that a disaster occurs. We determine what the requirements in terms of the response, and we bring those people into state active duty. They may be starting tomorrow, and tomorrow is the middle of the month. There really would be no way to provide them with health insurance. That is the biggest issue. The intent of HB 1056 is to try offset some of the out of pocket expenses they may incur as a result of being away from their employer, with insurance being one of those expenses.

Rep. Vernon Laning I see on the bill that a gubernatorial call up results in a percentage increase in the base pay of categories E3 and above. Does that not apply to E1, E2? Do you not have any of those on a call up? Educate me.

David Spryncznatyk Typically when a young soldier or airman goes to their basic and advanced training and they come home to their unit they are at least an E3 or E4. When the bill was first written and put into law years ago, the intent was let us make sure we take care of our people. We know we aren't going to have any E1s, E2s, privates. Let us address that in a greater percentage of increase for those E3s through E8. This percent of increase does not apply to officers.

Rep. Ben Koppelman Wouldn't it make sense to have a daily pay that you pay while you are away from the job? ___ \$100 for every 14 days. It is my understanding if I leave my job and I am a service member, I would stay on my health insurance at my job, but sometimes have to pay the premium out of pocket if my employer doesn't cover that portion. Correct?

David Spryncznatyk That is correct.

Rep. Ben Koppelman If that is the case, would it make sense to adjust the pay that we are offering those service members to accommodate that?

David Spryncznatyk No, we are not addressing that in another bill. The cost for insurance, for example, is the same no matter what your rank is. Our feeling was that we just wanted to provide an enhancement to offset being away from the job for two weeks or more--to do that in this case with \$100 for 14 continuous of state active duty. We really haven't looked at any other means of increasing the state active duty pay other than what is already in the law.

Rep. Steven Zaiser There was some laughter about whether David Spryncznatyk was still the adjutant general. The fiscal note showed the name Holly Gaugler and the agency was adjutant general.

Rep. Gary Paur To avoid the effects of inflation, would it be possible to base this on some other formula other than \$100? You said the base pay changes for the pay grades, officers, etc. so you could not base it on that. Is there something else that you could base it on that would equal \$100 in the pay scale that would forego having to adjust this amount every two sessions?

David Spryncznatyk You bring up a valid concern. The only way I can see that you could make an adjustment would be to tie the \$100 enhancement to something like the consumer price index. I think that would become very convoluted. I have enough faith and trust in the legislature that they will recognize an increase when requested by us.

Rep. Marie Strinden How did you come up with the 14 days? Is that where it starts being more of a financial burden?

David Spryncznatyk The reason for the 14 days is most businesses' pay period is a two-week period, 14 days.

Chairman Jim Kasper Under ND law is the employer required to continue health insurance like for remainder of a month if an employee is called to active duty? Does the employer have the right to stop the benefits on the day the person leaves for active duty?

David Spryncznatyk My understanding of the law is that the only protection for an employee who is a soldier or airman in the North Dakota National Guard is a reemployment right. Currently the law says that a soldier or airman can be called to active duty up to 20 days and within that 20 day period the employer is required to reemploy them when they come back. There is no other protection of the law that addresses benefits. Between 2009 and 2011 with the tens of thousands of days of state active duty, we only had two instances where there was an issue with an employer. In both instances, it was the soldier's or airman's fault because they did not communicate just what was going on to their employers. We were able to reach out to the employer and work with them. Reemployment hasn't really been an issue, but health insurance has because it is a cost to the employer.

Chairman Jim Kasper Is there a requirement under current statute that when an employee is activated that your office has to notify in writing the employer that the activation is going to occur? How is the employer notified?

David Spryncznatyk We do not notify the employers. What we do is we tell our soldiers and airmen it is their responsibility to notify their employer. If you need written documentation from your commander, we will provide that. There is nothing in law that automatically requires that the employer be notified. We put the burden on the soldier and airman.

