

2017 HOUSE APPROPRIATIONS

HB 1019

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Education and Environment Division Roughrider Room, State Capitol

HB 1019 – HB 1079
1/5/2017
26599

- Subcommittee
 Conference Committee

To provide an appropriation for defraying the expenses of the Parks and Recreation Department; to provide a grant to the International Peace Garden; and to provide exemptions.

Virginia L. Moch Clerk 1-

Minutes:

Attachments 1-3

Chairman Monson: called the committee to order on 1-5-2017. This is a preliminary overview and we will work on it in the days to come.

Jesse Hanson Interim Director for Parks and Recreation: the state's population continues to grow and with that growth a greater demand for outdoor recreation opportunities with 1.2 million visits (see attachment 1) 1:00-7:00

Matt Gardener Recreation Division Manager: 07:00 I will talk about the Lewis and Clark Interpretive Center which our agency took over on May 1, and the recreation division. The transition took a lot of work, inventory and time. Included in the transfer is the Fort Mandan Visitor Center. We are adding vehicle counters to give us an idea of use. Have snowmobile and off road vehicle trails and safety programs for the kids, we also provided free helmets to the kids that participated. Fees for this in the last 10 years has doubled. (power point presentation, attachment 2) 07:00-14:00

Rep Martinson: We gave about 10 or 12 million is that gone? I know you did the day park and some other projects. Did you have any turn back?

Chairman Monson: Go ahead Jesse, we will come back to this.

Mr. Hanson: We received \$14.75 million in total appropriation the remaining \$11.2million was split among those 22 projects. 14:50.... Of the 22 projects there are 5 that are just on the cusp of being started. The rest are either completed or just nearing completion. We had a good construction season. I would say 75% of them will be done by spring. I don't have figures for each one of them.

Representative Martinson: Can you bring us copies for each of those?

Chairman Monson: You can do that later and give the copies to our clerk.

Mr. Hanson: Natural Resources Management weed control and removal of hazardous trees in high density areas is an ongoing process.

Chairman Monson: What would you like that cap raised to?

Mr. Hanson: \$200,000 would give us flexibility to pay concession expenses.

Chairman Monson: Is that July 1 date a problem for you?

Mr. Hanson: (22:00) That date is chosen because it's the end of the fiscal year. January 1 would be easier because we aren't as busy, but raising the cap would give us flexibility.

Chairman Monson: We can take a look at that.

Mr. Hanson: (see attachment 1) 23:00

Chairman Monson: That doesn't require another piece of legislation from you guys, then?

25:29 **Mr. Hanson:** It does not require more legislation, that's correct. The language I worked on with our attorney is in HB 1079 so whatever bill that goes forward in, that language should be part of that bill.

Chairman Monson: Remind us before we do final action on this. O.K. Jesse continue.

Kris Kadrmas Legal Council: Sec 7 in the bill addresses that. There might be a question if they need authority with the appropriation to apply for that grant.

Mr. Hanson: to continue (see attachment 1)

Chairman Monson: Asking that leftover funds be carried over?

Mr. Hanson: Yes, it would allow for funds to carry to new biennium to help fund staff.

Becky OMB: We are completely supportive of that, knowing that it will affect the general fund.

Chairman Monson: So you weren't counting on that to help meet the budget. You were helping them meet the budget, etc. for the Interpretive Center.

Representative Schmidt: Jesse, this was before you came during the session we had transferred \$1 million out of Game and Fish to Parks and Recreation for sovereign lands. Refresh us on how that was done from the Water Commission. I don't think that was reimbursement. I think it was just to write you the check to give you the funds. There is nothing in the report about what has been done with the that million dollars or the effort that you made.

Mr. Hanson: I was the one that gave that report and I apologize for leaving that out. Those funds were to be used for access areas to the sovereign lands from the bank side. We started that project but didn't do a good job of looking into it. We took the approach of looking into sovereign lands that had a decent acreage size if there would be public funds spent, say, to get to a sandbar, we felt there had to be a land base there to provide different recreational opportunities. We ran headlong into who builds the roads and maintains them.

31:30 There were hiccups in the transfer and how that transfer would go. We stumbled on that process badly and never came up with a definitive plan. Someone from the business end of the engineers' office would have to tell you about that. That discussion was between fellow director Zimmerman and the state engineer. We would work with Representative Porter and you or whoever it would be to make that a better situation.

Representative Schmidt: I would still like to see something pursued on that. I don't know what the State Water Commission did with that money. That was supposed to be handled the same as the Red River Water Supply. There were no strings attached. There shouldn't have been any hiccups transferring those funds. If there was we need to fix that.

Mr. Hanson: There were issues with the trust fund that it came out of from the water fund. You'd have to ask the Engineers Office about that. We didn't get to that point.

Chairman Monson: Rep Schmidt your homework is to keep tabs on this bill and if anything needs to be done since you sat on that committee.

Representative Streyle: On the Lewis and Clark project, I know you had a time with that and made estimates, how did that come out? What is the cost on an annual basis?

Matt Gardener: Part of that funding was added to our base budget, it was one time, part went for the purchase of assets, the part that went for operating was \$950,000 last biennium. The part that was added to our base was for salaries. The part that we added into our budget to replace that was scaled back to around \$850,000 and that was not included in the governor's budget. The amount that is in the budget for salaries plus \$850,000 is what our need is to continue.37;00

Chairman Monson: How much money do you have that looks like you can carry over?

Matt Gardener: We figure right around a \$100,000.

Chairman Monson: It was \$950,000, you had to reduce it by \$100,000 and now you've got \$100,000 left. Is that the same \$100,000.

Matt Gardener: The \$950,000 was one time. The carryover we would have about \$100,000 of that onetime fund remaining. That came out of the base salaries which was for the FTE salaries. Purpose of carryover would help supplement as we had a feeling that the \$150,000 request to replace the \$950,000 onetime would not come in. The \$100,000 would help supplement that. We would still need to get closer to that \$850,000 mark to continue operations.

Representative Streyle: You have a huge gap then for funding operational costs. You are unlikely to get it at that level. How would you scale back to continue?

Matt Gardener: There would be no Interpretive Program and very limited hours of operation. My concern would be long term maintenance. We'd have to scale back and discontinue some things. It would be difficult to continue. 40:40

Chairman Monson: Were you able to run efficiently with way fewer FTE's than before.

Matt Gardener: There were 17 FTEs when I started the end of April and we are down to 9, 2 interpreters and 3 part time positions, we are focusing on interpretive and building maintenance. We will come in about \$100,000 leftover.

Chairman Monson: Are you getting funds from the foundation?

Matt Gardener: Yes, about \$75,000 a year.

Chairman Martinson: We have to look at what to do because we won't get those funds. We may have to close things.

Chairman Monson: How is the boat ramp project going, that's the marina, how is that working out?

Mr. Hanson: We operate the marina Lake Sakakawea, one at Lewis and Clark and two at Stevenson Park. We have waiting lists for people to get in and we do concessions, too. 45:25 There is a big demand, they are doing well.

Representative Sanford: You have assets so there's maintenance and upkeep, there's also a program side to it. How do you handle the decrease in part time personnel when you have an increase in business?

Mr. Hanson: Revenues are higher in Parks and Rec. They have to keep employees to do painting and maintenance. The maintenance end is priority the repair fund is solid for that.

Representative Schmidt: What % of budget do the users fees cover? Can we increase user fees?

Mr. Hanson: They raised camper fees and didn't see any reduction in use. My guess is that it covers probably 60%.

Chairman Monson: Are you able to raise fees without legislative oversight?

Mr. Hanson: We've asked to raise the annual pass for cars. That needs legislation. The others they can raise themselves.

Representative Martinson: 51:00 Eventually you'll be asked do you keep up what you have or does everything get hurt a little?

Mr. Hanson: We will look at the entire agency to take hard looks at what we can do. We are looking at raising fees.

Representative Streyle: \$25 for a car load on a season pass should be \$100.

Chairman Monson: How much is a day pass?

Mr. Hanson: \$5.00

Chairman Monson: You added an FTE at Cross Ranch?

Mr. Hanson: We transferred one FTE to take care of the oil boom. Last biennium we asked to get that FTE back at Cross Ranch and we did. We didn't get an extra FTE, we moved one.

Chairman Monson: Have you taken care of the thistle problem at Cross Ranch?

Mr. Hanson: We have 2 full time employees staying on top of that and it is MUCH better.57:40

Chairman Monson: Constituents were quite upset with Parks and Recs bidding procedure. We have a procurement procedure, I hope you are following it, I will be checking on this. A constituent told me that someone at Parks and Rec told him not to bid because someone else should have a chance to bid and get these bids.

Mr. Hanson: We would never tell someone to stop bidding because they are getting all the low bids.1:01:00

Garry Enns International Peace Garden: The Peace Garden was established in 1932. It is as unique a piece of property as you can find in North America, it is between ND and Manitoba. In 1920s when everyone was getting together, 10 years after the war to end all wars, the idea was to honor 200 years of peace between us and Canada. We are trying to do catch up on maintenance. He started in 2015. We are anticipating what will happen with the 13% reduction in budget. The Lure card for rest areas has a list of attractions. (see attachment 3)

With a 10% reduction we won't be able to have as many flowers, we have 4 employees on US side and 4 on Canadian side. More than 6000 succulent plants in the cactus conservatory that needs to be heated year round at a cost of \$150,000. We are in the process of renovating the Eric Willis Pavilion. Canadian funds of about ½ million were used to restore it. Funding thru Canada was used to install valves and replace pipes at ¼ million dollars and do paving also at called the committee to order on cost of ¼ million dollars. We received a \$1.2 million grant from Province of Manitoba to expand our lagoon system this spring. ND Capitol grounds helped provide a couple of grass mowers. Revaluation shows Fire Ins. cost about \$250 million. Demolition of the Peace Tower by KL Engineering and a contracted bidder from Jamestown will come next week to do a site assessment and the tower will come down between now and the end of March.

Chairman Monson: Do you have the money in your budget to do that?

Garry Enns: We have \$200,000 from Parks and Rec and some will have to come out of our budget as that number is a little short.

We spent \$1.3 million on the US side and \$1.7 million on the Canadian side. 1:15:00

We have a fee of \$15 a day per car, a season pass is \$30.00. Music campers gets a discount of \$20.00 per season. We saw an increase of \$20,000 to \$120,000 from the gate and about the same on the Canadian side.

Chairman Monson: What is the impact of Canadian dollars now that US dollar is so much higher?

Garry Enns: We had dual prices on gift shop prices, we changed to a discount for US buyers, as Canadians weren't buying. A Challenge with Canadian visitors is that it's just a bit out of the way (one-hour south of the Canadian trans highway). The 150year Canadian celebration is this year. The Peace Garden will have 150 tulips; Canada has eliminated all Park fees in Canada for the celebration. Our side will still charge admission.

Chairman Monson: How is the music camp working?

Garry Enns: We are challenged to see other uses for the camp. It has meeting facilities and dorms. We will invite organizations with a low budget to use it. We would like to make it a year round facility. Canada is using it for a cross country competitive track facility. They will host 150 competitors in Feb. We are trying to identify partners. A group of educators is looking for a place (Open Waters Educators) for their events. We will have a new sculpture this summer in a fountain in the garden with two hands releasing a dove. Only half of the formal garden has ever been developed.

Representative Boe: What exceptions are there to the buildings that are yours?

Garry Enns: The music camp raised funds for some of their own buildings.

Representative Boe: In those cases they assume the maintenance of those buildings?

Garry Enns: Yes. We spent \$¼ mil on rooves at the Music Camp last summer. Thank you for your time.

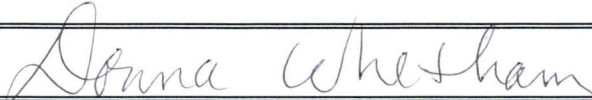
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2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Education and Environment Division
Roughrider Room, State Capitol

HB 1019
1/5/2017
26611

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

An appropriation for defraying the expenses of the parks and recreation department; to provide a grant to the International Peace Garden.

Minutes:

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Chairman Monson: The committee talked during the break about what the effect would be if we pass the carryovers for funds. 1019 does have these exemption sections where they can have carry over the money. All these budget bills are probably going to be showing up with new sections of code that are allowing different agencies to carry over unspent one-time money that was appropriated last time. We must be careful about passing all these especially if they are from the General Funds. If the project is in the works It makes sense to pass it and carry it on. But it will have an effect on the General Fund if it wasn't used unless it was from an outside fund. I think I will use #1019 and 1079 as an example. There are several exemption clauses in there. If we see this in the midst of these bills, we will have to see the source; i.e. is it from the General Fund or Heritage Fund, i.e. outside sources. It can go back or be carried forward to whatever funds it came out of.

Stephanie Gullickson: Referring to 1019 Section 5, Community Grants; if they are in the higher number of bill, they are in the Governor's bills; the smaller numbers are our version.

Michael Johnson, Legislative Council: He talked about the difference between the 1019 and the 1079 bill. The 1079 Bill was introduced by the Executive Branch and may have sections new to the previous Bill 1019.

Chairman Monson: We are all on the same page; we have to decide which one we are working on; it is kind of decided for us which one's will be going forward, which ones Legislative Council will be doing the amendments on. They will be very similar bottom line in number; it will depend how we get there and what we started with. The end number should be pretty much the same thing.

Rep. Jim Schmidt: In regards to Park and Recreation, the yearly fees are legislated to the daily fees; the \$25 fee is too cheap. They have to pay more out of their budgets.

Chairman Monson: Some of these fees have not been raised in 30 years. Money doesn't go as far as it used to any more. Maybe it is time to increase it a little.

Rep. Bob Martinson: When we talk about raising fees, we are raising taxes. In this situation, we are making it more expensive for families to camp on the weekends because we have kept the fees affordable.

Rep. Jim Schmidt: To me reducing taxes means that you reduce the subsidy that the taxpayer pays through a benefit that others adhere to.

Chairman Monson: We are talking about user fees; not taxes. Those fees directly go back to the agency to be utilized to include the conditions in which they are used. As for camper use, there is a tremendous amount of use. What is happening is that the camper fees are not keeping up with the increase in capability such as dumping stations, electricity and water and that sort of thing. So what we must do is increase the costs of the recreation development. So the user fees on them will increase on it to make up those costs. Property Taxes will be increased to make up those costs. We have to ask what is the impact. We want to keep it affordable. This has to be carefully watched to make that sure the fees are equitable to the costs involved. I'm not saying we should or shouldn't raise fees. We are just talking generalities here. What we do is look at the bills very closely case by case and if we think it is something that we need to adjust. We should adjust it.

Chairman Monson: Is there anything we want Legislative Council to work on?

Representative Schmidt: I checked with Representative Porter and we still want to pursue the \$1million dollars for the the Sovereign lands with the parks. Renae said there was some problems and one of them is the water people said we don't have the authority to spend it. I'd like to have them follow up on what these problems were and why that couldn't be done.

Chairman Monson: Representative Schmidt this is what you can be looking into, follow the money. Anything dealing with water is your project.

Jesse Hanson: Parks and Rec. Field Manager: The issue on the funding end was that the Water Commission wasn't authorized to transfer the funds to State Parks. That doesn't preclude us from doing the ground work of where we are at. Parks and. Rec would gladly work with Representative Schmidt and Representative Porter to start looking at a solution for that.

Chairman Monson: Maybe that is where we need to address it. Any other business to come before us. Seeing none.

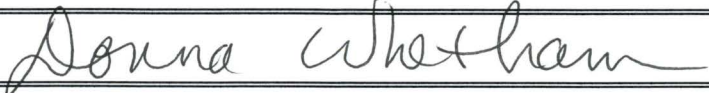
Meeting adjourned.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Education and Environment Division Roughrider Room, State Capitol

HB 1019
1/19/2017
27129 – Start 0:00-57:42

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

An appropriation for defraying the expenses of the parks and recreation department; to provide a grant to the International Peace Garden.

Minutes:

Attachment 1-2.

Minutes:

Chairman Monson: called the committee to order on the Parks and Rec budget HB 1019-1079. Jesse please bring up the items we discussed. Thank you for bringing in a very brief, concise sheet of information for us.

Jesse Hanson Interim Director ND Parks & Recreation: (see attachment 1) 4:20-5:51

Chairman Monson: You could use a lot less temps but it would cut into your summer revenues. What would be the effect and how would you do this?

Mr. Hanson: If this would come to fruition we would need flexibility because it would affect our parks and services significantly which would affect the revenue. We'd have to reduce more FTEs as eliminating temps would really cut into our revenue. This equates to a total reduction of 4.5 FTEs.

Vice Chairman Streyle: That number is really close to the number in Lewis and Clark so if we eliminated that completely and cut 2 or 3 FTEs as opposed to 4.5 we'd be good to go.
8:24

Chairman Monson: I had a meeting yesterday with someone in the hall from the Lewis and Clark foundation and they said they are kicking some money in to the program. Would that go into your budget?

Mr. Hanson: They do fund some programs but the funds don't come into our budget. Matt Gardener works with that budget; I will defer to him.

Matt Gardner ND Parks and Rec: Their commitment is about \$75,000 a year. Some of that does come to us in the form of a check to help offset programming. Their contribution goes towards interpretation at the center, not for operations such as heat and lights.

Chairman Monson: Do they provide the interpreters?

Mr. Gardner: The interpreters are our employees. We have one FTE that is the interpreter coordinator. We do bring on seasonal interpreters.

Representative Schatz: Can you do that with headphones and a recorded interpretive tour? 10:56

Mr. Gardner: The problem with having unsupervised tours is that there are a lot of artifacts there that could walk off and there may be 30 or 40 students, which is a lot of head phones.

Chairman Monson: So it is locked when you don't have a tour. I asked Rep Delzer about this. He said we can't sell it, there is DOT dollars in it. We own it. He suggested just having the rest area part of it open in the winter and just offer tours in the summer. How much would that save?

Mr. Gardner: We already do some of that. We close Fort Mandan in the winter. You would still have heat and lights. It would reduce some seasonal staff. I will get you those numbers.

Chairman Monson: Chris LC and Rep Streyle can you check those numbers against the 7%.?

Chris Kadrmas LC: 15:59 The governor's recommendation includes \$13,450,896 in salaries and wages for Park and Rec. The salaries and wages are in several different lines.

Chairman Monson: If we go this deep I think the citizens will be upset, they would expect better service than what they could provide in the end.

Mr. Hanson: You asked about our fees and if we could increase them. I made a handout on our fees for your information only (see attachment 2) 18:20-22:00

Rep Schmidt: How does that \$10 increase in annual permits equate to the number of temporary employees you could buy with that increase?

Mr. Hanson: It would almost put back the 22 employees we would have to cut.

Chairman Monson: How do you verify a veterans % of disability?

Mr. Hanson: They have documentation that states the percentage of disability they have.

Chairman Monson: Montana has a \$6.00 fee if paid with vehicle registration. Is that charged when they buy their license plate?

Mr. Hanson: Entry fees weren't working well for them so they went to the voluntary check off when they buy their license. That money goes to their Parks and Rec.

Chairman Monson: This shows we are definitely priced below our neighbors. Over half of the people who use the Islandic State Park are from out of state. What if we would raise the out of state fee to say \$50. Would you have an idea of what that would do to your visitor ship?

Rep Boe: This is a voluntary fee-you only pay it if you go to the parks. I have no problem raising the fees.

Rep Schmidt: I don't like to classify fees as taxes. We have no control over where our taxes go. When I pay a fee to get into a park that fee goes to the park. I agree with Rep Boe.

Vice Chairman Streyle: I don't think it's worth it for the little amount it raises.

Rep Schmidt: It may not raise a lot but it offsets the 7% and takes it from the people who use it. If we don't take it off, the \$150,000 is going to be paid by people who don't use it.

Chairman Monson: What if someone comes in on a bicycle?

Mr. Hanson: 31:54 It is a motorized fee, if you come in on a bicycle it doesn't apply. We are at about a 70% in state and 30 out of state Out of state visitors usually buy the day pass. The increase would put back 17 employees which would be a significant help.

Rep Boe: What if you discontinued the vehicle pass and charged \$5 per person.

Chairman Monson: I think what Montana does, paying a fee when they register their vehicle is good. Do you charge a difference for camping overnight as compared to a day pass?

Mr. Hanson: Camping fees are separate on top of entry fees.

Chairman Monson: I think it is huge that a \$10 fee would put back 17 employees. Maybe we can add an out of state fee or something.

Mr. Hanson: Rep Schmidt had a question on the sovereign lands initiative and the money from their trust funds that was supposed to be transferred to Parks and Rec budget. That has been transferred but we don't have the spending authority in our current budget to spend it.

Chairman Monson: I can't understand how if we gave you the money and gave you the purpose that you don't have authority to spend it. Chris, would you say they can spend it?

Chris Kadrmas: No, because it does not contain the word "appropriates" in it. Nor is it appropriated in their bill.

Mr. Gardner: I will address Frost fire first. We did get funds in 2013 for Pembina Gorge. A foundation was recently formed to buy Frost fire and we moved our central office there. They will have skiing. We have horse trails. We do sell snowmobile permits and horse trail permits. It's hard to have an annual pass fee because there are no set boundaries. Two biennium ago \$300,000 was given for the gorge. We carried over about \$200,000 and we've spent a little over \$80,000 of that. We had a rental fee for office space. We did a feasibility study. There's \$119,000 left.

Chairman Monson: Shall we put that \$119,000 in so they can continue to rent office space and continue? Did the governor scale that back Stephanie OMB? It is in my district and they are doing wonderful things there, you should all come and see it.

Stephanie Gullickson OMB: The governor did not scale that back, it can carryover.

Chairman Monson: The governor did not put any funds in for the ski area. I would like to see the money put in for carryover, we would add nothing to the bill. They should be allowed to pay the rental past 2018.

Rep Schmidt: If it is just a carryover I will be in favor of that also.

Mr. Gardner: 51:00 I will read the language of it here. It provides \$300,000 from the general funds provided in the 2013-15 appropriation. It may be used by the department to rent property in the Pembina Gorge area for the purposes of providing office space for employees responsible for monitoring trail systems in the area, developing and patrolling the trail system, and for determining the feasibility of establishing an interpretive center in the area. We've accomplished all of these things. We wouldn't use the \$119,000 all for rent.

Chairman Monson: Chris make that work so they can use the funds.

Matt Gardner: 53:25 The Northern Plains Heritage Area is the Missouri River corridor area for heritage lands touching the river. Replicas, like the Fort Mandan ones are purchased with those funds.

Rep Schmidt: in 2011 we had a bill that outlined exactly what that heritage area could do. Are they in compliance with that legislation?

Matt Gardner: I believe so. This exemption in our appropriations bill would give us permission to apply for those grants. The concern was over buying land. We would not use it for buying land.

Rep Schmidt: There was a concern about the use shed and what could be built around Fort Abraham Lincoln.

Matt Gardner: That was separate from the heritage. That was part of the Fort Abraham Lincoln Foundation.

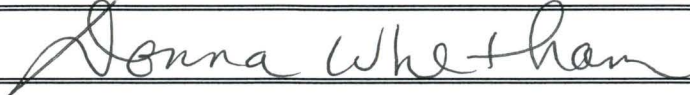
Chairman Monson: You brought in really good information today. We will study this. Next week we will talk to you again probably on Tuesday. Now we will take a 10-minute break.
57:42

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Education and Environment Division
Roughrider Room, State Capitol

HB 1019
1/24/2017
27307 Start time-0:00-44:59

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

An appropriation for defraying the expenses of the parks and recreation department; to provide a grant to the International Peace Garden.

Minutes:

Attachment 1

Chairman Monson: called the committee to order on the Parks and Rec budget. Rep Boe is at the funeral in Rolette of the deputy who was shot near Rolla. Sanford joined us. 3:37 One of the big questions is how are we going to keep funding The Lewis and Clark Interpretive Center.

Vice Chairman Streyle: I think we should take 3 of the 4 staff and shut that down to support the seasonal part time workers.

Matt Gardner ND Parks and Rec: There is a lot more to Lewis and Clark than just the interpretive center. It's a large building; 20,000 square feet. It includes Fort Mandan. We have 4 FTEs there now. We have a site supervisor, a maintenance supervisor, a visitor services coordinator, and the interpretive supervisor. If the goal is to just maintain the building we'd need the maintenance supervisor.

Chairman Monson: How much special funds come in through the foundation?

Mr. Gardner: 6:40 – 9:00 (see attachment 1) It's hard to get seasonal help in April when the school tours start and they go through June. A lot of the temps are college kids.

Jesse Hanson Interim Director of Parks and Rec: We do have a full time maintenance supervisor whose duties are park wide. If the funds are not there to run it we'd need to look down the road, is it closed for good or will it open again? Because if it is closed we'd need to do something with the assets.

Chairman Monson: They depend a lot on volunteers at the Icelandic State Park. Could you do that with a long term temp?

Rep Martinson: I think it would be better to just end it or we keep it, instead of crippling it so they can't do anything.

Chairman Monson: I'm inclined to think we cut back and give you some flexibility on how you would do it. You would decide if you need to close it down.

Mr. Hanson: The one-time funding which paid for the operation was eliminated in Dalrymple's budget. What's on the table now is employees. If we were cut more we'd have to move everything down to the Fort Mandan site.

Chairman Monson: The building is too good to let go. You could rent out the facilities.

Mr. Gardener: We rented it out 40 times last year. In 2015 we took a hard look and reduced wherever we could. We've reduced by 25%. We've found cost savings and reduced \$424,000 in the last 18 months.

Chairman Monson: Can you run it on the \$666,000 that's in Dalrymple's budget?

Mr. Gardner: I'd have to say no.

Chairman Monson: Can you move funds from one park to another?

Mr. Hanson: We are limited as most of our parks are in the natural resources division but the interpretive center ended up in the recreation division. We don't have the ability to move funds across. We'd be robbing from Peter to pay Paul. All of the parks are running on tight budgets.

Chairman Monson: I'm impressed by your income from the store. Let's turn our attention back to the permits and what we charge. I like the idea of getting more fees from out of state visitors.

Mr. Hanson: We sold 15,352 annual passes last year. Out of state passes and Canadian passes were 2315. At the \$25.00 rate those come to \$57,000. If that were raised by \$10.00 it would be \$81,000 a year. I think our constituents would not balk at a \$10 raise in fees across the board.

Chairman Monson: Senior discount is \$5. They only pay \$20 for an annual pass. I think seniors have a lot more ability to pay than a family with children. Are big motor homes charged the same as a tent?

Mr. Hanson: All of our campsites are priced the same depending if you are in a primitive area or have electrical hookups.

Rep Schatz: How many visitors do you get at Washburn on a typical winter day?

Mr. Hanson: Matt has that in the attachment. January 13-19 there were 12 admissions. With the room rentals and gift shop sales the revenue was \$1154.00

Chairman Monson: How many staff did you have there to generate that.

Mr. Gardner: Five or six staff.

Mr. Hanson: Some are there doing their off season work. The maintenance employee is there all winter to maintain the park, the gift shop supervisor is there doing her ordering etc.

Rep Martinson: Do you know if there is federal money in the building or funding?

Mr. Hanson: 32:00 Federal funds were involved in the building. At this point in time I don't think any is involved in ongoing.

Rep Schmidt: What would be the impact if we moved the artifacts into Bismarck and sold the building?

Chairman Monson: I've been told we can't sell it.

Mr. Gardener: I'd have to discuss that with the Department of Transportation, as part of the rest area operation comes from federal funds. We get some federal funds.

Mr. Hanson: There hasn't been any money from the Dept. of Transportation since the original investment was done as we were to pay the operating expenses.

Chairman Monson: I would think that DOT should be responsible for part of the funding of the rest area. I will ask Rep Brandenburg. We have people filing in for our discussion with BND. Thank you for the information.

Rep Sanford: What kind of scenario would we like from them, for instance, a million-dollar reduction and raise the rates?

Chairman Monson: Raising the rates will be a component of it. We could give you flexibility to move some of those funds around as needed.

Rep Martinson: I think when we talk about Lewis and Clark, we are talking about the Interpretive Center, not about Fort Mandan.

Rep Sanford: If you take the extra 7% reduction we requested, if you raise the fees, I'm saying rather than take the \$1.2 million and reduce it to a million reduction.

Chairman Monson: My number is somewhere between \$666,000 and a million. I'm for tweaking instead of making big changes as you do run an efficient agency. See if you could reduce another FTE or two.

Rep Schmidt: I'd like to get information on selling the building and moving the artifacts.

Chairman Monson: Chris Kadrmas LC can you find out if we can sell the building and if we can get any funds from DOT.

Rep Schmidt: I'd like to know what the building is worth on the open market.

Mr. Hanson: I can track down information on what the obligations are for the state to have ownership of that building.

Chairman Monson: They put a value on them, but it's only worth what someone is willing to pay. We have people here to talk about water so we will take a 5-minute break and come back to reset on water. 44:59

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Education and Environment Division
Roughrider Room, State Capitol

HB 1019
1/31/2017
27629

- Subcommittee
 Conference Committee

Virginia L. Moch

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the parks and recreation department; to provide a grant to the International Peace Garden; and to provide exemptions.

Minutes:

Attachments 1-4

Chairman Monson: called the committee to order on HB 1019 Parks and Rec. Our main topic will be the Lewis and Clark Center. At 10 o'clock we will do some things with water and this afternoon We have PSC.

Jesse Hanson Interim Director of Parks and Recreation: passed out attachment 4.

Matt Gardner Recreation Division Manager:(see attachment 1) 2:40-5:00

Chairman Monson: Are your reductions what Governor Burgum recommended?

Mr. Gardener: Yes, and also to bring your committee an alternative.

Chairman Monson: What is your FTE count?

Mr. Gardner: 3 ½ There is a site supervisor, a visitor services coordinator, an interpretive coordinator, and a maintenance supervisor.

Chairman Monson: I talked to DOT and they said it would be hard to sell The Lewis and Clark building because of the federal funds. They don't want to close it because it's the only rest stop between Bismarck and Minot. When I asked if they could kick in some money, he said their funds are as tight as ours.

Mr. Gardner: The agreement in the foundation said the state owns the land, they bought it with federal funds, and they, DOT didn't have to pay. The DOT did kick in federal funds.

Chairman Monson: I'll talk to Brandenburg about giving some of the DOT budget to help out on this. What would happen if we closed the rest area and just kept your part open?

Mr. Gardner: We've talked internally about how it would work to close the rest area. Our visitors use the bathrooms so we'd still have to heat them. I think trucks would still park in the parking lot so it would still operate as a rest area.

Chairman Monson: You got it down from \$1.7 to less than a million.

Vice Chairman Streyle: I think we leave it completely out. If the other chairman wants it he can put it in in committee.

Chairman Monson: Matt handed out a proposed amendment, attachment 4, that I gave to Chris. We can probably make that work. It lets them carry over the money from the last appropriation, \$116,000 unspent Pembina Gorge money so they can continue to rent the office space. Does it do something else?

Mr. Gardener: The two things we added was that we need some form of communication since cell phones don't work, and the second thing is to provide matching funds for trails in Pembina Gorge. (see attachment 2)

Chairman Monson: Committee is this o.k. to let them carryover the same money to do this? O.k. Chris, put it on the list and expand the language so they can use it. Let's go back to fees at the parks. If we took off the senior discount what would that add?

Mr. Hanson: We sell 3000 senior passes, so yes, that would be \$15,000.

Rep Boe: I think the fairest and most targeted way to raise funds is to raise the fees for the users.

Chairman Monson: How high shall we go? Minnesota's fee is \$25, Montana's is \$35 for nonresident, South Dakota charges \$30, Wyoming is at \$33.

Mr. Hanson: Minnesota is currently raising their fee by \$5.00 to \$30. I think for us a \$10.00 increase would be appropriate and people would not bulk.

Rep Schatz: How many of the passes are out of state and how many are in state?

Mr. Hanson: I believe it was about 2500 out of state visitors.

Rep Schatz: I'm pretty opposed to raising fees, but I would not be opposed to raising out of state fees.

Chairman Monson: 20:30 I don't want our fees to go higher than the states around us, \$30 would be o.k. Out of state would be o.k.

Rep Boe: The other way to do it would be to close one facility, save 20 %.

Chairman Monson: What do you think of that idea, Jesse? Cross Ranch costs more than it takes in. You have 2 employees out there.

Mr. Hanson: Camping numbers at Cross Ranch jumped by 60% last year. We added electricity in the last biennium. Cross Ranch also oversees Little Missouri and Sully Creek state parks. It really is like a 3-unit park. When you combine all 3 of their camping it is probably higher than Icelandic State Park. Our IT person said there is a possibility people can lie and claim they are in state when they aren't. It would take about \$7000 to tweak the system so that wouldn't happen.

Rep Schmidt: Either the user or the taxpayer pays for this, I'm for the user paying for it.

Rep Boe: Put \$35 on the list.

Mr. Hanson: If a family goes to the movies they pay \$35, if the movie is bad you are out of \$35. If they go camping for that price and it rains they can come back the next week. The increase adds about \$150,000 a year.

Rep Schmidt: It equated to your 17 summer employees.

Chairman Monson: It would be the same as Montana and less than Wyoming. We'll put the \$35 fee on our list.

Rep Martinson: Could you give us a wild guess at the out of state percentage?

Mr. Hanson: It's about 70% in state, 30% out of state.

Chairman Monson: On our list: add carryover authority for a million-dollar grant received by SWC (state water commission).

Vice Chairman Streyle: We transferred that last time but they didn't have the authority to spend it.

Rep Martinson: 28:00 I think we should add "and the emergency clause".

Vice Chairman Streyle: At one of your successful parks, what is the operating cost?

Mr. Hanson: The \$988,000 is equal to the Metigoshe State Park.

Vice Chairman Streyle: If that is comparable funding for a place that nobody goes let's just close down Lewis and Clark.

Chairman Monson: I don't know if that is even possible.

Rep Schmidt: I think we should move the relics, shut it down, and sell the building. Just get out of this million-dollar problem.

Chairman Monson: O.k. Chris put it on the list, transfer artifacts, dispose of the building, and move on. It will cost a million a year if we don't.

Mr. Kadrmas: If you look at the green sheet provided last time they sell about 4600 permits out of state if you figure 30%.

Mr. Hanson: That 30% is mostly day passes.

Chairman Monson: 35:15 Should we raise the day pass?

Rep Boe: Have you had internal discussions on that, give us your insight.

Mr. Hanson: Yes, we have talked about this in years past. When Montana put in a request it was denied. Then they added a voluntary checkoff. Montana did not want to charge a fee. They have a lot of free federal parks. They don't check if anyone paid that voluntary check off.

Chairman Monson: They pay through the nose for their vehicle registration in Montana compared to ND. Committee shall we raise the day rate?

Rep Schatz: If we raised the daily to \$10 they probably would want to buy the yearly pass for \$25.

Rep Boe: Do we need to take more if we raise the fees?

Mr. Hanson: 40:10 We'd raise about \$155,000 a year if we raised the yearly pass to \$35.

Chairman Monson: Jesse, can you run this on Burgum's number?

Mr. Hanson: Yes, we can. We are giving up almost \$600,00 in general fund seasonal salaries. Improvements will have to come out of special funds. There are other areas beside giving up 3 ½ FTEs. If we have to give up an FTE in the park, and we can use park revenues to put that back in we can make it work, if we have the revenues from the increased fees.

Chairman Monson: If we close the Lewis and Clark Center our savings would go to a million there. What was the amount in Dalrymple's budget?

Mr. Hanson: The \$950,000 onetime funding did not show up on Dalrymple's budget.

Mr. Kadrmas: We show the base budget for Lewis and Clark Center would've been \$918,279.

Chairman Monson: 46:45 If we take it out completely we could take out another \$700,000.

Mr. Kadrmas: Parks and Rec included \$1.3 million for the Lewis and Clark Interpretive Center and Fort Mandan. I'd have to verify what is in the request for Lewis and Clark.

Chairman Monson: There are 4 FTEs up there so that would put us below what either governor had.

Mr. Gardner: Your budget base is \$918,279, Dalrymple's was \$666,000. Some of the FTEs are special funded so they wouldn't all come out of the general fund. We'd need to generate a certain percentage in revenue to cover those costs.

Mr. Kadrmas: Their \$918,279 minus what they show ends up with the \$666,000.

Chairman Monson:(see attachment 3) Seems Dalrymple went pretty deep into seasonal salaries. That would be hamstringing you. How many employees does that equate to?

Mr. Hanson: That equates to 29 summer employees. If we can keep some employees, we can collect more revenue to keep things going.

Chairman Monson: That's all out of the general fund. You must have some special funded summer FTEs?

Mr. Hanson: Summer employees are split almost 50/50 between special funds and the general fund. If we have good visitation, we'll get the revenue to keep things going with increased fees.

Chairman Monson: Can you run the Peace Garden on those funds in Dalrymple's budget?

Mr. Hanson: Yes, they get some funds from Manitoba. I believe that number was reduced by 10% and they will be making adjustments for that.

Mr. Hanson: We'd be losing the general funds. The other option would be to replace that from special funds. We are going to be short salary for FTEs.

Chairman Monson: They requested us to take a 7% reduction on salaries. Where does that leave us Chris? 54:39

Mr. Kadrmas: The 7% reduction on salaries would take \$942,636 from the general fund.

Chairman Monson: How much of that is attributed to salaries and wages at the Lewis and Clark Interpretive center if that were to shut down. How much of those is general funded?

Mr. Hanson: It looks like about \$399,000 out of the general fund.

Rep Boe: There would be costs of just mothballing it, too.

