

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

GOVERNMENT SERVICES COMMITTEE

Thursday, January 16, 2014
Roughrider Room, State Capitol
Bismarck, North Dakota

Senator Ronald Sorvaag, Chairman, called the meeting to order at 9:00 a.m.

Members present: Senators Ronald Sorvaag, Ron Carlisle, Richard Marcellais, David O'Connell; Representatives Glen Froseth, Ed Gruchalla, Karen Karls, George J. Keiser, Curtiss Kreun, Gail Mooney, Vicky Steiner

Members absent: Representatives Roger Brabandt, Rick Holman, Scott Louser, Chet Pollert, Alon Wieland

Others present: Representative Brenda Heller, member of the Legislative Management, was also in attendance.

See [Appendix A](#) for additional persons present.

It was moved by Representative Keiser, seconded by Representative Kreun, and carried on a voice vote that the minutes of the November 13-14, 2013, meeting be approved as distributed.

STUDY OF FACILITY NEEDS OF STATE AGENCIES IN BISMARCK AREA

Mr. John Boyle, Director, Facility Management Division, Office of Management and Budget, presented information ([Appendix B](#)) regarding the current utilization of the facilities on the State Capitol grounds, the current Capitol complex master plan, other state-owned buildings in the Bismarck-Mandan area, the number of square feet of state-owned and state-leased office space being used by state agencies in the Bismarck-Mandan area, the number of square feet per full-time equivalent (FTE) position by state agency, and the plan for judicial wing space being vacated by the Information Technology Department (ITD). He said the square feet per FTE position ranges from 116 for a portion of the Tax Commissioner's office to 478 for the Historical Society Foundation space in the Heritage Center. He said the Capitol complex master plan was developed in 2000 and has not yet been updated. He said the state is leasing over 334,000 square feet of space in Bismarck and Mandan. He said ITD will be vacating 17,688 square feet of office space located on the ground floor and the first floor of the Capitol complex. He said he anticipates approximately half of the space vacated by ITD will be allocated to the judicial branch. He said although not finalized, ITD is scheduled to move to its new space in October 2014.

Senator Sorvaag said comparing the number of square feet per FTE position of an agency may not be appropriate because of differing agency needs for space.

Representative Keiser suggested the committee receive information on the amount of owned, leased, and total space for each department as well as information on projected space needs for each department.

Senator Sorvaag said it would be beneficial for the committee to hear from department directors regarding space needs and the functionality of locating employees in various locations.

In response to a question from Senator Carlisle, Mr. Boyle said the average office space lease cost in Bismarck and Mandan is approximately \$12 to \$13 per square foot.

In response to a question from Senator Carlisle, the Legislative Budget Analyst and Auditor said the Legislative Council will be remodeling the legislative library to create additional space for new staff.

In response to a question from Representative Froseth regarding an analysis of the cost to build compared to the cost to lease, Mr. Boyle said he could provide that information for the next meeting.

In response to a question from Representative Froseth, Mr. Boyle said the former Home Depot building in Bismarck is approximately 110,000 square feet. He said the state is leasing about 24,000 square feet in the

building for a Department of Human Services information technology project. He said the lease rate is about \$12 per square foot and the rate will decrease to \$7 or \$8 per square foot in four years.

Chairman Sorvaag asked Mr. Boyle to provide the committee with information regarding the total square feet of leased and owned space by department. He asked the information also identify cost of leased space and owned space per FTE position. He also asked him to present information regarding a cost analysis of leasing additional space compared to constructing a new building.

Ms. Sally Holewa, State Court Administrator, Supreme Court, presented information ([Appendix C](#)) regarding the total space needs of the court system in the judicial wing. She said the Supreme Court hired JLG Architects to conduct a space needs analysis for the Supreme Court. She said the study is expected to be complete by March 1, 2014. She said preliminary data from the study indicates the Supreme Court needs approximately 52,000 square feet, which is 22,700 square feet more than the Supreme Court currently occupies.

In response to a question from Representative Kreun, Ms. Holewa said the state's expansion and population increase requires the state court system to add employees in Bismarck. She said the 52,000 square feet includes space for projected growth for the next five years.

In response to a question from Representative Keiser, Ms. Holewa said the Supreme Court would prefer to locate its employees in the judicial wing rather than at various locations in Bismarck and Mandan.

In response to a question from Representative Froseth, Ms. Holewa said based on preliminary information resulting from its space needs study, the Supreme Court needs more space than is being vacated by ITD.

