

1999 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1201


1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1201

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 1-21-1999

Tape Number	Side A	Side B	Meter #
1	X		16.7 - 39.9
3	X		11.7 - 13.7
Committee Clerk Signature 			

Minutes: Some of the individuals testifying submit written testimony. When noted please refer to it for more detailed information.

Representative Klein, Chairman of the GVA Committee opened the hearing on January 21, 1999.

Summary of the Bill: Relating to the organization of firefighters relief associations by fire departments.

Representative Drovdal, Appeared before the committee to introduce the bill that he sponsored.

He submitted written testimony and amendments which he read in it's entirety (**please refer to his testimony**). I do have a conflict because I am a volunteer fireman and have worked in one of these programs before we were told they are illegal. The Attorney Generals office has no problem with this bill or amendments.

Representative Klein, This is one of the things the legislature could do to enhance the problems in the rural areas. The big cities are already covered. The rural's can't use the fund(s) because of an interpretation?

Representative Drovdal, That's correct.

Representative Klein, Each fire district in the state gets a percentage of this insurance rebate money and it would allow each local community how to use it. This would allow them to now put it into a volunteer retirement plan.

Representative Klemin, Does the Attorney General's ruling, do they go back and re-qualify for the funds already put into those funds? The state requires 10 years vesting, has anyone asked the federal govt. this back dated vesting?

Drovdal, Yes, but it's on hold until we see how this bill goes and as far as the second part of your question, the second part of the bill is to clarify this.

Representative Klemin, So we don't know the answer to that?

Drovdal, There is no challenge.

Representative Metcalf, Do they have adequate funds to provide equipment and training? Still provide this also?

Drovdal, Yes.

Representative Haas, Does the firefighters match the amount put into it?

Drovdal, That's up to the individual person. The plan we went into contributes a 100 dollars per year.

Lois Hartman, ND Firemen's Association submitted written testimony which she read in it's entirety (**please refer to her testimony**). There is not an appropriation, only authority.

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House Government and Veterans Affairs Committee

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Dan Hoium, State Fire Marshall submitted a written testimony which he read in it's entirety
(please refer to his testimony).

Representative Klein, In your opinion is this a good thing?

Hoium, The best thing to happen for us.

Bob Wetzler, ND Firefighters Association submitted a written testimony which he read in it's
entirety **(please refer to his testimony).**

Testimony in Opposition: None.

Representative Klein, Closed the hearing on HB 1201.

Committee Action:

Representative Haas, Made a motion for a Do Pass on the amendments.

Representative Devlin, Seconded the motion.

Motion Passes: Do Pass (vocal).

Representative Haas, Made a motion for a Do Pass on the amended bill.

Representative Brekke, Seconded the motion.

Motion Passes: Do Pass **14-0-1.**

Representative Cleary, Is the carrier for the bill.

VK
1/22/99
1 of 2

HOUSE AMENDMENTS TO HOUSE BILL NO. 1201

GVA 1-22-99

Page 1, line 1, after "to" insert "create and enact a new subsection to section 18-10-06 of the North Dakota Century Code, relating to powers of rural fire protection districts; and to"

Page 1, line 2, after the fourth comma insert "18-05-08, 18-05-09,"

Page 1, line 5, after "departments" insert "and rural fire protection districts"

Page 1, line 16, after "city" insert "or rural fire protection district"

Page 1, line 19, after "municipality" insert "or rural fire protection district"

Page 1, line 21, after "municipality" insert "or rural fire protection district", underscore the period, and after "municipality" insert "or rural fire protection district"

Page 1, line 23, remove the underscore from the period

HOUSE AMENDMENTS TO HOUSE BILL NO. 1201 GVA 1-22-99

Page 2, line 9, after "~~which~~" insert "or rural fire protection district"

Page 2, line 29, after "city" insert "or rural fire protection district"

Page 2, line 30, after "~~having~~" insert "or the treasurer of a rural fire protection district"

