

1999 HOUSE NATURAL RESOURCES

HB 1050

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1050

House Natural Resources Committee

Conference Committee

Hearing Date 1/14/99

Tape Number	Side A	Side B	Meter #
1	x		0
1		x	0.5-3.3
Committee Clerk Signature <i>Kevin Zach</i>			

Minutes:

A SUMMARY OF HB 1050: A BILL for an Act to create and enact a new section to chapter 49-21 of the North Dakota Century Code, relating to a regulatory reform review commission.

Chairman Grosz called the meeting on HB 1050 into order at approximately 10:00 a.m. in the Pioneer Room. All committee members were present: Chairman Grosz, Vice-Chairman Henegar, Rep. Drovdal, Rep. Galvin, Rep. DeKrey, Rep. Nottestad, Rep. Nelson, Rep. Clark, Rep. Porter, Rep. Martinson, Rep. Hanson, Rep. Kelsh, Rep. Lundgren, Rep. Sandvig, Rep. Solberg.

Tim Dawson of the Legislative Counsel appeared in favor of HB 1050.

Chairman Grosz questioned Mr. Dawson, who then replied to the chairman's question.

Rep. Drovdal questioned whether there was a fiscal note attached to the bill, and he was answered that there was.

Page 2

House Natural Resources Committee

Bill/Resolution Number hb1050minutes.lwp

Hearing Date 1/14/99

David Crothers of the NDATC introduced a proposed amendment to HB 1050. (See attached sheet)

Mel Kambeitz of USWest also appeared, agreeing with Mr. Crothers proposed amendments.

Chuck Johnson of the Public Service Commission appeared and asked for time to respond to the proposed amendments.

Chairman Grosz said that he would take Mr. Johnson's request into consideration.

Chairman Grosz then closed the hearing on HB 1050, with the committee taking to action on this day.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1050

House Natural Resources Committee

Conference Committee

Hearing Date 1/15/99

Tape Number	Side A	Side B	Meter #
1		x	23.7-31.2
Committee Clerk Signature <i>Kevin Karch</i>			

Minutes:

Chairman Grosz reopened the hearing on HB 1050, in the Pioneer Room. All committee members were present: Chairman Grosz, Vice-Chairman Henegar, Rep. Drovdal, Rep. Galvin, Rep. DeKrey, Rep. Nottestad, Rep. Nelson, Rep. Clark, Rep. Porter, Rep. Martinson, Rep. Hanson, Rep. Kelsh, Rep. Lundgren, Rep. Sandvig, Rep. Solberg.

Chairman Grosz entered a proposed amendment to HB 1050 and explained the amendment to the committee, including the Universal Service Fund.

Rep. Drovdal referred to line 1 of page 12, as for the "review of the effect of taxation laws..." saying that it would not be removed from the amendment.

Chairman Grosz explained that it would not be removed, but replaced.

Rep. Porter moved a “Do Pass” on the amendment.

Rep. Lundgren seconded the motion.

Rep. Galvin raised the concern that the PSC asked to hold the bill for a week, and Chairman Grosz responded to that concern, that the PSC was okay with the amendment.

The motion was carried with a voice vote, so the amendment was adopted to HB 1050.

Rep. Martinson motioned a “Do Pass” on HB 1050 as amended.

Rep. Galvin seconded the motion.

HB 1050 passed with a vote of 15 yes votes, 0 no votes, and 0 absent.

Rep. Martinson offered to carry the bill, and with that, Chairman Grosz closed the hearing on HB 1050.

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1050 Amendment to: _____

Requested by Legislative Council Date of Request: December 10, 1998

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts. Please provide breakdowns, if appropriate, showing salaries and wages, operating expenses, equipment, or other details to assist in the budget process. In a word processing format, add lines or space as needed or attach a supplemental sheet to adequately address the fiscal impact of the measure.

Narrative:

This bill extends the duration of the Regulatory Reform Review Commission to the year 2003. The fiscal effect shown is the estimated cost of per diem and travel expenses of legislative members of the commission.