In response to a question from Senator Carlisle, Mr. Boyle said the ITD space will require remodeling and electrical upgrades before being available for use by another department.

Mr. Alvin A. Jaeger, Secretary of State, commented on office space needs in the Capitol. He said his office has eight employees working away from the Capitol. He said the separation of employees is not efficient, and he is hoping his office will be allocated some of the ITD space. He said the additional FTE positions hired by his office to review the increased number of business registrations in the state have increased the office's space needs. To provide additional space for the office, he suggested adding a second floor to the planned loading dock expansion project Facilities Management is coordinating.

Representative Froseth suggested the committee receive information from other state agencies regarding projected space needs.

Senator Sorvaag said departments should identify which of their divisions can efficiently work offsite.

Representative Keiser said efficiency decreases when department employees are not collocated.

Chairman Sorvaag asked the Legislative Council staff to conduct a survey of the departments to collect data on space needs and whether the departments need to be located on the Capitol grounds. He also asked the Legislative Council staff to invite department representatives to speak at future committee meetings regarding space needs.

STUDY OF CURRENT STATE AND FEDERAL BENEFITS AVAILABLE TO NORTH DAKOTA VETERANS

Mr. Lonnie Wangen, Commissioner, Department of Veterans' Affairs, Fargo, presented information ([Appendix D](#)) regarding current state and federal benefits available to North Dakota veterans, benefits available to assist in the handling of deceased veterans' remains, utilization of state and federal benefits available to North Dakota veterans, the status of the service dog training program, and the status of the Agent Orange grant program.

Mr. Wangen said benefits available to veterans include burial and memorial, education, employment, financial, health care, housing, mental health care, military and family outreach, and veterans' appreciation benefits. He said a veteran may be buried in the Veterans' Cemetery at no cost. He said federal burial benefits include reimbursement ranging from \$300 to \$2,000 for burial expenses; free headstones, markers, or medallions; military funeral honors; a burial flag; and a Presidential Memorial Certificate. He said the Department of Veterans' Affairs is working with Service Dogs of America to implement a service dog training program to provide posttraumatic stress disorder (PTSD) service dogs. He anticipates four dogs will be trained and ready for placement by June 2014. He said the department will start advertising for program applications at the end of February 2014. He said the

department has placed billboards in Fargo and on Interstate 94 near Steele to advertise the Agent Orange grant program.

In response to a question from Senator Carlisle, Mr. Wangen said spouses and eligible disabled veterans' children may be placed in the Veterans' Cemetery.

In response to a question from Representative Mooney, Mr. Wangen said counties have an allowance for caskets for indigent veterans. He said the indigent veterans will typically receive a \$7,900 casket for \$2,900. Senator Marcellais said each county's allowance for veterans' caskets varies. Representative Mooney suggested the committee receive information on county allowances.

Senator Marcellais expressed concern regarding the limited availability of a county veterans' service officer (CVSO) in some counties.

Chairman Sorvaag asked Mr. Wangen to present information at a future meeting regarding the methods used by the department and the CVSOs to communicate the benefits available to the state's veterans.

In response to a question from Representative Froseth, Mr. Wangen said each county is responsible for hiring its CVSO.

In response to a question from Senator Sorvaag, Mr. Wangen said each county may assess up to two mills to provide funding for the costs of a CVSO.

In response to a question from Representative Froseth, Mr. Wangen said part-time and full-time CVSOs receive the same training.

In response to a question from Senator Sorvaag regarding the service dog training program, Mr. Wangen said a board including doctors, psychologists, and six other members will make the determination of which applicant will receive a PTSD service dog. He said the board will rank the applicants, and financial need will be considered.

In response to a question from Representative Gruchalla, Mr. Wangen said the local Veterans of Foreign Wars (VFW) clubs are publicizing and holding meetings regarding the Agent Orange grant program.

Committee recessed for lunch at 12:00 noon and reconvened at 1:00 p.m.

Mr. Wangen presented information ([Appendix E](#)) regarding potential legislation related to veterans' benefits being considered by the Administrative Committee on Veterans' Affairs (ACOVA).

Mr. Wangen said the proposed 2015-17 budget for stand down events, which help veterans prepare for and connect with potential jobs, is \$20,000, an increase of \$10,000 from the approved 2013-15 budget.

Mr. Wangen said ACOVA would like to increase the principal of the postwar trust fund. He said interest earnings have not been sufficient in recent years due to low interest rates.