Chairman Monson: We can't go 7% salary reduction on Dalrymple's proposal. Even raising fees won't make a dent. This budget is less than 50% general fund.

Vice Chairman Streyle: If we close the Lewis and Clark and remove the 1 FTE and take a little from operating, we will be below the 7% reduction. We don't have to give the Peace Garden any.

Chairman Monson: If Canada kicks in some, we have to. What if we took \$400,000 over what Dalrymple recommended? Some of that would be from the Lewis and Clark.

Rep Schmidt: 1:02:45 On page 5 of the green sheet, that to me is the page to work off of.

Mr. Kadrmas: That's what they chose to get down to their allotment.

Chairman Monson: Just off the general funded salaries we are almost at a million dollars.

Mr. Kadrmas: The Dalrymple budget is figured off their base budget, not any one time funding.

Rep Schmidt: You can't take the \$16 million onetime and throw it away. They still need some onetime funding to operate.

Mr. Kadrmas: The ongoing is typically what is used for operating. We are using the allotted amount, so I'd have to look at what their base budget is. They are not using that \$33.3 million.

Chairman Monson: The general fund reduction of \$61,000 in ongoing is the allotment they took on ongoing items. That left them \$16.7 adjusted. That's their base level. The executive base took a \$1.88 reduction, so that meant \$14.8 is what Dalrymple recommended for their ongoing.

Rep Schmidt: They have \$16 million for one time this time. Are you not asking for any one time funding this biennium?

Mr. Hanson: We had asked for one-time funding for capital improvement projects and repairs but all of the one-time funding has been removed.

Rep Boe: Why are we so concerned with the salaries, isn't it dollars we need? If we truly have to stick to the 7% then why are we sitting here? We could mail that in.

Chairman Monson: It amounts to the same thing because 70-80% of most budgets is 7%. Plus, we are looking at reducing operating by 5%.

Vice Chairman Streyle: I think we should have a 3 phased approach. We need to underfund the salary line, we need to cut FTEs, and we need to underfund operations. But, by doing the Lewis and Clark elimination, we are probably already there. We probably don't have to go any further.

Chairman Monson: By eliminating Lewis and Clark we do all of that.

Rep Sanford: Our list has 5 things. If I was this agency I would have plan B ready in case, there is a reinstatement of Lewis and Clark. And we should be done today.

Chairman Monson: We need to have a plan B also in case Lewis and Clark goes back in.

Rep Sanford: Plan B would need a 7% wages and salaries reduction and some reduction in operating.

Rep Martinson: We just need to do the best we can and what the full committee does is up to them. I'm not concerned about what the full committee is going to do. This is what we came up with after weeks of working on the bill.

Chairman Monson: I cannot say taking 7% of their salaries is the best we can do. If they put Lewis and Clark back and take out another million, I don't know how they can run.

Mr. Kadrmas: I would make the committee aware that by removing Lewis and Clark that \$621,288 is an additional reduction to the Dalrymple budget. The target for the 7% reduction was \$942,000. Governor Burgum's Budget recommending reducing FTEs by 2.5 reduces the budget by \$292,187. That's \$913,475. We're almost there.

Rep Boe: Plus we gave them authority to raise the fees and that will raise additional revenue.

Chairman Monson: That will be special funds. They can use those funds to supplement what they don't have in general funds.

Mr. Kadrmas: 1:23:10 You could leave the FTEs but remove the funding for them. If they raise enough in special funds they could pay for them that way. They would have to go to the emergency commission to request spending authority for that.

Mr. Hanson: If you choose to leave the FTEs and under fund them that would be on top of the \$239,000 reduction?

Mr. Kadrmas: Yes, because you have the authorization but no funding for them.

Vice Chairman Streyle: I'm confident that our plan will do fine in full committee

Chairman Monson: O.k. we'll call an end to this discussion on Parks and Rec
1:25:56

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Education and Environment Division Roughrider Room, State Capitol

HB 1019
2/8/2017
28048

- Subcommittee
 Conference Committee

Virginia L. Moch

Explanation or reason for introduction of bill/resolution:

To provide an appropriation to defray the expenses of the parks and rec department; to provide a grant to the International Peace Garden; and to provide exemptions.

Minutes:

Attachment 1

Chairman Monson: called the committee to order on Parks and Recreation budget. We've asked Matt to run through some things with Lewis and Clark. Monson read an amendment prepared by Rep Martinson on transferring books from Lewis and Clark to Bismarck State College. (see attachment 1) :50-3:20 Mr. Johnson was directed to put it on the list to be put all into one amendment on Monday. All representatives agreed to it. I got confirmation from Rep Brandenburg that they will transfer \$100,000 from DOT the second half for the rest stop at Lewis and Clark. With that we can drop the general fund to \$888,668. We will give them special fund authority. The request for Lewis and Clark under HB 1079 was \$363,194 so that number becomes \$463,194. They will retain 20% of the books so they can still sell those.

Michael Johnson LC: That number may have to be adjusted to add in proceeds from the gift store.

Matt Gardener Parks and Rec: That fund is not from the gift store it is donations and gifts to parks and rec. That \$988,668 number that is bare bones. Just in case the DOT funds don't come through. We need that to continue.

Chairman Monson: We are cutting 3 ½ FTEs only out of the line items. I'm not sure if Lewis and Clark will be named on the line within the bill., but not specifying that it will be 3 1/2 FTES. It may just be wrapped up in wages and salaries for the base line budget. Can they transfer from one line to another or will it need to be specific?

Michael Johnson LC: That's correct.

Chairman Monson: 10:44 When we get this back will they be able to transfer to a line item.

Mr. Johnson: It would have its own line item. Lewis and Clark will be named on it.

Vice Chairman Streyle: Are we sticking with the \$888,000?

Mr. Gardener: We will be cutting back operations in the winter and reducing summer temps.

Chairman Monson: I think taking that many FTEs puts them at operating on a shoestring. Michael has a budget handout he will have ready to handout on Monday. He didn't have all the information today.

Chairman Monson: It looks like Governor Dalrymple cut 10% of the International Peace Garden's operating. I talked to Mark Zimmerman, the former director. He put in an 87% budget because they can sell concessions and bring in additional revenue.

Mr. Gardener: When we submitted our budget we put in a 10% reduction. When it came back from OMB they had added the 3%. They have an 87% budget. No, he didn't do that.

Jesse Hanson Interim Director of Parks and Rec: We had a discussion on raising fees. We usually raise the day pass in conjunction with the annual pass. If we raise the annual pass by \$10, it was recommended that we raise the day pass to \$7 which would generate another \$103,000 per year.

Rep Schatz: I thought we discussed making the day pass \$10 so people would be inclined to get the season pass for \$25.

Mr. Hanson: Even with these raises, our parks are a good deal. From our perspective it is better to go to \$7.

Chairman Monson: I think \$10 is a 100% huge increase and may kill it.

Mr. Hanson: We did calculate how the \$10 raise even with the \$5 Senior citizen discount would raise revenue by \$30,000 a year. Our net for the annual pass with the increase would be about \$182,000 additional in revenue per year times 2 for the biennium.

Vice Chairman Streyle: So between the two it would generate over a quarter million dollars a year. That is substantial. That would plug the whole created by the allotment. I wouldn't want to cut your 29 employees.

Rep Schatz: I think you're going to have trouble selling 2 increases, one in the day pass and one in the yearly pass.

Chairman Monson: I'm leaning toward the \$7 and \$35.

Rep Schmidt: I support you on the \$7 and \$35.

Rep Martinson: I don't like fee increases, but sometimes you just have to do it.

Rep Boe: What are these campers showing up with, a tent or a \$50,000 camper?

Mr. Hanson: \$50,000 campers are probably at the lower end. The rig pulling it would be \$50,000. We make sure to tell our users that 100% of the fees go back into our operation. And when they see that the bathrooms are clean, the electrical hook up works and the park is taken care of, they appreciate it. This would fill a pretty significant hole.

Chairman Monson: O.k. Michael put it on the list. What is the bond payment for \$52?

Mr. Hanson: There was a capital project about 5 biennia ago and we were lumped in with other agencies on a bonding bill. Every biennium we think we are out of it. I don't even know which projects were in it.

Stephanie Gullickson OMB: There are several. We add it into every single agency across the board. The \$52 is just the difference between what it was and what it will be.

Vice Chairman Streyle: What is the principal left and what was it for?

Mr. Hanson: It was probably 10 years ago. We might have asked for a couple of roads several years ago and it was lumped into one big sum with other agencies.

Chairman Monson: That's just the difference, what is your bond payment?

Ms. Gullickson: \$73,643 is their bond payment for 2017-19.

Vice Chairman Streyle: It's under other capital payments on IBARS admin section.

Rep Boe: What makes that fluctuate? I thought bond rates were the same.

Mr. Hanson: Our business manager thinks this will go for two more biennia after this one.

Chairman Monson: It doesn't matter it is in your budget. We can't pay it off. O.k. we'll call it a day on this budget. 35:56

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Education and Environment Division Roughrider Room, State Capitol

HB 1019
2/13/2017
28246

- Subcommittee
 Conference Committee

Virginia L Moch

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the Parks and Rec Department; to provide a grant to the International Peace Garden; and to provide for transfers.

Minutes:

Attachments 1-2

Chairman Monson: called the committee to order on the Parks and Rec budget. We had 3 bills on our docket this morning and one for this afternoon. Rep Delzer informed me that we are having full committee this afternoon so we will have DPI and PSC tomorrow morning. We will give each of them an hour so we will have to start at 8:00 because full committee will meet at 10:00. Now we will discuss HB 1019 for Parks and Rec. Michael Johnson LC passed out the updated budget. (see attachment 1) 2:50-32:40.

Jesse Hanson Interim Director of Parks and Rec: 14:00 That reduction out of Dalrymple's budget equates to about 29 employees. By increasing the annual pass and the daily pass we'd be able to pick up quite a bit of that reduction out of special funds.

Renaë Gall Business Manager Parks and Rec: 16:30 We get a combination of gift funds. It is part of the Lewis and Clark Foundation. (*See Attachment #2*)

Chris Kadrmas LC: Essentially we just need to adjust the general fund and include the additional \$100,000 from DOT.

Chairman Monson: O.k. Chris, you figure out the spending authority so they have that. We have an 11% increase in special funds, but it is the only way to let them do what they need to.

Vice Chairman Streyle: 22:36 We are almost at a 14% reduction on the general fund and that's after the 6.55 allotment so this is pretty substantial. Most of this increase is being paid by the user.

Rep Schmidt: The bottom line is that we have increased them about 6%.

Chairman Monson: That number is dependent on them being able to raise their fees. We've given them spending authority for probably more than they will take in. 22:52

Mr. Hanson: 25:10 (sec 8) They are finalizing their design for the replacement of the peace tower. The \$1.2 million was granted as a match to do the project and they haven't raised the match, yet.

Vice Chairman Streyle: 28:00 What is the intent of the heritage area? Are there grants we will get?

Mr. Hanson: The language prohibits a state agency from transferring properties called a heritage area. We are asking to allow state parks to apply for cost share to be used for planning purposes. Any of the capital construction that we would have to go through the governor and ultimately the legislature for approval for the project, would allow us to access heritage area funds for the preplanning part.

Rep Streyle: You would not be asking authority to move lands into this area? You would need additional authority from the legislature if you wanted to do that?

Mr. Hanson: That is correct.

Rep Schmidt: Referring to the ND heritage Grant, didn't we have legislation in full committee that said state agencies applying for federal grants had to report to the agency the impact to FTEs etc. were exempted. Wouldn't that legislation apply to this? This department would have to follow that bill and do the reporting

Chairman Monson: Have you started writing up the amendment?

Mr. Kadrmas: I believe Michael has.

Rep Martinson: We should pass it as is and we can always amend it.

Chairman Monson: I agree. Motion by Rep Martinson, second by Rep Sanford, to approve the budget. Voice Vote all ayes.

Rep Schmidt: We have increased this budget by 6% in a time of shrinking revenues. This is going to be a problem when it gets to the floor.

Chairman Monson: Whoever carries this is going to have to have that change from general funds to special funds well memorized to defend what we did.

Rep Martinson: makes the motion to "do pass" "as amended".

Rep Schmidt: seconds it.

Chairman Monson: This is subject to our final revue to see that the amendment says what we intended it to. Roll call vote, all 7 vote yes. Motion passes to revise the amended budget. Representative Streyle will carry.

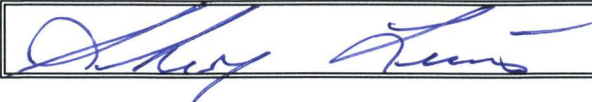
Chairman Monson: We are off until 9:30 tomorrow when we have ag. I think we are done here. 39:07

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

HB1019
2/15/2017
Recording Job# 28394

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the parks and recreation department; to provide a grant to the International Peace Garden; and to provide exemptions.

Minutes:



Chairman Delzer: Brought to the committee to order.

Representative Streyle: Explained HB1019.

Chairman Delzer: What's it being used for?

Representative Streyle: That was the sovereign lands. The water commission was holding the funds; but they state they don't have the authority to spend them.

Chairman Delzer: What in essence are they doing with the sovereign land initiative?

Representative Streyle: That would allow them to access the sovereign lands for recreational purposes. There isn't any dedicated project for this.

Chairman Delzer: North of Beaver Bay?

Representative Streyle: They haven't identified where it would go at this point.

Representative Streyle continued with his explanation.

Chairman Delzer: Did you put that language in or just give them spending authority for the money?

Representative Streyle: I don't know if we added that language.

Chairman Delzer: I believe you just expanded the spending authority of special funds.

Representative Streyle: Correct.

Representative Streyle continued with his explanation.

Chairman Delzer: A lot of people have heartburn about becoming part of that Northern Heritage Center. Are we going down a path that may be not appreciated by some individuals?

Representative Streyle: We specifically asked that question a number of times and they assured us that this would be grant dollars in that program. This is simply grant dollars from that program.

Representative Streyle continued with his explanation.

Chairman Delzer: The one-time funding stays zero?

Representative Streyle: There is no one-time funding in here. There is some special fund authority for various equipment.

Representative J. Nelson: In the Lewis and Clark Interpretive Center, the \$100,000.00 from DOT, they're granting \$100,000.00 for the rest area portion of that?

Chairman Delzer: The DOT contract was with the foundation and not with the state. The state is now operating that.

Representative J. Nelson: They're contemplating closing a number of rest areas across the state. Will they have the ability to determine whether or not that one stays open then?

Chairman Delzer: That's a very needed rest area; it's the only one on Highway 83 between Bismarck and Minot that's operational. We also have the federal safety dollars that were used in that building that requires it to keep the rest area open.

Representative J. Nelson: It's a policy decision that the legislature should be making rather than the department unilaterally making those decisions.

Chairman Delzer: That's an issue we'll have to deal with when DOT comes over.

Alex Cronquist, Fiscal Analyst, ND Legislative Council: I was able to identify where those sections are in the original bill. In the original bill, section 2 was the one-time funding and section 3 was a game and fish operating fund transfer.

Chairman Delzer: You're taking section 2, the one-time funding all the way out? You're not leaving it with zeros?

Alex Cronquist: That became section 3. The original section 3 was a \$122,000.00 transfer for boat ramp operation and maintenance; that became section 4. Also in the original bill was an exemption up to \$500,000.00 of community grant funding from the general fund; that

became section 7. In the original bill it was an exemption for any funding remaining in the International Peace Garden line item.

Alex Cronquist explained the different sections of the original bill.

Representative Nathe: Could you explain number 12 on page 5 to me?

Representative Streyle: That would transfer up to 80% of the books to BSC. It was felt that they would be better used and displayed there.

Chairman Delzer: Lewis and Clark was satisfied with the 20%. That allows them to sell the books that they do sell in their gift shop and have access to them.

Representative Monson explained HB1019.

Representative J. Nelson: With the increase in the fees, what do you anticipate that coming in under?

Representative Streyle: Based on their projections, it will be a little less than \$750,000.00. One of them generates \$150,000.00 per year; and the other one the balance. Most of its instate; but there's about 1/3 that do come across the border from Canada.

Representative J. Nelson: Is Graham's Island still the number one used state park in the state?

Representative Streyle: Most of them are very heavily utilized; especially the camping piece.

Representative Streyle: Made a motion to move amendment 17.0504.01003.

Representative Monson: Seconded the motion.

Vice Chairman Kempenich: Are there any federal funds in this budget?

Representative Streyle: Before the allotments in the current biennium, there was \$5.6 million in federal funds. The requested budget was \$5.2 million; so you're going to be in that realm in the base budget. Special funds for the current budget are \$10 million; so the general fund in the current biennium, this includes the one-time funding of \$14 million, for a total of \$33 million. We're back to \$13 million of general funds.

Chairman Delzer: Does it say where the federal money is used? Is it where parks are handling corp situations?

Representative Streyle: Natural resources is \$800,000.00 and recreation is \$4.8 million; it's in various areas.

Chairman Delzer: We had \$14 million that we put into the budget last time for one-time improvements in our state parks. This does reduce all that?

Representative Streyle: Yes. None of that continued in this budget.

Chairman Delzer: There isn't any carry over on that is there?

Representative Streyle: No. Not that we were told.

Vice Chairman Kempenich: They're still adding \$2 million of added income from previous years. I was wondering about the sustainability of new special monies coming in to keep this budget relatively whole.

Representative Streyle: It's a little deceptive because of the \$1 million that's on the water; which is in this current biennium. It looks like new funds; but it's really carry forward.

Voice Vote made.

Motion Carried.

Representative Streyle: Made a motion for a "Do Pass as Amended".

Representative Monson: Seconded the motion.

Roll Call Vote: 19 Yeas 0 Nays 2 Absent

Motion Carried.

Representative Streyle carried the bill.

Chairman Delzer: Closed the discussion.

ONE
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Fiscal No. 1

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1019

Page 1, line 2, after the first semicolon insert "to amend and reenact sections 55-08-06 and 55-08-07.1 of the North Dakota Century Code, relating to permits for motor vehicles and the parks and recreation concession revolving fund;"

Page 1, line 2, replace "and" with "to authorize the transfer of Dakota institute inventory;"

Page 1, line 3, after "exemptions" insert "; and to declare an emergency"

Page 1, replace lines 16 through 22 with:

"Administration	\$3,043,722	\$625,761	\$3,669,483
Park operations and maintenance	19,877,931	698,124	20,576,055
Recreation	<u>6,407,120</u>	<u>632,865</u>	<u>7,039,985</u>
Total all funds	\$29,328,773	\$1,956,750	\$31,285,523
Less estimated income	<u>14,517,835</u>	<u>3,871,808</u>	<u>18,389,643</u>
Total general fund	\$14,810,938	(\$1,915,058)	\$12,895,880
Full-time equivalent positions	66.00	(3.50)	62.50"

Page 2, replace lines 3 and 4 with:

"International peace garden	<u>\$973,699</u>	<u>(\$97,370)</u>	<u>\$876,329</u>
Total general fund	\$973,699	(\$97,370)	\$876,329"

Page 2, replace lines 9 through 12 with:

"Lewis and Clark interpretive center	<u>\$918,279</u>	<u>\$332,839</u>	<u>\$1,251,118</u>
Total all funds	\$918,279	\$332,839	\$1,251,118
Less estimated income	<u>0</u>	<u>362,450</u>	<u>362,450</u>
Total general fund	\$918,279	(\$29,611)	\$888,668"

Page 2, replace lines 17 through 19 with:

"Grand total general fund	\$16,702,916	(\$2,042,039)	\$14,660,877
Grand total special funds	<u>14,517,835</u>	<u>4,234,258</u>	<u>18,752,093</u>
Grand total all funds	\$31,220,751	\$2,192,219	\$33,412,970

Funding is adjusted for operating expenses, including inflationary increases at state parks for water, garbage, fuel, electricity, propane, insurance, and for operating costs related to adding new buildings and campground loops at various state parks. In addition, funding of \$100,000 from other funds from the Department of Transportation is added for expenses at the Lewis and Clark interpretive center.

SECTION 2. HEALTH INSURANCE INCREASE. The appropriation in section 1 of this Act includes the sum of \$188,889, of which \$7,085 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

Page 3, after line 11, insert:

"SECTION 5. ESTIMATED INCOME - WATER COMMISSION GRANT. The estimated income line item in section 1 of this Act includes \$1,000,000 of grant funding

from the state water commission authorized by the sixty-fourth legislative assembly for the purpose of developing recreation opportunities on sovereign lands in the state.

SECTION 6. ESTIMATED INCOME - DEPARTMENT OF TRANSPORTATION GRANT. The estimated income line item includes \$100,000 of grant funding from the Department of Transportation for the purpose of defraying expenses for the Lewis and Clark interpretive center."

Page 3, after line 26, insert:

"SECTION 9. EXEMPTION. Any unexpended funds in the Lewis and Clark interpretive center line item in section 34 of chapter 49 of the 2015 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be expended during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 10. EXEMPTION. Any unexpended funds from the outdoor heritage grant are not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be expended during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 11. EXEMPTION. Up to \$116,000 of Pembina gorge area funding from the general fund included in the natural resources line item contained in section 1 of chapter 53 of the 2015 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be expended during the biennium beginning July 1, 2017, and ending June 30, 2019, for renting property in the Pembina gorge area for the purpose of providing office space for employees or individuals responsible for monitoring or patrolling the trail systems in the area, developing a plan for continued monitoring and patrolling of the trail systems, and to determine the feasibility of establishing an interpretive center.

SECTION 12. AMENDMENT. Section 55-08-06 of the North Dakota Century Code is amended and reenacted as follows:

55-08-06. Permits for motor vehicles.

Unless authorized by the director, a motor vehicle may not enter or be permitted to enter any state park, state recreational area, or reserve unless the operator of the motor vehicle displays upon request a permit issued as provided in this chapter. Permits must be of a size, form, and character as the director prescribes, and the director shall procure permits for each calendar year which by appropriate language must grant permission to use any state park, state recreational area, or reserve. Permits for each calendar year must be provided and placed on sale on or before November first next preceding and used on or at any time after that date until May first of the year following the calendar year for which issued. Permits in each category must be numbered consecutively for each year of issue. Except for senior citizen discounts, a fee of ~~twenty-five~~^{thirty-five} dollars must be charged for each permit issued, except that permits of appropriate special design may be sold individually at a maximum of ~~five~~^{seven} dollars per permit covering the use of state parks, state recreational areas, or reserves under such conditions as the director may prescribe for a designated period of not more than three days. The director may authorize a discount on the sale of annual permits to any resident of North Dakota who is sixty-five years of age or older and who applies for a discount. The fees collected must be deposited in the state park operating fund in the state treasury, unless authorized by the director as follows:

- 30/5
1. The director may allow other agencies or organizations that have leased state parks, state recreational areas, reserves, or facilities to retain entrance and special permit fees collected by the lessee.
 2. The director may exempt all or any part of any state park, state recreational area, or reserve from the requirement of the motor vehicle permit and fee, for any activity or period, when in the director's judgment it is desirable to do so; provided, however, that no further exceptions may be made after state park revenue bonds are issued and while the bonds are outstanding.

SECTION 13. AMENDMENT. Section 55-08-07.1 of the North Dakota Century Code is amended and reenacted as follows:

55-08-07.1. State parks and recreation concession revolving fund.

The director shall maintain a state parks and recreation concession revolving fund to be used for the following:

1. Procurement and maintenance of an inventory of food, nonintoxicating beverages, and other merchandise and supplies of a suitable nature for the operation of concession stands, including payment of costs and travel expenses necessarily incurred to obtain or sell such items.
2. Repair, replacement, construction, and maintenance of concession buildings, facilities, and properties contained therein.

~~The sum of fifty thousand dollars is hereby established in the state parks and recreation concession revolving fund for the purpose provided in this section as a limit on the fund balance after accrued liabilities on June thirtieth of each year. Any surplus in this fund in excess of fifty thousand dollars on June thirtieth of each year must be transferred to the state park operating fund.~~

SECTION 14. NORTHERN PLAINS NATIONAL HERITAGE AREA GRANTS.

The parks and recreation department may apply for northern plains heritage grants during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 15. TRANSFER OF DAKOTA INSTITUTE INVENTORY. The parks and recreation department shall transfer the name Dakota institute and all rights, title, interests, and copyrights and up to eighty percent of any remaining inventory of any Dakota institute publication, book, or other document or production, regardless of format to Bismarck state college. Bismarck state college may transfer any rights, title, interests, copyrights, inventory of any of the Dakota institute's publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production.

SECTION 16. EMERGENCY. The sum of \$1,000,000 for developing recreation opportunities on sovereign lands in the state appropriated in the administration line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Parks and Recreation Department - House Action

405

	Base Budget	House Changes	House Version
Administration	\$3,043,722	\$625,761	\$3,669,483
Park operations and maintenance	19,877,931	698,124	20,576,055
Recreation	6,407,120	632,865	7,039,985
International Peace Garden	973,699	(97,370)	876,329
Lewis and Clark Interpretive Center	918,279	332,839	1,251,118
Total all funds	\$31,220,751	\$2,192,219	\$33,412,970
Less estimated income	14,517,835	4,234,258	18,752,093
General fund	\$16,702,916	(\$2,042,039)	\$14,660,877
FTE	66.00	(3.50)	62.50

Department No. 750 - Parks and Recreation Department - Detail of House Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Health Insurance Increases ²	Underfunds Salaries and Wages ³	Removes FTE Positions ⁴	Adjusts Funding for Operating Expenses ⁵	Adjusts Base Level Funding ⁶
Administration	(\$386,351)	\$20,035	(\$22,243)		(\$57,000)	\$71,320
Park operations and maintenance	(138,698)	145,962	(193,375)	(350,625)	1,245,400	(760,540)
Recreation	(2,654)	11,446	(9,237)		265,440	367,870
International Peace Garden					(97,370)	
Lewis and Clark Interpretive Center	221,884	11,446	(15,104)	(58,437)	(1,950)	175,000
Total all funds	(\$305,819)	\$188,889	(\$239,959)	(\$409,062)	\$1,354,520	(\$146,350)
Less estimated income	(18,093)	7,085	0	0	1,569,840	925,426
General fund	(\$287,726)	\$181,804	(\$239,959)	(\$409,062)	(\$215,320)	(\$1,071,776)
FTE	0.00	0.00	0.00	(3.50)	0.00	0.00

	Adds Funding for Grant from State Water Commission ⁷	Adds Funding from Park Entrance Fee Increases ⁸	Total House Changes
Administration	\$1,000,000		\$625,761
Park operations and maintenance		750,000	698,124
Recreation			632,865
International Peace Garden			(97,370)
Lewis and Clark Interpretive Center			332,839
Total all funds	\$1,000,000	\$750,000	\$2,192,219
Less estimated income	1,000,000	750,000	4,234,258
General fund	\$0	\$0	(\$2,042,039)
FTE	0.00	0.00	(3.50)

¹ Funding is adjusted for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

³ General fund salaries and wages are underfunded.

⁴ Removes 3.50 FTE positions and related funding.

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⁵ Funding is adjusted for operating expenses, including inflationary increases at state parks for water, garbage, fuel, electricity, propane, insurance, and for operating costs related to adding new buildings and campground loops at various state parks. In addition, funding of \$100,000 from other funds from the Department of Transportation is added for expenses at the Lewis and Clark Interpretive enter.

⁶ Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Reduction of seasonal salaries and benefits	(\$586,406)		(\$586,406)
Adjustment of gift fund authority		230,930	230,930
Adjustment for health insurance requirements for temporary staff	15,338	10,375	25,713
Adjustment for bond payment	52		52
Adjustment for extraordinary repairs	(150,760)	(55,879)	(206,639)
Adjustment for equipment	(350,000)	740,000	390,000
Total	(\$1,071,776)	\$925,426	(\$146,350)

⁷ Funding is added to authorize the expenditure, beginning with the effective date of the Act, a grant provided by the State Water Commission during the 2015-17 biennium for developing recreation opportunities on sovereign lands in the state.

⁸ Funding from park income is added due to increasing the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7.

This amendment also adds Sections to:

1. Identify the funding increases for the health insurance premium increase.
2. Identify \$1,000,000 of funding in Section 1 as funding from a grant from the State Water Commission.
3. Identify \$100,000 of funding in Section 1 of the bill as a grant from the Department of Transportation for the Lewis and Clark Interpretive Center.
4. Exempt \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds.
5. Exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
6. Allow the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.
7. Exempt any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
8. Exempt \$116,000 of Pembina Gorge area project funding from the general fund in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
9. Exempt any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
10. Amend Section 55-08-06 relating to permits for motor vehicles to change the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7. These changes are estimated to generate an additional \$750,000 of park income for the 2017-19 biennium.
11. Amend Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.
12. Provide for transferring the name Dakota Institute and the rights, title, interests, copyrights of Dakota Institute publications, books, or other documents or productions to Bismarck State College.
13. A section to declare the \$1 million of grant funding from the State Water Commission an emergency measure.

Date: 2-13-2017
 Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HB 1019**

House Appropriations - Education and Environment Division Committee

Subcommittee

Amendment LC# or Description: approve budget for HB1019 Parks and Rec
Budget #750 - increase by 6% - Base level funding changes

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider Approve the budget #750

Motion Made By Rep Martinson Seconded By Rep Sanford

Representatives	Yes	No	Representatives	Yes	No
Chairman Monson			Rep Boe		
Vice Chairman Streyle					
Rep Martinson					
Rep Sanford					
Rep Schatz					
Rep Schmidt					

Handwritten notes in table:
 Voice vote
 ayes carry

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
approve Parks and Rec budget

Motion Carried

Date: 2-13-2017
 Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HB 1019**

House Appropriations - Education and Environment Division Committee

Subcommittee

Amendment LC# or Description: pass Parks and Rec budget as amended HB 1019

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
- Other Actions: Reconsider _____

Motion Made By Rep Martinson Seconded By Rep Schmidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Monson	✓		Rep Boe	✓	
Vice Chairman Streyle	✓				
Rep Martinson	✓				
Rep Sanford	✓				
Rep Schatz	✓				
Rep Schmidt	✓				

Total (Yes) 7 No 0

Absent -

Floor Assignment Rep Streyle

If the vote is on an amendment, briefly indicate intent:
pass the revised budget HB 1019

Date: 2/15/2017
 Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HB1019**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0504.01003

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Representative Streyle Seconded By Representative Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich			Representative Streyle		
Representative: Boehning			Representative Vigesaa		
Representative: Brabandt					
Representative Brandenburg					
Representative Kading			Representative Boe		
Representative Kreidt			Representative Delmore		
Representative Martinson			Representative Holman		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Pollert					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

MOTION CARRIES

Date: 2/15/2017
Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1019**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Representative Streyle Seconded By Representative Monson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X		Representative Streyle	X	
Representative: Boehning	X		Representative Vigesaa	X	
Representative: Brabandt	X				
Representative Brandenburg	X				
Representative Kading	X		Representative Boe	X	
Representative Kreidt			Representative Delmore	X	
Representative Martinson	X		Representative Holman	X	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Pollert	X				
Representative Sanford	X				
Representative Schatz					
Representative Schmidt	X				

Total (Yes) 19 No 0

Absent 2

Floor Assignment Representative Streyle

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

MOTION CARRIES

REPORT OF STANDING COMMITTEE

HB 1019: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1019 was placed on the Sixth order on the calendar.

Page 1, line 2, after the first semicolon insert "to amend and reenact sections 55-08-06 and 55-08-07.1 of the North Dakota Century Code, relating to permits for motor vehicles and the parks and recreation concession revolving fund;"

Page 1, line 2, replace "and" with "to authorize the transfer of Dakota institute inventory;"

Page 1, line 3, after "exemptions" insert "; and to declare an emergency"

Page 1, replace lines 16 through 22 with:

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Less estimated income	14,517,835	3,871,808	18,389,643
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Full-time equivalent positions	66.00	(3.50)	62.50"

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Total general fund	\$973,699	(\$97,370)	\$876,329"

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Total all funds	\$918,279	\$332,839	\$1,251,118
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Total general fund	\$918,279	(\$29,611)	\$888,668"

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"Grand total general fund	\$16,702,916	(\$2,042,039)	\$14,660,877
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SECTION 2. HEALTH INSURANCE INCREASE. The appropriation in section 1 of this Act includes the sum of \$188,889, of which \$7,085 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

Page 3, after line 11, insert:

"SECTION 5. ESTIMATED INCOME - WATER COMMISSION GRANT. The estimated income line item in section 1 of this Act includes \$1,000,000 of grant funding from the state water commission authorized by the sixty-fourth legislative assembly for the purpose of developing recreation opportunities on sovereign lands in the state.

SECTION 6. ESTIMATED INCOME - DEPARTMENT OF TRANSPORTATION GRANT. The estimated income line item includes \$100,000 of grant funding from the Department of Transportation for the purpose of defraying expenses for the Lewis and Clark interpretive center."

Page 3, after line 26, insert:

"SECTION 9. EXEMPTION. Any unexpended funds in the Lewis and Clark interpretive center line item in section 34 of chapter 49 of the 2015 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be expended during the biennium beginning July 1, 2017, and ending June 30, 2019.

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SECTION 16. EMERGENCY. The sum of \$1,000,000 for developing recreation opportunities on sovereign lands in the state appropriated in the administration line item in section 1 of this Act is declared to be an emergency measure."

ReNUMBER accordingly

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House Bill No. 1019 - Parks and Recreation Department - House Action

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Lewis and Clark Interpretive Center	918,279	332,839	1,251,118
Total all funds	\$31,220,751	\$2,192,219	\$33,412,970
Less estimated income	14,517,835	4,234,258	18,752,093
General fund	\$16,702,916	(\$2,042,039)	\$14,660,877

FTE 66.00 (3.50) 62.50

Department No. 750 - Parks and Recreation Department - Detail of House Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Health Insurance Increases ²	Underfunds Salaries and Wages ³	Removes FTE Positions ⁴	Adjusts Funding for Operating Expenses ⁵	Adjusts Base Level Funding ⁶
Administration	(\$386,351)	\$20,035	(\$22,243)		(\$57,000)	\$71,320
Park operations and maintenance	(138,698)	145,962	(193,375)	(350,625)	1,245,400	(760,540)
Recreation	(2,654)	11,446	(9,237)		265,440	367,870
International Peace Garden					(97,370)	
Lewis and Clark Interpretive Center	221,884	11,446	(15,104)	(58,437)	(1,950)	175,000
Total all funds	(\$305,819)	\$188,889	(\$239,959)	(\$409,062)	\$1,354,520	(\$146,350)
Less estimated income	(18,093)	7,085	0	0	1,569,840	925,426
General fund	(\$287,726)	\$181,804	(\$239,959)	(\$409,062)	(\$215,320)	(\$1,071,776)
FTE	0.00	0.00	0.00	(3.50)	0.00	0.00

	Adds Funding for Grant from State Water Commission ⁷	Adds Funding from Park Entrance Fee Increases ⁸	Total House Changes
Administration	\$1,000,000		\$625,761
Park operations and maintenance		750,000	698,124
Recreation			632,865
International Peace Garden			(97,370)
Lewis and Clark Interpretive Center			332,839
Total all funds	\$1,000,000	\$750,000	\$2,192,219
Less estimated income	1,000,000	750,000	4,234,258
General fund	\$0	\$0	(\$2,042,039)
FTE	0.00	0.00	(3.50)

¹ Funding is adjusted for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

³ General fund salaries and wages are underfunded.

⁴ Removes 3.50 FTE positions and related funding.

⁵ Funding is adjusted for operating expenses, including inflationary increases at state parks for water, garbage, fuel, electricity, propane, insurance, and for operating costs related to adding new buildings and campground loops at various state parks. In addition, funding of \$100,000 from other funds from the Department of Transportation is added for expenses at the Lewis and Clark Interpretive enter.

⁶ Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Reduction of seasonal salaries and benefits	(\$586,406)		(\$586,406)
Adjustment of gift fund authority		230,930	230,930
Adjustment for health insurance requirements for temporary staff	15,338	10,375	25,713
Adjustment for bond payment	52		52
Adjustment for extraordinary repairs	(150,760)	(55,879)	(206,639)
Adjustment for equipment	(350,000)	740,000	390,000
Total	(\$1,071,776)	\$925,426	(\$146,350)

⁷ Funding is added to authorize the expenditure, beginning with the effective date of the Act, a grant provided by the State Water Commission during the 2015-17 biennium for

developing recreation opportunities on sovereign lands in the state.

⁸ Funding from park income is added due to increasing the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7.

This amendment also adds Sections to:

1. Identify the funding increases for the health insurance premium increase.
2. Identify \$1,000,000 of funding in Section 1 as funding from a grant from the State Water Commission.
3. Identify \$100,000 of funding in Section 1 of the bill as a grant from the Department of Transportation for the Lewis and Clark Interpretive Center.
4. Exempt \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds.
5. Exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
6. Allow the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.
7. Exempt any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
8. Exempt \$116,000 of Pembina Gorge area project funding from the general fund in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
9. Exempt any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
10. Amend Section 55-08-06 relating to permits for motor vehicles to change the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7. These changes are estimated to generate an additional \$750,000 of park income for the 2017-19 biennium.
11. Amend Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.
12. Provide for transferring the name Dakota Institute and the rights, title, interests, copyrights of Dakota Institute publications, books, or other documents or productions to Bismarck State College.
13. A section to declare the \$1 million of grant funding from the State Water Commission an emergency measure.