Chairman Jim Kasper About how many ND citizens have been activated on the average over the last four or five years?

David Spryncznatyk The average is about 200 a year. That number goes out the window when you have disasters like in 2011. In 2011 we actually had 3,000 soldiers activated.

Chairman Jim Kasper That is not counting the ones that were deployed to Iraq or Afghanistan? This was in state.

David Spryncznatyk They were state active duty.

Chairman Jim Kasper The average is right around the 14 days? Is the active duty time in state a little bit longer?

David Spryncznatyk It depends upon the event. In 2009 and 2011 it was actually longer. One of the things we learned is that in all fairness to the soldier, airman, family, and employer, we need to really focus on two week cycles and try to rotate our people in and out instead of calling upon our own soldiers and airmen for extended length of time. There are arrangements in place where we can reach out to neighboring states for support of extra soldiers. Between 2009 and 2011, six or seven other states provided soldiers and airmen to support the flood fighting in North Dakota. When they come in, it is typically for a two week period.

Chairman Jim Kasper When the soldier is activated, there is no government health insurance protection on the day of activation? They are either covered by their employer or they have no coverage?

David Spryncznatyk That is correct. The reason is that if they were activated in a federal status, they would be covered. It is a state status. During Hurricane Sandy some of the soldiers were put in the federal status and then I assume insurance is provided for them. We never have had that in ND.

Chairman Jim Kasper If we average 200 per year that are activated and average two weeks. That would be roughly half a month's insurance premium for 200 people. PERS health insurance is roughly \$1,000 per employee per month. We would have a \$500 cost for 200 people. That would be about \$100,000 if they were eligible to go into the PERS

plan for that period of time which would be a tremendous benefit for those activated soldiers.

David Spryncznatyk That would be correct. The difficulty is bringing them into the PERS system. As I understand, it always begins on the first day of the month.

Chairman Jim Kasper You may not know, but I am in the health insurance business. That is generally a rule that the employer sets which can be changed at any time. The rules for eligibility for the PERS plan could simply be changed in a minute that would say for all those citizens who are placed on active duty, they would automatically be enrolled in the PERS plan until they are back off of active duty.

David Spryncznatyk That would be a wonderful approach to this.

Chairman Jim Kasper I think that is something that maybe ought to be looked at. In this case we can deal with what we have in front of us. Have you had a discussion with Sparb Collins of PERS about something like that?

David Spryncznatyk I have had staff look at this in the past, but we always have been hung up with the first of the month.

Chairman Jim Kasper For every excuse, there is always a way around it, I think.

Rep. Gail Mooney When your men and women are called to duty--let's say they were out for three weeks and not the two weeks--are they in danger of losing their medical benefits that are in place?

David Spryncznatyk Personally, I don't know enough of the detail about health insurance in that regard. The chairman might be better able to answer that question.

There was no opposition on HB 1056.

The hearing was closed.

Chairman Jim Kasper The fiscal note for this was \$40,000.

Rep. Ben Koppelman made a motion for a Do Pass.

Rep. Scott Louser seconded the motion.

Rep. Steven Zaiser I would like to look at this more, because I see an amendment here that might make this more citizen or individual friendly rather than government friendly.

Chairman Jim Kasper We will honor that request. If the person making the motion and the second would withdraw your motion, we will set the bill aside and wait for Rep. Zaiser to come back with some potential amendments.

Rep. Ben Koppelman So withdrawn.

Chairman Jim Kasper closed the hearing again.

2013 HOUSE STANDING COMMITTEE MINUTES

House Government and Veterans Affairs Committee
Fort Union Room, State Capitol

HB 1056
January 17, 2013
17372

Conference Committee

Committee Clerk Signature

Carmen Hart

Explanation or reason for introduction of bill/resolution:

Pay of National Guard members when called to state active duty

Minutes:

You may make reference to "attached testimony."