2. State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$6,524		\$6,524	

3. What, if any, is the effect of this measure on the budget for your agency or department:

- a. For rest of 1997-99 biennium: Indicate the portion of this amount included in the 1999-2001 executive budget:
- b. For the 1999-2001 biennium: \$6,524 - This amount is included in the executive recommendation
Indicate the portion of this amount included in the 1999-2001 executive budget:
- c. For the 2001-03 biennium: \$6,524 will continue

4. County, city, and school district fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

Signed: _____
 Typed Name: Chester E. Nelson, Jr.
 Department: Legislative Council
 Phone Number: 328-2916
 Date Prepared: 12-23-98



**NORTH DAKOTA ASSOCIATION
OF TELEPHONE COOPERATIVES**

Box 1144 - Mandan, ND 58554
Phone 701-663-1099 - FAX 701-663-0707

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1050

Page 1, line 11, replace:

“the effect of taxation laws on North Dakota Telecommunications law” with “the effects of federal universal service support mechanisms on North Dakota telecommunications companies and consumers, and may include any findings and recommendations with respect to the preservation and advancement of universal service in the State of North Dakota, consistent with the Communications Act of 1934, as amended by the Telecommunications Act of 1996, (Public Law No. 104-104; 110 Stat. 56; 47 U.S.C. 151 et. seq.),”

Page 1, remove line 12

Page 1, line 13 remove “review of the effect of taxation laws on North Dakota telecommunications law”

VK
1/25/99

HOUSE AMENDMENTS TO HOUSE BILL NO. 1050

HOUSE NATURAL RESOURCES 1/25/99

Page 1, line 11, replace "effect of taxation laws on North Dakota telecommunications law" with "effects of federal universal service support mechanisms on telecommunications companies and consumers in this state and may review the preservation and advancement of universal service in this state, consistent with the Communications Act of 1934 [47 U.S.C. 151 et seq.], as amended by the Telecommunications Act of 1996 [Pub. L. 104-104; 110 Stat. 56]"

Page 1, line 12, remove "with respect to its"

Page 1, line 13, remove "review of the effect of taxation laws on North Dakota telecommunications law"

Renumber accordingly

Date:
Roll Call Vote #:

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House House Natural Resources Committee

Subcommittee on 1050

or

Conference Committee

Legislative Council Amendment Number 90205-0101

Action Taken Do Pass ^{amend}

Motion Made By amend. Porter ^{bill markison} Seconded By Calvin Lundgren

Representatives	Yes	No	Representatives	Yes	No
Chairman Mick Grosz	✓				
Vice-Chairman Dale Henegar	✓				
Representative David Drovdal	✓				
Representative Pat Galvin	✓				
Representative Duane DeKrey	✓				
Rep. Darrell D. Nottestad	✓				
Representative Jon O. Nelson	✓				
Representative Byron Clark	✓				
Representative Todd Porter	✓				
Representative Jon Martinson	✓				
Representative Lyle Hanson	✓				
Representative Scot Kelsh	✓				
Representative Deb Lundgren	✓				
Representative Sally M. Sandvig	✓				
Representative Dorvan Solberg	✓				

Total (Yes) 15 No 0

~~Absent~~ Martinson

Floor Assignment _____

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

REPORT OF STANDING COMMITTEE

HB 1050: Natural Resources Committee (Rep. Grosz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1050 was placed on the Sixth order on the calendar.