HOUSE AMENDMENTS TO HOUSE BILL NO. 1201 GVA 1-22-99

Page 3, line 3, after "city's" insert "or rural fire protection district's"

Page 3, line 5, after "auditor" insert "or the rural fire protection district's board of directors may direct the treasurer"

Page 3, line 16, after "municipality" insert "or the rural fire protection district"

HOUSE AMENDMENTS TO HOUSE BILL NO. 1201 GVA 1-22-99

Page 4, line 3, after "municipality" insert "or rural fire protection district"

Page 4, line 9, after "department" insert "or rural fire protection district department"

Page 4, line 20, after "municipality" insert "or rural fire protection district"

HOUSE AMENDMENTS TO HOUSE BILL NO. 1201 GVA 1-22-99

Page 5, after line 2, insert:

"SECTION 9. AMENDMENT. Section 18-05-08 of the North Dakota Century Code is amended and reenacted as follows:

18-05-08. Pensions to be uniform - Reduction or increase in pensions authorized. All pensions granted in a municipality or rural fire protection district under the provisions of this chapter must be uniform in amount. Every association, however, ~~shall have the right at all times to~~ may reduce or increase the amount of pensions,

within the limitations contained in this chapter, whenever the amount of funds on hand or other good reason renders such action advisable.

SECTION 10. AMENDMENT. Section 18-05-09 of the North Dakota Century Code is amended and reenacted as follows:

18-05-09. Who deemed firefighter. ~~Ne~~ A substitute firefighter, ~~ne~~ a person serving on probation, and ~~ne~~ a firefighter in a municipality or rural fire protection district having a relief association in its fire department who is not a member of ~~such the~~ association may not be deemed a firefighter within the meaning of this chapter."

Page 5, line 21, after "situated" insert "or in the case of a rural fire protection district the office of the county auditor of the county in which the rural fire protection district is located"

HOUSE AMENDMENTS TO HOUSE BILL NO. 1201 GVA 1-22-99

Page 6, after line 4, insert:

"SECTION 14. A new subsection to section 18-10-06 of the North Dakota Century Code is created and enacted as follows:

To establish a firefighters relief association under chapter 18-05."

Renumber accordingly

HR 141067

Date: 1-21-99

Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1201

House GOVERNMENT AND VETERANS AFFAIRS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS AMENDED

Motion Made By HAAS Seconded By ~~BRUTER~~ BREKKE

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	✓		REP. WINRICH	✓	
VICE-CHAIR KLINISKE	✓				
REP. BREKKE	✓				
REP. CLEARY	✓				
REP. DEVLIN	✓				
REP. FAIRFIELD	✓				
REP. GORDER	✓				
REP. GRANDE	✓				
REP. HAAS	✓				
REP. HAWKEN	✓				
REP. KLEMIN	✓				
REP. KROEBER	✓				
REP. METCALF	✓				
REP. THORESON	✓				

Total (Yes) 14 No 0

Absent 1

Floor Assignment CLEARY

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

REPORT OF STANDING COMMITTEE

HB 1201: Government and Veterans Affairs Committee (Rep. Klein, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1201 was placed on the Sixth order on the calendar.

Page 1, line 1, after "to" insert "create and enact a new subsection to section 18-10-06 of the North Dakota Century Code, relating to powers of rural fire protection districts; and to"

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Renumber accordingly

1999 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1201

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1201

Senate Government and Veterans Affairs Committee

Conference Committee

Hearing Date February 12, 1999

Tape Number	Side A	Side B	Meter #
1		X	1799-3400
Committee Clerk Signature <i>James A. Raile</i>			