Chairman Jim Kasper opened the session on HB 1056. Vice Chair Randy Boehning reminded me that this is the bill where on Page 2, Section 2, beginning on Line 8--each commissioned officer of the national guard shall receive a state active duty pay enhancement of \$100 for every 14 consecutive days spent on active duty--I have been talking with Mr. Collins about trying to figure out if we could allow the service people when they are activated in the state of North Dakota to go on to the PERS health plan immediately. He had been working back and forth with Blue Cross and I don't have any final answer from him yet. Do you have anything Rep. Steven Zaiser?

Rep. Steven Zaiser I had talked to him a couple of different times, but he hadn't talked to General Spryncznatyk yet. I think we should hold this.

Chairman Jim Kasper We will hold this until later.

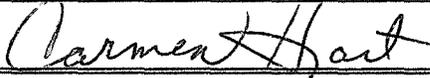
2013 HOUSE STANDING COMMITTEE MINUTES

House Government and Veterans Affairs Committee
Fort Union Room, State Capitol

HB 1056
January 25, 2013
17770

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Pay of National Guard members when called to state active duty

Minutes:

You may make reference to "attached testimony."

Chairman Jim Kasper opened the session on HB 1056. I was working with Sparb Collins and the members of the National Guard to try to figure out if there was a way to enhance this bill to allow for the guard members who were activated in state duty to get on the PERS health plan.

Sparb Collins, PERS, appeared. When a guard member is called up, they may have to pay their health insurance coverage for them and their family. When they are called up, they are covered under WSI. Under the Affordable Care Act starting next year, everybody is going to have to carry health insurance coverage. With that then a question came down about helping them with their health insurance premiums. Three possible courses were discussed. One was to put them on the state health insurance plan. There were a couple of challenges with that. State health insurance coverage date for active employees begins the first of the month following your employment. For someone in the guard who is called up for two weeks in the middle, we are going to miss them. In order to accommodate that, our business systems would have to be changed. We would be dis enrolling before they enrolled. There is a significant cost. Another option is to set up a health reimbursement account. These are accounts that can be set up underneath the federal law. You would have to pick how much you fund. You put the money into the account. Any medical expenses are eligible to be paid out of the account. Somebody has to file a piece of paper. Somebody has to reimburse it. That is broad. The third option is to set up a premium reimbursement account if you just want to deal strictly with premium. The issues there are how much do you want to put in that account, how long is somebody going to be eligible to draw from that account, and the process of somebody having to file a piece of paper with someone. The first is the most costly. The second is medium. The third might be the lowest, but again that depends upon the perimeters you set in statue as to how much you are going to put into that account.

Chairman Jim Kasper The bill itself provides \$100 of salary increase for each 14 days of active duty. That is the option before us?

Al Dohrmann, Deputy Adjutant General for the North Dakota National Guard, appeared. We are continuing to push for HB 1056 as it was submitted. In regard to the health care coverage, at this point we oppose an amendment that would add this 1056. Over the years the National Guard has looked at health insurance for state active duty numerous times and just health insurance in general. Every time we have looked at it, the price tag has come back so high that it didn't seem practical. We took a couple years' numbers and averaged them, one that you might call a typical, not major disaster. We looked at 2006 and 2010 where the Red River valley flooded but we didn't have statewide flooding. When you looked at that, the biennial cost for those averaged out to about \$648,000 per biennium. Then we did a worst case scenario. We used 2010 and 2011, where we had at one point about 3,000 guard members. The price tag for providing health insurance was about \$6.6 million. Another issue we struggle with is administratively. If you look back at 2011, we had an ice storm previous to the spring flooding. We brought in about 200 guard members on but only for two to four days. How do you manage that? Congress authorized not too terribly long ago, a Tricare reserve. Right now, Tricare, the federal health insurance for active duty is available to our active guard and reserve members of the National Guard. We cannot force our members to take advantage of this health insurance, but it is a really good deal. A single policy right now is \$52 a month. A family policy is \$196 a month. If someone was called to extended active duty in a 2011 flood scenario and they elected and took advantage of this Tricare reserve policy at \$200 a month for a family, if they are on one month of state active duty, the benefit under HB 1056 would cover that premium.