2017 SENATE APPROPRIATIONS

HB 1019

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1019
3/7/2017
JOB # 28820

- Subcommittee
 Conference Committee

Committee Clerk Signature

Carie Winings *John Decker*

Explanation or reason for introduction of bill/resolution:

A BILL for an Act for an appropriation for defraying the expenses of the parks and recreation department, to amend and reenact sections of the NDCC, relating to permits for motor vehicles and parks and the recreation concession revolving fund; to provide a grant to the International Peace Garden; to authorize the transfer of Dakota Institute inventory; to provide exemptions; and to declare an emergency.

Minutes:

1. Testimony of Jesse Hanson, Parks & Rec. Interim Dir.
2. Attachments 1 – 5.
3. Dana Schaar Jahner (NDRPA) testimony

Chairman Holmberg: Called the Committee to order on HB 1019 at 1:45 pm in regard to the Park and Recreation Department. All committee members were present except Senator Hogue and Senator Wanzek. Michael Johnson, Legislative Council and Stephanie Gullickson, OMB were also present.

Jesse Hanson, Interim Director of the ND Parks and Recreation Department: See Attachment #1 for testimony in support of the bill. – a statement regarding the purpose of the department and budget information. (Renae Gall and Matt Gardner were present.) He also submitted Testimony attached # 2 – pages 1 through 5 Attachments. I would like to point out that Garry Enns, Superintendent of International Peace Gardens is also here today and he would like to speak to you when we are done with our presentation.

(0.9:34) Senator Robinson: Thank you for the improvements. What is the cost of the Fort Ransom State Park units once you have them fully in operational?

Jesse Hanson: The way we constructed the 4 it is about \$90,000. They will be year around. They have a crawl space underneath where the water supply is underground etc. We have a 4 ft. footing wall around it so there is expense underground. With the heating and cooling that jumps it up. If we should have power shortage the staff can get in there and drain the water out.

Senator Robinson: What do we have for horseback riding at Fort Ransom?

Jesse Hanson: We've expanded our horse accommodations. We have expanded our corral system at all of our horse parks. We put 12x12 metal corrals in. We expanded that through a good volunteer effort. Fort Ransom has shot above in number of horses that come to the park every summer. We get more horses at Fort Ransom than at Sully Creek Park by Medora and Little Missouri Park by Killdeer; which used to be the premier horse areas. A lot of Minnesota people have come over to Fort Ransom. We have added more horse trails in our park as well.

(0.12:45) Continuing on with the capital improvement project on page 2 of his testimony. The corrections people do have a concern with having a public access park with the Missouri River Correctional Center so we are working with them and getting the public out of the park before dark. He then addressed the Dakota Access Pipeline Assistance on top of page 3 of testimony and how their department aided law enforcement since August. **(16:50)** He shared the work involved regarding the Lewis and Clark Interpretive Center and also the budget listed on page 4. **(20:30)** He addressed the grant programs listed on page 4 and the Motorized recreation on page 4.

(0.21:24) Chairman Holmberg: When you gave us this last session, we approved 11 FTE's, and as the bill stands right now today, how many of those have disappeared through Dalrymple, Burgum, or House action?

Jesse Hanson: Currently, we have been out of the House bill at 3.5 FTE positions eliminated. We also are underfunded by another \$239,000 in our general fund appropriation.

Chairman Holmberg: So, you are down 3.5 FTE's from last session?

Jesse Hanson: That is correct.

Chairman Holmberg: Because we have seen in some budgets that the new positions were axed. Maybe some of the new positions are more important than some of the old positions that you protected. It is what it is.

Jesse Hanson: We formed a team that started looking at how we contend with the 3.5 FTE position reduction. Our perspective is that we are not looking solely at those 11 FTE's. There are other things that have come into play. A lot of the FTE's that we approved of were positions that were typically funded $\frac{3}{4}$ time that over the years the obligations and the amount of work that has come with our state parks with technology and has made those priority positions. We are looking at where we can combine duties of other positions. It is not going to be the last hired is the first let go.

(0.24:00) Continued with testimony; pages 5 and 6. See Attachment #2 for Parks and Recreation Department 2015-2017 Reductions.

(0.30:37) Chairman Holmberg: I noticed you have in here \$200,000 for demolition at the Peace Gardens, is that the tower?

Jesse Hanson: Yes it is. Last session there was a \$200,000 appropriation to bring down the towers. There were structurally deficient and the recommendation by the engineering study was to remove them.

Chairman Holmberg: That was the one-time money, and by the end it will be gone?

Jesse Hanson: That is correct. The intent is to remove the peace towers, landscape the site, and then the Peace Gardens board of directors hopes to come up with a replacement design and hopes to raise money to replace them with something similar but with a longer life.

Senator Mathern: You are an interim Director, how long is that for and what is the plan for the department?

Jesse Hanson: I was asked to fill in as the interim director in December. Governor Burgum and his crew will decide on a new director. They said mid-February when I took it on, but I would guess it will be within a month with everything going on for them. I am normally the field manager operation for the state parks and recreation department. I am doing 3 jobs currently, I was the planning division manager, and when our field manager retired I took on his positions in the interim, and now I took on interim director. We have not gotten to replacing the planning division manager. There are good people filling in those positions.

(0.33:45) Returns to page 6, Sections 11 and 12 of testimony. By raising the fees at the parks it is projected to raise revenue about \$500,000. We have authority in special funds, that is to pay for additional costs. That increase will help us knock out those increased costs. One other section 11, which is also Attachment # 5 - provides Pembina Gorge Area project funding, the language didn't get inserted in the bill so the attachment # 5 puts that language in.

(0.37:40) Mr. Garry Enns, Chief Executive Officer, International Peace Gardens (IPG): I have been with them two years. It has been a bit of a challenge to identify possibilities and potentials when operating grants are coming from Manitoba Department of Conservation and North Dakota Parks and Recreation. On the topic of the tower, when the tower was built in 1982 it was there to commemorate the 50th anniversary of the establishment of the IPG. The tower itself was part of the original plan. The formal garden plan was for there to be a generally European style garden at the gate and going toward the center of the garden. The eastern side would be your annuals and flowering shrubs. Going west would be the natural grasses and native plants. All of it culminating at the end with the tower. Originally there were a number of models around the globe. It was first thought to do the Peace Gardens in the 1920's, and it was at the end of the war to end all wars. Just after the war to end all wars, it was thought that here are two countries that have been at peace for 200 years. So that is the purpose of the park. The tower was there to symbolize the nature of the peace between the US and Canada. It took 50 years. First, we had the depression in the 1930's, and then the work was begun by the conservation corp. The lake was hand dug. Much of the masonry is granite, is quite an amazing rock that was brought to the peace gardens from the corp. It took a while to get around thinking about the construction of the tower. The music camp was founded in 1956. The International Peace Garden is governed by a not for profit organization and a volunteer board with 8 representatives from ND and 8 from Manitoba. The challenge is to generate the enthusiasm, energy and revenue to construct anything and the tower is no exception. The challenge with the tower today is the nature of the material that was used was fairly absorbent and it as the water soaked in, it would freeze and thaw causing cracking. It was

crumbling. The tower could not be restored, it needed to be replaced. The process of putting the demolition in place was delayed because we had to do some tests. It was only last summer that we awarded the contract to a contractor in Jamestown. They waited for it to freeze in order to have a winter deconstruction. With the snowfall, the ground did not freeze so we are hoping it will be done by the end of March. The IPG board has begun a process of determining what is next. We have initiated a search for ideas. We had a small competition inviting landscape architects across North America. There were over two dozen architectural firms and landscape firms to submit ideas to an ideas competition. Those were reviewed by a blind review of architects and board members from both sides of the board. They came up with the short list from that. How soon is it going up I couldn't say. It is not going up until we have some money to build it with, and we have to get the old building down. The tower certainly is a focal point. There is no end on ongoing projects. The formal garden itself needs all of the masonry to be repointed and rebuilt. We have water issues. The nature of the terrain is such that, while we might be sitting on the hill, we have moisture issues almost everywhere. At the back of my house, there are 3 pumps to take the water off the grounds. One of the first things that confronted me when I started was an opportunity fix every roof at the music camp. With a HUD grant, we spent over \$250,000 on shingles. I did not realize you could spend that much on shingles. We have also done work on our water and sewer system. We have installed valves so that we can isolate a break and not shut down the gardens. This spring we will expand a lagoon in order to be able to take advantage of what we see in our growth in visitation in the IPG. I would like to have year-round events. I would like to move it from a summer only to a year around venue. We have had a couple of winter events. We are open year around. We can arrange a retreat and accommodate you. I can host sporting events. We do have dormitories at the International Music Camp that can accommodate 300 people. We have a state of the art performance center. The music camp is very busy in June and July. Other times of the year we will do whatever we can to attract people to come and fill that space. One of our challenges is make better use of the International Peace Garden as an international meeting place. The challenge that we have, and I've been very pleased with the support from Parks and Recreation, is that we have adjusted our budgets for the year ahead to accommodate the reductions they are anticipating. That said, my horticulturalist is asking me which one of the flowers will I ignore this year. The Peace Garden is expected to look perfect all the time. The point I wanted to make is that it is an amazing facility that is amazingly underutilized, and it has some amazing potential. I would like to see that potential realized.

(0.53:25) V. Chairman Bowman: Are the towers being dismantled made from cement?

Garry Enns: Yes.

V. Chairman Bowman: Is that going to take a special crew or can you just pull it down and haul it away?

Garry Enns: Yes, we have a tall crane that chews away at the concrete from the top down to destroy the tower. There have been a few obstacles along the way. The plans that we had missed a few points in terms of how the cross beams were attached. It has slowed us down. It will come down as rubble, and we will bury it somewhere out of the way on our property. Thank you for your time.

(0.55:53) Dana Schaar Jahner, Director, ND Recreation & Park Association: See Attachment #3 for testimony in favor of the bill.

Chairman Holmberg: Thank you for coming in. We will take your bill under advisement. Closed the hearing on HB 1019. The subcommittee will be Senator Sorvaag as Chair, Senator Krebsbach, and Senator Mathern.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1019
3/21/2017
Job # 29525

Subcommittee
 Conference Committee

Committee Clerk Signature

Emmery Crothberg for Rose Luning

Explanation or reason for introduction of bill/resolution:

An appropriation for defraying the expenses of the parks and recreation department.

Minutes:

Attachments # 1 – 2.

Legislative Council: Michael Johnson
OMB: Stephanie Gullickson

Senator Sorvaag called the sub-committee to order on HB 1019. **Senator Krebsbach** and **Senator Mathern** were also present.

Parks & Recreation Department attendees: Jesse Hanson, Matt Gardner, Renee Gall.

Senator Sorvaag asked the Parks & Recreation Department if they had anything in particular they would like to address.

Jesse Hanson, Interim Director, ND Parks and Recreation Department: Provided language clarification.

Section 9 - Exemption of funds for the L&C Interpretive Center (line item, section 34). Remove line item from the language to allow them to have the proper funding line from the agency.

Section 11 - Pembina Gorge language change how the funds could be spent so the money could be used for some other needs in the gorge.

Deals with exemption with the International Peace Towers. There is an exemption to carry-over which goes back two biennia money was allocated to address issues with the peace towers. 10% was for allowed for emergency repairs. The remaining was carried over and to be used for repairing and rebuilding the peace towers but that has to be a one to one match with non-state funds. The peace towers are in the process of being demolished and in our current biennium budget, there was a \$200,000 in our budget line to fund the demolition of those. The bid was \$220,000 and they could handle the excess in their existing budget but they ran into cost members and they need to do a change order which is going to increase the cost of that project by \$70,000. I would like to propose if there be a possibility in that

\$1.125M that requires a one to one match, if the senate and the house would approve just changing enough language to allow up to \$100,000 of that carry over to be used so that the peace garden people could completely demolish the entire peace towers and get them a landscape. Right now they are continuing but before they got to the bottom they would have to flatten them out and there would be some of the peace towers left standing.

Senator Mathern: If we were to do that, we limit the replacement quality? I am concerned that limits the matching requirement also.

Jesse Hanson: From my perspective, keeping the one to one match on the rest of it would be important. When they get the towers completely demolished and they get the plan together to rebuild them, instead of having \$1.125M they would have \$1.25M. They would basically have \$100,000 less to rebuild it. The Peace Garden board of directors hasn't come up with a final design for rebuilding the towers so they don't know what the final cost would be.

Senator Mathern: But wouldn't this reduce it not just it by \$100,000 but by \$200,000?

Jesse Hanson: Correct. With that one to one match, we would essentially be \$200,000 less.

Senator Sorvaag: But the \$200,000 we put in separately for demolition, that wasn't a match?

Jesse Hanson: That is correct.

Jesse Hanson: If they proceeded with the change order they could get all that landscaping done by summer otherwise there may be 20 feet of concrete left.

Senator Sorvaag: The reason we did the \$200,000 without a match was because they weren't in session two years ago and we were told they were going to try and go to Manitoba for some money to be part of this but we have not received anything from Manitoba in the last two years, correct?

Jesse Hanson: You are correct.

Senator Krebsbach: Usually Manitoba has been with us or greater in supplying dollars to the Peace Gardens but they have had a change in their leadership. I was thinking we had put in \$250,000 for the Peace Tower demolition but it was only \$200,000?

Jesse Hanson: That is correct.

Senator Sorvaag: I asked you for detail on the park enhancements funds. What was the final amount?

Jesse Hanson: Handed out Capital Improvement Projects – Testimony Attached # 1.

(13:40) **Senator Krebsbach:** What does O&M stand for?

Jesse Hanson: That was a one-time allotment for the state parks to run and pay for the operation maintenance for the two years.

Senator Sorvaag: Out of the \$11.750M you said \$2.04M wasn't spent, correct?

Jesse Hanson: That's correct. That was apart of the allotment turn back.

Senator Krebsbach: The \$950,000 for LCIC O&M is ongoing, correct?

Jesse Hanson: Yes. If we say ongoing because it is paying monthly expenses. I don't have where we are at with accumulative expenditures so I say ongoing which is here to the end of the biennium.

Senator Sorvaag: Is the Missouri River Day Park considered a state park now?

Jesse Hanson: It doesn't have an official designation yet. Our agency has not called it a state park; it's more of a recreation area. Typically, from our end, a state park is a bigger track of land and has more services, campgrounds, visitors centers, etc. From my perspective, it is more of a recreation area. Through the master plan of development, we have just been calling it the day park. At some point if this moves on we will have to make that designation.

Senator Sorvaag: We were on sub-committee and we were not in favor of going forward with that project and I thought park enhancement would enhance parks that we have. How does a state park become a state park? Does the executive branch have the right to go to any state land and spend money to make it state park?

Jesse Hanson: I can look into it. The expenditures the agency has done so far in the Missouri River Day Park have just been for site survey master planning. There haven't been any physical developments on the site.

Senator Sorvaag: Starting a state park is a long-term obligation for ND and there are a lot of expenses that go along with it and I think it needs to be clear whether that can be done with or without legislation. Unless there is something in the history but there was nothing last session that approved this. It was correction's property and we never saw anything that designated that it would become a state park. We need to be clear on that as we go forward.

Senator Mathern: You mentioned there were some master planning dollars that have been spent here so what does the master plan say?

Jesse Hanson: The master plan details a development of trails on the property and an access road; there is an area for accessing the Missouri River. There are observation points. There isn't any extensive physical developments going into it mainly because it is a flood way that restricts any permanent developments. Most likely the reason it became of interest for the states parks to get involved with it is because it is state land and the MRCC property has been a point of interest.

Senator Krebsbach: The thing that is the most puzzling to us is that this committee most definitely said, "No development on that property."

Senator Sorvaag: Section 5 – I am told there was money put in last session and it didn't get moved from the water commission budget and if you look at the water commission budget they were supposed to move \$1M. But there was no language in the park budget that this was coming over. Now there is language that it is coming over so I am curious why it wasn't there last time. didn't move it.

Jesse Hanson: That came late in the session last time. It was put forward and the thought was that the language was good to transfer the languages in the water commission budget to transfer the money out. However, language wasn't put in our agency budget to accept it so therefore because of that anomaly we couldn't get the money into our budget and expend it in the last biennium. So when they are in the House appropriations this round, they put that language into our budget so it could be transferred. This is just clarifying that it can be expended in the next biennium.

Senator Sorvaag: How can it be transferred if it wasn't approved to be transferred last time?

Michael Johnson: The state water commission had the authority to grant parks and recreation this \$1M but parks and recreation never had spending authority so what is in the budget this biennium is that spending authority so they could spend that money on a project.

Senator Sorvaag: So if we decide not to give that authority does the money go back to the water commission?

Michael Johnson: I would have to look into that.

Senator Krebsbach: Was there any purpose and aim for the utilization of that money?

Michael Johnson: They did include intent for those grants.

Jesse Hanson: (Handed out River Maps - Testimony Attached # 2) Sandbars in the Missouri river – Google Earth. It's viewed as prime recreation area, but no entity has ever taken the initiative to develop that or get some kind of organization to it. We were put in charge from the recreation end of coming up and looking at all of these areas and developing a plan for which ones could be accessible by the public and also come up with plans for what the appropriate uses would be. The interest is there and the public is pushing hard on local legislators to find a way to get them access on to those so that is what the thought process was behind coming up with the \$1M that comes out of the ND waters trust fund interest that is in the water commission budget. That was sent to state parks and we were charged with developing a plan.

Committee Discussion: Senator Mathern, Senator Sorvaag, Senator Krebsbach, and Mr. Hanson discussed pioneer park and the definition of sovereign lands.

Matt Gardner, Recreation Division Manager, Parks & Recreation Department:

In response to a question from Senator Sorvaag, Mr. Gardner said the inventory that was the Dakota Institute's resides three different places: the interpretive center (the inventory of books and DVDs), Oklahoma Press (distribute these books across the country), and state historical society (the video archives).

(31:50 – 37:00) Committee Discussion: The committee discussed the artifacts owned by the state. In response to a question from Senator Sorvaag, Mr. Gardner explained line 15. Mr. Gardner said when he came to work for interpretative center he took Dakota Institute out of the interpretive center and took care of it himself and got new contracts with the authors which included language about royalties. Mr. Gardner continued to ask the committee's questions about the inventory.

Senator Sorvaag: Is there a cost to maintaining this inventory?

Matt Gardner: I don't believe so. The main cost would come in in staff time of working through author relations and paying royalties. When the Dakota Institute came to us there was no budget or anything to help with the promotion of these books.

Senator Mathern: Is there a market value outright?

Matt Gardner: I wouldn't know. When I first started, I approached Oklahoma Press. They carry the inventory but they won't purchase them.

Senator Krebsbach: What is the value of the books?

Matt Gardner: If they all sold for full retail it would be \$400,000 but that is probably not realistic.

Matt Gardner: Many of the books that Oklahoma Press is selling are at a wholesale price.

Senator Mathern: I support all the amendments that Mr. Hanson is suggesting. With the Peace Gardens, I'm wondering if we shouldn't draw up amendments. Even if we authorize this \$100,000, couldn't we keep the match requirement up to the original amount?

Jesse Hanson: I would offer to put together the language and get it to legislative council. I agree that's a good idea to say if you allow \$100,000 to come out of that, there will be a requirement to match one to one.

Senator Sorvaag: Talked about drafting the amendment and closed the subcommittee meeting on HB 1019.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1019
3/27/2017
Job # 29727

- Subcommittee
 Conference Committee

Committee Clerk Signature

Maureen Johnson for Rose Lanning

Explanation or reason for introduction of bill/resolution:

An appropriation for defraying the expenses of the parks and recreation department.

Minutes:

Testimony Attached # 1 – 2.

Legislative Council: Michael Johnson
OMB: Stephanie Gullickson

Senator Sorvaag called the sub-committee to order on HB 1019. **Senator Krebsbach** and **Senator Mathern** were also present.

Senator Sorvaag: We're going to go through the dollar stuff first. You have 66 FTEs, with the House amendments, you'd be down to 62.50 FTEs. How many positions are filled?

Renaë Gall, Parks & Recreation Department: Right now we have 4 openings, 3 are not filled.

Senator Sorvaag: Of the 62.5 – are you underfunded?

Renaë Gall: We are \$239,000 underfunded for salaries, in addition to the \$3.5M, which includes that money as well.

Senator Sorvaag: I had \$380,000. If you had 62.5 you still don't have enough money to fill them.

Operations and maintenance – you went over the base level. I'm looking at the main bill with the \$20,576.

Renaë Gall: Health insurance costs.

Senator Sorvaag: So your special funds are what?

Matt Gardner, Recreation Division Manager, Parks & Recreation Department: \$3.8M

Senator Sorvaag: What was your suggested number for operations?

Jesse Hanson, Interim Director, Parks & Recreation Department: There's an overall reduction in the special funds, but we were allowed to increase in special funds for revenue \$750,000. That gets us to that \$698,124. That's an increase in special.

Senator Sorvaag: A lot of that is on the fee increase? You're comfortable with that?

Jesse Hanson: Yes. We're comfortable with that. By raising our annual passes by \$10, and our daily pass by \$2, if we can continue with our visitation as we are, we'll pick that up; that will help.

Senator Krebsbach: The changes in park entrance and daily fees. The \$750,000; is that additional?

Jesse Hanson: Yes, that's given us the authority to raise that additional amount.

Senator Mathern: How do our rates compare to Minnesota? We have to compete too.

Jesse Hanson: Minnesota has a rate for annual pass for \$20-25. We have transferrable pass in North Dakota that will go from vehicle to vehicle, in Minnesota you have to buy the second one, so in essence, it's a wash.

Senator Sorvaag: International Peace Garden – \$876,000.

Jesse Hanson: That's reflecting a 10% general fund reduction.

Senator Sorvaag: The interpretive center, that's for operation; explain that.

Matt Gardner: At the top, the appropriation of \$1.2M, that includes general fund, which is \$888,668, less estimated income; a mix of fundraising activities by the foundation, admissions, \$100,000 from NDDOT budget. The general fund in that budget is \$888,000 plus the \$362,000; which is for the rest area. Operating a rest area is about \$100,000 a biennium. Expect that money coming to DOT. The general fund appropriation for the Interpretive Center last session for operations was \$1.6M it's now down to \$888,000.

Senator Sorvaag: Was the \$950K special part of it?

Matt Gardner: That's correct continuing appropriation was for salaries and \$950K was for operation but that came in as one time, which wasn't reallocated this time.

Senator Sorvaag: No one-time funding; boat transfer, Game and Fish that was in before. Section 5 – million dollar grant from the Water Commission that didn't get budgeted in for developing recreational opportunities on sovereign land; which is vague. We've come up with another idea, Senator Krebsbach will explain.

Senator Krebsbach: In looking at this, we've been trying to come up with some money for the Double Ditch project. This money would fit that qualification quite well; it's money from the Water Commission, it takes care of flood damage and it's along the river; there is a

specific need for this time for that purpose. We're anxious to find a way to take care of erosion. In that last biennium they could take a loan from \$1.25M. The House didn't like it and they must find resources to pay it back. They haven't been able to utilize it. If it had been done, it would have been done through the deficiency. However, with the moneys being a little bit vague as to how they would be used in the sovereign lands, which are all through the state. We don't know for sure how or where it could be used, but there is a need now at Double Ditch. I have proposed that we transfer from this committee the money that has been put in here for the development to use it for the State Historical Society on Double Ditch.

Senator Sorvaag: That is the intent of this committee to go forward with that recommendation. There has been a directive to look at sovereign lands; I've gone back and looked at the Water Commission's plan on the lands trying to figure it out. There's been a lot of discussion and will end up in conference committee; at this time, we're looking at an amendment. The money was transferred to your line. That is the intent of this committee to go forward with that.

Senator Mathern: I think they'll be just fine if we don't put in any more trails. In light of the unclear plan of how to use those lands, I'm fine with using this money for a project that's already bid out and ready to be spent. It probably has as much value to citizens as other lands.

Jesse Hanson: I would say that both of those things are needed. I would not want to argue with anybody whether a recreation component on a sovereign land can rank anywhere near stabilizing an historic site that has human burials eroding. It's been a long festering problem; public access on the sovereign land on the Missouri river, where it's a free for all and the people who live next to those bigger properties are not happy that it's uncontrolled access to it. That's what prompted members on the House side to move this forward. It's your decision, I certainly say that stabilizing Double Ditch is a higher priority, because of the characteristics of that cultural site.

Senator Mathern: Do we, in Parks and Rec, note Double Ditch in our materials? Where we give citizens information about different opportunities for Parks and Rec around the state?

Jesse Hanson: There are links on our website to get to Double Ditch. The State Parks used to own property on either side of the historical site proper, in recent years that was transferred to the State Historical Society.

Senator Sorvaag: In section 8, Michael Johnson wrote up some language for the Peace Garden demolition. We would approve spending \$100,000 without a match. That language will end up in the bill at some point. I think there was agreement to do that, we would up the final \$100,000 that is enough to complete the demolition.

Jesse Hanson: That's correct. That will get the change order, that they ran into that they weren't expecting, so that will be engineering fees.

Senator sorvaag: There will be an emergency measure on that to go forward.

Senator Mathern: I'm hoping that the amendment is drawn up in such way that we do authorize that. That \$100,000 is regarded as us putting in \$100,000 match; so hopefully the Canadians see that as a part of what they will give.

Michael Johnson has language for matching funds at the International Peace Garden Section 8. Exemption - Testimony Attached # 1.

This \$100,000 does not include any matching funds from the Canadian side.

For any other funds, they would continue with the same matching they have been doing.

Senator Mathern: I think we should keep the \$100,000 in there. It seems that this lowers by \$100,000 what the Canadians need to raise. I don't want to do that; I want this \$100,000 to be a demonstration of our putting in \$100,000.

Senator Sorvaag: So you're expecting to match that, but whenever it gets done. But we're going to front it so the project gets done. There's still an expectation of Canadian match. We'll work on wording, so there is still an expectation that they will have to come up with some more.

Jesse Hanson: \$1.125M in there now; I should have said it will "still require a match from non-state resources that will add up to \$1.125M."

Senator Sorvaag: This \$100,000 needs a match, but we're funding so far without the match to get the project done.

Jesse Hanson: I did visit with Gary Hens on the phone and explained it to him, he said by all means, they would expect to have to raise that match.

Senator Sorvaag: It's just we want to get it done here as quick as we can. Section 11, we need some language, was there something we wanted different?

Jesse Hanson: In the House, there's \$116,000 remaining in our line to develop master plan of Pembina Gorge. We'd completed those, and we'd asked the House to change language so that the remaining funds could be used for trail work, there was some language that was supposed to come out of the House and it just didn't get included, we do have that language that we put forward, this explains what the proposed use would be for the remaining dollar amount it would all be used in the Pembina Gorge recreation area complementing the original grant.

Senator Sorvaag: You're just adding a little more than what the last sentence is reading; clarifying what you can use it for.

Senator Krebsbach: You are looking to carry that over so you can use it for the Pembina Gorge in this biennium.

Jesse Hanson: That's correct, carry it over into the 2017-2019 biennium. The initial project was to develop a master plan for Pembina Gorge. There was language for rental facilities for our office space. All of those projects have been completed; this dollar amount is remaining;

our request was to be able to utilize the money to further the recreational component in the Gorge.

Senator Mathern: Maybe you couldn't figure out how to make your office work up there and needed the cell service and trail to it.

Jesse Hanson: Gave credit to Matt Gardner for hard work done.

Senator Mathern: Excellent work done.

Senator Sorvaag: I have no problem with changing the language - Get the bill written and meet one more time to get the bill approved.

Senator Sorvaag: We'll change section 15 to a legislative management study, shall consider transferring these. We're going to end up in conference, we can discuss it more then. Change to "shall consider study"
Section 16 – not necessary in this bill anymore.

Senator Krebsbach: The amendment addressed the Parks and Rec language as well.

Michael Johnson: Chris Kadrmas drafted an amendment for the Historical Society. If approved they could be removed.

Senator Krebsbach: Do we need language to address it in Parks and Rec?

Michael Johnson It would cover everything needed.
Draft the language discussed.

Jesse Hanson: Section 9. Exemption – Testimony Attached # 2.
There was a discussion about the unexpended funds at L&C Interpretive Center. There's some funds we're going to carry over. There's two words that's a line item, if we could just eliminate that, it puts it in a different spending area in our budget. We have to do a bunch of housekeeping. When it first came in, it was natural resources, it should have been in the Lewis and Clark line.

Michael Johnson: The section 9, line item, that is Legislative Council language – Testimony Attached # 2. There are 2 parts to this, the first discusses one-time funding from last biennium. The second part discusses the continued operating funds that were included in the L&C line item from last biennium.

Senator Sorvaag: That seems fine to me.

Senator Mathern: In light of the personnel limitations in the bill do you need any authority to move people around, or need more discretion than you have now, or are you fine?

Jesse Hanson: We probably have that figured out. We had to identify certain lines where the FTEs would come out. It would be good if it could just be decided across the agency. We have a committee that is working to find where to decrease 3.5 FTEs.

Senator Mathern: Should we give them that authority?

Senator Sorvaag: Are most of the positions a similar salary? Normally, we designate a little more, because in some agencies there's quite a discrepancy between some positions.

Jesse Hanson: They're pretty closely grouped.

Senator Krebsbach: What you're looking for is flexibility of where to make the cuts. Can Michael draw up something?

Senator Sorvaag: Go ahead.

Senator Mathern: agree.

Michael Johnson: Repeat last part.

Jesse Hanson: In our budget, we have 3 lines; administration, parks and planning, and recreation program. We had to...

Senator Sorvaag: You want flexibility with these three positions, you have flexibility. I'm fine with that.

We will have to review all of these once they are drafted up so we are all on the same page.

Closed the hearing on HB 1019.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1019
3/30/2017
JOB # 29819

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for Parks and Rec

Minutes:

1. Proposed Amendment #17.0504.02001

Chairman Sorvaag called the Subcommittee hearing to order at 9:00 am in the Harvest Room. Let the record show that all 3 members were present: Senator Sorvaag, Chair; Senators Krebsbach and Mathern. Michael Johnson, Legislative Council and Stephanie Gullickson, OMB were also present.

Jesse Hanson, Interim Director of Parks and Rec: We brought Section 4 forward, but it is not necessary for that to go forward in our budget. We will be fine if that gets eliminated.

Senator Sorvaag: I think the subcommittee is comfortable. Do you see anything that you want to address?

Mr. Hanson: I believe it is all workable.

Senator Mathern: I would suggest we adopt these amendments minus section 4. 2nd by V. Chairman Krebsbach.

V. Chairman Krebsbach: it appears to me you have covered everything in the bill.

Senator Sorvaag: Please call the roll on the Amendment minus Section 4.

A Roll Call vote was taken on the Amendment minus Section 4. Yea: 3; Nay: 0; Absent: 0.

Senator Sorvaag: We will have the right amendment drawn up and the full committee can address this bill this afternoon. We are adjourned.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1019
3/30/2017
JOB # 29848

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A DO PASS AS AMENDED for Parks & Rec.

Minutes:

1. Proposed Amendment # 17.0504.02002

Chairman Holmberg: called the Committee to order on HB 1019. All committee members were present. Michael Johnson, Legislative Council, Allen H. Knudson, Legislative Council and Lori Laschkewitsch, OMB were also present.

Senator Sorvaag: Moved the amendment #17.0504.02002. 2nd by V. Chairman Krebsbach.

Senator Sorvaag: explained the amendments and stated that they came out of the subcommittee unanimously. **(0.08.40)**

Senator Dever: It was my impression that the Historical Society was ready to do Double Ditch right now. And I am wondering if they are able to begin that before the end of this biennium or if they have to wait now until July 1st.

Senator Mathern: I'm on the Historical Society committee, I could help with that. They are authorized to do that right now in fact they are out on bid. The delays are related to the Army Corps of Engineers proposals. So, this just helps them pay for the work that they are already authorized to do.

Senator Sorvaag: Stated he felt there was no need for an emergency clause.

Senator Wanzek: I see that money is appropriated beginning July 1st.

V. Chairman Krebsbach: I believe in this bill we are just making the transfer in the Historical Society bill. It's still the carry-over that was authorized last session. If this goes through they would not have to utilize the borrowing power that is in that bill. They are ready to proceed on a different basis than what they initially planned to do because they were going to put stationary equipment or tools or whatever in the water and now they are not going to. It is all going to be stabilized on the land.

Michael Johnson, Legislative Council: The State Historical Society's bill does include, last biennium they were appropriated money for repairs at Double Ditch. And this biennium the appropriation continued, the carry-over, it excluded the money of borrowed funds from the BND. This bill draft provides a grant to the State Historical Society for \$1m for use at Double Ditch for those repairs. **(0.12.06)**

Allen H. Knudson, Legislative Council: The way the bill is the transfer would not happen until after July 1, so if they do need the money before July 1 we will need a emergency clause added for that.

Senator Sorvaag: I would be fine with that to add an emergency clause. I don't know if it is necessary to have the money before that.

Senator Mathern: I think it is unclear if that would need to be used but I think it would be a safe thing to use the emergency clause. I think it would be great if we added the emergency clause right here and permitted it.

Senator Wanzek: Under last biennium's authority we gave them the authority to borrow to do that, right? If it's still in this biennium couldn't they borrow it and then when they get paid next session pay it off?

Lori Laschkewitsch, OMB: I don't believe that they will have to pay before July1, they still have the borrowing authority, they still have some money waiting for this project. But it wouldn't hurt either.

Senator Sorvaag: I think we can go through with it as it is. We don't need the emergency clause.

Chairman Holmberg: Would you call the roll on the amendment on 1019?

A Roll Call vote was taken on the Amendment. Yea: 14; Nay:0; Absent:0.

Senator Sorvaag: Moved a Do Pass as Amended. 2nd by Senator Mathern.

Chairman Holmberg: Call the roll on a Do Pass as Amended on 1019.

A Roll Call vote was taken. Yea: 14; Nay: 0; Absent: 0. Senator Sorvaag will carry the bill.

The hearing was closed on HB 1019.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

Page 1, line 4, remove "to authorize the"

Page 1, line 5, remove "transfer of Dakota institute inventory;"

Page 1, line 5, after the second semicolon insert "to provide for a legislative management study;"

Page 1, replace lines 18 through 23 with:

"Administration	\$3,043,722	\$625,006	\$3,668,728
Park operations and maintenance	19,877,931	692,627	20,570,558
Recreation	<u>6,407,120</u>	<u>632,434</u>	<u>7,039,554</u>
Total all funds	\$29,328,773	\$1,950,067	\$31,278,840
Less estimated income	<u>14,517,835</u>	<u>3,871,726</u>	<u>18,389,561</u>
Total general fund	\$14,810,938	(\$1,921,659)	\$12,889,279"

Page 2, replace lines 11 through 14 with:

"Lewis and Clark interpretive center	<u>\$918,279</u>	<u>\$332,408</u>	<u>\$1,250,687</u>
Total all funds	\$918,279	\$332,408	\$1,250,687
Less estimated income	<u>0</u>	<u>362,019</u>	<u>362,019</u>
Total general fund	\$918,279	(\$29,611)	\$888,668"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	\$16,702,916	(\$2,048,640)	\$14,654,276
Grand total special funds	<u>14,517,835</u>	<u>4,233,745</u>	<u>18,751,580</u>
Grand total all funds	\$31,220,751	\$2,185,105	\$33,405,856"

Page 2, line 28, replace "\$188,889" with "\$181,775"

Page 2, line 28, replace "\$7,085" with "\$6,572"

Page 2, line 29, replace "\$1,249" with "\$1,241"

Page 3, line 22, after "GRANT" insert "EXEMPTION - GRANT TO STATE HISTORICAL SOCIETY."

Page 3, line 23, after "funding" insert "received"

Page 3, line 24, replace "authorized by the sixty-fourth legislative assembly" with "during the 2015-17 biennium"

Page 3, line 24, remove "the purpose of"

Page 3, line 25, after "state" insert ". Notwithstanding section 4 of chapter 54 of the 2015 Session Laws, the parks and recreation department shall use this \$1,000,000 to provide a grant to the state historical society for defraying the expenses of double ditch historic site repairs for the biennium beginning July 1, 2017, and ending June 30, 2019"

Page 4, line 5, after "Laws" insert ", and continued in the 2015-17 biennium pursuant to section 9 of chapter 53 of the 2015 Session Laws,"

CH
3/30/17
2 of 3

Page 4, after line 12, insert:

"SECTION 9. EXEMPTION - 2015-17 MATCHING FUNDS REQUIREMENT - INTERNATIONAL PEACE GARDEN. Notwithstanding the provisions of section 9 of chapter 53 of the 2015 Session Laws, relating to matching requirements, the International Peace Garden may spend up to \$100,000 of the funds appropriated in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws and continued in the 2015-17 biennium, without raising dollar-for-dollar matching funds prior to spending the funds, for the purpose of completing the demolition project of the peace towers, for the period beginning with the effective date of this Act and ending June 30, 2017."

Page 4, line 14, after "Laws" insert ", and any unexpended funds of up to \$950,000 of one-time funding for park enhancements included in the natural resources line item in section 34 of chapter 49 of the 2015 Session Laws, designated for the Lewis and Clark interpretive center,"

Page 4, line 26, remove "developing a plan for continued monitoring and patrolling of the trail"

Page 4, line 27, replace "systems, and to determine the feasibility of establishing an interpretive center" with "designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge"

Page 6, replace lines 15 through 21 with:

"SECTION 16. LEGISLATIVE MANAGEMENT STUDY - TRANSFER OF DAKOTA INSTITUTE INVENTORY. During the 2017-18 interim, the legislative management shall consider studying the feasibility and desirability of transferring the name Dakota institute and all rights, title, interests, and copyrights and up to eighty percent of any remaining inventory of any Dakota institute publication, book, or other document or production, regardless of format to Bismarck state college. The study must consider allowing Bismarck state college to transfer any rights, title, interests, copyrights, inventory of any of the Dakota institute's publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly."