Mr. Wangen said additional funding for the PTSD service dog training program may be requested when ACOVA has better information on the effectiveness of and need for the program.

Mr. Wangen said the \$300,000 of proposed funding for national service officer funding is to aid organizations, such as the American Legion, Disabled American Veterans (DAV), and VFW, which are experiencing low enrollment. He said ACOVA is seeking federal funding for the Veterans' Upward Bound program, which assists veterans in the development of skills necessary for success in a program of postsecondary education.

In response to a question from Representative Mooney, Mr. Wangen said the number of homeless veterans is lower than it was 10 years ago but is increasing.

In response to a question from Representative Karls, Mr. Wangen said Service Dogs of America is working with prisons in North Dakota and South Dakota to assist in the training of the dogs to limit the training costs.

Mr. Ron Otto, President, Professional Veterans Advocates of North Dakota, member of Administrative Committee on Veterans' Affairs and County Veterans' Service Officer, Morton County, presented information ([Appendix F](#)) regarding the Professional Veterans Advocates of North Dakota. He said the majority of veterans' benefits are federal. He said he would like to see more agreements between counties so the counties with CVSOs

with more expertise can assist other counties. He expressed concern the federal veterans' claims process is being nationalized so the claims process in North Dakota, which was one of the quickest, may be negatively affected if North Dakota veterans' claims are processed in another state.

Representative Mooney said services provided by CVSOs across the state need to be more consistent. She said each county is responsible for its own program with its own funding but suggested the Department of Veterans' Affairs be more involved to establish standards.

Lt. Colonel Davina French, Government Affairs Officer, North Dakota National Guard, presented information ([Appendix G](#)) regarding the activities of the ND Cares Task Force and the Inter-Service Family Assistance Committee (ISFAC). She said the ND Cares Task Force:

1. Developed a statewide representation of organizations in June 2013;
2. Developed an organizational chart in July 2013;
3. Drafted its initial strategic plan in August 2013;
4. Developed a meeting schedule and priority of work in October 2013;
5. Identified suicide and veteran homelessness as core priorities for the near term in November 2013;
6. Hired a "Vista" employee in December 2013 (start date March 2014); and
7. Designed an initial communications chart in January 2014.

Lt. Colonel French said the next activities of the ND Cares Task Force include:

1. Connect fragmented systems to ensure an integrated response to the needs of veterans, resulting in a strong, adaptive, and connected system;
2. Conduct an analysis of the benefits and services available compared to the veterans', servicemembers', families', and survivors' needs;
3. Continue to develop the ND Cares concept;
4. Officially adopt the ND Cares brand; and
5. Brief stakeholders and partner with agencies and organizations that are committed to assisting servicemembers, veterans, families, and survivors in North Dakota.

Lt. Colonel French said ISFAC is a voluntary military cooperative partnership organized to provide multiservice networking for training and assistance to ensure family readiness.

In response to a question from Senator Carlisle, Lt. Colonel French said the National Guard works with the State Department of Health to monitor the number of veterans' suicides.

Senator Marcellais encouraged ND Cares Task Force representatives to attend tribal powwows to ensure interaction with Native American veterans.

Ms. Jolene Vidal, Property Tax Specialist, Tax Department, presented information ([Appendix H](#)) regarding state income tax and property tax benefits available to North Dakota veterans and usage of the programs by veterans. She said there are no state income tax benefits specifically directed at veterans. She said a disabled veteran may qualify for a property tax credit on the veteran's homestead. She said 2,460 applicants qualified for the disabled veteran property tax credit in the 2012 assessment year, resulting in a payment amount of \$2,587,745.

In response to a question from Senator Carlisle, Ms. Vidal said the number of qualified applicants increased from 2009 to 2012 because more veterans learned of the availability of the benefit and the income limitation was removed.

Representative Froseth expressed concern regarding the lack of communications with veterans in need of services. He said there are veterans in North Dakota who are not getting the services they need.

Senator Marcellais said veterans' spouses and dependents are also not receiving available benefits. He suggested the Department of Veterans' Affairs increase its public relations efforts to inform veterans and their families of available services and benefits.

Chairman Sorvaag requested Ms. Vidal identify the amount of tax benefits going to veterans and the amount going to surviving spouses and present the information at the next committee meeting. She said she would provide the information.

No further business appearing, Chairman Sorvaag adjourned the meeting at 3:00 p.m.

Alex J. Cronquist
Fiscal Analyst

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:8