

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Wednesday, July 9, 1997
Harvest Room, State Capitol
Bismarck, North Dakota

Senator Tony Grindberg, Chairman, called the meeting to order at 1:00 p.m.

Members present: Senators Tony Grindberg, Jerry Klein; Representatives Leonard J. Jacobs, Jim Torgerson; Citizen Members Randy Bina, Jeff Fuchs; Governor Edward T. Schafer's representative, Carter Wood

Members absent: Citizen Member Bill Sorensen; two representatives of the North Dakota Association of Counties; a representative of the North Dakota Township Officers Association

Others present: Connie Sprynczynatyk, North Dakota League of Cities, Bismarck

Mark A. Johnson, North Dakota Association of Counties, Bismarck

Dick Gross, North Dakota Consensus Council, Bismarck

BACKGROUND

Chairman Grindberg called on Mr. Jay E. Burin-grud, Assistant Director, Legislative Council, to review the Legislative Council rules of operation and procedure.

Chairman Grindberg said the Legislative Council referred to the Advisory Commission on Intergovernmental Relations Senate Concurrent Resolution No. 4014, which directs a study of the feasibility and desirability of restructuring county government. He said the focus of the study would be to review the effect of 1993 House Bill No. 1347 and to help local governments become more efficient through the consolidation of services. He said the commission should examine the possibility of the state providing technical assistance to counties seeking to consolidate services.

At the request of Chairman Grindberg, commission counsel reviewed a background memorandum relating to the history and activities of the commission.

COMMISSION STUDIES

Chairman Grindberg called on Mr. Mark A. Johnson, North Dakota Association of Counties, for comments regarding the functions and responsibilities of the commission. Mr. Johnson submitted

written testimony, a copy of which is attached as an appendix.

Mr. Johnson said he hopes the Legislative Assembly continues to allow the commission to provide a forum for political subdivisions to discuss issues with legislators.

In response to a question from Senator Grindberg, Mr. Johnson said reliable data is needed to evaluate the benefits and costs of consolidation of county services. He said there are individuals and groups available that have the ability to collect and analyze that data for a reasonable cost. He said the rural electric cooperatives have developed software that may be used to determine the financial impact of consolidation of rural electric cooperatives.

In response to a question from Senator Klein, Mr. Johnson said counties need encouragement and support from the state to consider consolidation of services. He said local officials are hesitant to initiate proposals for consolidation.

In response to a question from Representative Torgerson, Mr. Johnson said Cass County appointed a home rule charter commission to study the possibility of home rule in 1991 and 1994. He said the study of that commission in 1994 and its final report would satisfy the requirement in North Dakota Century Code Section 40-01.1-02. Therefore, he said, Cass County would not be required to place on the November 1998 ballot the question of whether an advisory study committee should be established. Although no other counties have established study advisory committees, he said, many counties are discussing the possibility of establishing committees before 1998.

In response to a question from Mr. Wood, Mr. Johnson said although attempts have been made to consolidate services or county offices as a result of House Bill No. 1347 (1993), the attempts have not been successful. However, he said, several counties have entered joint powers agreements to cooperate in providing a service or perform a function.

Mr. Johnson reviewed a final report relating to the \$24,999 grant awarded to the North Dakota Association of Counties by the commission. A copy of the report is on file in the Legislative Council office.

It was moved by Citizen Member Fuchs, seconded by Citizen Member Bina, and carried on a roll call vote that the commission accept the final report of the North Dakota Association of Counties relating to the grant awarded to the association. Senators Grindberg and Klein; Representatives Jacobs and Torgerson; Citizen Members Bina and Fuchs; and Mr. Wood voted "aye." No negative votes were cast.

Chairman Grindberg called on Ms. Connie Sprynczynatyk, North Dakota League of Cities, for comments regarding the functions and responsibilities of the commission. Ms. Sprynczynatyk said additional areas of study for the commission may include reviewing the sources of funding for political subdivisions and the reliance on property taxes; examining the shift of burden for programs and services from federal to state to local governments and the impact on taxpayers; considering the consolidation of mill levies and reviewing the growth rate in property taxes allowed for political subdivisions; reviewing disaster management and recovery efforts; and examining the shift of liability from the state to political subdivisions through contracts. She said the commission could be a forum through which innovative efforts by political subdivisions to consolidate services or perform cooperative functions could be identified and publicized so that officials of other political subdivisions could see the results.

In response to a question from Mr. Wood, Ms. Sprynczynatyk said the advisory study committee question that most political subdivisions may be required to place on the November 1998 ballot was intended to respond to legislators' concerns regarding attempts by political subdivisions to be more efficient. She said several cities have gone through various studies including home rule charter commissions since 1993. However, she said, most cities likely will be required to place the question on the 1998 general election ballot.

Ms. Sprynczynatyk reviewed the final report of the North Dakota League of Cities relating to the \$24,999 grant to the League of Cities. A copy of the report is on file in the Legislative Council office.

It was moved by Citizen Member Bina, seconded by Representative Torgerson, and carried on a roll call vote that the commission accept the final report of the North Dakota League of Cities relating to the grant awarded to the league. Senators Grindberg and Klein; Representatives Jacobs and Torgerson; Citizen Members Bina and Fuchs; and Mr. Wood voted "aye." No negative votes were cast.

At the request of Chairman Grindberg, Mr. Dick Gross, North Dakota Consensus Council, addressed the commission regarding the history and activities of the Consensus Council. Mr. Gross said the Consensus Council was formed to provide a safe harbor for

significant policy discussions among people of different interests. He said the council is primarily funded by foundations. He said the council has conducted extensive studies of the judicial and the legislative branches of government in North Dakota.

Chairman Grindberg requested the commission members to provide suggestions for a study focus for future meetings.

Citizen Member Fuchs said the commission is an ideal forum for an examination of the shift of liability from the state to political subdivisions through contractual arrangements. He said House Bill No. 1153 (1997) was an attempt to resolve the problem but the problem appears to have become much worse. He said risk shifting from the state to political subdivisions is very costly for the political subdivisions.

Chairman Grindberg said areas of potential study for the commission include a review of the impact of House Bill No. 1347 (1993); discussion regarding the state aid formula distribution; the shift of liability from the state to political subdivisions; and an examination of the large number of elected officials in political subdivisions.

Mr. Johnson and Ms. Sprynczynatyk informed the commission that they would explore the possibility of organizing a group of political subdivisions to establish an advisory study committee that the commission could monitor throughout the interim.

Citizen Member Bina said the consolidation of mill levies and the allowable growth rate is an area that representatives of recreation and park districts would like to reexamine this interim.

Chairman Grindberg requested Ms. Sprynczynatyk and Mr. Johnson to gather information from cities and counties regarding activities undertaken as a result of House Bill No. 1347 (1993).

In response to a question from Mr. Wood, Mr. Johnson said he would provide the commission information regarding the number of county employees and the cost to counties of the employees.

It was moved by Representative Torgerson, seconded by Senator Klein, and carried on a voice vote that the meeting be adjourned. Chairman Grindberg adjourned the meeting at 3:30 p.m.

John D. Bjornson
Commission Counsel

Jay E. Buringrud
Assistant Director

ATTACH:1