Page 6, line 22, remove "The sum of \$1,000,000 for developing recreation"

Page 6, remove line 23

Page 6, line 24, replace "section 1" with "Section 9"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Parks and Recreation Department - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Administration	\$3,043,722	\$3,669,483	(\$755)	\$3,668,728
Park operations and maintenance	19,877,931	20,576,055	(5,497)	20,570,558
Recreation	6,407,120	7,039,985	(431)	7,039,554
International Peace Garden	973,699	876,329		876,329
Lewis and Clark Interpretive Center	918,279	1,251,118	(431)	1,250,687
	<u>\$31,220,751</u>	<u>\$33,412,970</u>	<u>(\$7,114)</u>	<u>\$33,405,856</u>

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3/30/17
3 of 3

Total all funds				
Less estimated income	14,517,835	18,752,093	(513)	18,751,580
General fund	\$16,702,916	\$14,660,877	(\$6,601)	\$14,654,276
FTE	66.00	62.50	0.00	62.50

Department No. 750 - Parks and Recreation Department - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Senate Changes
Administration	(\$755)	(\$755)
Park operations and maintenance	(5,497)	(5,497)
Recreation	(431)	(431)
International Peace Garden Lewis and Clark Interpretive Center	(431)	(431)
Total all funds	(\$7,114)	(\$7,114)
Less estimated income	(513)	(513)
General fund	(\$6,601)	(\$6,601)
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is adjusted to reflect this change.

This amendment also:

- Adjusts a section to direct the department to provide a \$1 million grant to the State Historical Society for the Double Ditch Historic Site repairs using funds received by the Parks and Recreation Department from the State Water Commission during the 2015-17 biennium.
- Adjusts a section to exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 9 of Chapter 53 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds, and to allow \$100,000 of the funds to be used for the completion of the demolition project of the Peace Towers without meeting matching funds requirements.
- Adjusts a section to allow carryover of one-time funding of \$950,000 for the Lewis and Clark Interpretive Center.
- Adjusts a section relating to the use of \$116,000 of carryover funding relating to the Pembina Gorge area.
- Changes the section relating to the Dakota Institute inventory to a study of the inventory.

Date: 3-30-17

Roll Call Vote #: 1

**2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1019**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0504.02001

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Mathern Seconded By Krebsbach

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Mathern	<input checked="" type="checkbox"/>	
Vice Chair Krebsbach	<input checked="" type="checkbox"/>		Senator Grabinger		
Vice Chair Bowman			Senator Robinson		
Senator Erbele					
Senator Wanzek					
Senator Kilzer					
Senator Lee					
Senator Dever					
Senator Sorvaag	<input checked="" type="checkbox"/>				
Senator Oehlke					
Senator Hogue					

Total (Yes) 3 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
minus Section 4

Date: 3-30-17

Roll Call Vote #: 1

**2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1019**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0504.02002

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
- Other Actions: Reconsider _____

Motion Made By Sorvaag Seconded By Krebsbach

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern	✓	
Vice Chair Krebsbach	✓		Senator Grabinger	✓	
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment _____

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

Date: 3-30-17

Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1019

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Sorvaag Seconded By Mathern

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern	✓	
Vice Chair Krebsbach	✓		Senator Grabinger	✓	
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Sorvaag

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

REPORT OF STANDING COMMITTEE

HB 1019, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1019 was placed on the Sixth order on the calendar.

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Page 1, line 5, remove "transfer of Dakota institute inventory;"

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Page 1, replace lines 18 through 23 with:

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Page 4, line 27, replace "systems, and to determine the feasibility of establishing an interpretive center" with "designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge"

Page 6, replace lines 15 through 21 with:

"SECTION 16. LEGISLATIVE MANAGEMENT STUDY - TRANSFER OF DAKOTA INSTITUTE INVENTORY. During the 2017-18 interim, the legislative management shall consider studying the feasibility and desirability of transferring the name Dakota institute and all rights, title, interests, and copyrights and up to eighty percent of any remaining inventory of any Dakota institute publication, book, or other document or production, regardless of format to Bismarck state college. The study must consider allowing Bismarck state college to transfer any rights, title, interests, copyrights, inventory of any of the Dakota institute's publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly."

Page 6, line 22, remove "The sum of \$1,000,000 for developing recreation"

Page 6, remove line 23

Page 6, line 24, replace "section 1" with "Section 9"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Parks and Recreation Department - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Administration	\$3,043,722	\$3,669,483	(\$755)	\$3,668,728
Park operations and maintenance	19,877,931	20,576,055	(5,497)	20,570,558
Recreation	6,407,120	7,039,985	(431)	7,039,554
International Peace Garden	973,699	876,329		876,329
Lewis and Clark Interpretive Center	918,279	1,251,118	(431)	1,250,687
Total all funds	\$31,220,751	\$33,412,970	(\$7,114)	\$33,405,856
Less estimated income	14,517,835	18,752,093	(513)	18,751,580
General fund	\$16,702,916	\$14,660,877	(\$6,601)	\$14,654,276

FTE 66.00 62.50 62.50

Department No. 750 - Parks and Recreation Department - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Senate Changes
Administration	(\$755)	(\$755)
Park operations and maintenance	(5,497)	(5,497)
Recreation	(431)	(431)
International Peace Garden Lewis and Clark Interpretive Center	(431)	(431)
Total all funds	(\$7,114)	(\$7,114)
Less estimated income	(513)	(513)
General fund	(\$6,601)	(\$6,601)
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is adjusted to reflect this change.

This amendment also:

- Adjusts a section to direct the department to provide a \$1 million grant to the State Historical Society for the Double Ditch Historic Site repairs using funds received by the Parks and Recreation Department from the State Water Commission during the 2015-17 biennium.
- Adjusts a section to exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 9 of Chapter 53 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds, and to allow \$100,000 of the funds to be used for the completion of the demolition project of the Peace Towers without meeting matching funds requirements.
- Adjusts a section to allow carryover of one-time funding of \$950,000 for the Lewis and Clark Interpretive Center.
- Adjusts a section relating to the use of \$116,000 of carryover funding relating to the Pembina Gorge area.
- Changes the section relating to the Dakota Institute inventory to a study of the inventory.

2017 CONFERENCE COMMITTEE

HB 1019

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1019
4/11/2017
30070

- Subcommittee
 Conference Committee

Virginia L Mock

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the parks and recreation department; to amend and reenact sections 55-08-06 and 55-08-07.1 of the North Dakota Century Code, relating to permits for motor vehicles and parks and the recreation concession revolving fund; to provide a grant to the international peace garden; to provide exemptions; to provide for a legislative management study; and to declare an emergency.

Minutes:

Attachment 1

Michael Johnson LC passed out the worksheets used to show the changes made to the budget of HB 1019. (attachment 1)

Chairman Streyle opened the conference committee meeting on HB 1019. The big one in here is the transfer to a different agency and what the exemption was and what the carryover is anticipated to be in on Section 10.

Senator Sorvaag: We didn't do anything with employees except the health insurance and the minor things. When the bill came from you, it had \$1 million that had come from the Water Commission grant to go to sovereign lands. As you know, that was in last biennium that the Water Commission hadn't ever got the Park budget. When we received it, we looked at it and we were also dealing with the Historical Society budget which we are familiar with the Double Ditch. Since the money had been transferred already over to the Park budget, we looked at it. It is in the river corridor. It is not sovereign land, but it is similar. It is a project we needed. What your committee and the full Senate did is take that million dollars and have the Parks move it over to the Historical Society to put towards the Double Ditch repair project. Our rationale was that the sovereign lands, not making a judgement of value or no value, is more of a concept than a defined project, and this was a definite need in the tight budgets that we have.

Chairman Streyle: It hasn't been approved, so we don't really have an approved project there yet either.

Senator Sorvaag: There is an idea of what it is going to cost for Double Ditch.

Senator Mathern: It is an approved project. It just didn't have the full funding yet.

Chairman Streyle: Did the Corps approve it?

Senator Mathern: The project has changed so they don't need Corps approval.

Senator Krebsbach: They waited for the Corps and nothing happened, so they took other measures.

Senator Sorvaag: Section 9 is for finishing demolishing the tower at the International Peace Garden. We appropriated \$200,000 last biennium and no matching, because the neighbors to the north weren't in session. It ran into a much bigger project than they expected, and they anticipate another \$100,000. What your committee is doing there is allocating \$100,000 but it wouldn't have to be matched today, but has to be matched later on.

Chairman Streyle: This is no new funds or this is on top of what they expended last biennium?

Senator Sorvaag: This is additional.

Chairman Streyle: We will spend \$200,000 and hope that we get additional.

Senator Mathern: We approved this project before. It just hadn't all been matched, so this is using \$100,000 of what we had approved in prior biennium.

Chairman Streyle: They must have expended some amount of money and couldn't match the full amount to get the full hundred?

Michael Johnson, Legislative Council: That is correct. In the previous biennium there is \$1.25 million for the International Peace Garden capital projects. Of the amounts being carried over, this section is designating \$100,000 of those funds to be used for the demolition project without requiring the initial matching funds.

Chairman Streyle: There was going to be some turn back if we don't give them the authority to move it forward. This says of that amount you can use \$100,000 to finish the project, and we hope we will get a match.

Michael Johnson: That is correct.

Senator Sorvaag: That is the intent of our committee. The idea is they need to raise or from the neighbors get a match someday on those dollars. Section 10, last time we bought the Lewis and Clark Interpretive Center and allocated \$950,000 to help towards operating. There is some carryover of that money, and it allows them to spend that money. (:08:40)

Chairman Streyle: Michael, could you get that dollar amount in the park enhancements. Obviously, we appropriated money for the Interpretive Center.

Senator Sorvaag: Section 12 is the \$116,000 for the Pembina Gorge. We added that they could spend it on a radio communication system. We eliminated 14. We added 16 where you had the transfer of the Dakota Institute assets from Lewis and Clark Interpretive Center to BSC. We think in all fairness it should be a study to figure out the value.

Chairman Streyle: I understand what you are doing. Is it just for backfilling in their budget? Obviously, they have knocked them down.

Senator Sorvaag: I don't know what stage they are in right now.

Senator Krebsbach: They are looking at different designs for replacement of it. They are working with the Canadian side for joint funding.

Chairman Streyle: I am guessing they will be coming next biennium or the biennium after for funding for that.

Senator Krebsbach: Possibly. I can't answer that.

Senator Sorvaag: We hope the other side of the border comes with some money by that time too.

Chairman Streyle: I think the big issue in this budget is finding what the carryover is from Lewis and Clark which is going to Park enhancements. Although I think it was a great program last time, I don't know that we want to go down that road in this biennium. Obviously the big question is the million dollars for Double Ditch. I don't see how it fits in this budget. I think it should have been done in the Historical Society and left this money alone. I think we can find a way to resolve this, but I don't think just simply stripping all that money is the right thing to do. There are a lot of opportunities for recreation on the sovereign lands, and the only way to get to it would be to expend some money.

Representative Schmidt: (:14:14) Regarding the million dollars for the sovereign lands, we had a presentation from Parks and Rec at our interim water topics committee. At that time, we were never told that Parks did not have the authority to spend the money. We only found out about that after the session started.

Senator Sorvaag: It was never discussed at all last session on the Parks side. There was no spending authority given to them on our budget last time. Obviously, something got lost in the process. We were kind of wondering where that money all of sudden came from too.

Chairman Streyle: We had a good discussion on that million dollars. I don't know why they didn't transfer it. Our intention was to write the check to them. They develop the plan, move forward, give our citizens access to the sovereign lands for recreation and what not.

Senator Sorvaag: The ideal plan would be to have it in their budget of what they are going to do with it so we can direct the other end of it.

Representative Schmidt: We didn't even have time to correct it, because we didn't know it was there.

Senator Sorvaag: We felt that in this tight budget we found that Double Ditch was more of an immediate need.

Chairman Streyle: The million dollars isn't going to solve the problem. We know that it is substantially more than that, so where are they going to get the funds?

Senator Sorvaag: A quarter million is easier to raise than 1.25 million.

Chairman Streyle: I think they need 3.2 on the project.

Senator Mathern: (:17:59) That is the full amount. They have done all of that preliminary work and expended money for that. The million dollars plus the quarter million will complete the project.

Michael Johnson: There was \$3.5 million carryover from a couple of different funds.

Senator Krebsbach: There was authority for them to borrow \$1.25 million from the Bank of ND. That is in a different bill.

Chairman Streyle: In the next bill we took that authority away, so you are replacing that with this. I think we are fine on the Peace Garden. We are fine on Section 12. I would think we would just take the study out on that deal. The issue is how much carryover for Park enhancements and the million dollars.

Senator Sorvaag: You are saying take the study out and the transfer out?

Chairman Streyle: Yes.

Representative Schmidt: Regarding Section 9, they can spend \$100,000 to take the structures down at the International Peace Garden without raising one dollar? How many total dollars is it estimated to cost to tear this down?

Chairman Streyle: \$200,000. They would get this \$100,000 in carryover of their capital line items. It's just reallocating their capital line.

Representative Schmidt: They are not going to be raising that. The other part of it is still state dollars. The state is paying for the whole teardown?

Senator Sorvaag: When they rebuild again, they will have to raise and will have to match this \$100,000 somewhere along the line with the new project.

Representative Schmidt: Do we need to address the reconstruction in this bill?

Chairman Streyle: People will donate to put a tower up, but not to take something down. Should they do a project, some of that money would have to be matched here. In a sense

they would be matching some of the demolition in the future as a part of a new project. Is that what your intent is?

Senator Krebsbach: Yes. The intent is for it to be a joint project between the two countries.

Senator Sorvaag: The reason we pushed the money out last time is to get it down and clean it up. Then they are going to have to go figure out how to build it. We are not building it with this.

Chairman Streyle: Pending some of the points that we need, we will reschedule this one.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1019
4/13/2017
30117

- Subcommittee
 Conference Committee

Virginia R. Moch

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the parks and recreation department; to amend and reenact sections 55-08-06 and 55-08-07.1 of the North Dakota Century Code, relating to permits for motor vehicles and parks and the recreation concession revolving fund; to provide a grant to the international peace garden; to provide exemptions; to provide for a legislative management study; and to declare an emergency.

Minutes:

Attachment 1

Chairman Streyle: Called the conference committee to order on HB 1019. Everyone is present except for Representative Schatz; Representative Martinson will take his place. On section 10, the carry over, there's a question on what the dollar amount is. I believe it was 200 thousand.

Senator Ronald Sorvaag: Yes, that's correct, total amount would be 200 thousand.

Representative Streyle: And they are expecting that money to help them operate in the next biennium, should they not get that, they are going to have to change their operations. We did under fund that line item. That would be a section to take out.

Senator Ronald Sorvaag: I would think that the senate could support that carry over.

Representative Schmidt: We have amendment .02003 (attachment 1) section 5, statement of purpose; 210 from the general fund from the park operations and maintenance line item of the bill and as a contingency the appropriation of 210 thousand from the general fund to park and rec development for the purpose of expenses of the state parks if swimming is allowed in Sakakawea State Park.

Representative Streyle: When we bought this marina we were told that nothing would change, then they discontinued allowing swimming. They can simply put that in their lease that they are not responsible for injury. We've had discussions and haven't been able to come to a resolution.

Senator Ronald Sorvaag: The senate will digest this. It seems like getting into micromanaging.

Senator Mathern: What is the rational of the 210 thousand? Is that based on salary of lifeguards or what is that for?

Chairman Streyle: The annual cost to run that marina is 110 thousand. When the state bought it there was a lot of controversy, there's slip renters and this simply says that if you allow swimming in the marina you can have the money to operate if not then you have to find it in your budget elsewhere. That was the practice for decades, the state took it over and changed the policy. There have been no incidents there, there's a lot of upset renters that pay a lot of money to rent there. They have also raised the rental price. A number of things changed when the state took it over and we didn't agree to those things.

Senator Mathern: Why don't you have the actual amount that is related to swimming?

Chairman Streyle: There's no lifeguards, there never was, these are slips that are rented, there's a gate there. There saying that if you boat is tied up to the dock you cannot get into the water.

Senator Ronald Sorvaag: What was section 14 crossed out with the code of institute, we changed to a study. You said you wanted neither. It's been an issue last time and this time and the senate would like to keep the study. As of this time the senate would like to keep section 16 in.

Representative Streyle: We don't see the point of doing the study on it if you're not willing to do it.

Senator Ronald Sorvaag: Well at this point we do.

Chairman Streyle: The other issue on this is Double Ditch, we would propose doing 500 thousand from sovereign lands, 500 thousand from the disaster relief fund and leaving the 500 thousand in sovereign lands. We did do money from the state disaster relief fund before so that it's not unprecedented.

Senator Ronald Sorvaag: So the disaster part would go to Double Ditch and half the sovereign and the other half from the transfer last biennium would go to sovereign lands?

9:55 Senator Krebsbach: Are there adequate funds in the disaster relief fund?

Representative Schmidt: I check with Allen Knudson to make sure and there's 25 million in there and none of that is obligated or committed.

Senator Ronald Sorvaag: We kept changing that number and it's sitting at its cap to and there's talk of lowering the cap.

Chairman Streyle: I think we are close, I would like that amendment on with the swimming and I think we are coming more than half way on the rest of the sections of the bill. With

Double Ditch and the carry over, also the International Peace Gardens and some of the changes you made on the exception. I think we're real close and I think we should be able to kick this out at the next meeting.

Senator Ronald Sorvaag: The three issues we have to address a little bit is the swimming, Double Ditch and the request of keeping the study. We will have those discussions.

Senator Mathern: If we consider that disaster relief fund, why don't we do the whole thing and put the 250 in there right away and do the 500 and 750?

Senator Ronald Sorvaag: I think that 500 thousand should be done in the Historical, I don't think that the parks should get in there. I don't think the parks should take the disaster and then give it, for clarity it should be done in the Historical.

Chairman Streyle: I would agree with that.

Representative Schmidt: I would also agree with that.

Representative Streyle: With that we will close and hope to finish this up tomorrow.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1019
4/14/2017
30137

- Subcommittee
 Conference Committee

Virginia L Mock

Explanation or reason for introduction of bill/resolution:

to provide an appropriation for defraying the expenses of the parks and recreation department; to amend and reenact sections 55-08-06 and 55-08-07.1 of the North Dakota Century Code, relating to permits for motor vehicles and parks and the recreation concession revolving fund; to provide a grant to the international peace garden; to provide exemptions; to provide for a legislative management study; and to declare an emergency.

Minutes:

Chairman Streyle: Called the conference committee to order on HB 1019.

Chairman Sorvaag: Proposed amendment 02004 to counter Representative Streyle's amendment about the swimming issue. After some discussion I decided to write a different one. It amendment .02004, all it says is any marina owned by the state park, any renter's family members are allowed to swim in there as long as the rented has signed a liability waiver. It's a statement of legislative intent. I'd like the committee to keep that amendment under consideration.

Chairman Sorvaag: I would move the amendment .02004

Senator Krebsbach Second

Senator Mathern: I believe there is problems with swimming in places where there are electrical wires, boats and anchors, propellers. I find it problematic I would hope that we can eliminate both of these proposals.

A roll call vote was taken. Yea: 5 Nay: 1 Absent: 0

Motion Carries

Chairman Streyle: Our final issue was the proposal to fund the million dollars for Double Ditch with the state disaster relief fund 500 thousand and 500 thousand from the carryover from the sovereign lands, leaving 500 thousand in the sovereign land fund.

Chairman Sorvaag: So your intent is to keep the grant exception, it's only 500 thousand to the historical and then there will be another section with 500 thousand for sovereign. I think our side is willing to concur with that.

Chairman Streyle: Section 10 would be out, that's the 200 thousand that was left in the carry over for Lewis and Clark. They need that money to continue operations in the next biennium. In the current bill they are 888 thousand isn't enough to continue operations.

Chairman Sorvaag: We want the carryover to stay.

Michael Johnson Legislative Council: Last biennium there was 950 thousand of one-time funding that was included in park and rec's budget. Section 10 is of the amount remaining of that 950 thousand, if there's any funds carried over it allowing the department to use those funds in the 2017/19 biennium. In order for them to use that 200 thousand dollars in the 2017/19 biennium the language would need to read; all unexpended funds.

Chairman Sorvaag: Section 12, our committee would like to remove the study language and reinstate the transfer language.

Chairman Streyle: I think we've agreed on every section now.

Mr. Johnson, LC: The first amendment would be to add .02004 and that's the swimming rules. Second amendment is to adjust section 5 to allocate 500 thousand to sovereign lands and 500 thousand to historical Society. The third item would be to remove section 16 and add the house's previous amendment back into the bill.

Chairman Streyle: Do we need to clean up language on the emergency clause, section 17?

Mr. Johnson, LC: Yes, and I'll note that the other \$500,000 goes to Sovereign lands

Chairman Streyle: And the emergency clause we'd want on the entire section so that they move the money as soon as this bill is signed.

Chairman Sorvaag: I prefer to see the final amendment.

Chairman Streyle: We will meet on that Monday morning. No further discussion, meeting ends.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division
Roughrider Room, State Capitol

HB 1019
4/17/2017
30172

Subcommittee
 Conference Committee

Virginia L Moch

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the parks and recreation department; to amend and reenact sections 55-08-06 and 55-08-07.1 of the North Dakota Century Code, relating to permits for motor vehicles and parks and the recreation concession revolving fund; to provide a grant to the international peace garden; to provide exemptions; to provide for a legislative management study; and to declare an emergency.

Minutes:

[Empty box for minutes]

Chairman Streyle: Called the conference committee to order on the Parks and Rec budget, HB 1019 and have the clerk note that all conferees are present. Amendment 17.0504.02006 was passed out. The one I gave you, Senator Sorvaag was 02005. Michael will you explain the change? They've all reviewed 02005.

Michael Johnson LC: The only difference between 05 and 06 is that 05 didn't have the language stating that the Senate recesses, everything else should be the same.

Chairman Streyle: If this is good with the senate, would you like to make a motion that the senate recesses from the senate amendments and amends as following 2006?

Chairman Sorvaag: I make the motion.

Senator Krebsbach: Second.

Senator Mathern: I would like discussion to note, and I gave a copy to Representative Streyle, there was concern by the park department about the section on the swimming. I made a point of noting that it is all the marinas and it is only legislative intent. They have the latitude and the ability to write rules and guidelines for this. They can report back to the next session how it worked, or didn't work. I think it needs to be clear for everybody that it is just an INTENT that we want this done.

Chairman Streyle: Correct Senator, this is not law, it is just intent. They can ignore it or amend it however they want, like any other intent.

Senator Mathern: I actually disagree with that section. It puts the department in a difficult spot, but I understand the total package here, that I support. I think that section is a micromanagement section. I believe the department has the ability to take into consideration things like the individual safety of these types of activities, and some marinas might have this exception and some might not. So I appreciate the discussion that this might not turn in to any swimming if safety warrants that.

Chairman Streyle: That could be Senator.

Motion by Senator Sorvaag in favor of amendment 17.0504.02006

Seconded by Senator Krebsbach

a roll call vote was taken. Yea: 6 Nay: 0 Absent: 0

Motion carries

Chairman Streyle: With that I think we are done! This is the first budget of my 8 kicked out!

Meeting ends 3:35

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

Page 4, after line 27, insert:

"SECTION 12. LEGISLATIVE INTENT - STATE PARK MARINA SWIMMING RULES. It is the intent of the sixty-fifth legislative assembly that the parks and recreation department establish rules for state park marinas to allow an individual currently renting a slip at the marina and the individual's immediate family members to swim in the marina area subject to the individual and each family member signing a release of liability waiver form developed by the department."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds a section of legislative intent that the Parks and Recreation Department establish rules to allow limited swimming in state park marina areas.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

That the Senate recede from its amendments as printed on pages 1292-1295 of the House Journal and pages 1060-1063 of the Senate Journal and that Engrossed House Bill No. 1019 be amended as follows:

Page 1, line 5, after the second semicolon insert "to provide a statement of legislative intent;"

Page 1, replace lines 18 through 23 with:

"Administration	\$3,043,722	\$625,006	\$3,668,728
Park operations and maintenance	19,877,931	692,627	20,570,558
Recreation	<u>6,407,120</u>	<u>632,434</u>	<u>7,039,554</u>
Total all funds	\$29,328,773	\$1,950,067	\$31,278,840
Less estimated income	<u>14,517,835</u>	<u>3,871,726</u>	<u>18,389,561</u>
Total general fund	\$14,810,938	(\$1,921,659)	\$12,889,279"

Page 2, replace lines 11 through 14 with:

"Lewis and Clark interpretive center	<u>\$918,279</u>	<u>\$332,408</u>	<u>\$1,250,687</u>
Total all funds	\$918,279	\$332,408	\$1,250,687
Less estimated income	<u>0</u>	<u>362,019</u>	<u>362,019</u>
Total general fund	\$918,279	(\$29,611)	\$888,668"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	\$16,702,916	(\$2,048,640)	\$14,654,276
Grand total special funds	<u>14,517,835</u>	<u>4,233,745</u>	<u>18,751,580</u>
Grand total all funds	\$31,220,751	\$2,185,105	\$33,405,856"

Page 2, line 28, replace "\$188,889" with "\$181,775"

Page 2, line 28, replace "\$7,085" with "\$6,572"

Page 2, line 29, replace "\$1,249" with "\$1,241"

Page 3, line 22, after "GRANT" insert "- EXEMPTION - GRANT TO STATE HISTORICAL SOCIETY AND RECREATION OPPORTUNITIES ON SOVEREIGN LANDS"

Page 3, line 23, after "funding" insert "received"

Page 3, line 24, replace "authorized by the sixty-fourth legislative assembly" with "during the 2015-17 biennium"

Page 3, line 24, remove "the purpose of"

Page 3, line 25, after the period insert "Notwithstanding section 4 of chapter 54 of the 2015 Session Laws, the parks and recreation department shall use this \$1,000,000 to provide:

1. A grant of \$500,000 to the state historical society for defraying the expenses of double ditch historic site repairs for the period beginning with the effective date of this Act, and ending June 30, 2019; and

2. Up to \$500,000 for the purpose of developing recreation opportunities on sovereign lands in the state for the period beginning with the effective date of this Act, and ending June 30, 2019."

Page 4, line 5, after "Laws" insert ", and continued in the 2015-17 biennium pursuant to section 9 of chapter 53 of the 2015 Session Laws,"

Page 4, after line 12, insert:

"SECTION 9. EXEMPTION - 2015-17 MATCHING FUNDS REQUIREMENT - INTERNATIONAL PEACE GARDEN. Notwithstanding the provisions of section 9 of chapter 53 of the 2015 Session Laws, relating to matching requirements, the International Peace Garden may spend up to \$100,000 of the funds appropriated in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws and continued in the 2015-17 biennium, without raising dollar-for-dollar matching funds before spending the funds, for the purpose of completing the demolition project of the peace towers, for the period beginning with the effective date of this Act and ending June 30, 2017."

Page 4, line 14, after "Laws" insert ", and any unexpended funds of up to \$950,000 of one-time funding for park enhancements included in the natural resources line item in section 34 of chapter 49 of the 2015 Session Laws, designated for the Lewis and Clark interpretive center,"

Page 4, line 26, remove "developing a plan for continued monitoring and patrolling of the trail"

Page 4, line 27, replace "systems, and to determine the feasibility of establishing an interpretive center" with "designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge"

Page 4, after line 27, insert:

"SECTION 13. LEGISLATIVE INTENT - STATE PARK MARINA SWIMMING RULES. It is the intent of the sixty-fifth legislative assembly that the parks and recreation department establish rules for state park marinas to allow an individual currently renting a slip at the marina and the individual's immediate family members to swim in the marina area subject to the individual and each family member signing a release of liability waiver form developed by the department."

Page 6, line 22, after "for" insert "providing a grant to the state historical society, and for"

Page 6, line 24, replace "is" with ", and sections 5 and 9 of this Act are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Parks and Recreation Department - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Administration	\$3,043,722	\$3,669,483	(\$755)	\$3,668,728	\$3,668,728	
Park operations and maintenance	19,877,931	20,576,055	(5,497)	20,570,558	20,570,558	
Recreation	6,407,120	7,039,985	(431)	7,039,554	7,039,554	
International Peace Garden	973,699	876,329		876,329	876,329	
Lewis and Clark Interpretive Center	918,279	1,251,118	(431)	1,250,687	1,250,687	
	<u>\$31,220,751</u>	<u>\$33,412,970</u>	<u>(\$7,114)</u>	<u>\$33,405,856</u>	<u>\$33,405,856</u>	<u>\$0</u>

4/17/17 DP
3 of 3

Total all funds						
Less estimated income	14,517,835	18,752,093	(513)	18,751,580	18,751,580	0
General fund	\$16,702,916	\$14,660,877	(\$6,601)	\$14,654,276	\$14,654,276	\$0
FTE	66.00	62.50	0.00	62.50	62.50	0.00

Department No. 750 - Parks and Recreation Department - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Conference Committee Changes
Administration	(\$755)	(\$755)
Park operations and maintenance	(5,497)	(5,497)
Recreation	(431)	(431)
International Peace Garden		
Lewis and Clark Interpretive Center	(431)	(431)
Total all funds	(\$7,114)	(\$7,114)
Less estimated income	(513)	(513)
General fund	(\$6,601)	(\$6,601)
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is adjusted to reflect this change, the same as the Senate version.

This amendment also:

- Adjusts a section to direct the department to use funding from the \$1 million grant received from the State Water Commission during the 2015-17 biennium to provide a \$500,000 grant to the State Historical Society for the Double Ditch Historic Site repairs, and to use up to \$500,000 for developing recreation opportunities on sovereign lands. The Senate version included a \$1 million grant to the State Historical Society.
- Adjusts a section to exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 9 of Chapter 53 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds, and allow \$100,000 of the funds to be used for the completion of the demolition project of the Peace Towers without meeting matching funds requirements, the same as the Senate version.
- Adjusts a section to allow carryover of one-time funding of \$950,000 for the Lewis and Clark Interpretive Center, the same as the Senate version.
- Adjusts a section relating to the use of \$116,000 of carryover funding relating to the Pembina Gorge area, the same as the Senate version.
- Adds a section of legislative intent that the Parks and Recreation Department establish rules to allow limited swimming in state park marina areas. Neither the House nor the Senate version included this section.

**2017 HOUSE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. HB 1019 as (re) engrossed

House Appropriations Education and Environment Committee

- Action Taken HOUSE accede to Senate Amendments
 HOUSE accede to Senate Amendments and further amend
 SENATE recede from Senate amendments
 SENATE recede from Senate amendments and amend as follows
 Unable to agree, recommends that the committee be discharged and a new committee be appointed
 adopt amendment

Motion Made by: Senator Sorvaag Seconded by: Senator Krebsbach

Representatives	4-11 2017	4-13 2017	4-14	Yes	No	Senators	4-11 2017	4-13 2017	4-14	Yes	No
Chairman R. Streyle	✓	✓	✓	✓		Chairman Ronald Sorvaag	✓	✓	✓	✓	
Representative Mike Schatz	✓	✓	✓	✓		Senator Karen Krebsbach	✓	✓	✓	✓	
Representative Jim Schmidt	✓	✓	✓	✓		Senator Tim Mathern	✓	✓	✓		✓
Total Rep. Vote				3		Total Senate Vote				2	1

Vote Count Yes: 5 No: 1 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number 17.0504.02004 . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment for Parks and Rec to establish rules to allow limited swimming in state park marina areas

Motion Passed

**2017 HOUSE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. HB 1019 as (re) engrossed

House Appropriations Education and Environment Committee

- Action Taken
- HOUSE accede to Senate Amendments
 - HOUSE accede to Senate Amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows
 - Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Sorvaag Seconded by: Senator Krebsbach

Representatives	4-17 2017	Yes	No	Senators	4-17 2017	Yes	No
Chairman R. Streyle	✓	✓		Chairman Ronald Sorvaag	✓	✓	
Representative Mike Schatz	✓	✓		Senator Karen Krebsbach	✓	✓	
Representative Jim Schmidt	✓	✓		Senator Tim Mathern	✓	✓	
Total Rep. Vote		3		Total Senate Vote		3	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number 17.0504.02006 of amendment

LC Number 17.0504 . 04000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Senat recedes from Senate Amendment

Motion Carries

Insert LC: 17.0504.02006
House Carrier: Streyle
Senate Carrier: Sorvaag

REPORT OF CONFERENCE COMMITTEE

HB 1019, as engrossed: Your conference committee (Sens. Sorvaag, Krebsbach, Mathern and Reps. Streyle, Schatz, Schmidt) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1292-1295, adopt amendments as follows, and place HB 1019 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1292-1295 of the House Journal and pages 1060-1063 of the Senate Journal and that Engrossed House Bill No. 1019 be amended as follows:

Page 1, line 5, after the second semicolon insert "to provide a statement of legislative intent;"

Page 1, replace lines 18 through 23 with:

"Administration	\$3,043,722	\$625,006	\$3,668,728
Park operations and maintenance	19,877,931	692,627	20,570,558
Recreation	<u>6,407,120</u>	<u>632,434</u>	<u>7,039,554</u>
Total all funds	\$29,328,773	\$1,950,067	\$31,278,840
Less estimated income	<u>14,517,835</u>	<u>3,871,726</u>	<u>18,389,561</u>
Total general fund	\$14,810,938	(\$1,921,659)	\$12,889,279"

Page 2, replace lines 11 through 14 with:

"Lewis and Clark interpretive center	\$918,279	\$332,408	\$1,250,687
Total all funds	\$918,279	\$332,408	\$1,250,687
Less estimated income	<u>0</u>	<u>362,019</u>	<u>362,019</u>
Total general fund	\$918,279	(\$29,611)	\$888,668"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	\$16,702,916	(\$2,048,640)	\$14,654,276
Grand total special funds	<u>14,517,835</u>	<u>4,233,745</u>	<u>18,751,580</u>
Grand total all funds	\$31,220,751	\$2,185,105	\$33,405,856"

Page 2, line 28, replace "\$188,889" with "\$181,775"

Page 2, line 28, replace "\$7,085" with "\$6,572"

Page 2, line 29, replace "\$1,249" with "\$1,241"

Page 3, line 22, after "**GRANT**" insert "**- EXEMPTION - GRANT TO STATE HISTORICAL SOCIETY AND RECREATION OPPORTUNITIES ON SOVEREIGN LANDS**"

Page 3, line 23, after "funding" insert "received"

Page 3, line 24, replace "authorized by the sixty-fourth legislative assembly" with "during the 2015-17 biennium"

Page 3, line 24, remove "the purpose of"

Page 3, line 25, after the period insert "Notwithstanding section 4 of chapter 54 of the 2015 Session Laws, the parks and recreation department shall use this \$1,000,000 to provide:

1. A grant of \$500,000 to the state historical society for defraying the expenses of double ditch historic site repairs for the period beginning with the effective date of this Act, and ending June 30, 2019; and

2. Up to \$500,000 for the purpose of developing recreation opportunities on sovereign lands in the state for the period beginning with the effective date of this Act, and ending June 30, 2019."

Page 4, line 5, after "Laws" insert ", and continued in the 2015-17 biennium pursuant to section 9 of chapter 53 of the 2015 Session Laws,"

Page 4, after line 12, insert:

"SECTION 9. EXEMPTION - 2015-17 MATCHING FUNDS REQUIREMENT - INTERNATIONAL PEACE GARDEN. Notwithstanding the provisions of section 9 of chapter 53 of the 2015 Session Laws, relating to matching requirements, the International Peace Garden may spend up to \$100,000 of the funds appropriated in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws and continued in the 2015-17 biennium, without raising dollar-for-dollar matching funds before spending the funds, for the purpose of completing the demolition project of the peace towers, for the period beginning with the effective date of this Act and ending June 30, 2017."

Page 4, line 14, after "Laws" insert ", and any unexpended funds of up to \$950,000 of one-time funding for park enhancements included in the natural resources line item in section 34 of chapter 49 of the 2015 Session Laws, designated for the Lewis and Clark interpretive center,"

Page 4, line 26, remove "developing a plan for continued monitoring and patrolling of the trail"

Page 4, line 27, replace "systems, and to determine the feasibility of establishing an interpretive center" with "designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge"

Page 4, after line 27, insert:

"SECTION 13. LEGISLATIVE INTENT - STATE PARK MARINA SWIMMING RULES. It is the intent of the sixty-fifth legislative assembly that the parks and recreation department establish rules for state park marinas to allow an individual currently renting a slip at the marina and the individual's immediate family members to swim in the marina area subject to the individual and each family member signing a release of liability waiver form developed by the department."