Page 1, line 11, replace "effect of taxation laws on North Dakota telecommunications law" with "effects of federal universal service support mechanisms on telecommunications companies and consumers in this state and may review the preservation and advancement of universal service in this state, consistent with the Communications Act of 1934 [47 U.S.C. 151 et seq.], as amended by the Telecommunications Act of 1996 [Pub. L. 104-104; 110 Stat. 56]"

Page 1, line 12, remove "with respect to its"

Page 1, line 13, remove "review of the effect of taxation laws on North Dakota telecommunications law"

Re-number accordingly

1999 SENATE NATURAL RESOURCES

HB 1050

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1050

Senate Natural Resources Committee

Conference Committee

Hearing Date February 25, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-610
Committee Clerk Signature <i>Lyla A. Ziegen</i>			

Minutes:

SENATOR TRAYNOR opened the hearing on HB1050: A BILL FOR AN ACT TO CREATE AND ENACT A NEW SECTION TO CHAPTER 49-21 OF THE NORTH DAKOTA

CENTURY CODE, RELATING TO A REGULATORY REFORM REVIEW COMMISSION.

REP. GROSZ testified in support of HB1050 and explained that the bill extends the life of the

regulatory reform review commission until the year 2003. The commission reviews the

operation and effect of ND telecommunications laws during the interim. This can be reviewed in

four years to see if it is still necessary and if its mission should be changed or continued. A DO

PASS was requested.

SENATOR TRAYNOR asked what was the thrust of the amendments the House made.

REP. GROSZ replied the amendments that the House made mandated that this commission study

the effects of the federal universal service mechanism on the telecommunications carriers and the

consumers in the State of ND, and also study what kind of universal service the state should set up and how it would be operated, enacted and enforced.

SENATOR TRAYNOR asked if that in effect enlarges the scope of their inquiry.

REP. GROSZ replied one part of the industry felt this was an important facet and it should be mandated that this commission study it by law, rather than leave it to chance.

SENATOR FREBORG asked how many years has this commission been in existence.

TIMOTHY DAWSON, Legislative Council replied it began in 1989 with the major deregulation of telecommunications industry.

TIMOTHY DAWSON, Legislative Council explained the bill, in a neutral position, that it extends the life of the RRRC until December 31, 2002 and the House amendments took out the study of taxation because the tax committee studied that an interim ago and came out with telecommunications tax on laws which were passed, and put in this study of universal service. This replaces word for word the law that is now in the code, except for these changes that were put in, extension of the life and the study of universal service instead of taxation.

SENATOR REDLIN asked if part of the emphasis of the universal service is for providing rural service.

TIMOTHY DAWSON replied yes and when you move to a competitive market, as the federal law wants to do, you need to get rid of implicit subsidies and replace them with explicit subsidies. Those explicit subsidies are what universal service is which is important because of the recent passage of the federal law. Something will have to be done on the federal level soon as well as considerations on the state level.

SENATOR TRAYNOR asked how many persons are on the committee and who are they.

Page 3

Senate Natural Resources Committee

Bill/Resolution Number Hb 1050

Hearing Date February 25, 1999

TIMOTHY DAWSON replied Sen. Heitkamp, Commissioner Hagen, Rep. Grosz, Rep.

Glasheim; Sen. Anders.

SENATOR TRAYNOR closed the hearing on HB1050.

SENATOR REDLIN moved for a DO PASS, seconded by SENATOR CHRISTMANN. Roll

call vote 6 Yeas, 0 Nays, 0 absent and not voting. SENATOR REDLIN volunteered to carry the

bill.

Date: 2-25-99

Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1050

Senate Natural Resources Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS

Motion Made By Redlin Seconded By Christmann

Senators	Yes	No	Senators	Yes	No
Senator John T. Traynor, Chr	✓				
Senator Tom Fischer, Vice Chr	✓				
Senator Randel Christmann	✓				
Senator Layton Freborg	✓				
Senator Joel C. Heitkamp	✓				
Senator Rolland W. Redlin	✓				

Total (Yes) 6 No 0

Absent _____

Floor Assignment Redlin

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

REPORT OF STANDING COMMITTEE (410)
February 25, 1999 1:35 p.m.

Module No: SR-34-3571
Carrier: Redlin
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1050, as engrossed: Natural Resources Committee (Sen. Traynor, Chairman)
recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
Engrossed HB 1050 was placed on the Fourteenth order on the calendar.