Rep. Scott Louser You mentioned the \$6.6 million figure for 2011. That was if we had provided health insurance. What would it have been if it was \$100?

Al Dohrmann Our estimate based on a scenario of 2010-11 floods would come in at \$431,000. The estimate we did based on the 2006 and 2010 years which would be more realistically was around \$40,000.

Rep. Marie Strinden Do we have an idea of how many guardsmen and women would use this for health reimbursement and how many people don't need it for healthcare reimbursement so it would just be extra money for them?

Al Dohrmann I don't have that number. I know when General Spryncznatyk testified, this was one example, but there are other examples. The idea behind the \$100 payment is that depending on your situation, there are expenses that aren't accounted for when you go on state active duty. Health insurance may be one of them. If you are a college student on your parents' plan, this doesn't change. There may be a situation where because of state active duty, a dual employment family now has to come up with a different healthcare regiment. It is those incidental expenses that could be different for each person.

Vice Chair Randy Boehning When the guardsmen get called up to go and fight floods or whatever the case may be, are a lot of them taking a decrease in the pay?

Al Dohrmann We haven't really tracked exactly the impact on every soldier and airman across the force. For many it will be a pay bump. If you work in the oil field, you probably are going to take a pay decrease. On the federal side there are provisions to forgive debt if

you have an undue financial impact because of call to state active duty. In almost all the reported cases are doctors. The doctor could be a colonel in the National Guard but making a whole lot less than they do on the civilian side. We recognize that as a potential issue, and the way we deal with that is working individually through the chain of command that if there comes a point where state active duty is putting undue burden on your family, or your employer, we cut those guys lose first.

Rep. Karen Rohr made a motion for a **Do Pass and rerefer to appropriations.**

Rep. Gail Mooney seconded the motion.

DO PASS AND REREFER TO APPROPRIATIONS, 13-0, 1 ABSENT. Rep. Marie Strinden is the carrier of this bill.

FISCAL NOTE
Requested by Legislative Council
12/20/2012

Bill/Resolution No.: HB 1056

- 1 A. **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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$10,000	\$0	\$40,000	\$0	\$40,000	\$0
Appropriations						

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

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

Provides each enlisted or commissioned officer of ND National Guard member a state active duty pay enhancement of \$100.00 for every 14 consecutive days spent on state active duty.

- 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.*

Amendments to Section 1 and Section 2 may provide a fiscal impact. It is very difficult to predict a disaster and the magnitude. The projected cost per biennium is \$40,000.

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.*

N/A

- 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.*

Projections were based off of flood events in 2006 and 2010. This would be an expenditure from the salary line of the Office of Adjutant General utilizing general funds. This would not affect FTE positions.

- 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.*

This would be an emergency appropriation due to the unpredictability of a disaster actually occurring.



Name: Holly Gaugler

Agency: Adjutant General

Telephone: 701-333-2079

Date Prepared: 12/21/2012



Date: 1-25-13
 Roll Call Vote #: 1

**2013 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 1056**

House Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Rohr Seconded By Mooney

Representatives	Yes	No	Representatives	Yes	No
Chairman Jim Kasper	X		Rep. Bill Amerman	X	
Vice Chairman Randy Boehning	X		Rep. Gail Mooney	X	
Rep. Jason Dockter	X		Rep. Marie Strinden	X	
Rep. Karen Karls	X		Rep. Steven Zaiser	X	
Rep. Ben Koppelman	X				
Rep. Vernon Laning	X				
Rep. Scott Louser	X				
Rep. Gary Paur	X				
Rep. Karen Rohr	X				
Rep. Vicky Steiner					

Total (Yes) 13 No 0

Absent 1

Floor Assignment Strinden

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

REPORT OF STANDING COMMITTEE

HB 1056: Government and Veterans Affairs Committee (Rep. Kasper, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1056 was rereferred to the Appropriations Committee.