Page 6, line 22, after "for" insert "providing a grant to the state historical society, and for"

Page 6, line 24, replace "is" with ", and sections 5 and 9 of this Act are"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Parks and Recreation Department - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Administration	\$3,043,722	\$3,669,483	(\$755)	\$3,668,728	\$3,668,728	
Park operations and maintenance	19,877,931	20,576,055	(5,497)	20,570,558	20,570,558	
Recreation	6,407,120	7,039,985	(431)	7,039,554	7,039,554	
International Peace Garden	973,699	876,329		876,329	876,329	
Lewis and Clark Interpretive Center	918,279	1,251,118	(431)	1,250,687	1,250,687	

Insert LC: 17.0504.02006
 House Carrier: Streyle
 Senate Carrier: Sorvaag

Total all funds	\$31,220,751	\$33,412,970	(\$7,114)	\$33,405,856	\$33,405,856	\$0
Less estimated income	14,517,835	18,752,093	(513)	18,751,580	18,751,580	0
General fund	\$16,702,916	\$14,660,877	(\$6,601)	\$14,654,276	\$14,654,276	\$0
FTE	66.00	62.50	0.00	62.50	62.50	0.00

Department No. 750 - Parks and Recreation Department - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Conference Committee Changes
Administration	(\$755)	(\$755)
Park operations and maintenance	(5,497)	(5,497)
Recreation	(431)	(431)
International Peace Garden Lewis and Clark Interpretive Center	(431)	(431)
Total all funds	(\$7,114)	(\$7,114)
Less estimated income	(513)	(513)
General fund	(\$6,601)	(\$6,601)
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is adjusted to reflect this change, the same as the Senate version.

This amendment also:

- Adjusts a section to direct the department to use funding from the \$1 million grant received from the State Water Commission during the 2015-17 biennium to provide a \$500,000 grant to the State Historical Society for the Double Ditch Historic Site repairs, and to use up to \$500,000 for developing recreation opportunities on sovereign lands. The Senate version included a \$1 million grant to the State Historical Society.
- Adjusts a section to exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 9 of Chapter 53 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds, and allow \$100,000 of the funds to be used for the completion of the demolition project of the Peace Towers without meeting matching funds requirements, the same as the Senate version.
- Adjusts a section to allow carryover of one-time funding of \$950,000 for the Lewis and Clark Interpretive Center, the same as the Senate version.
- Adjusts a section relating to the use of \$116,000 of carryover funding relating to the Pembina Gorge area, the same as the Senate version.
- Adds a section of legislative intent that the Parks and Recreation Department establish rules to allow limited swimming in state park marina areas. Neither the House nor the Senate version included this section.

Engrossed HB 1019 was placed on the Seventh order of business on the calendar.

2017 TESTIMONY

HB 1019

**Department 750 - Parks and Recreation
House Bill Nos. 1019 and 1079**

Executive Budget Comparison to Prior Biennium Appropriations

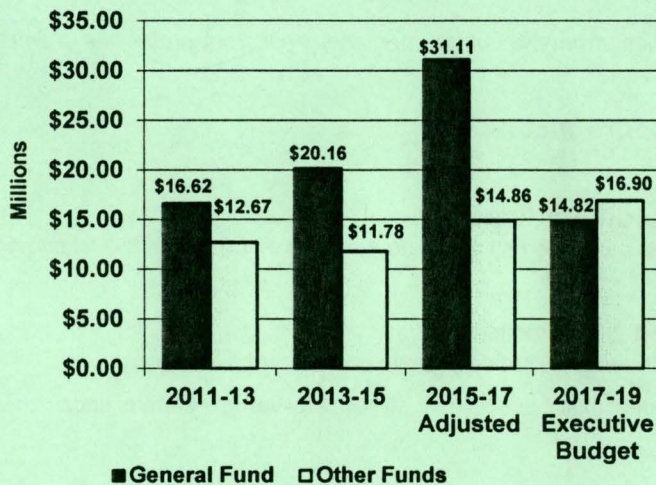
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	65.00	\$14,816,324	\$16,903,897	\$31,720,221
2015-17 Adjusted Legislative Appropriations ¹	66.00	31,113,442	14,862,835	45,976,277
Increase (Decrease)	(1.00)	(\$16,297,118)	\$2,041,062	(\$14,256,056)

¹The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

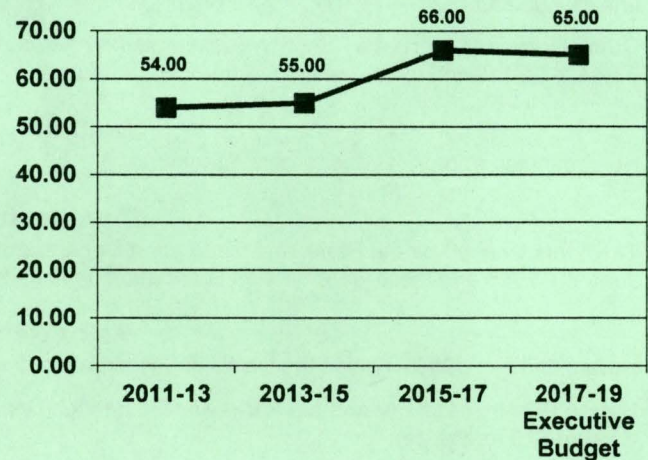
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	\$14,816,324	\$0	\$14,816,324
2015-17 Adjusted Legislative Appropriations	16,702,916	14,410,526	31,113,442
Increase (Decrease)	(\$1,886,592)	(\$14,410,526)	(\$16,297,118)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$14,816,324	\$16,903,897	\$31,720,221
2017-19 Base Level	16,702,916	14,517,835	31,220,751
Increase (Decrease)	(\$1,886,592)	\$2,386,062	\$499,470

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$48,105 is for salary increases, and \$188,889 is for health insurance increases	\$228,105	\$8,889	\$236,994
2. Adjusts seasonal salaries and benefits by (\$586,406), and agency pay plan by (\$239,959)	(\$826,365)	\$0	(\$826,365)
3. Removes 1 administrative assistant FTE position	(\$116,875)		(\$116,875)
4. Adjusts operating expenses for administration, park operations and maintenance, and recreation by \$1,465,840, International Peace Gardens (\$97,370), and Lewis and Clark Interpretive Center (\$296,991)	(\$398,361)	\$1,469,840	\$1,071,479
5. Adjusts funding for extraordinary repairs	(\$150,760)	(\$55,879)	(\$206,639)
6. Adjusts funding for equipment	(\$350,000)	\$740,000	\$390,000

Other Bill Sections Recommended to be Added in the Executive Budget
(As Detailed in House Bill No. 1079)

Game and fish operating fund - Transfer for boat ramp maintenance - Section 3 provides \$122,000 from the game and fish operating fund, federal funds, or other funds available to the Game and Fish Department, must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.

Concession revolving fund - Section 4 amends North Dakota Century Code Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.

Community grants - Section 5 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.

International Peace Garden - Section 6 exempts any funds included in the International Peace Garden line item for repairs of the Peace Tower in Section 30 of 2013 House Bill No. 1015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.

Northern Plains National Heritage Area grants - Section 7 authorizes the Parks and Recreation Department to apply for Northern Plains National Heritage Area grants.

Lewis and Clark Interpretive Center - Section 8 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.

Outdoor heritage grants - Section 9 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.

Continuing Appropriations

No continuing appropriations for this agency.

Significant Audit Findings

The financial audit for the Parks and Recreation Department was conducted by the State Auditor's office for the biennium ended June 30, 2015 and there were no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1089 - Allows the Parks and Recreation Department to sell advertising in department publications.

House Bill No. 1102 - Allows the Parks and Recreation Department to sell out-of-state off highway vehicle permits and to charge a fee of \$10 for the permit.

Parks and Recreation Department - Budget No. 750
House Bill Nos. 1019 and 1079
Base Level Funding Changes

	<u>Executive Budget Recommendation</u>			
	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	66.00	\$16,702,916	\$14,517,835	\$31,220,751
2017-19 Ongoing Funding Changes				
Base payroll changes		(\$287,726)	(\$18,093)	(\$305,819)
Salary increase - Performance		39,216	8,889	48,105
Health insurance increase		188,889		188,889
Reduces seasonal salaries and benefits		(586,406)		(586,406)
Adjusts operating expenses		(4,000)	1,469,840	1,465,840
Adjusts operating expenses - International Peace Garden		(97,370)		(97,370)
Adjusts operating expenses - Lewis and Clark Interpretive Center		(296,991)		(296,991)
Adds gift fund authority			230,930	230,930
Adjusts ACA health insurance requirements for part-time employees		15,338	10,375	25,713
Adjusts agency pay plan		(239,959)		(239,959)
Removes 1 administrative assistant FTE position	(1.00)	(116,875)		(116,875)
Adjusts bond payment		52		52
Adjusts extraordinary repairs		(150,760)	(55,879)	(206,639)
Adjusts equipment		(350,000)	740,000	390,000
Total ongoing funding changes	(1.00)	(\$1,886,592)	\$2,386,062	\$499,470
One-time funding items				
No one-time funding items				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(1.00)	(\$1,886,592)	\$2,386,062	\$499,470
2017-19 Total Funding	65.00	\$14,816,324	\$16,903,897	\$31,720,221

Other Sections in Parks and Recreation Department - Budget No. 750

	<u>Executive Budget Recommendation</u>
Game and fish operating fund - Transfer for boat ramp maintenance	Section 3 provides \$122,000 from the game and fish operating fund, or federal funds or other funds available to the Game and Fish Department, must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.
Concession revolving fund	Section 4 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be moved to the state park operating fund.
Community grants	Section 5 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.

Other Sections in Parks and Recreation Department - Budget No. 750

Executive Budget Recommendation

International Peace Garden

Section 6 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of 2013 House Bill No. 1015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.

Northern Plains National Heritage Area grants

Section 7 authorizes the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.

Lewis and Clark Interpretive Center

Section 8 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.

Outdoor heritage grants

Section 9 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.

Department 750 - Parks and Recreation Department

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments (As a Result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$16,763,916	\$16,530,297	\$33,294,213
General fund reductions	(61,000)	(2,119,771)	(2,180,771)
Adjusted 2015-17 appropriations	\$16,702,916	\$14,410,526	\$31,113,442
Remove prior biennium adjusted one-time funding		(14,410,526)	(14,410,526)
2017-19 base level	\$16,702,916	\$0	\$16,702,916
Executive Budget changes	(1,886,592)		(1,886,592)
2017-19 Executive Budget	\$14,816,324	\$0	\$14,816,324

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Administration - 50 th anniversary of the Parks and Recreation Department		(\$16,000)	(\$16,000)
Administration - Retirement leave payouts		(42,000)	(42,000)
Parks enhancements		(1,998,389)	(1,998,389)
Parks equipment		(50,000)	(50,000)
International Peace Garden - Capital projects		(13,382)	(13,382)
Administration - Travel	(\$3,000)		(3,000)
Parks operations and maintenance - Adjust FTE salaries	(46,000)		(46,000)
Lewis and Clark Interpretive Center - Operating expenses	(12,000)		(12,000)
Total reductions	(\$61,000)	(\$2,119,771)	(\$2,180,771)
Percentage reduction to ongoing and one-time general fund appropriations	0.36%	12.82%	6.55%

2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

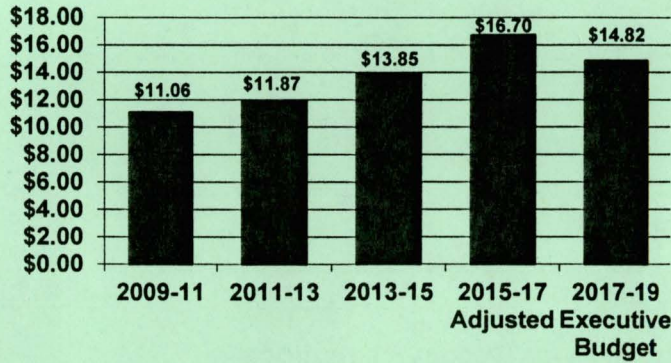
Ongoing	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Base payroll changes	(\$287,726)		(\$287,726)
Adjusts salary and health insurance increases	228,105		228,105
Adjusts agency pay plan	(239,959)		(239,959)
Removes 1 administrative assistant FTE position	(116,875)		(116,875)
Adjusts seasonal salaries and benefits	(632,406)	\$46,000	(586,406)
Adjusts operating expenses	(7,000)	3,000	(4,000)
Adjusts operating expenses - International Peace Garden	(97,370)		(97,370)
Adjusts operating expenses - Lewis and Clark Interpretive Center	(308,991)	12,000	(296,991)
Adjusts ACA requirements for temporary employees	15,338		15,338
Adjusts bond payment	52		52
Adjusts extraordinary repairs	(150,760)		(150,760)
Adjusts equipment	(350,000)		(350,000)
Total 2017-19 executive budget changes	(\$1,947,592)	\$61,000	(\$1,886,592)

Department 750 - Parks and Recreation Department

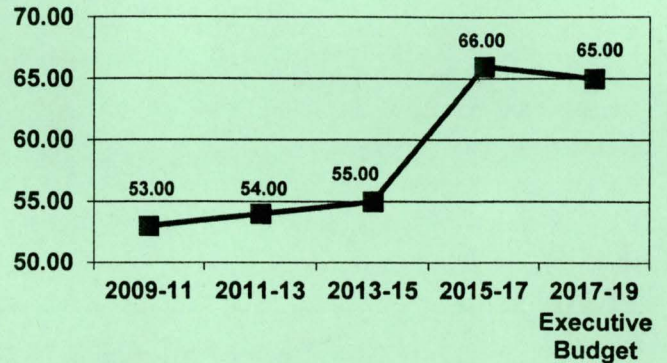
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	\$11,062,591	\$11,874,346	\$13,854,838	\$16,702,916	\$14,816,324
Increase (decrease) from previous biennium	N/A	\$811,755	\$1,980,492	\$2,848,078	(\$1,886,592)
Percentage increase (decrease) from previous biennium	N/A	7.3%	16.7%	20.6%	(11.3%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	7.3%	25.2%	51.0%	33.9%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

1. Added funding to address salary equity issues and related second-year increases \$538,509
2. Added 2.5 park maintenance FTE positions \$251,687

2013-15 Biennium

1. Added funding to increase temporary salaries by \$1 per hour for the 2013-15 biennium \$264,000
2. Added funding for seasonal crews for maintaining trail systems \$65,200
3. Added funding to convert a long-time temporary administrative assistant position to an FTE position \$87,172
4. Added funding to increase the operational grant to the International Peace Garden for a total of \$933,688 for the 2013-15 biennium \$200,000
5. Added funding for increased operating costs \$88,113
6. Added funding for state employee salary increases \$499,523
7. Added funding for the community grant program to provide a total of \$500,000 \$100,000
8. Added funding to rent property in the Pembina Gorge area for office space \$300,000

2015-17 Biennium

1. Added funding for 1 FTE position and related operating expenses for a park ranger at Cross Ranch State Park \$105,270
2. Added funding to convert 5 temporary administrative assistant positions to FTE positions \$301,838
3. Added funding to convert four .75 FTE positions into four 1 FTE positions \$93,647
4. Increased funding for extraordinary repairs at various state parks \$345,521
5. Added funding to increase temporary employee salaries by \$1 per hour \$220,220
6. Added funding for 10 additional seasonal temporary employees at various state parks \$213,543
7. Increased funding for operating expenses for administration, park operations and maintenance, and recreation by \$111,345, and Lewis and Clark Interpretive Center by \$368,000 \$479,345

8. Added funding for 4 FTE positions for the Lewis and Clark Interpretive Center \$366,384

2017-19 Biennium (Executive Budget Recommendation)

1. Adjusts seasonal salaries and benefits by (\$586,406), and agency pay plan by (\$239,959) (\$826,365)
2. Removes 1 administrative assistant FTE position (\$116,875)
3. Adjusts operating expenses for administration, park operations and maintenance, and recreation by \$1,465,840, International Peace Gardens (\$97,370), and Lewis and Clark Interpretive Center (\$296,991) (\$398,361)
4. Adjusts funding for extraordinary repairs (\$150,760)
5. Adjusts funding for equipment (\$350,000)

att to ^{HB} 1019
HB 1079

1/5/17

HB 1079 AND HB 1019 APPROPRIATION BILLS ND PARKS AND RECREATION DEPARTMENT

House Appropriations – Education and Environmental Division
Roughrider Room, 9:30 am
Thursday, January 5, 2017

Chairman Monson and members of the committee,

My name is Jesse Hanson and I am serving as the Interim Director of the North Dakota Parks and Recreation Department. Before starting with a discussion of the agency 2017-2019 budget request, I will take a few minutes to recap accomplishments and an update on the status of key funding initiatives provided to the agency in 2015-2017 biennium then move into a review of the proposed 2017-2019 agency budget.

The state's population continues to grow and with that growth comes public demand for outdoor recreation opportunities. For the 4th consecutive year, attendance at ND State Parks surpassed the previous year with over 1.2 million visits across the state. Day visits to parks and recreation areas vary from hiking, participating in programs, special events, boating access, horse riding and attending park learning center programs.

In 2016 the agency revised the park facility reservation program to a 100% reservable program. A 30% increase in facility reservations and positive public response confirms the change to 100% availability on the reservation program was needed. Campsite reservations show 70% in state and 30% out of state users of park campgrounds.

Camping numbers in state parks tracked slightly ahead of 2015 numbers. An interesting note is smaller parks showed increased camping nights from 9% up to as high as a 40% increase at Cross Ranch State Park. This indicates to us that the larger parks are leveling off due to near full capacity and people are seeking out our smaller parks as an alternative.

The increased visitation to our state parks translates into more tourism dollars in local and regional communities through sales of boats, campers and camping gear, restaurants visits and supply store sales. The agency sponsored a study of economic contribution of parks to local economies in 2013. The NDSU study showed a combined direct and secondary impact to the state's economy of \$233 million dollars. That economic contribution was based on 2012 visitation and camping numbers.

Considering the increase in park and recreation area use since 2013, the economic numbers have increased correspondingly. The increased visitation to state parks and recreation areas plus the Lewis and Clark Interpretive Center has culminated with the agency on track to achieve revenue goals used to defray costs of operations and maintenance of these resources.

The Department's 2015-2017 appropriation included 4 main areas I will discuss: They included an increase in FTE positions, continuation of the extra-ordinary budget, a benchmark capital project budget and the agency assuming the ownership and obligations of the Lewis and Clark Interpretive Center assets in Washburn, ND:

11 FTE positions were added in the current biennium:

- 1 FTE position was split 4 ways to convert existing $\frac{3}{4}$ time staff to full time. These include the lead historian at Fort Abraham Lincoln and moving 3 maintenance staff to full time status in 3 state parks.
- 5 full time administrative assistants were hired in 5 state parks across the state. These individuals are responsible for payroll, revenue deposits and tracking, coordinating park reservations and oversee park visitor information services. The continuity of having these positions as full time is of great assistance to the agency.
- 1 FTE Ranger was hired at Cross Ranch State Park. The park has year around operations, overnight rental facilities, water craft rentals and oversight of 2 badlands satellite parks.
- 4 FTE's were hired as part of the state taking over the obligations of operation and maintenance of the Lewis and Clark Interpretive Center. A site supervisor, lead interpretive program coordinator, maintenance supervisor and book store operator constitute these 4 positions.

The agency's inventory of facilities and infrastructure grew in the current biennium to \$114 million dollars. The majority of the value change came with the transfer of assets from the Lewis and Clark Fort Mandan Foundation to the ND Parks and Recreation Department. A continued commitment to fund extra ordinary repairs by the legislature is a key to managing deferred maintenance issues. The 2015-17 biennium budget of \$1.47 million is dispersed into 48 separate extra ordinary repair projects across the agency system.

The \$14.7 million capital improvement budget based on Governor Darlymple's parks initiative was the largest ever received by the agency. Included in this budget was \$3 million for one biennium operation funds and purchase of assets at the Lewis and Clark Interpretive Center. The agency prioritized removal of obsolete campground comfort stations and replaced them with new ADA compliant units in 4 parks, renovated roads/parking areas at 2 parks, constructed two visitor centers, renovations of historic facilities, and repairs of protective breakwater at Fort Stevenson State Park. Two capital projects that were in the planning stages were eliminated as part of Governor Darlymple's biennium budget reductions; A proposed campground development at an area called "Bay Point" and a group lodge, both at Lake Sakakawea State Park were eliminated. The development master plan, environmental clearances, and access corridor for the proposed Missouri River Day Park located adjacent to the Missouri River in southwest Burleigh County is complete and ready for the development phase. Twenty-two projects in total represent this budget. The majority of projects are finished or well underway at this time.

A major undertaking by the agency in the current biennium is the acquisition of assets and taking over the obligations of operations and maintenance of the Lewis and Clark Interpretive Center near Washburn, ND. Recreation Division Manager Matt Gardner spearheaded the transition of the interpretive center to the agency. At this time, Matt will describe that process along with the report of the Recreation Division activities in the current biennium.

(Continued after Mr. Gardner's presentation)

To continue with my overview, natural resource management is a critical component of the agency function. With a significant number of acres leased and owned, control of noxious/invasive species continues on an annual basis. Seasonal staff and application equipment are vital to the agency's ability to keep ahead of weed control. Removal of hazardous trees in high density use areas remains a priority as well as replanting new stock to maintain healthy environments in our state parks is an ongoing process.

I want to end this portion of the presentation by highlighting the agency's support of protection of public and private resources through our law enforcement and equipment support of the DAPL protest. Since August of 2016, ND Parks and Recreation Department has provided over 4,000 law enforcement staff hours, numerous OHV machines and trailers in support of ND Highway Patrol and Morton County. Our 22 law enforcement staff rotate through shifts that are 7 straight days / 14 hours per day. Their commitment to supporting local and state law enforcement does not preclude them from their responsibilities in their respective parks and recreation areas under their management. We stay committed to continue our support of local law and state law enforcement until a solution to the DAPL protest is achieved.

At this time, we'll transition to the 2017-19 biennium budget recommendation. The Governor's 13% recommended reduction equates to a \$1.8 million general fund reduction in the agency budget. My discussion in this testimony will consist of the major areas of the agency reduction.

\$1.285 million of the 13% reduction is in the agency FTE and seasonal salary allotments.

The one-time allotment to operate the Lewis and Clark Interpretive Center approved in the current biennium was not carried forward into this budget. Our ability to operate the interpretive center will be difficult without operation funding.

The general fund reduction for seasonal salaries will result in elimination of 31 of 199 staff positions. The budget does include an increase in special fund authority. Our hope is the strong visitation numbers to parks will continue and the increase in special fund authority will lessen the impact of the reduction of general funds by our use of revenues for seasonal positions.

The \$356,834 reduction of FTE salaries is a combination of reduced salary requirements due to staff turnover and a reduction of general fund salaries for current FTE positions. This equates to elimination of at least 2 existing FTE's in the agency.

The agency equipment base allotment is reduced from \$450,000 to \$100,000 for the biennium.

Other reductions in the agency budget include supplies (\$15,000), printing (\$40,000), and professional fees (\$5,000). The International Peace Garden's pass through operation budget was reduced by \$97,370.

I will clarify some exemptions and amendments for the committee:

Section 3. Game and Fish Operating Fund – Transfer – Boat Ramp Operation and Maintenance; Authorization of transfer of \$122,000 from the ND Game and Fish Department to defray costs of operation in state parks related to boat ramps and ancillary fishing related maintenance in parks.

Section 4. Amendment; Amends Section 55-08-07.1 of the Century code. The amendment changes the wording in the section of century code to allow the agency to retain more than the current \$50,000 cap in the concession revolving fund. This is a housekeeping request as July 1 of each year, by statute the agency concession revolving fund has to be drawn down to \$50,000. Any funds above that amount is transferred into the agency park revenue account. The funds are still available for use in the concession operation but, additional tracking is required to ensure those funds are used for concession operations.

Section 5. Exemption; Allows for the continuation of carrying over any unexpended community grant funds not expended out at the end of the biennium into the 2017-2019 biennium.

Section 6. Exemption; Allows unexpended funds in the International Peace Garden's reconstruction of new Peace Towers to be carried over into the 2017-2019 biennium.

Section 7. Northern Plains National Heritage Area Grants; Allows the agency to apply for grants from the Northern Plains Heritage Foundation. These grants provide opportunities for program based activities on a matching fund basis.

Section 8. Exemption; Provides that any unexpended funds in the Lewis and Clark Interpretive Center operation budget be allowed to be carried over into the 2017-2019 biennium.

Section 9. Exemption; Allows the agency to carry over unexpended funds in the Outdoor Heritage Grant into the 2017-2019 biennium.

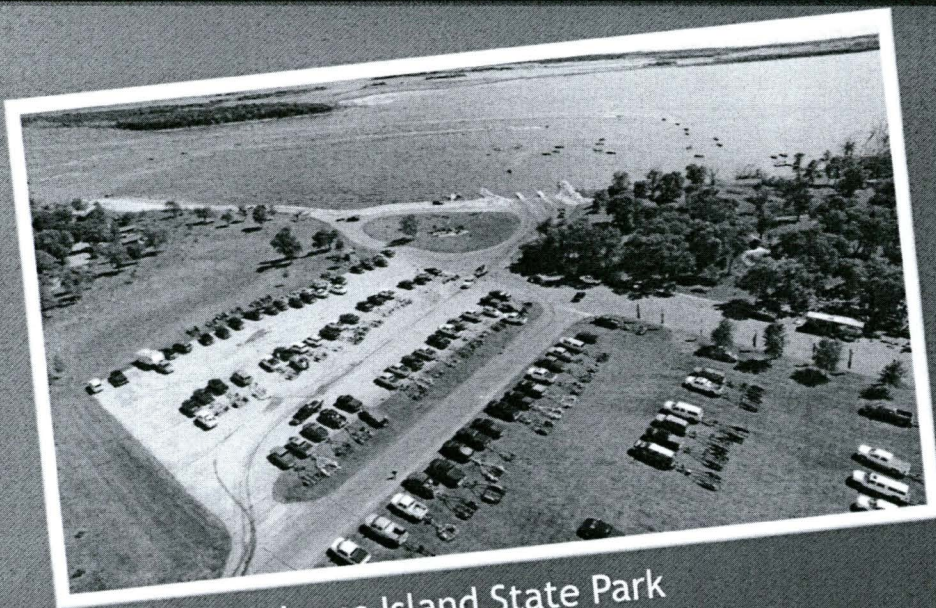
This concludes our testimony on the ND Parks and Recreation Department budget. The reduction in funding will create significant challenges for the agency to meet the demands on an increasing population who are coming to ND parks and recreation areas in ever increasing numbers.

At this time, I would answer any questions the committee would have. After questions are addressed in our agency budget, Mr. Garry Enns of the International Peace Garden's would appreciate the opportunity to address the committee.

Attachment 2 to HB 1019
HB 1073

1/5/17

North Dakota Parks and Recreation Department

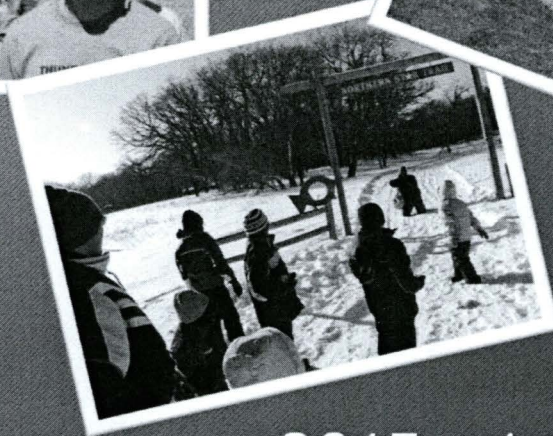
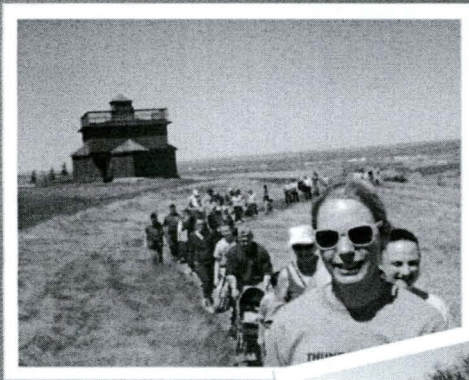


Grahams Island State Park



Fort Abraham Lincoln State Park

State Parks and Recreation Area Visitation



Facility Statistics

Acres of Land	17,953
Miles of Trails	3,810
Campsites	1,291
Cabins/Yurts/Tipis	50
Swim Beaches	7
Marinas	4 / 219 slips
Boat Ramps	10
Horse Corrals	203
Visitor Centers	11
Outdoor Learning Centers	2
Shelters	40
Historic Structures	26
Meeting Halls	17

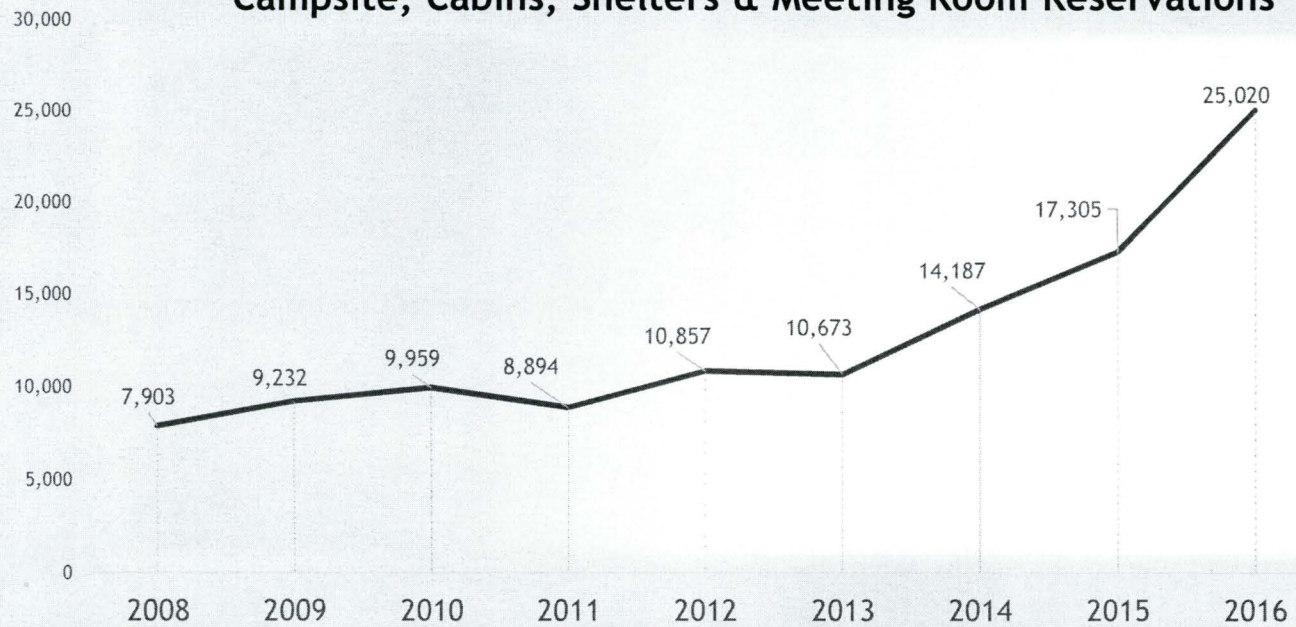
TOTAL: 2015 - 1,205,767

2016 - 1,210,945

Park Reservations: Campsites, Shelters, Cabins & Meeting Rooms

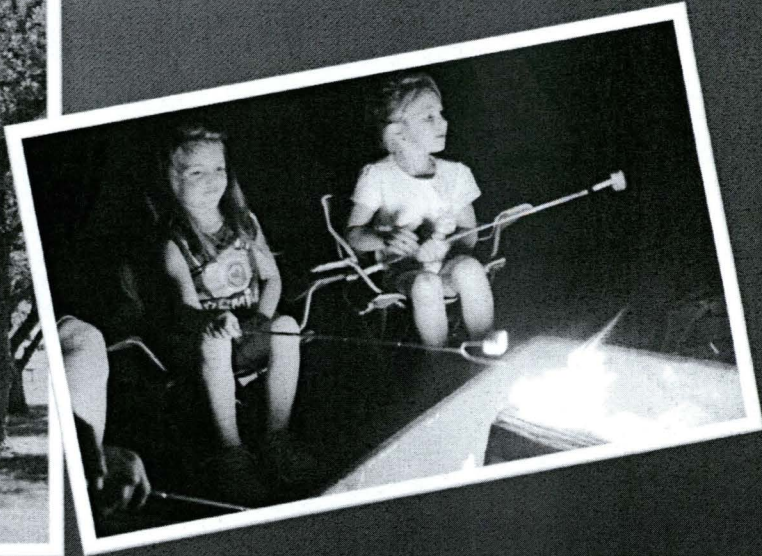
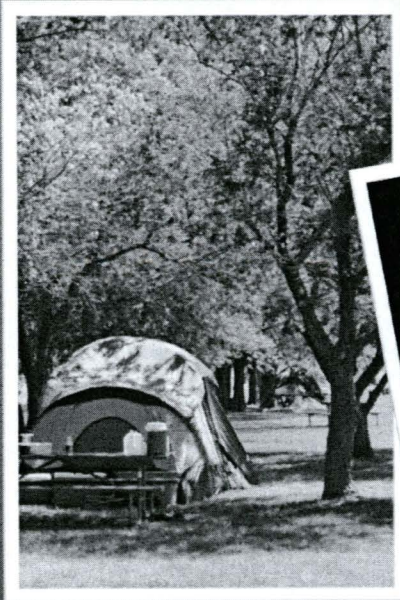


Campsite, Cabins, Shelters & Meeting Room Reservations



2016 Reservations:
71% In-State - 17,699
29% Out-of-State - 7,321

Camper Nights



TOTAL:

2015 - 71,075

2016 - 71,220

Economic Contribution: *State Parks*



Direct Contribution
\$99 Million

Secondary Contribution
\$134 Million

Total Contribution
\$233 Million

Direct Contribution: *State Parks*



\$99 Million

General Visitors \$58 Million	Overnight Visitors \$30 Million	Special Event Participants \$1.4 Million	Operational Expenditures \$9.9 Million
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Completed 2013

Current Staffing



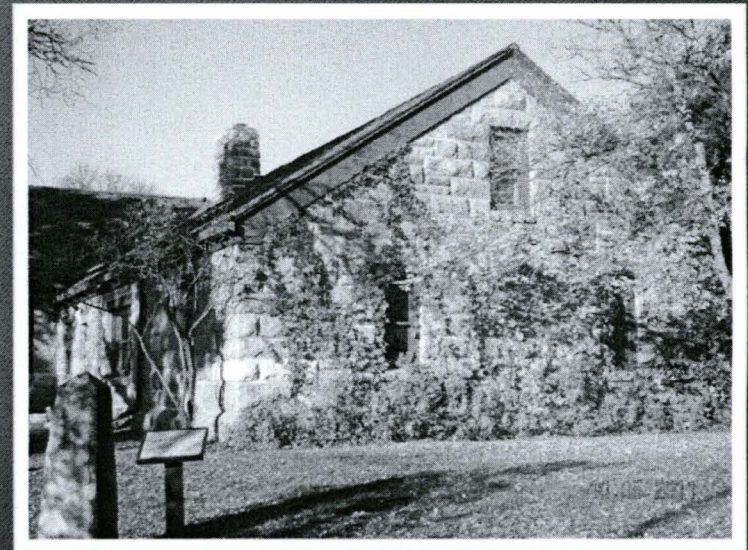
- Current FTE's 66
- 15-17 Staffing
 - 1 FTE = 4 (.25) positions
 - 6 FTE system wide
 - 4 FTE Lewis and Clark Interpretive Center
- Hire 190 Seasonal Staff



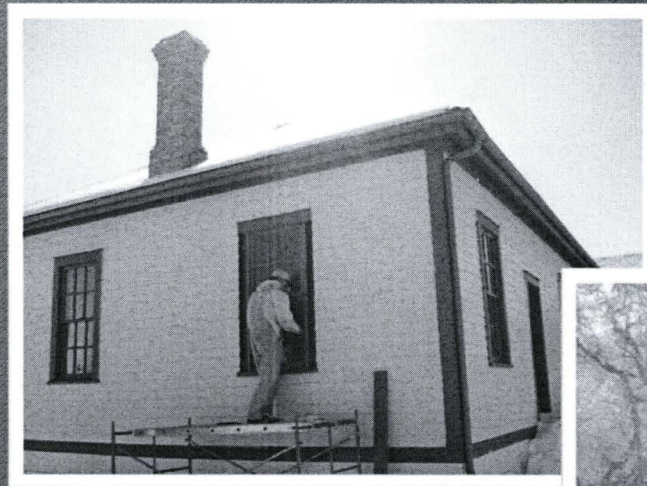
CY 15-16 Volunteer Hours - 36,444

Infrastructure/Facilities

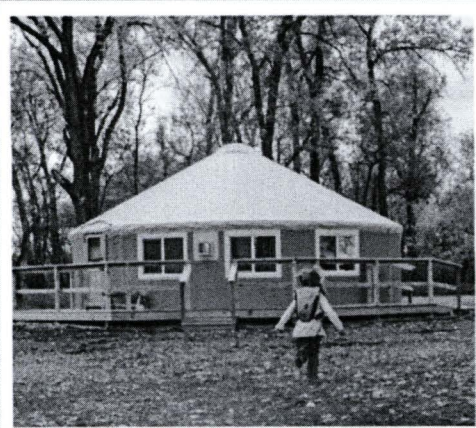
\$114 million total investment



2015-2017 Extraordinary Repair Budget \$1.4 million



2015-2017 Capital Improvements \$14.75 million



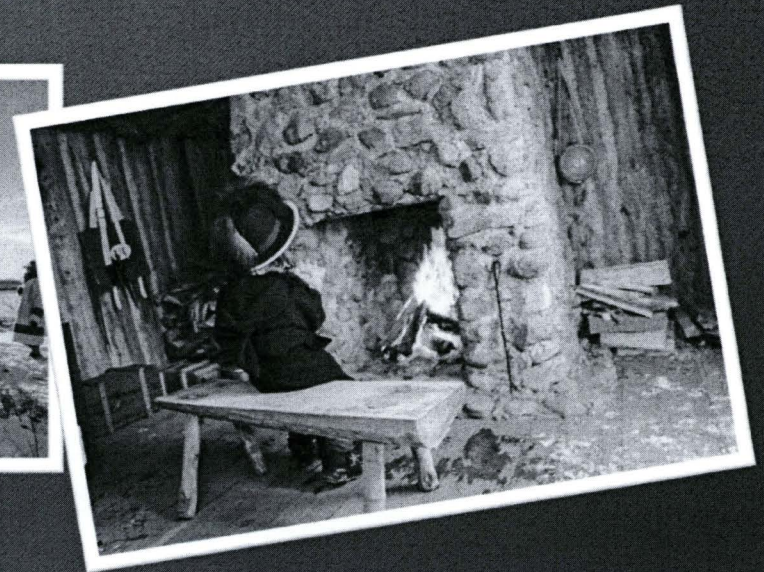
- Road Projects
 - Fort Abraham Lincoln
 - Grahams Island
- Campgrounds
 - Cross Ranch
 - Fort Abraham Lincoln
- Yurts
 - Cross Ranch
 - Fort Ransom
- Visitor Centers
 - Fort Ransom
 - Grahams Island
- Comfort Stations
 - Lake Metigoshe
 - Turtle River
 - Icelandic
 - Fort Stevenson
- Trails
- Other
 - Triple Shelter
 - Breakwater
 - CCC Dinning Hall
 - Roughrider Trail Bridge
- MRCC "Day Park"
- Lewis and Clark Interpretive Center
- Bay Point