2013 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1056

2013 SENATE STANDING COMMITTEE MINUTES

Senate Government and Veterans Affairs Committee
Missouri River Room, State Capitol

HB 1056
03/08/2013
Job Number 19609

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act relating to pay of national guard members when called to state active duty; and to declare an emergency.

Minutes:

Chairman Dever: Opened the hearing on HB 1056.

Maj. General Sprynczynatyk, Adjutant General: See Attachment #1 for testimony in support of the bill.

(2:21) Chairman Dever: There is a fiscal note that indicates \$40,000.

Maj. General Sprynczynatyk: As we looked at how to prepare the fiscal note, we looked at two average years, 2006 and 2010, to give an estimate of an average amount for providing this \$100 enhancement for two weeks of state active duty. We did not look at a year like 2011 when there was the flood because it would have been much more.

Chairman Dever: So in \$20,000 for a biennium, you are looking at activating 200 guard members?

Maj. General Sprynczynatyk: That is true. That in the long term, we feel that would be the average. Last year we did not have a single person on state active duty. This year we do not anticipate having any, but one never knows. We are not asking for any additional appropriation; we will deal with this within our budget - whatever it may be. In the bill we talk about a pay enhancement and we were very careful with our choice of words, and the

reason is that you could call it a bonus, but if we called it a bonus, then clearly it would not be eligible for federal reimbursement from FEMA. By calling it an enhancement, we believe that if this passes and we use it, FEMA would possibly reimburse us depending on the magnitude of the event. In a normal event it is 75% of the total. We are looking at something that would be a benefit of the soldier and their family and yet we are hoping to be able consider it part of the cost to fight the event and if there is a presidential disaster declaration, we can offset part of those costs with federal funds.

Chairman Dever: I heard that they are expecting at least a 50% probability of flooding in Fargo this year.

Maj. General Sprynczynatyk: I think that is correct. The thing we need to remember in Fargo is that they have done a lot in the last several years to prepare for the next event and we will have to see how the spring unfolds. Right now we do not project that we will be calling out any of our guard members for the event this year, but that could change tomorrow depending on the weather.

Vice Chairman Berry: Could you reinforce the dollars in the bill and the pay enhancement?

Maj. General Sprynczynatyk: First off, there is no exact formula that was used to determine the \$100. In the course of discussions within the office and some of our soldiers and airmen, we felt that that would be a reasonable enhancement for them to the pay that they normally get while being on state active duty. The whole intent is to help offset some of those out of pocket expenses. Every soldier's situation is different. Our feeling is that by calling it an enhancement it may be eligible for reimbursement by the federal government if a disaster declaration is in effect. If it is a normal event, 75% of the cost is reimbursed. If it

is a huge event like 2009 and 2011, then the reimbursement is 90%. The remaining balance is shared between the state and the local unit of government.

Chairman Dever: Does this become taxable as regular income?

Maj. General Sprynczynatyk: I believe it does.

Chairman Dever: Knowing the willingness of the guard members to step forward, this is not about providing an incentive for volunteers.

Maj. General Sprynczynatyk: This is not considered an incentive by any means. In 2011 we had over 3000 of our soldiers or airmen on state active duty at some point in time. Not all of them were on state active duty for two weeks or more. It was a record breaking event compared to what we would normally do.

Vice Chairman Berry: The \$40,000 was arrived at based on averages?

Maj. General Sprynczynatyk: Yes by looking at 2006 and 2010.

Chairman Dever: Did this bill go to appropriations in the House?

Maj. General Sprynczynatyk: It did not because it is below a threshold of \$50,000. We are not asking for an addition to our budget at this point. This is something we feel we can address internally.