Lewis and Clark Interpretive Center and Fort Mandan



\$3 Million One-Time Appropriation
Assumed operations May 1, 2015



Lewis and Clark Interpretive Center and Fort Mandan



Assets - Value \$6 million

- Art and Artifacts Collection
- Infrastructure
- Dakota Institute
- Retail inventory,
- Office equipment

Lewis and Clark Interpretive Center and Fort Mandan



Visitation

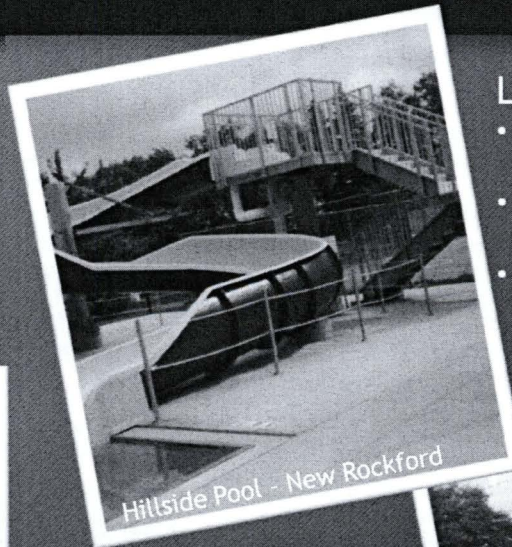
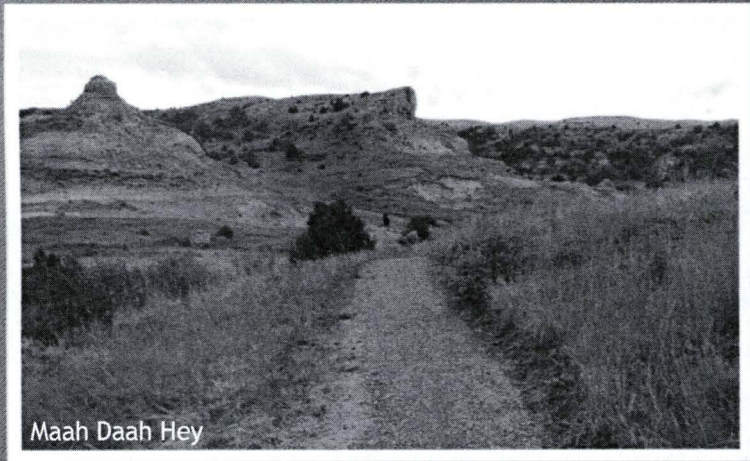
- Building Use
 - 2015 - 52,119
 - 2016 - 48,532
- Paid Admissions
 - 2015 - 10,576
 - 2016 - 15,332
- School Tours
 - 2015 - 1484 Students
 - 2016 - 3205 Students
- Facility Rentals
 - 2015 - 17
 - 2016 - 40

Recreation Division



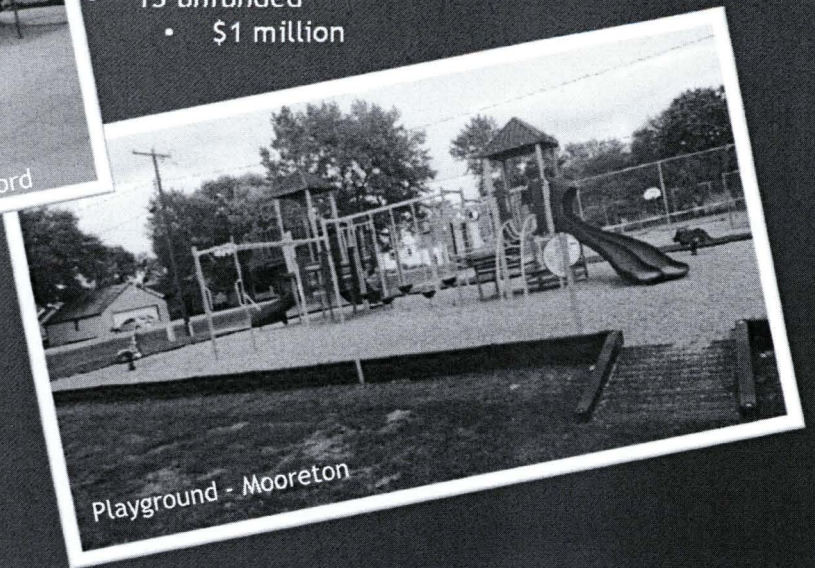
Outdoor Recreations Grants

- Land and Water Conservation Fund
- Recreational Trail Program
- Community Grant



Land and Water Conservation Fund

- 54 applications
 - \$3 million requested
- 41 grant awards
 - \$2 million
- 13 unfunded
 - \$1 million

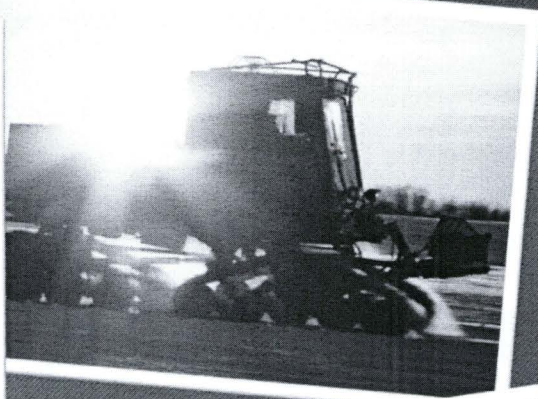


Recreation Division



Snowmobile Registrations

- Projected 14,500 registrations 2015-2017
- 6,979 volunteer hours



Youth Safety Outreach - 3,100+ kids



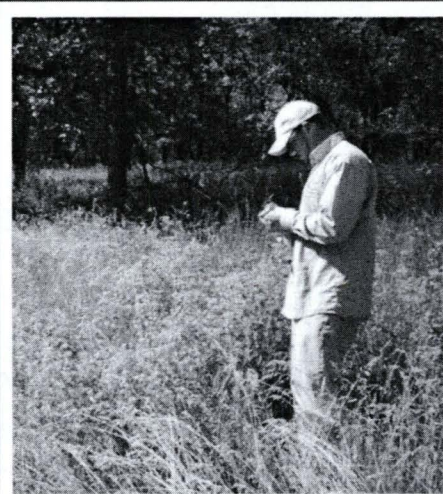
Off-Highway Vehicle Registration

- Projected 35,000 registrations 2015-17
- +100% increase since 2005

NATURAL RESOURCE MANAGEMENT



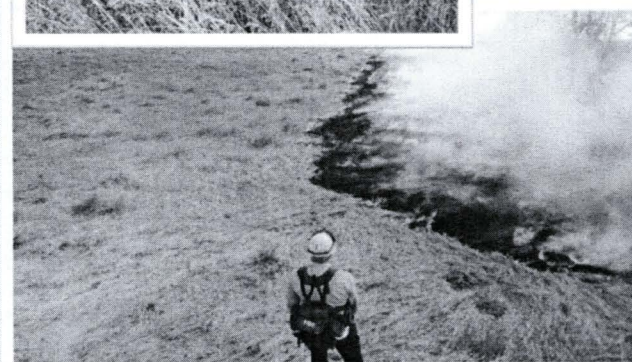
Native Prairie Restoration



Leafy Spurge Control



State Park Tree/Shrub Restoration



Fire Management

Law Enforcement - DAPL



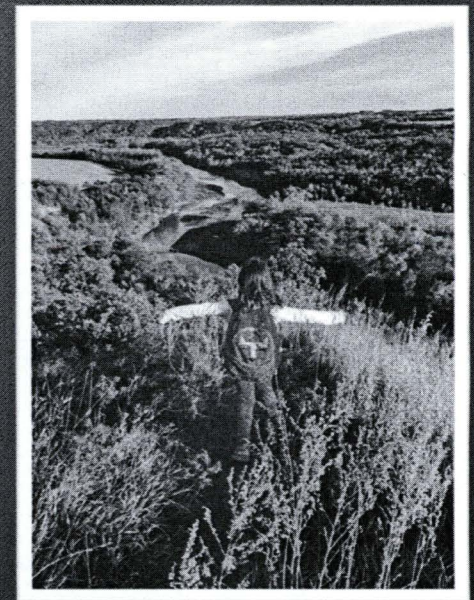
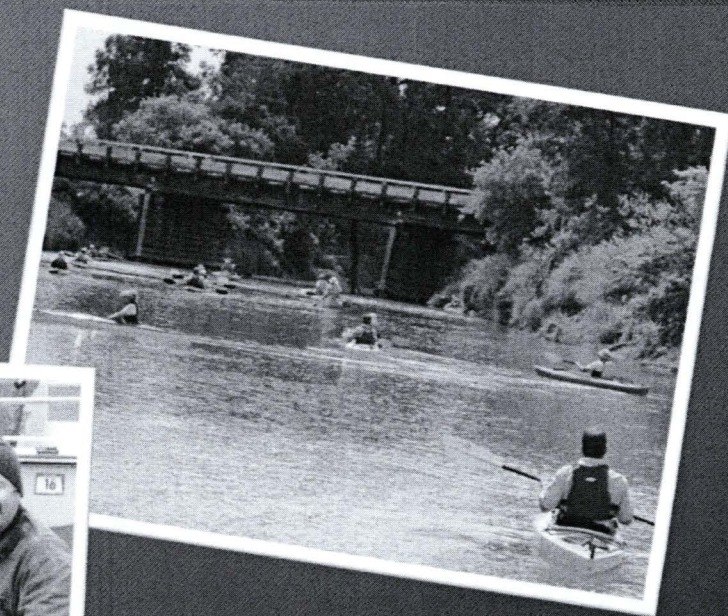
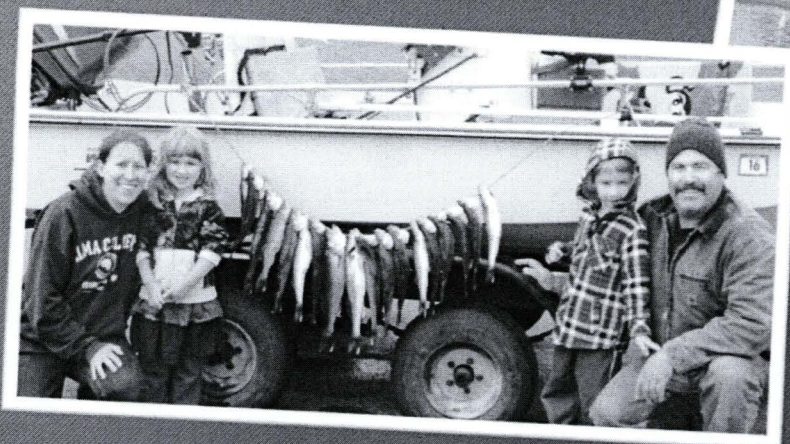
- Started August 15
- Total hours 4,130
 - 62 shifts
 - 295 days
- Equipment
 - 4 - Off-highway Vehicles
 - 3 - Snowmobiles
 - 2 - Trailers
 - Tucker - Tracked Vehicle
 - Helmets



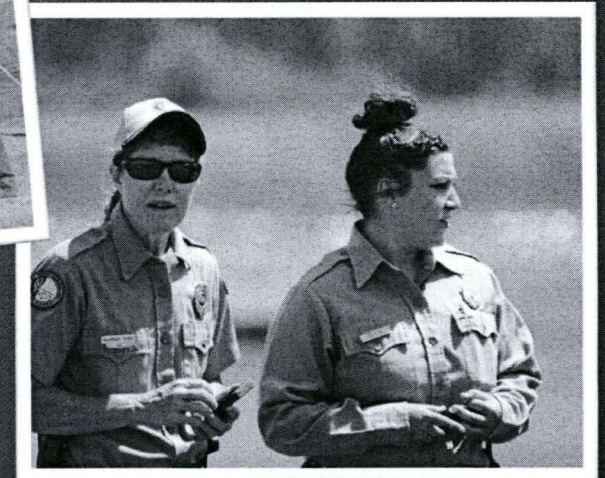
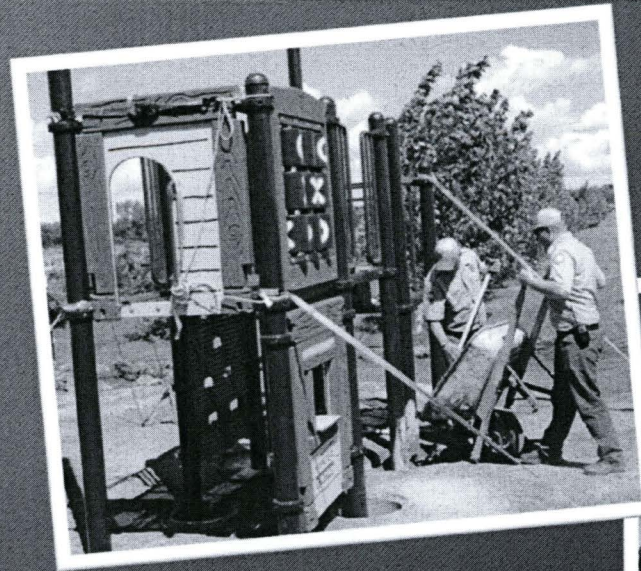
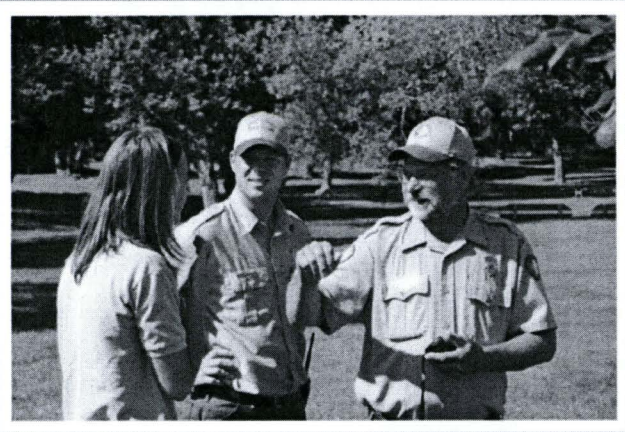
2017-2019 Budget



- 13% General Fund Budget Reduction
- \$1.8 million total
 - \$1.2 million salaries



Staffing



Reduction in Employee Costs

- Seasonal Employees - \$586,406
- Full-Time Employees - \$356,834

Equipment

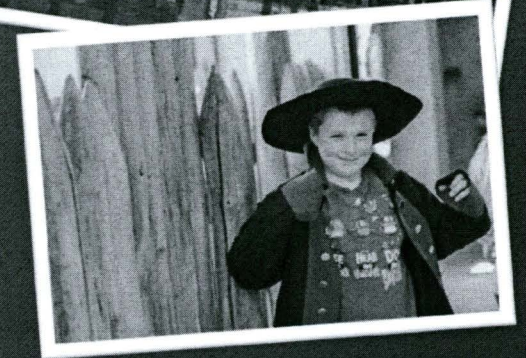
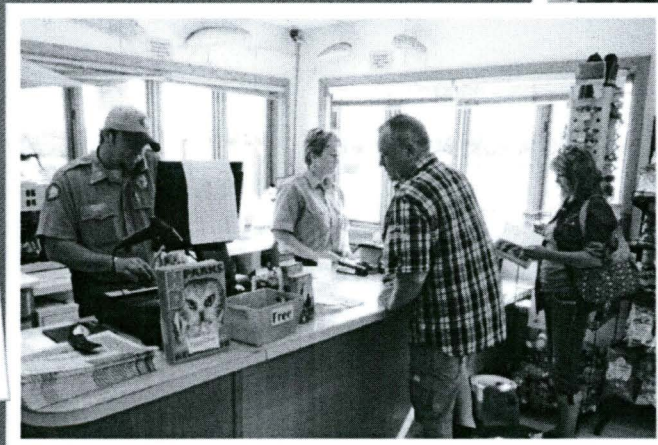


Reduction in Equipment
• \$350,000

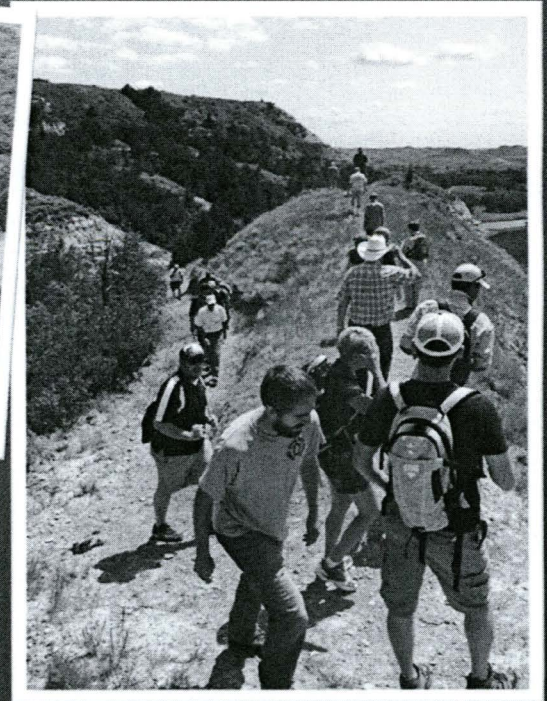
Additional Considerations



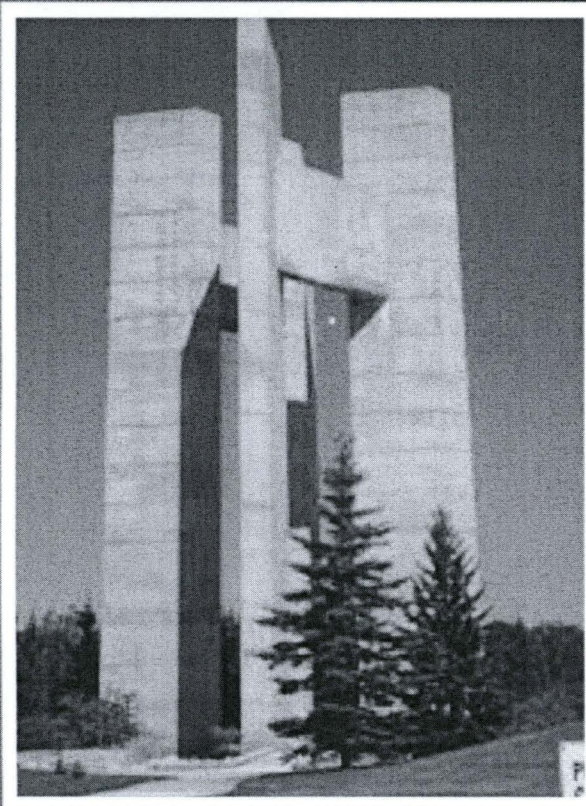
- Remove Cap on Concession Fund
- Northern Plains Heritage Area Grants
- Outdoor Heritage Fund Carry-over
- Lewis and Clark Interpretive Center Carry-over Authority



Closing Comments



International Peace Gardens



17-19 Budget
\$876,329



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1/5/17

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HB 1019 and HB1079

House Appropriations – Education and Environment Division

Chairman, Representative David Monson

From North Dakota Parks & Recreation Department

Jesse Hanson, Interim Director

January 19, 2017

For the record my name is Jesse Hanson, Interim Director for the North Dakota Parks & Recreation Department. I am providing a response to House Appropriations – Education and Environment Division, Chairman, Representative David Monson where we were asked to present a 7 percent additional reduction to Governor Dalrymple's recommended salary line item budget.

Based on our calculations, NDPRD must cut an additional \$948,563 from our existing salary line budget in general fund dollars. This would equate to an additional 3.5 FTE positions on top of the 1 FTE previously identified to cut in Governor Dalrymple's recommended budget. Included in the salary line budget is also our temporary seasonal salaries where we would have to cut an additional 22.5 seasonal personnel each year of the biennium, plus the 32 seasonal personnel we identified in Governor Dalrymple's budget recommendation. We employ 190 seasonal temporary staff each year to assist in running our state parks. This reduction would be approximately 30% of the seasonal employee staff members and will create significant challenges to maintain state park and recreation services across the state of North Dakota. This concludes my testimony. I will answer any questions the committee may have to the best of my ability. Thank you.

STATE PARK DAILY & ANNUAL PERMIT HISTORY			
	Daily Permit	Annual Permit	Fee Enhancements
1965	\$.50	\$2	
1970	\$.50	\$4	
1980	\$1	\$7	
1985	\$1.50	\$10	2 nd permit \$5
1990	\$2	\$12	2 nd permit \$7
1995	\$3	Transferable permit - \$15 No 2 nd permit discount	Senior Discount \$5
2000	\$5	\$20	Senior Discount \$5
2005	\$5	\$25	Senior Discount \$5 100% Disabled & Former POWs - Free All Other Veterans with Disability - \$20
2012	\$5	\$25	Senior Discount \$5 <50% Disabled Veterans \$20 >50% Disabled Veterans & Former POWs Free

STATE PARK PERMIT REVENUE			
	2015	2016	Permits @ \$35
Annual Permits Sold @ \$25	14,158	15,352	15,352
REVENUE	\$353,950	\$383,800	\$537,320
Pricing Categories			
Regular	\$25.00		
Senior	\$20.00		
Disabled Veterans greater than 50% disability/POW	Free		
Disabled Veterans with less than 50% disability	\$20.00		
Replacements	\$10.00		

Annual Permit Costs from Surrounding States	
Minnesota	\$25.00 Annual Permit 1 st Vehicle \$18.00 Additional Annual Permit \$20.00 Motorcycle Annual Permit
Montana	\$6.00 Daily Fee for Residents if Paid with Vehicle Registration \$0.00 Annual Permit for Residents \$35.00 Annual Permit for Non-Residents
South Dakota	\$30.00 Annual Permit 1 st Vehicle \$15.00 Additional Annual Permit \$65.00 Annual Transferrable Permit
Wyoming	\$33.00 Annual Daily Use Permit \$40.00 Annual Camping Permit

att: 1

1-24-17

HB 1019

NORTH DAKOTA PARKS AND RECREATION DEPARTMENT

TESTIMONY – HB 1079 AND HB 1019

HOUSE APPROPRIATIONS – EDUCATION AND ENVIRONMENTAL DIVISION

ROUGH RIDER ROOM, 8:30 AM

TUESDAY, JANUARY 24TH, 2017

Chairman Monson, members of the Committee, my name is Matt Gardner, Recreation Division Manager with the North Dakota Parks and Recreation Division. I'm here to further discuss the Lewis and Clark Interpretive Center.

Lewis and Clark Interpretive Center & Fort Mandan

Interpretive Center

- 20,000 sq. ft.
 - Museum (Lewis and Clark, fur trade, first farmers, centennial farms, Fort Clark, others)
 - Office Space
 - NDPRD Staff
 - Foundation President's office
 - Washburn Area Economic Development Association
 - Museum Store
- 2 rental spaces
 - Event Center – 180 people
 - Library – 15 people

Fort Mandan Complex

- **Visitor Center** – Serves as the visitor services contact station for tours of Fort Mandan 7 months out of the year.
 - 5,200 sq. ft.
 - Lodge Classroom – 80 people
 - Gift Shop
 - Sits on land owned by the McLean County Historical Society
- **Fort Mandan Replica**
 - McLean County Historical Society
- **Fahlgren Park**
 - 20 +/- acres along the Missouri River
 - Play Ground
 - Picnic Shelters
 - Hiking/Ski trails

15-17 / 17-19 Operation and Maintenance Funding Comparison

- 15-17 Legislature General Fund Appropriation (O&M) – \$1,696,384
- 17-19 General Fund Request (O&M) – \$1,272,105
 - Reduction = \$424,279 (25% reduction)
- HB 1019 general fund base – \$918,279
- HB 1079 general fund base - \$666,125

Staffing Levels

- Foundation 19
- NDPRD 10 (4 FTE's / 6 temporaries)
 - 3 FT/3 PT Temps

Efficiency Measures

- Stopped contracted services for mowing, snow removal and weed spraying
 - Shifted equipment around (mower and skid steer)
- Worked with City of Washburn to reduce utility rates
- Reduced overall utility costs
- Worked with ITD to update phone lines and internet services
 - Cut down on the number of lines
- Renegotiated service contracts
- Reduced services during winter (5 months)
 - Close Fort Mandan Visitor Center
 - Limited Interpretive Programs of Fort Mandan
 - Total Operation Closed Sundays

Revenue Generation

- \$183,895 – (applied towards FTE salaries)
 - Interpretive passes and room rental fees
 - Foundation Membership - \$25 per membership sold
 - \$10,826.00
 - \$10,000 MDU Grant (2016 and will continue in 2017)
 - Student Admissions
- Museum Store/Gift Shop
 - \$282,000 – Est. Gross
 - \$80,000 – Est. Net
- Washburn Area Economic Development Association – Office Space
 - \$100 per month/\$2,400 per biennium
- \$75,000 – Annual Foundation Commitment
 - Interpretive Programming
 - 1 seasonal interpreter
 - Interpretive Supplies
 - Event/Programming Costs
- Donation collections
 - \$2,002.07 since July 2015 (18 months)

Winter Alternative

- Completely close Fort Mandan operations 6 Months
 - No room rentals, Fort Mandan tours, ski trail grooming or access to Fahlgren Park
 - County plows to river
- Significantly reduce visitor services at Interpretive Center
 - Reduce three temporary staff
 - Keep Interpretive Center open
 - Room Rentals
 - Museum Store
 - Museum
 - Rest Area

Potential Cost Savings

- Staffing – \$74,608 (per biennium)
 - 3 temporary staff reductions
- O&M savings - Minimal
 - Fuel costs – snow removal & ski trail grooming
 - Utilities and supplies – Facility use for room rentals & programs

Typical winter activity - 1/13 to 1/19.

- Admissions – \$90.00 (12 adult paid admissions, 1 Foundation member and 3 Students)
- Rooms Rentals – \$550.00
- Gift shop income - \$514.53
- Total - \$1,154.53

att 1 HB 1019 1-31-2017

NORTH DAKOTA PARKS AND RECREATION DEPARTMENT
TESTIMONY – HB 1019
HOUSE APPROPRIATIONS – EDUCATION AND ENVIRONMENTAL DIVISION
ROUGH RIDER ROOM, 8:30 AM
TUESDAY, JANUARY 31ST, 2017

Chairman Monson, members of the Committee, my name is Matt Gardner, Recreation Division Manager with the North Dakota Parks and Recreation Division. I'm here to further discuss the Lewis and Clark Interpretive Center.

Lewis and Clark Interpretive Center & Fort Mandan

15-17 / 17-19 Operation and Maintenance Funding Comparison

- 15-17 Legislature General Fund Appropriation (O&M) – \$1,696,384
- 17-19 General Fund Request (O&M) – \$1,272,105
 - Reduction = \$424,279 (25% reduction)
- HB 1019 base – \$918,279

Title	Amount
17-19 General Fund Request	\$1,272,105
Foundation Contribution	(\$90,000)
Reduced Winter Services	(\$95,000)
Reduction .5 FTE	(\$58,437)
Other O&M savings	(\$40,000)
Total	\$988,668.00

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HB 1019

1-31-17

**Parks and Recreation Department - Budget No. 750
House Bill No. 1019
Base Level Funding Changes**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version				House Changes to Revised Executive Budget Increase (Decrease)			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	66.00	\$16,702,916	\$14,517,835	\$31,220,751	66.00	\$16,702,916	\$14,517,835	\$31,220,751	0.00	\$0	\$0	\$0
2017-19 Ongoing Funding Changes												
Base payroll changes		(\$287,726)	(\$18,093)	(\$305,819)				\$0		\$287,726	\$18,093	\$305,819
Salary increase - Performance				0				0				0
Health insurance increase		181,804	7,085	188,889				0		(181,804)	(7,085)	(188,889)
Employee portion of health insurance		(95,240)	(3,711)	(98,951)				0		95,240	3,711	98,951
Reduces seasonal salaries and benefits		(586,406)		(586,406)				0		586,406		586,406
Adjusts operating expenses		(4,000)	1,469,840	1,465,840				0		4,000	(1,469,840)	(1,465,840)
Adjusts operating expenses - International Peace Garden		(97,370)		(97,370)				0		97,370		97,370
Adjusts operating expenses - Lewis and Clark Interpretive Center		(296,991)		(296,991)				0		296,991		296,991
Adds gift fund authority			230,930	230,930				0			(230,930)	(230,930)
Adjusts ACA health insurance requirements for part-time employees		15,338	10,375	25,713				0		(15,338)	(10,375)	(25,713)
Underfunding of salaries		(239,959)		(239,959)				0		239,959		239,959
Removes 1 administrative assistant FTE position	(1.00)	(116,875)		(116,875)				0	1.00	116,875		116,875
Adjusts bond payment		52		52				0		(52)		(52)
Adjusts extraordinary repairs		(150,760)	(55,879)	(206,639)				0		150,760	55,879	206,639
Adjusts equipment		(350,000)	740,000	390,000				0		350,000	(740,000)	(390,000)
Remove 2.5 FTE positions	(2.50)	(292,187)		(292,187)				0	2.50	292,187		292,187
Total ongoing funding changes	(3.50)	(\$2,320,320)	\$2,380,547	\$60,227	0.00	\$0	\$0	\$0	3.50	\$2,320,320	(\$2,380,547)	(\$60,227)
One-time funding items				\$0				\$0				\$0
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.50)	(\$2,320,320)	\$2,380,547	\$60,227	0.00	\$0	\$0	\$0	3.50	\$2,320,320	(\$2,380,547)	(\$60,227)
2017-19 Total Funding	62.50	\$14,382,596	\$16,898,382	\$31,280,978	66.00	\$16,702,916	\$14,517,835	\$31,220,751	3.50	\$2,320,320	(\$2,380,547)	(\$60,227)
										16.1%	-14.1%	-0.2%

Other Sections in Parks and Recreation Department - Budget No. 750

	(Changes to Dalrymple Budget in Bold)	House Version
Game and fish operating fund - Transfer for boat ramp maintenance	Section 3 provides \$122,000 from the game and fish operating fund, or federal funds or other funds available to the Game and Fish Department, must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.	

Other Sections in Parks and Recreation Department - Budget No. 750

(Changes to Dalrymple Budget in Bold)

House Version

Concession revolving fund	Section 4 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be moved to the state park operating fund.
Community grants	Section 5 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
International Peace Garden	Section 6 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of 2013 House Bill No. 1015 from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
Northern Plains National Heritage Area grants	Section 7 authorizes the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.
Lewis and Clark Interpretive Center	Section 8 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
Outdoor heritage grants	Section 9 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.

Rep. Monson att: 4 HB 1019 1-31-2017

Exemption - Pembina Gorge area project funding - Section ?? of House Bill No. 1019 allows up to \$116,000 of unexpended Pembina Gorge area project funding from the general fund appropriated in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws to be continued and spent during the 2017-19 biennium for renting property in the Pembina Gorge area for the purpose of providing office space for employees or individuals responsible for monitoring or patrolling the trail system in the area, designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge.

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The parks and recreation department shall transfer the name Dakota Institute and all rights, title, interests, copyrights and eighty percent of any remaining inventory of any Dakota Institute publication, book, or other document or production, regardless of format to Bismarck State College. ~~With the exception of author Clay Jenkinson,~~ Bismarck State College may transfer any rights, title, interests, copyrights, inventory of any of the Dakota Institutes publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production.

ATT: 1 HB 1019

2-13-2017

MO 1017

**Parks and Recreation Department - Budget No. 750
House Bill No. 1019
Base Level Funding Changes**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version				House Changes to Revised Executive Budget Increase (Decrease)			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	66.00	\$16,702,916	\$14,517,835	\$31,220,751	66.00	\$16,702,916	\$14,517,835	\$31,220,751	0.00	\$0	\$0	\$0
2017-19 Ongoing Funding Changes												
Base payroll changes		(\$287,726)	(\$18,093)	(\$305,819)		(\$287,726)	(\$18,093)	(\$305,819)				\$0
Salary increase - Performance				0				0				0
Health insurance increase		181,804	7,085	188,889		181,804	7,085	188,889				0
Employee portion of health insurance		(95,240)	(3,711)	(98,951)				0		95,240	3,711	98,951
Reduces seasonal salaries and benefits		(586,406)		(586,406)		(586,406)		(586,406)				0
Adjusts operating expenses		(4,000)	1,469,840	1,465,840		(4,000)	1,469,840	1,465,840				0
Adjusts operating expenses - International Peace Garden		(97,370)		(97,370)		(97,370)		(97,370)				0
Adjusts operating expenses - Lewis and Clark Interpretive Center		(296,991)		(296,991)		(296,991)		(296,991)				0
Adds gift fund authority			230,930	230,930			230,930	230,930				0
Adjusts ACA health insurance requirements for part-time employees		15,338	10,375	25,713		15,338	10,375	25,713				0
Underfunding of salaries		(239,959)		(239,959)		(239,959)		(239,959)				0
Removes 1 administrative assistant FTE position	(1.00)	(116,875)		(116,875)	(1.00)	(116,875)		(116,875)				0
Adjusts bond payment		52		52		52		52				0
Adjusts extraordinary repairs		(150,760)	(55,879)	(206,639)		(150,760)	(55,879)	(206,639)				0
Adjusts equipment		(350,000)	740,000	390,000		(350,000)	740,000	390,000				0
Remove 2.5 FTE positions	(2.50)	(292,187)		(292,187)	(2.50)	(292,187)		(292,187)				0
Allow 2015-17 carryover funding from Water Commission				0			1,000,000	1,000,000			1,000,000	1,000,000
Raises park entrance annual and daily fees				0			750,000	750,000			750,000	750,000
Adds funding from the Department of Transportation				0		(100,000)	100,000	0		(100,000)	100,000	0
Total ongoing funding changes	(3.50)	(\$2,320,320)	\$2,380,547	\$60,227	(3.50)	(\$2,325,080)	\$4,234,258	\$1,909,178	0.00	(\$4,760)	\$1,853,711	\$1,848,951
One-time funding items												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.50)	(\$2,320,320)	\$2,380,547	\$60,227	(3.50)	(\$2,325,080)	\$4,234,258	\$1,909,178	0.00	(\$4,760)	\$1,853,711	\$1,848,951
2017-19 Total Funding	62.50	\$14,382,596	\$16,898,382	\$31,280,978	62.50	\$14,377,836	\$18,752,093	\$33,129,929	0.00	(\$4,760)	\$1,853,711	\$1,848,951
										0.0%	11.0%	5.9%

Other Sections in Parks and Recreation Department - Budget No. 750

	(Changes to Dalrymple Budget in Bold)				House Version			
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Health insurance increase

Section 3 provides the appropriation in section 1 includes \$188,889, of which \$181,804 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

Other Sections in Parks and Recreation Department - Budget No. 750

	<u>(Changes to Dalrymple Budget in Bold)</u>	<u>House Version</u>
Game and fish operating fund - Transfer for boat ramp maintenance	Section 3 provides \$122,000 from the game and fish operating fund, or federal funds or other funds available to the Game and Fish Department, must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.	Section 4 provides \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, which must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.
Park entrance fees		Section 5 amends North Dakota Century Code Section 55-08-06 relating to permits for motor vehicles to change the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7.
Concession revolving fund	Section 4 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be moved to the state park operating fund.	Section 6 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.
Community grants	Section 5 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.	Section 7 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
International Peace Garden	Section 6 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of 2013 House Bill No. 1015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.	Section 8 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
Northern Plains National Heritage Area grants	Section 7 authorizes the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.	Section 9 authorizes the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.
Lewis and Clark Interpretive Center	Section 8 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.	Section 10 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
Outdoor heritage grants	Section 9 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.	Section 11 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
Pembina Gorge Area Project		Section 12 exempts \$116,000 of Pembina gorge area project funding from the general fund in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
State Water Commission - Recreational opportunities on sovereign lands		Section 13 exempts any funds remaining from Section 4 of Chapter 54 of the 2015 Session Laws from being subject to Section 54-44.1-11 and allows any unexpended funds to be available for developing recreation opportunities on sovereign lands in the state for the biennium beginning July 1, 2017, and ending June 30, 2019.

Other Sections in Parks and Recreation Department - Budget No. 750

(Changes to Dalrymple Budget in Bold)

House Version

State Water Commission - Recreational opportunities on sovereign lands

Section 14 provides \$1 million of funding in Section 1 of bill is designated for a grant from the State Water Commission for the purposes identified in Section 13.

Department of Transportation grants

Section 15 provides \$100,000 of funding in Section 1 of bill is designated as a grant from the Department of Transportation for the Lewis and Clark interpretive center.

Dakota Foundation transfer to Bismarck State College

Section 16 provides for transferring the name Dakota Institute and all rights, title, interests, copyrights, and up to eighty percent of any remaining inventory of any Dakota Institute publication, book, or other document or production, regardless of format to Bismarck State College.

State Water Commission grants - Emergency measure

Section 18 provides grants from the State Water Commission from Section 13 to be declared an emergency measure.

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2-13-2017

HB 1019

Prepared by the Legislative Council staff
for Education and Environment Division
February 13, 2017

HOUSE BILL NO. 1019
LISTING OF PROPOSED CHANGES TO BASE LEVEL

Department - Parks and Recreation

Proposed funding changes:

Description	FTE	General Fund	Special Funds	Total
1 Base payroll changes (Governor's Recommendation)		(\$287,726)	(\$18,093)	(\$305,819)
2 Health insurance increase (Governor's Recommendation)		\$181,804	\$7,085	\$188,889
3 Reduces seasonal salaries and benefits (Governor's Recommendation)		(\$586,406)	\$0	(\$586,406)
4 Adjusts operating expenses (Governor's Recommendation)		(\$4,000)	\$1,469,840	\$1,465,840
5 Adjusts operating expenses - International Peace Garden (Governor's Recommendation)		(\$97,370)	\$0	(\$97,370)
6 Adjusts operating expenses - Lewis and Clark Interpretive Center (Governor's Recommendation)		(\$296,991)	\$0	(\$296,991)
7 Adds gift fund authority (Governor's Recommendation)		\$0	\$230,930	\$230,930
8 Adjusts ACA health insurance requirements for part-time employees (Governor's Recommendation)		\$15,338	\$10,375	\$25,713
9 Underfunding of salaries (Governor's Recommendation)		(\$239,959)	\$0	(\$239,959)
10 Removes 1 administrative assistant FTE position (Governor's Recommendation)	(1.00)	(\$116,875)	\$0	(\$116,875)
11 Adjusts bond payment (Governor's Recommendation)		\$52	\$0	\$52
12 Adjusts extraordinary repairs (Governor's Recommendation)		(\$150,760)	(\$55,879)	(\$206,639)
13 Adjusts equipment (Governor's Recommendation)		(\$350,000)	\$740,000	\$390,000
14 Remove 2.5 FTE positions (Governor's Recommendation)	(2.50)	(\$292,187)	\$0	(\$292,187)
15 Allow 2015-17 carryover funding from Water Commission		\$0	\$1,000,000	\$1,000,000
16 Raises park entrance annual and daily fees (Further recommendation identified by agency)		\$0	\$750,000	\$750,000
17 Adds funding from the Department of Transportation		(\$100,000)	\$100,000	\$0
Total proposed funding changes		<u>(\$2,325,080)</u>	<u>\$4,234,258</u>	<u>\$1,909,178</u>

Other proposed changes:

- 1 Adds a section to provide that Section 1 of the bill includes \$188,889, of which \$181,804 is from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,249.

- 2 Adds a section to provide \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, which must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.
- 3 Adds a section to amend North Dakota Century Code Section 55-08-06 relating to permits for motor vehicles to change the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7.
- 4 Adds a section to amend Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.
- 5 Adds a section to exempt \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
- 6 Adds a section to exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
- 7 Adds a section to authorize the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.
- 8 Adds a section to exempt any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
- 9 Adds a section to exempt any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
- 10 Adds a section to exempt \$116,000 of Pembina gorge area project funding from the general fund in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancelation of unexpended funds.
- 11 Adds a section to exempt any funds remaining from Section 4 of Chapter 54 of the 2015 Session Laws from being subject to Section 54-44.1-11 and allows any unexpended funds to be available for developing recreation opportunities on sovereign lands in the state for the biennium beginning July 1, 2017, and ending June 30, 2019.
- 12 Adds a section to provide \$1 million of other funds in Section 1 of bill is designated for a grant from the State Water Commission for developing recreation opportunities on sovereign lands in the state.
- 13 Adds a section to provide \$100,000 of funding in Section 1 of bill is designated as a grant from the Department of Transportation for the Lewis and Clark interpretive center.
- 14 Adds a section to provide for transferring the name Dakota Institute and all rights, title, interests, copyrights, and up to eighty percent of any remaining inventory of any Dakota Institute publication, book, or other document or production, regardless of format to Bismarck State College, and providing that Bismarck State College may transfer any rights, title, interests, copyrights, inventory of any of the Dakota Institutes publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production.
- 15 Adds a section to declare the \$1 million grant from the State Water Commission an emergency measure.

Department 750 - Parks and Recreation
House Bill No. 1019

Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

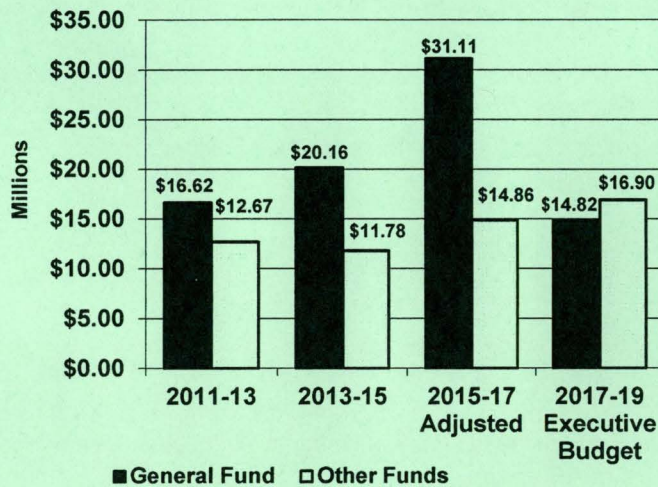
	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	65.00	\$14,816,324	\$16,903,897	\$31,720,221
2015-17 Adjusted Legislative Appropriations ¹	66.00	31,113,442	14,862,835	45,976,277
Increase (Decrease)	(1.00)	(\$16,297,118)	\$2,041,062	(\$14,256,056)

¹The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

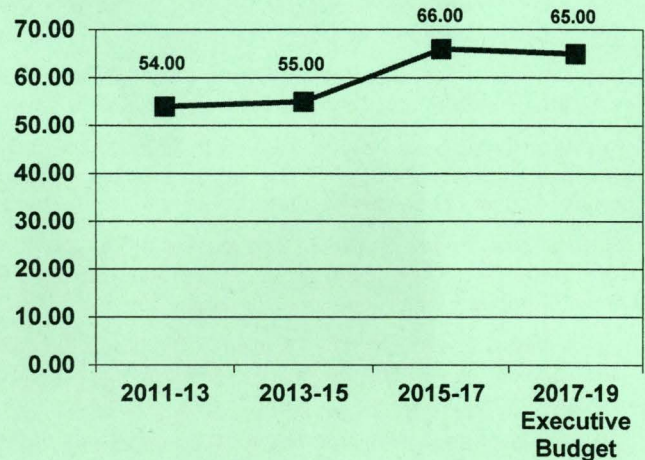
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	\$14,816,324	\$0	\$14,816,324
2015-17 Adjusted Legislative Appropriations	16,702,916	14,410,526	31,113,442
Increase (Decrease)	(\$1,886,592)	(\$14,410,526)	(\$16,297,118)

Agency Funding



FTE Positions



Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	\$14,816,324	\$16,903,897	\$31,720,221
2017-19 Base Level	16,702,916	14,517,835	31,220,751
Increase (Decrease)	(\$1,886,592)	\$2,386,062	\$499,470

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Dalrymple and Burgum Executive Budget Highlights
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$48,105 is for salary increases, and \$188,889 is for health insurance increases. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) The House removed funding for the salary increases.	\$228,105	\$8,889	\$236,994
2. Adjusts seasonal salaries and benefits by (\$586,406), and agency pay plan by (\$239,959)	(\$826,365)	\$0	(\$826,365)
3. Removes 1 FTE administrative assistant position	(\$116,875)		(\$116,875)

4. Adjusts operating expenses for administration, park operations and maintenance, and recreation by \$1,465,840, the International Peace Garden (\$97,370), and the Lewis and Clark Interpretive Center (\$296,991). The House adjusted funding for operating expenses, including \$1,453,840 for administration, park operations and maintenance, and recreation; (\$97,370) for the International Peace Garden; and (\$1,950) for the Lewis and Clark Interpretive Center.	(\$398,361)	\$1,469,840	\$1,071,479
5. Adjusts funding for extraordinary repairs	(\$150,760)	(\$55,879)	(\$206,639)
6. Adjusts funding for equipment	(\$350,000)	\$740,000	\$390,000
7. The Burgum budget removed 2.5 FTE positions	(\$292,187)	\$0	(\$292,187)

Other Sections in House Bill No. 1019

Health insurance increase - Section 2 identifies the amount included in the agency appropriations relating to increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

Game and fish operating fund - Transfer for boat ramp maintenance - Section 4 provides \$122,000 from the game and fish operating fund, federal funds, or other funds available to the Game and Fish Department, must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.

State Water Commission grants - Recreational opportunities on sovereign lands - Section 5 identifies \$1 million of funding in Section 1 of the bill is designated for a grant from the State Water Commission for the purpose of developing recreation opportunities on sovereign lands in the state.

Department of Transportation grants - Section 6 identifies \$100,000 of funding in Section 1 of the bill is designated as a grant from the Department of Transportation for the Lewis and Clark Interpretive Center.

Community grants - Section 7 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds.

International Peace Garden - Section 8 exempts any funds included in the International Peace Garden line item for repairs of the Peace Tower in Section 30 of 2013 House Bill No. 1015 from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.

Lewis and Clark Interpretive Center - Section 9 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.

Outdoor heritage grants - Section 10 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.

Pembina Gorge area project - Section 11 exempts \$116,000 of Pembina Gorge area project funding from the general fund in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.

Park entrance fees - Section 12 amends Section 55-08-06 relating to permits for motor vehicles to change the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7.

Concession revolving fund - Section 13 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.

Northern Plains National Heritage Area grants - Section 14 authorizes the Parks and Recreation Department to apply for Northern Plains National Heritage Area grants.

Dakota Institute transfer to Bismarck State College - Section 15 provides for transferring the name Dakota Institute and all rights, title, interests, copyrights, and up to 80 percent of any remaining inventory of any Dakota Institute publication, book, or other document or production, regardless of format to Bismarck State College.

State Water Commission grants - Emergency measure - Section 16 provides grants from the State Water Commission in Section 5 to be declared an emergency measure.

Continuing Appropriations

No continuing appropriations for this agency.

Significant Audit Findings

The financial audit for the Parks and Recreation Department was conducted by the State Auditor's office for the biennium ended June 30, 2015 and there were no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1089 - Allows the Parks and Recreation Department to sell advertising in department publications.

House Bill No. 1102 - Allows the Parks and Recreation Department to sell out-of-state off-highway vehicle permits and to charge a fee of \$10 for the permit.

House Bill No. 1241 - Amends Section 39-29-10 relating to the minimum age required to operate an off-highway vehicle.

Senate Bill No. 2014 - Identifies the amount of bond payments for state agencies. Total bond payments of \$13,210,484 are identified, of which \$73,642 relates to the Parks and Recreation Department.

Parks and Recreation Department - Budget No. 750
House Bill No. 1019
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	66.00	\$16,702,916	\$14,517,835	\$31,220,751	66.00	\$16,702,916	\$14,517,835	\$31,220,751
2017-19 Ongoing Funding Changes								
Base payroll changes		(\$287,726)	(\$18,093)	(\$305,819)		(\$287,726)	(\$18,093)	(\$305,819)
Salary increase - Performance				0				0
Health insurance increase		181,804	7,085	188,889		181,804	7,085	188,889
Employee portion of health insurance		(95,240)	(3,711)	(98,951)				0
Reduces seasonal salaries and benefits		(586,406)		(586,406)		(586,406)		(586,406)
Adjusts operating expenses		(4,000)	1,469,840	1,465,840		(4,000)	1,469,840	1,465,840
Adjusts operating expenses - International Peace Garden		(97,370)		(97,370)		(97,370)		(97,370)
Adjusts operating expenses - Lewis and Clark Interpretive Center		(296,991)		(296,991)		(113,950)	100,000	(13,950)
Adds gift fund authority			230,930	230,930			230,930	230,930
Adjusts ACA health insurance requirements for part-time employees		15,338	10,375	25,713		15,338	10,375	25,713
Underfunding of salaries		(239,959)		(239,959)		(239,959)		(239,959)
Removes 1 FTE administrative assistant position	(1.00)	(116,875)		(116,875)	(1.00)	(116,875)		(116,875)
Adjusts bond payment		52		52		52		52
Adjusts extraordinary repairs		(150,760)	(55,879)	(206,639)		(150,760)	(55,879)	(206,639)
Adjusts equipment		(350,000)	740,000	390,000		(350,000)	740,000	390,000
Removes 2.5 FTE positions	(2.50)	(292,187)		(292,187)	(2.50)	(292,187)		(292,187)
Allow 2015-17 carryover funding from State Water Commission				0			1,000,000	1,000,000
Raises park entrance annual and daily fees				0			750,000	750,000
Total ongoing funding changes	(3.50)	(\$2,320,320)	\$2,380,547	\$60,227	(3.50)	(\$2,042,039)	\$4,234,258	\$2,192,219
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.50)	(\$2,320,320)	\$2,380,547	\$60,227	(3.50)	(\$2,042,039)	\$4,234,258	\$2,192,219
2017-19 Total Funding	62.50	\$14,382,596	\$16,898,382	\$31,280,978	62.50	\$14,660,877	\$18,752,093	\$33,412,970

Other Sections in Parks and Recreation Department - Budget No. 750

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version			
Health insurance increase								
					Section 2 provides the appropriation in Section 1 includes \$188,889, of which \$181,804 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.			

Other Sections in Parks and Recreation Department - Budget No. 750

**Burgum Executive Budget Recommendation
(Changes to Dalrymple Budget in Bold)**

House Version

Game and fish operating fund - Transfer for boat ramp maintenance	Section 3 provides \$122,000 from the game and fish operating fund, or federal funds or other funds available to the Game and Fish Department, must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.	Section 4 provides \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, which must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.
State Water Commission - Recreational opportunities on sovereign lands		Section 5 provides \$1 million of funding in Section 1 of the bill is designated for a grant from the State Water Commission for the purposes identified in Section 13.
Department of Transportation grants		Section 6 provides \$100,000 of funding in Section 1 of the bill is designated as a grant from the Department of Transportation for the Lewis and Clark Interpretive Center.
Community grants	Section 5 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 7 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
International Peace Garden	Section 6 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of 2013 House Bill No. 1015 from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 8 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
Lewis and Clark Interpretive Center	Section 8 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of 2015 Senate Bill No. 2015 from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 9 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
Outdoor heritage grants	Section 9 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 10 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
Pembina Gorge area project		Section 11 exempts \$116,000 of Pembina Gorge area project funding from the general fund in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
Park entrance fees		Section 12 amends Section 55-08-06 relating to permits for motor vehicles to change the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7.

Other Sections in Parks and Recreation Department - Budget No. 750

**Burgum Executive Budget Recommendation
(Changes to Dalrymple Budget in Bold)**

House Version

Concession revolving fund

Section 4 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be moved to the state park operating fund.

Section 13 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.

Northern Plains National Heritage Area grants

Section 7 authorizes the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.

Section 14 authorizes the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.

Dakota Institute transfer to Bismarck State College

Section 15 provides for transferring the name Dakota Institute and all rights, title, interests, copyrights, and up to 80 percent of any remaining inventory of any Dakota Institute publication, book, or other document or production, regardless of format to Bismarck State College.

State Water Commission grants - Emergency measure

Section 16 provides grants from the State Water Commission from Section 13 to be declared an emergency measure.

Department 750 - Parks and Recreation Department

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments (As a Result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$16,763,916	\$16,530,297	\$33,294,213
General fund reductions	(61,000)	(2,119,771)	(2,180,771)
Adjusted 2015-17 appropriations	\$16,702,916	\$14,410,526	\$31,113,442
Remove prior biennium adjusted one-time funding		(14,410,526)	(14,410,526)
2017-19 base level	\$16,702,916	\$0	\$16,702,916
Dalrymple Executive Budget changes	(1,886,592)		(1,886,592)
2017-19 Dalrymple Executive Budget	\$14,816,324	\$0	\$14,816,324

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Administration - 50 th anniversary of the Parks and Recreation Department		(\$16,000)	(\$16,000)
Administration - Retirement leave payouts		(42,000)	(42,000)
Parks enhancements		(1,998,389)	(1,998,389)
Parks equipment		(50,000)	(50,000)
International Peace Garden - Capital projects		(13,382)	(13,382)
Administration - Travel	(\$3,000)		(3,000)
Parks operations and maintenance - Adjust FTE salaries	(46,000)		(46,000)
Lewis and Clark Interpretive Center - Operating expenses	(12,000)		(12,000)
Total reductions	(\$61,000)	(\$2,119,771)	(\$2,180,771)
Percentage reduction to ongoing and one-time general fund appropriations	0.36%	12.82%	6.55%

2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

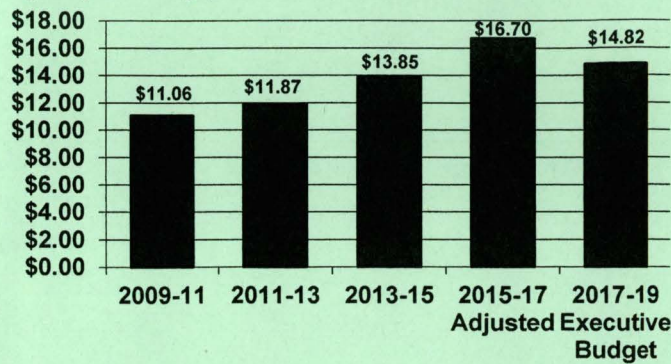
Ongoing	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Base payroll changes	(\$287,726)		(\$287,726)
Adjusts salary and health insurance increases	228,105		228,105
Adjusts agency pay plan	(239,959)		(239,959)
Removes 1 FTE administrative assistant position	(116,875)		(116,875)
Adjusts seasonal salaries and benefits	(632,406)	\$46,000	(586,406)
Adjusts operating expenses	(7,000)	3,000	(4,000)
Adjusts operating expenses - International Peace Garden	(97,370)		(97,370)
Adjusts operating expenses - Lewis and Clark Interpretive Center	(308,991)	12,000	(296,991)
Adjusts ACA requirements for temporary employees	15,338		15,338
Adjusts bond payment	52		52
Adjusts extraordinary repairs	(150,760)		(150,760)
Adjusts equipment	(350,000)		(350,000)
Total 2017-19 executive budget changes	(\$1,947,592)	\$61,000	(\$1,886,592)

Department 750 - Parks and Recreation Department

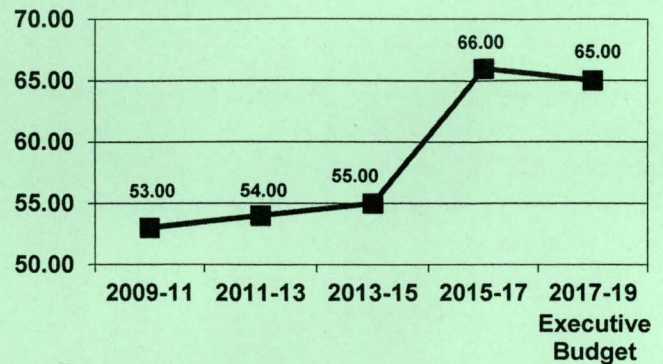
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	\$11,062,591	\$11,874,346	\$13,854,838	\$16,702,916	\$14,816,324
Increase (decrease) from previous biennium	N/A	\$811,755	\$1,980,492	\$2,848,078	(\$1,886,592)
Percentage increase (decrease) from previous biennium	N/A	7.3%	16.7%	20.6%	(11.3%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	7.3%	25.2%	51.0%	33.9%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

- Added funding to address salary equity issues and related 2nd-year increases \$538,509
- Added 2.5 FTE park maintenance positions \$251,687

2013-15 Biennium

- Added funding to increase temporary salaries by \$1 per hour for the 2013-15 biennium \$264,000
- Added funding for seasonal crews for maintaining trail systems \$65,200
- Added funding to convert a long-time temporary administrative assistant position to an FTE position \$87,172
- Added funding to increase the operational grant to the International Peace Garden for a total of \$933,688 for the 2013-15 biennium \$200,000
- Added funding for increased operating costs \$88,113
- Added funding for state employee salary increases \$499,523
- Added funding for the community grant program to provide a total of \$500,000 \$100,000
- Added funding to rent property in the Pembina Gorge area for office space \$300,000

2015-17 Biennium

- Added funding for 1 FTE position and related operating expenses for a park ranger at Cross Ranch State Park \$105,270
- Added funding to convert 5 temporary administrative assistant positions to FTE positions \$301,838
- Added funding to convert four .75 FTE positions into four 1 FTE positions \$93,647
- Increased funding for extraordinary repairs at various state parks \$345,521
- Added funding to increase temporary employee salaries by \$1 per hour \$220,220
- Added funding for 10 additional seasonal temporary employees at various state parks \$213,543
- Increased funding for operating expenses for administration, park operations and maintenance, and recreation by \$111,345, and Lewis and Clark Interpretive Center by \$368,000 \$479,345

8. Added funding for 4 FTE positions for the Lewis and Clark Interpretive Center	\$366,384
2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)	
1. Adjusts seasonal salaries and benefits by (\$586,406), and agency pay plan by (\$239,959)	(\$826,365)
2. Removes 1 FTE administrative assistant position	(\$116,875)
3. Adjusts operating expenses for administration, park operations and maintenance, and recreation by \$1,465,840, the International Peace Garden (\$97,370), and the Lewis and Clark Interpretive Center (\$296,991). The House adjusted funding for operating expenses, including \$1,453,840 for administration, park operations and maintenance, and recreation; (\$97,370) for the International Peace Garden; and (\$1,950) for the Lewis and Clark Interpretive Center.	(\$398,361)
4. Adjusts funding for extraordinary repairs	(\$150,760)
5. Adjusts funding for equipment	(\$350,000)

HB1019 #1
3-7-17 P1

NORTH DAKOTA PARKS AND RECREATION DEPARTMENT
HB 1019 APPROPRIATION BILL

SENATE APPROPRIATIONS COMMITTEE
HARVEST ROOM
TUESDAY, MARCH 7, 2017 - 2:30 PM

Chairman Holmberg and members of the Senate Appropriations
Committee;

My name is Jesse Hanson and I am serving as the Interim Director of the North Dakota Parks and Recreation Department. I am here today to testify on HB 1019.

The state's population continues to grow and with that growth comes public demand for outdoor recreation opportunities. For the 4th consecutive year, ND State Parks attendance surpassed the previous year with over 1.2 million visits across the state.

Day visits to North Dakota parks and recreation areas vary from hiking, participating in programs, special events, boating access, horse riding and attending park learning center programs.

In the past five years, overnight campsite use has increased 22% overall, topping out in 2016 at over 70,000 camper nights.

Purchases of North Dakota State Park Annual Passes have increased 35% over the past five years and equestrian use in the parks has increased 44% in the same time period. Campsite reservations show 70% in-state and 30% out-of-state users of park campgrounds.

The increased visitation to our parks, recreation sites and the Lewis and Clark Interpretive Center, translates into more tourism dollars in local and regional communities through sales of boats, campers and camping gear, restaurant visits, and supply store sales. The Department sponsored a study of economic contribution of parks to local economies in 2013. The NDSU study showed a combined direct and secondary impact to the state of North Dakota's economy of \$233 million dollars. That economic contribution was based on 2012 visitation and camping numbers. Considering the increases in ND Parks and Recreation managed sites since 2012, it is certain the economic contribution has increased significantly.

The Department's 2015-2017 Biennium Appropriation included an increase in FTE positions, continuation of the extra-ordinary budget, a benchmark capital project budget, and the Department assuming the ownership and obligations of the Lewis and Clark Interpretive Center assets at Washburn, ND:

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11 FTE positions were added in the current biennium:

- 1 FTE position was split four ways to convert existing .75 FTE staff to 1.0 FTE status. These include the lead historian at Fort Abraham Lincoln State Park, the assistant field manager at Headquarters, and two maintenance supervisor staff to full time status in two state parks.
- 5 FTE positions for administrative assistants for five parks across the state. These employees are responsible for preparing payroll documents, revenue deposits, and tracking of revenue, coordinating park reservations and overseeing park visitor information services.
- 1 FTE position is for the park ranger hired at Cross Ranch State Park. The park has year around operations, overnight rental facilities, water craft rentals and oversight of two Badlands satellite parks. The combined visitation of Cross Ranch State Park and the two satellite parks is comparable in camping nights with Fort Abraham Lincoln and Icelandic State Parks.
- 4 FTE positions were provided for the state taking over the obligations of the operation and maintenance of the Lewis and Clark Interpretive Center. Positions hired were site supervisor, park interpreter, maintenance supervisor and an administrative officer who is the supervisor over the visitor service operations.

A continued commitment to fund extra ordinary repairs by the legislature is key to managing deferred maintenance issues. The 2015-2017 Biennium Appropriations budget of \$1.47 million dollars is dispersed into 48 separate extra ordinary repair projects across the Department's system.

The \$14.7 million dollars for the capital improvement budget based on Governor Dalrymple's parks initiative was the largest ever received by the Department. Included in this budget was \$3 million dollars for one biennium operation funds and purchase of assets at the Lewis and Clark Interpretive center. The capital project budget prioritized removal of obsolete campground comfort stations and replaced with new ADA compliant units in four parks, renovated roads/parking areas at two parks, constructed two visitor centers, renovations of historic facilities, and repairs of protective breakwater at Fort Stevenson State Park. Two capital projects that were in the planning stages were eliminated as part of Governor Dalrymple's biennium budget reductions; A proposed campground development at an area called "Bay Point" and a group lodge, both of these projects were at Lake Sakakawea State Park. The development master plan, environmental clearances and access corridor for the proposed Missouri River Day Park located adjacent to the Missouri River in southwest Burleigh County is complete and ready for the development phase. Twenty-two projects in total represent this budget. The majority of projects are finished or well underway at this time.

The Department assumed the obligations of fully operating and maintaining the Lewis and Clark Interpretive Center and the Fort Mandan Interpretive Site in the 2015-2017 Biennium. Purchase of the assets owned by the Foundation and a one-time funding line were included in the agency overall capital budget.

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Dakota Access Pipeline Assistance

Concluding the review of the 2015-2017 Biennium, the North Dakota Parks and Recreation FTE park rangers and park managers who have Law Enforcement Certification have contributed over 6,000 law enforcement staff hours, and numerous OHV machines and trailers in support of the ND Highway Patrol and Morton County. Our 22 law enforcement staff rotate through shifts that are seven straight days / 14 hours per day. Their commitment to supporting local and state law enforcement does not preclude them from their responsibilities in their respective parks and recreation areas under their management. We stay committed to continue our support of local law and state law enforcement until a solution to the Dakota Access Pipeline protest is achieved.

Lewis and Clark Interpretive Center

Last session the North Dakota Parks and Recreation Department received a one-time appropriation of \$3 million dollars for the purposes of purchasing the assets for \$2.05 million dollars and \$950,000 for operation and maintenance of the facilities for the biennium. General fund dollars were appropriated for the four FTEs, operation from May to June to get us to the 2015-2017 Biennium and additional general funds for staining the exterior siding of the building. The Department took over operation of the Lewis and Clark Interpretive Center and Fort Mandan on May 1, 2015 with continued successful operation since that time. This was a lofty endeavor for our Department as we had only days to make this happen given our appropriation bill was passed by the house on April 27, 2015. This transition all went unnoticed by the visitors. We have not had to close the doors outside of normal business hours since May 1, 2015.

This transition took the work of many employees within our Department along with other state agencies. We inventoried every item that was part of the transfer and secured insurance for the newly acquired assets. The Department worked with the Attorney General's office along with the Foundation to legally document the asset transfer. The Department was able to retain some of the Foundation employees temporarily until Department staff could be hired for the facility going forward. Overall the process went fairly smooth and still today is known for having a positive 2015 season.

The \$2.05 million appropriation secured assets with an estimated value of \$4.8 million dollars. With this in mind, it did not include the physical structure of the Interpretive Center; the department already held the deed to the building and the land. Some notable assets would be the collection of art and artifacts. This includes many works of art from local artists and a complete set of 81 Karl Bodmer aquatints, which is only one of a few complete sets in the world. There is also the John Fisher collection of Lewis and Clark era artifacts that are displayed to give us the ability to tell the story of Lewis and Clark. Also included is the Fort Mandan Visitor Center which is a 5,200 square foot facility along the Missouri River that serves as the visitor contact station for the Fort Mandan interpretive tour. The report provided has a more comprehensive list of these assets.

Looking back to 2016, we experienced increases in visitation. Our overall building use numbers were down in 2016 but our student admissions were up 95% to 3,205 students and overall paid admissions were up 45% to 15,332 students. This in part is due to a gift from the Lewis and Clark Fort Mandan Foundation from MDU Resources that paid for student admissions for the 2016 season. Our building use count of 48,532 were people who physically came into the

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building facilities during business hours; this includes the rest area and paid admissions. We are in the process of adding vehicle counters at both the Interpretive Center and Fort Mandan to determine the total use of facilities. Although we have future challenges to address, the Department led a successful transition and is poised for future operations.

Lewis and Clark Interpretive Center Budget		
15/17 General Fund Appropriation		\$1,696,384
17/19 House Recommendation General Fund Appropriation		\$ 888,668
17/19 House Recommendation Other Funds Appropriation		\$ 462,450
NDDOT Grant	\$ 100,000	
Revenue Authority	\$ 187,450	
Gift Fund Authority	\$ 175,000	

Grants

The Department administers four grant programs: Land and Water Conservation Fund, Recreational Trails Program, Community Grant and the Off-Highway Vehicle Grant. These grants are federal and state matching grants that are used to fund outdoor recreation projects such as: playgrounds, pools, trails, parks and campgrounds. During the current biennium we had 52 grant applicants for these grants and 41 grant applicants received funding. The Department was able to contribute over \$3 million dollars which left 11 projects unfunded for over \$1 million dollars. There is continued need for these types of programs in the communities of North Dakota. Federal fund authority will remain the same for the 2017-2019 Biennium as they were in the 2015-2017 Biennium except for the Community Grant which is currently not addressed in HB 1019 as passed by the North Dakota House of Representatives.

Grant	Projects Funded	Projects Unfunded	Match Funds
Land and Water Conservation Fund	\$758,744 (9 projects)	\$357,201 (2 projects)	\$1,116,156
Recreation Trails Program	\$2,102,732 (19 Projects)	\$335,303 (3 projects)	\$514,546
Community Grant	\$524,009 (13 Projects)	\$569,431 (6 Projects)	\$756,381
Total	\$3,385,485 (41 Projects)	\$1,261,935 (11 Projects)	\$2,387,083

Motorized Recreation

The Department is also the lead agency for the snowmobile and off-highway vehicle programs for North Dakota. This includes trail and use area development, safety courses and outreach, enforcement and long-term planning. For the 2015-2017 Biennium our registration numbers for both snowmobiles and OHV's are projected to hold about even. Over the last 10 years OHV registrations have doubled to over 35,000 registrations which is starting to level off. One of the key programs we offer is snowmobile and OHV safety training to kids across the state of North Dakota. We reached over 3,100 kids in 2016 and many local organizations have sponsored classes and provided free helmets to kids that participated in these classes.

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Considering the increase in North Dakota's park and recreation area use since 2013, the economic numbers have increased correspondingly. The increased visitation to North Dakota state parks and recreation areas plus the Lewis and Clark Interpretive Center has culminated with the Department on track to achieve revenue goals used to defray costs of operations and maintenance of these resources.

ND PARKS AND RECREATION BUDGET ALLOTTMENT TURNBACK AND 2017-2019 BUDGET REQUEST:

As part of the August 2016 budget turn back, at the request of Governor Dalrymple, the agency returned \$2,180,771 of the biennium general fund allotment in two separate requests. The August 2016 allotment reduction funding documents are included in the written testimony as **Attachment 1**.

Governor Dalrymple's 2017-2019 Executive Budget Recommendation submitted to the Legislature in December of 2016 for the North Dakota Parks and Recreation Department identified slightly more than an 11% reduction of the general fund level of \$16,702,916 down \$1,886,592 to a base level of \$14,816,324. Agency reductions to meet Governor Dalrymple's budget are identified on **Attachment 2**.

Governor Burgum's budget recommendation further reduced the Department's budget by an additional \$387,427 which included a reduction of 2.5 FTE positions and obligating the agency FTE employees to pay 5% of their health insurance premium. This information also is in **Attachment 2**.

Combined, with Governor Dalrymple and Governor Burgum's budget recommendations has reduced the agency budget by \$2,320,320 (14%).

HB 1019 approved by the House of Representatives adjusted the agency budget up by \$278,281. The employee 5% health insurance payment was restored and adjusted the Lewis and Clark Interpretive Center's budget line from originally being underfunded by \$296,991 to being underfunded by \$113,950 (+ \$183,041).

HB 1019 when passed out of the House of Representatives reduced the North Dakota Parks and Recreation 2017-2019 budget by \$2,042,039 with an ending general fund budget of \$14,660,877 a 12% overall general fund reduction. Reference **Attachment 3**.

There are several sections included in HB 1019. Summaries of the sections are listed below. All are important however, I want to emphasize section 12 which amends the ND Century Code to raise the state park vehicle entrance pass fee. Raising this fee could result in an additional \$500,000 per biennium which will help to defray losses of general fund.

Section 4 is the authorization of transfer of \$122,000 from the ND Game and Fish Department to defray costs of operation in state parks related to boat ramps and ancillary fishing related maintenance in parks.

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Section 5 identifies \$1,000,000 transferred from the State Water Commission into the Department's budget for the purpose of development of a state sovereign lands recreation opportunity plan and development along the Missouri River.

Section 6 identifies a \$100,000 grant from the Department of Transportation to defray expenses at the Lewis and Clark Interpretive Center where there is a rest stop attached.

Sections 7 through Section 10 are exemptions to allow unexpended funds in specific funding lines to be carried over into the 2017-2019 biennium.

Section 11 provides an exemption to allow up to \$116,000 of unexpended Pembina Gorge area project funding to be continued and spent in the 2017-2019 biennium. A change in wording in the exemption approved by the House Appropriations was not included in the exemption. **Attachment 5** describes the wording change which was to accompany this exemption.

Section 12 amends Section 55-08-06 of the ND Century Code pertaining to fee rates for ND State Park annual and day use passes. The amendment increases the state park vehicle annual pass to \$35 per year and the day use pass to \$7 per day.

Section 13 amends Section 55-08-07.1 of the Century Code. The amendment changes the wording in the section of the Century Code to allow the agency to retain more than the current \$50,000 cap in the concession revolving fund. This is a housekeeping request as July 1 of each year, by statute, the Department's concession revolving fund has to be drawn down to \$50,000. Any funds above that amount is transferred into the Department's park revenue account. The funds are still available for use in the concession operation but, additional tracking is required to ensure those funds are used for concession operations.

Section 14 allows the agency to apply for planning grants from the Northern Plains National Heritage Area Grant program.

Section 15 authorizes the transfer of the Dakota Institute inventory from the Lewis and Clark Interpretive Center to Bismarck State College.

Section 16 is an emergency measure which allows the funds associated with the Sovereign Lands Recreation Planning initiative to be accessed immediately.

This concludes my testimony on HB 1019. I will answer any questions the committee may have.

I would like to request Mr. Garry Enns of the International Peace Gardens be allowed time to present information to the committee as well.