Chairman Dever: You are looking for authority to do it.

Maj. General Sprynczynatyk: Yes, that is correct.

(Comments about local snow amounts this year from Senator Marcellais)

(10:20) Chairman Dever: I appreciate that you always take the time to praise the men and women of the National Guard when you speak publicly.

Maj. General Sprynczynatyk: It is about the men and women of the North Dakota National Guard and the great job they do. I am blessed to have the opportunity to be a part of the

organization and to be the Adjutant General. They are the ones that are out there day in and day out and do all the hard work.

Chairman Dever: I have never heard them criticize you either. I also see that the bill has an emergency clause that survived the House so it must have had good support there.

Maj. General Sprynczynatyk: There was not a dissenting vote in the House.

Chairman Dever: Closed the hearing on HB 1056.

Senator Marcellais: Moved a Do Pass.

Senator Poolman: Seconded.

A Roll Call Vote Was Taken: 7 yeas, 0 nays, 0 absent.

Senator Poolman: Carrier.

FISCAL NOTE
Requested by Legislative Council
12/20/2012

Bill/Resolution No.: HB 1056

- 1 A. **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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$10,000	\$0	\$40,000	\$0	\$40,000	\$0
Appropriations						

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

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

Provides each enlisted or commissioned officer of ND National Guard member a state active duty pay enhancement of \$100.00 for every 14 consecutive days spent on state active duty.

- 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.*

Amendments to Section 1 and Section 2 may provide a fiscal impact. It is very difficult to predict a disaster and the magnitude. The projected cost per biennium is \$40,000.

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.*

N/A

- 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.*

Projections were based off of flood events in 2006 and 2010. This would be an expenditure from the salary line of the Office of Adjutant General utilizing general funds. This would not affect FTE positions.

- 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.*

This would be an emergency appropriation due to the unpredictability of a disaster actually occurring.

Name: Holly Gaugler
Agency: Adjutant General
Telephone: 701-333-2079
Date Prepared: 12/21/2012

Date: 3/8

Roll Call Vote #: 1

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 1056

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Senator Marcellais Seconded By Senator Poolman

Senators	Yes	No	Senator	Yes	No
Chairman Dick Dever	✓		Senator Carolyn Nelson	✓	
Vice Chairman Spencer Berry	✓		Senator Richard Marcellais	✓	
Senator Dwight Cook	✓				
Senator Donald Schaible	✓				
Senator Nicole Poolman	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Poolman

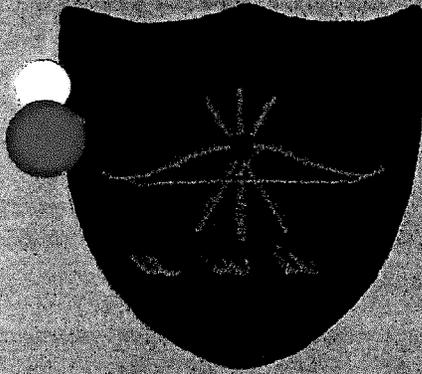
If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1056: Government and Veterans Affairs Committee (Sen. Dever, Chairman)
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
HB 1056 was placed on the Fourteenth order on the calendar.

2013 TESTIMONY

HB 1056



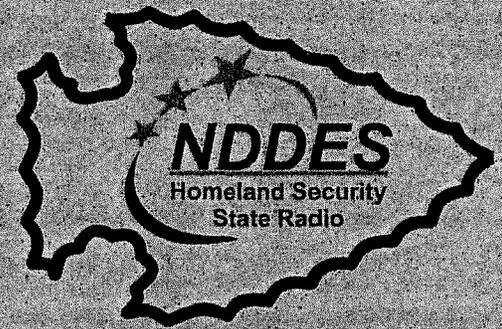
Army National Guard

"The Straight Arrows"