HB 1019
3-7-17

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Attachment 1

North Dakota Parks and Recreation Department 2015-2017 Biennium Reductions

2015-2017 Biennium Budget Allotment #1

Administration	\$ 61,000
Natural Resources	1,287,416
Total	<hr/> \$ 1,348,416

2015-2017 Biennium Budget Allotment #2

Natural Resources	\$ 806,973
Peace Garden	13,382
Lewis & Clark Interpretive Center	12,000
Total	<hr/> \$ 832,355

Combined Total of Allotment #1 and Allotment #2 **\$ 2,180,771**

Reductions:

FTE Salaries	\$ 46,000
Equipment	\$ 50,000
Capital Projects	\$ 1,956,973
Repair Projects	\$ 41,416
International Peace Gardens	\$ 13,382
Lewis & Clark Interpretive Center	\$ 12,000
Special Event Budget	\$ 16,000
Leave Buyout	\$ 42,000
Travel Reduction	\$ 3,000

#2
P2

North Dakota Parks and Recreation Department

Governor Dalrymple - General Fund Reductions

2017-2019 Base Level (general fund)	\$16,702,916
Base Payroll	\$ (287,726)
Seasonal Salaries	(586,406)
Operating Expenses	(4,000)
Reduction of Peace Gardens Operating Expenses	(97,370)
Reduction of Lewis & Clark Interpretive Center	(296,991)
Underfund FTE Salaries	(239,959)
Remove 1 FTE	(116,875)
Adjusts Extra-Ordinary Repairs	(150,760)
Adjusts Equipment Line	(350,000)
Health Insurance Increase	181,804
ACA Insurance – Temp employees	15,338
Adjust agency bond payment	<u>52</u>
 TOTAL	 \$ 1,932,893

Governor Burgum – General Fund Reductions

5% Employee Insurance Payment	\$ (95,240)
2.5 FTE Reduction	<u>(292,187)</u>
Total Governor Burgum and Governor Dalrymple (14%)	<u>\$ (2,320,320)</u>
 Adjusted general fund total	 <u>\$14,382,596</u>

#2
P3

North Dakota Parks and Recreation Department

HB 1019

Governor Dalrymple and Governor Burgum Adjustments \$ (2,320,320)

HB 1019 – Approved by House Appropriations

Adds Employee 5% Insurance \$ 95,240
Adjusted General Fund for Lewis & Clark Interpretive Center \$ 183,041

Adjusted General Fund House Appropriation Reduction \$ (2,042,039)

Adjusted Final Agency General Fund Budget \$ 14,660,877

North Dakota Parks and Recreation Department Optional Adjustment Requests 2017 Agency Budget Submittal

The agency requested 5 Optional Budget Changes in budget.

None of the following optional change requests were included in the Governors' budget recommendation:

A. One-time equipment – Utility vehicles for state parks 14 units @ \$22,000 each	\$ 308,000
B. Retirement pay out option	100,000
C. Operation costs for the Lewis and Clark Interpretive Center	350,222
D. Optional temporary salaries for Lewis and Clark/ Ft Mandan	496,057
E. Optional Extraordinary Repairs	2,535,500
F. Add “Other Funded” FTE – Recreation Division	<u>147,161</u>
Total Optional Adjustment Request	\$ 3,936,940

#2
P3

North Dakota Parks and Recreation Department

Exemption – Pembina Gorge area project funding – Section 11 of House Bill No. 1019 allows up to \$116,000 of unexpended Pembina Gorge area project funding from the general fund appropriated in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws to be continued and spent during the 2017-19 biennium for renting property in the Pembina Gorge area for the purpose of providing office space for employees or individuals responsible for monitoring or patrolling the trail system in the area, designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge.

NDRPA

North Dakota Recreation & Park Association •

advancing parks and recreation for quality of life in North Dakota



**Testimony of Dana Schaar Jahner
North Dakota Recreation & Park Association
To Senate Appropriations Committee
In Support of HB 1019**

Chairman Holmberg and Members of the Committee, my name is Dana Schaar Jahner, and I am the executive director of the North Dakota Recreation & Park Association (NDRPA). We represent more than 600 members, primarily park districts, and work to advance parks, recreation, and conservation for an enhanced quality of life in North Dakota. We are here in support of HB 1019.

Public parks and recreation facilities are valuable community infrastructure, and usage in our state is significant, as determined in a 2013 economic contribution study by North Dakota State University. For our 12 largest park districts and 13 state parks, annual participation was estimated at 2.5 million users. This does not include participation in open-access local facilities, such as trails or playgrounds. Total economic impacts (combined direct and secondary impacts) are more than \$800 million annually.

NDRPA supports adequate funding for operating expenses and capital projects for the Parks and Recreation Department. While we recognize the significant fiscal challenges facing the state, the Parks and Recreation Department and local agencies need sufficient resources to protect our public parks. For the last few biennium, the Community Grant Program has provided much needed funds for community parks and recreation facilities such as pools and multi-purpose playing fields. This 50/50 matching grant program provides the state with a high return on investment, as local communities often invest more funds than required. While we recognize funding for this program is not included in HB 1019, our members ask you to reinvest in this program when revenue recovers.

Providing safe, affordable, and accessible outdoor recreation opportunities for our citizens and visitors is essential to maintaining North Dakota's commitment to a high quality of life that attracts and retains workforce and engages tourists. Thank you.

P1

NDPRD 2015-2017

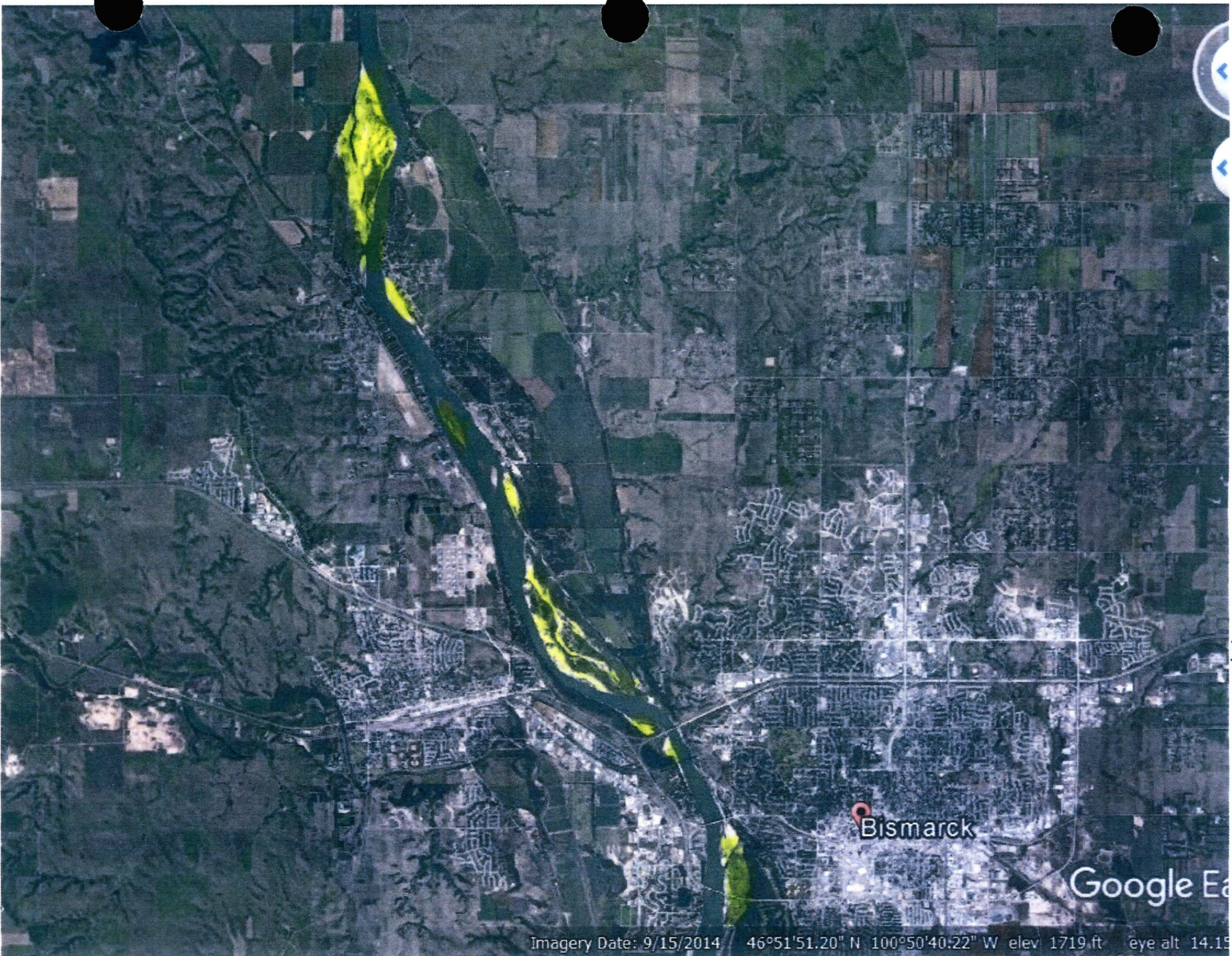
CAPITAL IMPROVEMENT PROJECTS

HB 1019 sub com.
3-21-17

Project #	Project Name	General Fund Budget	Additional Funds	Outside Fund Budget	Cumulative Expenditures	Balance	% Complete
20404	FALSP Roads	\$1,150,000.00	\$0.00	\$0.00	\$1,137,186.18	\$12,813.82	Completed
20405	FALSP Triple Shelter	\$100,000.00	\$0.00	\$0.00	\$0.00	\$100,000.00	Not Started
20406	FALSP Land Purchase	\$5,000.00	\$0.00	\$0.00	\$5,000.00	\$0.00	Completed
20407	FALSP Campground	\$240,000.00	\$0.00	\$0.00	\$190,876.53	\$49,123.47	80% complete
20501	CRSP Campground Loop	\$215,000.00	\$0.00	\$0.00	\$148,760.46	\$66,239.54	75% complete
20502	CRSP Cabins	\$275,000.00	\$0.00	\$0.00	\$125,834.47	\$149,165.53	65% complete
20601	Missouri River Day Park	\$745,000.00	\$0.00	\$0.00	\$283,972.75	\$461,027.25	40% complete
20701	FSSP Campground	\$240,000.00	\$0.00	\$0.00	\$11,276.00	\$228,724.00	4% completed
20703	FSSP Comfort Station	\$625,000.00	\$0.00	\$0.00	\$605,583.24	\$19,416.76	98% Complete
207012	FSSP Garrison Bay Rock	\$200,000.00	\$0.00	\$0.00	\$0.00	\$200,000.00	Not Started
20801	FRSP Cabins	\$250,000.00	\$0.00	\$0.00	\$193,335.94	\$56,664.06	75% complete
20802	FRSP Visitor Center	\$1,200,000.00	\$0.00	\$0.00	\$941,665.33	\$258,334.67	75% complete
20905	ISP Comfort Station	\$625,000.00	\$0.00	\$0.00	\$614,912.70	\$10,087.30	Completed
21002	LMSP Comfort Station	\$725,000.00	\$0.00	\$0.00	\$26,035.02	\$698,964.98	5% completed
21003	LMSP Dining Hall	\$150,000.00	\$0.00	\$0.00	\$731.78	\$149,268.22	5% Completed
21101	LSSP Bay Point	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	\$0.00	Turn back funds
21102	LSSP Reunion Lodge	\$1,000,000.00	\$0.00	\$0.00	\$1,000,000.00	\$0.00	Turn back funds
21401	TRSP Comfort Station	\$655,000.00	\$0.00	\$0.00	\$41,215.68	\$613,784.32	5% completed
21501	GISP Bait Shop	\$1,950,000.00	\$0.00	\$0.00	\$1,739,875.52	\$210,124.48	90% completed
15031	Rough Rider Trail Bridge	\$100,000.00	\$0.00	\$0.00	\$0.00	\$100,000.00	Not started
15001	Contingency/Engineering	\$150,000.00	\$0.00	\$0.00	\$50,000.00	\$100,000.00	ongoing
75001	Multi Use Trails	\$150,000.00	\$0.00	\$0.00	\$150,264.33	(\$264.33)	Completed
TOTAL		\$11,750,000.00	\$0.00	\$0.00	\$8,266,525.93	\$3,483,474.07	
	L+C I.C. Asset Purchase	\$	2,050,000.00				Complete
	LCIC O&M	\$	950,000.00				On Going
			\$14,750,000.00				
	2015-2017 Capital Budget		\$14,750,000.00				
			\$0.00				

#1

pg 1

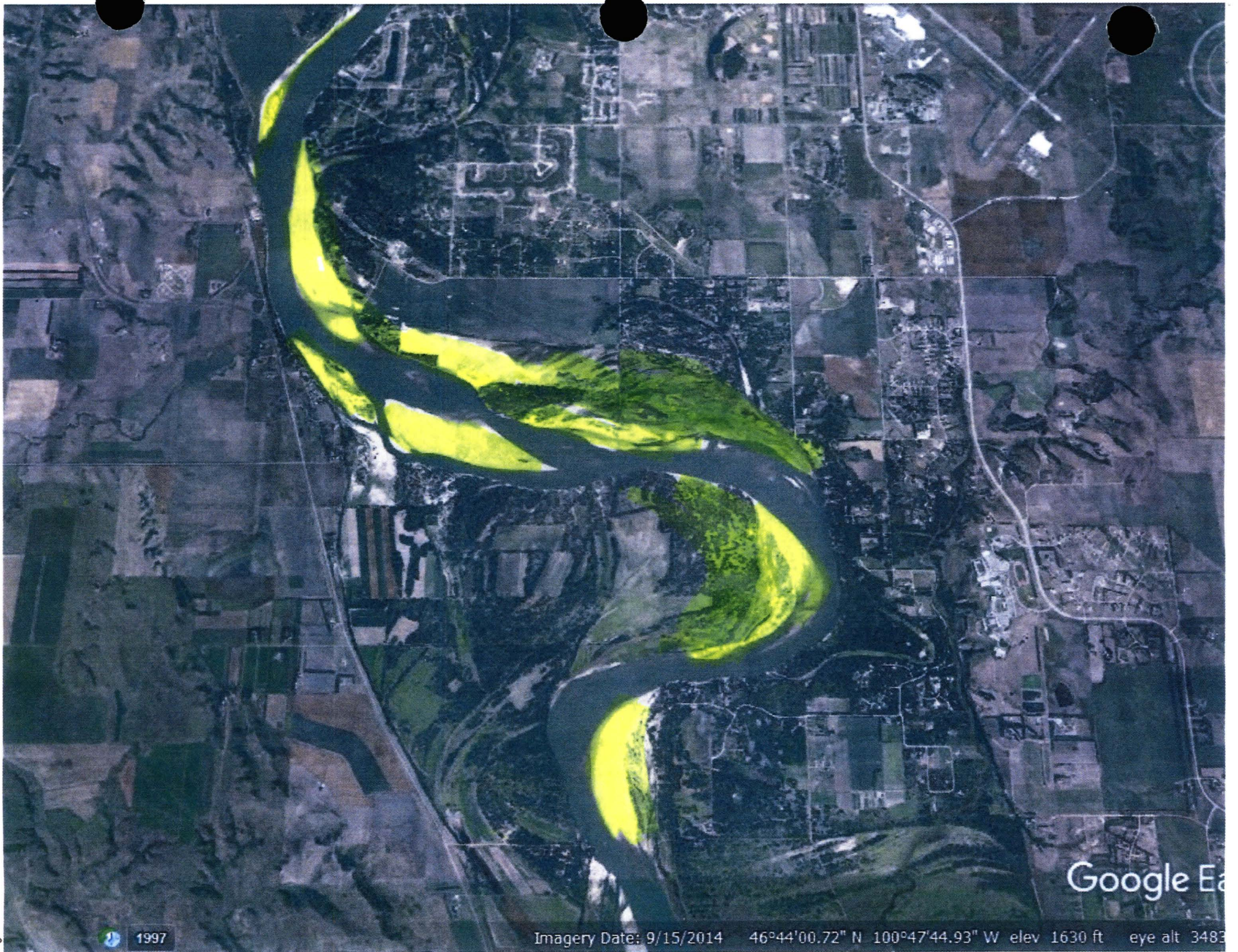


Imagery Date: 9/15/2014 46°51'51.20" N 100°50'40.22" W elev 1719 ft eye alt 14.15

HB 1019 Sub-com 3-21-17

2

pg 1



Google Earth



1997

Imagery Date: 9/15/2014 46°44'00.72" N 100°47'44.93" W elev 1630 ft eye alt 3483

pg 2

HB 1019

3-27-17

#1

The following language will allow \$100,000 of carryover funds to be exempt from the dollar-for-dollar matching funds requirement:

SECTION 8. EXEMPTION - CONTINUED MATCHING FUNDS - INTERNATIONAL PEACE_GARDEN.

Notwithstanding the provisions of Section 9 of Chapter 53 of the 2015 Session Laws, relating to matching requirements, the International Peace Garden may spend up to \$100,000 of the funds appropriated in subdivision 2 of Section 30 of Chapter 15 of the 2013 Session Laws and continued in the 2015-17 biennium without raising dollar for dollar matching funds for the purpose of completing the demolition project of the Peace Towers, for the period beginning with the effective date of this Act and ending June 30, 2017.

SECTION 17. EMERGENCY. Section 8 of this Act is declared to be an emergency measure.

pg 1

HB 1019

3-27-19

#2

SECTION 9. EXEMPTION. Any unexpended funds in the Lewis and Clark interpretive center line item in section 34 of chapter 49 of the 2015 Session Laws, and any unexpended funds of up to \$950,000 of one-time funding for park enhancements included in the natural resources line item in section 34 of chapter 49 of the 2015 session laws, designated for the Lewis and Clark interpretive center, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from these appropriations may be expended during the biennium beginning July 1, 2017, and ending June 30, 2019.

pg. 1

3-30-17 HB 1019

#1
P1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

Page 1, line 4, remove "to authorize the"

Page 1, line 5, remove "transfer of Dakota institute inventory;"

Page 1, line 5, after the semicolon insert "to provide for a legislative management study;"

Page 1, replace lines 18 through 23 with:

"Administration	\$3,043,722	\$625,006	\$3,668,728
Park operations and maintenance	19,877,931	692,627	20,570,558
Recreation	<u>6,407,120</u>	<u>632,434</u>	<u>7,039,554</u>
Total all funds	\$29,328,773	\$1,950,067	\$31,278,840
Less estimated income	<u>14,517,835</u>	<u>3,871,726</u>	<u>18,389,561</u>
Total general fund	\$14,810,938	(\$1,921,659)	\$12,889,279"

Page 2, replace lines 11 through 14 with:

"Lewis and Clark interpretive center	\$918,279	\$332,408	\$1,250,687
Total all funds	\$918,279	\$332,408	\$1,250,687
Less estimated income	<u>0</u>	<u>362,019</u>	<u>362,019</u>
Total general fund	\$918,279	(\$29,611)	\$888,668"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	\$16,702,916	(\$2,048,640)	\$14,654,276
Grand total special funds	<u>14,517,835</u>	<u>4,233,745</u>	<u>18,751,580</u>
Grand total all funds	\$31,220,751	\$2,185,105	\$33,405,856"

Page 2, line 28, replace "\$188,889" with "\$181,775"

Page 2, line 28, replace "\$7,085" with "\$6,572"

Page 2, line 29, replace "\$1,249" with "\$1,241"

Page 3, after line 14, insert:

"SECTION 4. FUNDING TRANSFER - EXCEPTION - AUTHORIZATION.

Notwithstanding section 54-16-04, the parks and recreation department may transfer appropriation authority between subdivisions 1 and 3 of section 1 of this Act and between line items within subdivisions 1 and 3 of section 1 of this Act, for the biennium beginning July 1, 2017, and ending June 30, 2019. The parks and recreation department shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section."

Page 3, line 22, after "GRANT" insert "EXEMPTION - GRANT TO STATE HISTORICAL SOCIETY."

Page 3, line 23, after "funding" insert "received"

Page 3, line 24, replace "authorized by the sixty-fourth legislative assembly" with "during the 2015-17 biennium"

Page 3, line 24, remove "the purpose of"

Page 3, line 25, after "state" insert ". Notwithstanding section 4 of chapter 54 of the 2015 Session Laws, the parks and recreation department shall use this \$1,000,000 to provide a grant to the state historical society for defraying the expenses of double ditch historic site repairs for the biennium beginning July 1, 2017, and ending June 30, 2019"

Page 4, line 5, after "Laws" insert ", and continued in the 2015-17 biennium pursuant to section 9 of chapter 53 of the 2015 Session Laws,"

Page 4, after line 12, insert:

"SECTION 10. EXEMPTION - 2015-17 MATCHING FUNDS REQUIREMENT - INTERNATIONAL PEACE GARDEN. Notwithstanding the provisions of section 9 of chapter 53 of the 2015 Session Laws, relating to matching requirements, the International Peace Garden may spend up to \$100,000 of the funds appropriated in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws and continued in the 2015-17 biennium, without raising dollar-for-dollar matching funds prior to spending the funds, for the purpose of completing the demolition project of the peace towers, for the period beginning with the effective date of this Act and ending June 30, 2017."

Page 4, line 14, after "Laws" insert ", and any unexpended funds of up to \$950,000 of one-time funding for park enhancements included in the natural resources line item in section 34 of chapter 49 of the 2015 Session Laws, designated for the Lewis and Clark interpretive center,"

Page 4, line 26, remove "developing a plan for continued monitoring and patrolling of the trail"

Page 4, line 27, replace "systems, and to determine the feasibility of establishing an interpretive center" with "designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge"

Page 6, replace lines 15 through 21 with:

"SECTION 17. LEGISLATIVE MANAGEMENT STUDY - TRANSFER OF DAKOTA INSTITUTE INVENTORY. During the 2017-18 interim, the legislative management shall consider studying the feasibility and desirability of transferring the name Dakota institute and all rights, title, interests, and copyrights and up to eighty percent of any remaining inventory of any Dakota institute publication, book, or other document or production, regardless of format to Bismarck state college. The study must consider allowing Bismarck state college to transfer any rights, title, interests, copyrights, inventory of any of the Dakota institute's publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production. The legislative management shall report its finding and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly."

Page 6, line 22, remove "The sum of \$1,000,000 for developing recreation"

Page 6, remove line 23

Page 6, line 24, replace "section 1" with "Section 10"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Parks and Recreation Department - Senate Action

#1
P3

	Base Budget	House Version	Senate Changes	Senate Version
Administration	\$3,043,722	\$3,669,483	(\$755)	\$3,668,728
Park operations and maintenance	19,877,931	20,576,055	(5,497)	20,570,558
Recreation	6,407,120	7,039,985	(431)	7,039,554
International Peace Garden	973,699	876,329		876,329
Lewis and Clark Interpretive Center	918,279	1,251,118	(431)	1,250,687
Total all funds	\$31,220,751	\$33,412,970	(\$7,114)	\$33,405,856
Less estimated income	14,517,835	18,752,093	(513)	18,751,580
General fund	\$16,702,916	\$14,660,877	(\$6,601)	\$14,654,276
FTE	66.00	62.50	0.00	62.50

Department No. 750 - Parks and Recreation Department - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Senate Changes
Administration	(\$755)	(\$755)
Park operations and maintenance	(5,497)	(5,497)
Recreation	(431)	(431)
International Peace Garden		
Lewis and Clark Interpretive Center	(431)	(431)
Total all funds	(\$7,114)	(\$7,114)
Less estimated income	(513)	(513)
General fund	(\$6,601)	(\$6,601)
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is adjusted to reflect this change.

This amendment also:

- Adds a section to allow a transfer of funds between select subdivisions and line items for the 2017-19 biennium.
- Adjusts a section to direct the department to provide a \$1 million grant to the State Historical Society for the Double Ditch Historic Site repairs using funds received by the Parks and Recreation Department from the State Water Commission during the 2015-17 biennium.
- Adjusts a section to exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 9 of Chapter 53 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds, and to allow \$100,000 of the funds to be used for the completion of the demolition project of the Peace Towers without meeting matching funds requirements.
- Adjusts a section to allow carryover of one-time funding of \$950,000 for the Lewis and Clark Interpretive Center.
- Adjusts a section relating to the use of \$116,000 of carryover funding relating to the Pembina Gorge area.
- Changes the section relating to the Dakota Institute inventory to a study of the inventory.

1
P 1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

Page 1, line 4, remove "to authorize the"

Page 1, line 5, remove "transfer of Dakota institute inventory;"

Page 1, line 5, after the semicolon insert "to provide for a legislative management study;"

Page 1, replace lines 18 through 23 with:

"Administration	\$3,043,722	\$625,006	\$3,668,728
Park operations and maintenance	19,877,931	692,627	20,570,558
Recreation	<u>6,407,120</u>	<u>632,434</u>	<u>7,039,554</u>
Total all funds	\$29,328,773	\$1,950,067	\$31,278,840
Less estimated income	<u>14,517,835</u>	<u>3,871,726</u>	<u>18,389,561</u>
Total general fund	\$14,810,938	(\$1,921,659)	\$12,889,279"

Page 2, replace lines 11 through 14 with:

"Lewis and Clark interpretive center	<u>\$918,279</u>	<u>\$332,408</u>	<u>\$1,250,687</u>
Total all funds	\$918,279	\$332,408	\$1,250,687
Less estimated income	<u>0</u>	<u>362,019</u>	<u>362,019</u>
Total general fund	\$918,279	(\$29,611)	\$888,668"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	\$16,702,916	(\$2,048,640)	\$14,654,276
Grand total special funds	<u>14,517,835</u>	<u>4,233,745</u>	<u>18,751,580</u>
Grand total all funds	\$31,220,751	\$2,185,105	\$33,405,856"

Page 2, line 28, replace "\$188,889" with "\$181,775"

Page 2, line 28, replace "\$7,085" with "\$6,572"

Page 2, line 29, replace "\$1,249" with "\$1,241"

Page 3, line 22, after "GRANT" insert "EXEMPTION - GRANT TO STATE HISTORICAL SOCIETY."

Page 3, line 23, after "funding" insert "received"

Page 3, line 24, replace "authorized by the sixty-fourth legislative assembly" with "during the 2015-17 biennium"

Page 3, line 24, remove "the purpose of"

Page 3, line 25, after "state" insert ". Notwithstanding section 4 of chapter 54 of the 2015 Session Laws, the parks and recreation department shall use this \$1,000,000 to provide a grant to the state historical society for defraying the expenses of double ditch historic site repairs for the biennium beginning July 1, 2017, and ending June 30, 2019"

Page 4, line 5, after "Laws" insert ", and continued in the 2015-17 biennium pursuant to section 9 of chapter 53 of the 2015 Session Laws,"

Page 4, after line 12, insert:

#1
P2

"SECTION 9. EXEMPTION - 2015-17 MATCHING FUNDS REQUIREMENT - INTERNATIONAL PEACE GARDEN. Notwithstanding the provisions of section 9 of chapter 53 of the 2015 Session Laws, relating to matching requirements, the International Peace Garden may spend up to \$100,000 of the funds appropriated in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws and continued in the 2015-17 biennium, without raising dollar-for-dollar matching funds prior to spending the funds, for the purpose of completing the demolition project of the peace towers, for the period beginning with the effective date of this Act and ending June 30, 2017."

Page 4, line 14, after "Laws" insert ", and any unexpended funds of up to \$950,000 of one-time funding for park enhancements included in the natural resources line item in section 34 of chapter 49 of the 2015 Session Laws, designated for the Lewis and Clark interpretive center,"

Page 4, line 26, remove "developing a plan for continued monitoring and patrolling of the trail"

Page 4, line 27, replace "systems, and to determine the feasibility of establishing an interpretive center" with "designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge"

Page 6, replace lines 15 through 21 with:

"SECTION 16. LEGISLATIVE MANAGEMENT STUDY - TRANSFER OF DAKOTA INSTITUTE INVENTORY. During the 2017-18 interim, the legislative management shall consider studying the feasibility and desirability of transferring the name Dakota institute and all rights, title, interests, and copyrights and up to eighty percent of any remaining inventory of any Dakota institute publication, book, or other document or production, regardless of format to Bismarck state college. The study must consider allowing Bismarck state college to transfer any rights, title, interests, copyrights, inventory of any of the Dakota institute's publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production. The legislative management shall report its finding and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly."

Page 6, line 22, remove "The sum of \$1,000,000 for developing recreation"

Page 6, remove line 23

Page 6, line 24, replace "section 1" with "Section 9"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Parks and Recreation Department - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Administration	\$3,043,722	\$3,669,483	(\$755)	\$3,668,728
Park operations and maintenance	19,877,931	20,576,055	(5,497)	20,570,558
Recreation	6,407,120	7,039,985	(431)	7,039,554
International Peace Garden	973,699	876,329		876,329
Lewis and Clark Interpretive Center	918,279	1,251,118	(431)	1,250,687
Total all funds	\$31,220,751	\$33,412,970	(\$7,114)	\$33,405,856
Less estimated income	14,517,835	18,752,093	(513)	18,751,580

General fund	\$16,702,916	\$14,660,877	(\$6,601)	\$14,654,276
FTE	66.00	62.50	0.00	62.50

1
P 3

Department No. 750 - Parks and Recreation Department - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Senate Changes
Administration	(\$755)	(\$755)
Park operations and maintenance	(5,497)	(5,497)
Recreation	(431)	(431)
International Peace Garden		
Lewis and Clark Interpretive Center	(431)	(431)
Total all funds	(\$7,114)	(\$7,114)
Less estimated income	(513)	(513)
General fund	(\$6,601)	(\$6,601)
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is adjusted to reflect this change.

This amendment also:

- Adjusts a section to direct the department to provide a \$1 million grant to the State Historical Society for the Double Ditch Historic Site repairs using funds received by the Parks and Recreation Department from the State Water Commission during the 2015-17 biennium.
- Adjusts a section to exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 9 of Chapter 53 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds, and to allow \$100,000 of the funds to be used for the completion of the demolition project of the Peace Towers without meeting matching funds requirements.
- Adjusts a section to allow carryover of one-time funding of \$950,000 for the Lewis and Clark Interpretive Center.
- Adjusts a section relating to the use of \$116,000 of carryover funding relating to the Pembina Gorge area.
- Changes the section relating to the Dakota Institute inventory to a study of the inventory.

4-11-17 HB 1019
 AH 1

Parks and Recreation Department - Budget No. 750
House Bill No. 1019
Base Level Funding Changes

	House Version				Senate Version				Senate Changes to House Version Increase (Decrease)			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	66.00	\$16,702,916	\$14,517,835	\$31,220,751	66.00	\$16,702,916	\$14,517,835	\$31,220,751	0.00	\$0	\$0	\$0
2017-19 Ongoing Funding Changes												
Base payroll changes		(\$287,726)	(\$18,093)	(\$305,819)		(\$287,726)	(\$18,093)	(\$305,819)				\$0
Health insurance increase		181,804	7,085	188,889		175,203	6,572	181,775		(\$6,601)	(\$513)	(7,114)
Reduces seasonal salaries and benefits		(586,406)		(586,406)		(586,406)		(586,406)				0
Adjusts operating expenses		(4,000)	1,469,840	1,465,840		(4,000)	1,469,840	1,465,840				0
Adjusts operating expenses - International Peace Garden		(97,370)		(97,370)		(97,370)		(97,370)				0
Adjusts operating expenses - Lewis and Clark Interpretive Center		(113,950)	100,000	(13,950)		(113,950)	100,000	(13,950)				0
Adds gift fund authority			230,930	230,930			230,930	230,930				0
Adjusts ACA health insurance requirements for part-time employees		15,338	10,375	25,713		15,338	10,375	25,713				0
Underfunding of salaries		(239,959)		(239,959)		(239,959)		(239,959)				0
Removes 1 FTE administrative assistant position	(1.00)	(116,875)		(116,875)	(1.00)	(116,875)		(116,875)				0
Adjusts bond payment		52		52		52		52				0
Adjusts extraordinary repairs		(150,760)	(55,879)	(206,639)		(150,760)	(55,879)	(206,639)				0
Adjusts equipment		(350,000)	740,000	390,000		(350,000)	740,000	390,000				0
Removes 2.5 FTE positions	(2.50)	(292,187)		(292,187)	(2.50)	(292,187)		(292,187)				0
Allow 2015-17 carryover funding from State Water Commission			1,000,000	1,000,000			1,000,000	1,000,000				0
Raises park entrance annual and daily fees			750,000	750,000			750,000	750,000				0
Total ongoing funding changes	(3.50)	(\$2,042,039)	\$4,234,258	\$2,192,219	(3.50)	(\$2,048,640)	\$4,233,745	\$2,185,105	0.00	(\$6,601)	(\$513)	(\$7,114)
One-time funding items												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.50)	(\$2,042,039)	\$4,234,258	\$2,192,219	(3.50)	(\$2,048,640)	\$4,233,745	\$2,185,105	0.00	(\$6,601)	(\$513)	(\$7,114)
2017-19 Total Funding	62.50	\$14,660,877	\$18,752,093	\$33,412,970	62.50	\$14,654,276	\$18,751,580	\$33,405,856	0.00	(\$6,601)	(\$513)	(\$7,114)

Other Sections in Parks and Recreation Department - Budget No. 750

	House Version	Senate Version
Health insurance increase	Section 2 provides the appropriation in Section 1 includes \$188,889, of which \$181,804 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.	Section 2 provides the appropriation in Section 1 includes \$181,775, of which \$6,572 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month.

Other Sections in Parks and Recreation Department - Budget No. 750

	<u>House Version</u>	<u>Senate Version</u>
Game and fish operating fund - Transfer for boat ramp maintenance	Section 4 provides \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, which must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.	Section 4 provides \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, which must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2017-19 biennium.
State Water Commission - Recreational opportunities on sovereign lands	Section 5 provides \$1 million of funding in Section 1 of the bill is designated for a grant from the State Water Commission for the purposes identified in Section 13.	Section 5 provides \$1 million of funding in Section 1 of the bill is designated for a grant to the State Historical Society for double ditch historic site repairs.
Department of Transportation grants	Section 6 provides \$100,000 of funding in Section 1 of the bill is designated as a grant from the Department of Transportation for the Lewis and Clark Interpretive Center.	Section 6 provides \$100,000 of funding in Section 1 of the bill is designated as a grant from the Department of Transportation for the Lewis and Clark Interpretive Center.
Community grants	Section 7 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 7 exempts \$500,000 of community grants funding from the general fund in the recreation line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
International Peace Garden	Section 8 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 8 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
International Peace Garden		Section 9 allows \$100,000 of carryover funds from the International Peace Garden line item to be spent prior to raising the dollar-for-dollar matching funds, for the purpose of completing the demolition project of the Peace Tower.
Lewis and Clark Interpretive Center	Section 9 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of Chapter 49 of the 2015 Session Laws, from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 10 exempts any funds included in the Lewis and Clark Interpretive Center line item included in Section 34 of Chapter 49 of the 2015 Session Laws, and any funds, up to \$950,000 of one-time funding for park enhancements, included in the natural resources line item in Section 34 of Chapter 49 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
Outdoor heritage grants	Section 10 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 11 exempts any funds received from the outdoor heritage grant from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.
Pembina Gorge area project	Section 11 exempts \$116,000 of Pembina Gorge area project funding from the general fund in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.	Section 12 exempts \$116,000 of Pembina Gorge area project funding from the general fund in the natural resources line item in Section 10 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancellation of unexpended funds.

Other Sections in Parks and Recreation Department - Budget No. 750

	<u>House Version</u>	<u>Senate Version</u>
Park entrance fees	Section 12 amends Section 55-08-06 relating to permits for motor vehicles to change the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7.	Section 13 amends Section 55-08-06 relating to permits for motor vehicles to change the annual park entrance fee from \$25 to \$35 and the daily park entrance fee from \$5 to \$7.
Concession revolving fund	Section 13 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.	Section 14 amends Section 55-08-07.1 relating to the state parks and recreation concession revolving fund to remove the requirement that any surplus in excess of \$50,000 must be transferred to the state park operating fund.
Northern Plains National Heritage Area grants	Section 14 authorizes the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.	Section 15 authorizes the Parks and Recreation Department to apply for the Northern Plains National Heritage Area grant.
Dakota Institute transfer to Bismarck State College	Section 15 provides for transferring the name Dakota Institute and all rights, title, interests, copyrights, and up to 80 percent of any remaining inventory of any Dakota Institute publication, book, or other document or production, regardless of format to Bismarck State College.	Section 16 provides for studying the feasibility and desirability of transferring the name Dakota Institute and all rights, title, interests, copyrights, and up to 80 percent of any remaining inventory of any Dakota Institute publication, book, or other document or production, regardless of format to Bismarck State College.
State Water Commission grants - Emergency measure	Section 16 provides grants from the State Water Commission from Section 13 to be declared an emergency measure.	Section 17 provides \$100,000 of carryover funds for the International Peace Gardens line item from Section 9 to be declared an emergency measure.

17.0504.02003
Title.

Prepared by the Legislative Council staff for
Representative Streyle
April 11, 2017

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

Page 1, line 5, after the first semicolon insert "to provide a contingent appropriation;"

Page 1, replace lines 19 through 23 with:

"Park operations and maintenance	19,877,931	488,124	20,366,055
Recreation	<u>6,407,120</u>	<u>632,865</u>	<u>7,039,985</u>
Total all funds	\$29,328,773	\$1,746,750	\$31,075,523
Less estimated income	<u>14,517,835</u>	<u>3,871,808</u>	<u>18,389,643</u>
Total general fund	\$14,810,938	(\$2,125,058)	\$12,685,880"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	\$16,702,916	(\$2,252,039)	\$14,450,877
Grand total special funds	<u>14,517,835</u>	<u>4,234,258</u>	<u>18,752,093</u>
Grand total all funds	\$31,220,751	\$1,982,219	\$33,202,970"

Page 3, after line 21, insert:

"SECTION 5. CONTINGENT APPROPRIATION - PARKS AND RECREATION DEPARTMENT - LAKE SAKAKAWEA STATE PARK MARINA - SWIMMING RULES.

If the parks and recreation department allows swimming within the marina at lake sakakawea state park, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$210,000, or so much of the sum as may be necessary, to the parks and recreation department for the purpose of defraying the expenses of the state parks, including maintenance, operating, and repairs, for the biennium beginning July 1, 2017, and ending June 30, 2019."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment:

- Removes \$210,000 from the general fund from the park operations and maintenance line item in section 1 of the bill; and
- Adds a contingency appropriation of \$210,000 from the general fund to the Parks and Recreation Department for the purpose of defraying the expenses of the state parks, if swimming is allowed in the marina at the Lake Sakakawea State Park.