Air National Guard

"The Happy Hooligans"



*Department of
Emergency Services
Homeland Security &
State Radio*

The
***Office of the
Adjutant General***

*Testimony of
Major General David Sprynczynatyk
The Adjutant General*

before the

*Government and Veteran
Affairs Committee
January 10, 2013*

HOUSE BILL 1056

**TESTIMONY OF
MAJOR GENERAL DAVID A. SPRYNCZYNATYK
THE ADJUTANT GENERAL
BEFORE THE
GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
JANUARY 10, 2013
HOUSE BILL 1056**

Mr. Chairman and Members of the Committee:

I am Major General David Sprynczynatyk, Adjutant General for the State of North Dakota.

In 2009 and 2011 North Dakota experienced record breaking natural disasters. Members of the North Dakota National Guard answered the call. They left their homes and their jobs to step up and do what needed to be done.

When our members are absent from their civilian place of employment, many incur out of pocket expenses as a result. They are not receiving a pay check from their civilian employer, and, if absent for an entire pay period, their premiums on benefits may not be paid. As a result of not working at their civilian place of employment, The Citizen Soldier or Airman may now be responsible to pay, out of their own pockets, for benefits that they normally rely upon.

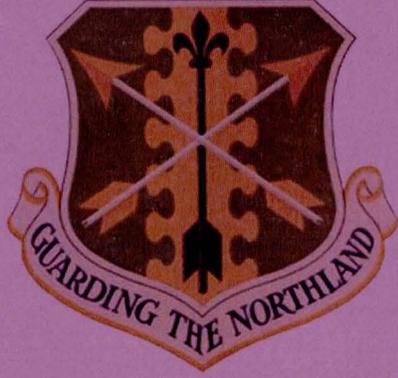
This bill would help mitigate some of those out of pocket costs that may result from being away from an employer, in an unpaid status, for a two week period. For every two weeks on continuous State Active Duty, the state would provide the service member one hundred dollars to help off-set some of those costs. The state has a significant interest in our members retaining their health insurance and other benefits; assistance such as this may help our members maintain their coverage from their employer.

Mr. Chairman and members of the committee, I ask for you favorable consideration of HB 1056.



Army National Guard

"The Straight Arrows"



Air National Guard

"The Happy Hooligans"



*Department of
Emergency Services
Homeland Security &
State Radio*

*The
Office of the
Adjutant General*

*Testimony of
Major General David Sprynczynatyk
The Adjutant General*

before the

*Government and Veteran
Affairs Committee
March 8, 2013*

HOUSE BILL 1056

**TESTIMONY OF
MAJOR GENERAL DAVID A. SPRYNCZYNATYK
THE ADJUTANT GENERAL
BEFORE THE
GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
MARCH 8, 2013
HOUSE BILL 1056**

Mr. Chairman and Members of the Committee:

I am Major General David Sprynczynatyk, Adjutant General for the State of North Dakota.

In 2009 and 2011 North Dakota experienced record breaking natural disasters. The North Dakota National Guard answered the call. They left their homes and their jobs to step up and do what needed to be done.

When our members are absent from their civilian place of employment, many incur out of pocket expenses as a result. They are not receiving a pay check from their civilian employer, and, if absent for an entire pay period, their premiums on benefits may not be getting paid. As a result of not working at their place of employment, The Citizen Soldier or Airman may be responsible to pay, out of their own pocket, for benefits that they normally rely upon.

This bill would help mitigate some of those out of pocket costs that may result from being away from an employer, in an unpaid status, for a two week pay period. For every two weeks on continuous State Active Duty, the state would provide the service member one hundred dollars to help off-set some of those costs. When placed on state active duty for an extended period of time, members may have to pay their health insurance premium, their retirement contribution, additional daycare, additional gas or any number of necessities.

Mr. Chairman and members of the committee, I ask for your favorable consideration of HB 1056.