Minutes: CHAIRMAN KREBSBACH opened the hearing on HB 1201, which relates to powers of rural fire protection districts and to the organization of firefighters relief associations by fire departments and rural fire protection districts. Appearing before the committee was Representative DAVID DROVDAL, district 39, primary sponsor of the bill. A copy of his written testimony is attached. Questions were offered by Senator Wardner and Chairman Krebsbach. LOIS HARTMAN, Executive Director of the North Dakota Firemen's Association appeared in support of HB 1201, a copy of her written testimony is attached. Questions were offered by SENATOR WARDNER and SENATOR KILZER. There was nothing further. Also appearing in support of HB 1201 was ROBERT WETZLER, central region trustee of the North Dakota Firemen's Association and Fire Chief of the Minot Rural Fire Dept. A copy of his written testimony is attached. DAN HOIUM, State Fire Marshal appeared before the committee to offer his support for HB 1201. A copy of his written testimony is attached. The hearing was

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Senate Government and Veterans Affairs Committee

Bill/Resolution Number HB 1201

Hearing Date February 12, 1999

closed with no further testimony being offered in support of, neutral position, or opposition to HB 1201. SENATOR W. STENEHJEM made a motion for DO PASS on ENGROSSED HB 1201, seconded by SENATOR THANE. ROLL CALL VOTE indicated 7 YEAS, 0 NAYS, 0 ABSENT OR NOT VOTING. SENATOR THANE will carry the bill.

Date:
Roll Call Vote #: HB 1201

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

Senate GOVERNMENT AND VETERAN'S AFFAIRS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number Do Pass

Action Taken _____

Motion Made By Sue Stenejem Seconded By Sue. Reese

Senators	Yes	No	Senators	Yes	No
SENATOR KREBSBACH	✓				
SENATOR WARDNER	✓				
SENATOR KILZER	✓				
SENATOR STENEHJEM	✓				
SENATOR THANE	✓				
SENATOR DEMERS	✓				
SENATOR MUTZENBERGER	✓				

Total (Yes) 7 No 0

Absent _____

Floor Assignment Senator Thane

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

REPORT OF STANDING COMMITTEE (410)
February 25, 1999 7:43 a.m.

Module No: SR-34-3503
Carrier: Thane
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1201, as engrossed: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1201 was placed on the Fourteenth order on the calendar.

1999 TESTIMONY

HB 1201

TESTIMONY for HB 1201

Prepared by Representative David Drovdal
District 39

Mr. Chairman Klein and members of the Government and Veterans Affairs Committee. For the record my name is David Drovdal, Representative from the 39th District. The bill before you was at the request of the North Dakota Fireman Association and the Watford City Volunteer Fire Department. It comes because of a ruling by the Attorney General in 1997 and has two objectives. To explain why they are needed let me first give you some history. I would first like to declare that I do have a conflict of interest in the outcome of this bill.

North Dakota has three different types of fire departments serving the residents of this state. Those departments that have all full time firefighters. Those departments that may have several full time members and the balance as volunteers and departments that are staffed by all volunteers. The latter is by far the largest group and they can be split between departments that require vigorous training and those that just ask volunteers to show up at fires.

Over the last number of years it has become harder and harder to find people that are willing to volunteer their time for community service. This is caused partly because of the two family income, more single parents, the time required for the training, risk of the hazards and fewer young people in rural areas. This has been especially true in departments that are requiring mandatory meetings, training in hazardous material, state fire school attendance, etc. Many of these departments also operate rescue operations that require even more training. Many of these departments were finding volunteer burnout after members had been in about 10 years. These members represented training, experience, leadership and an investment by the department. These departments, with the consent and knowledge of the governing boards, decided that one of the most important assets they had was their volunteers. Yes, equipment and training are important, but the knowledge and experience are needed to use that equipment. These departments have in the past, and some will in the future, chose to put some of their money aside in a retention plan that may include a retirement account for volunteers that qualified for it. Those qualifications included longer time as a volunteer. For instance, in the department that I spent 23 years, this retention plan had a very positive effect. In the first 70 years they had only about three members that

had served 20 years, after they passed a retention plan, they doubled that in just 6 years and saw an increase in average years of service. The decision to start a retention plan and the amount to invest it was totally up to the local authorities and subject to their needs and priorities. In other words if equipment or expenses became a problem, they could reduce contributions to the plan at their discretion.

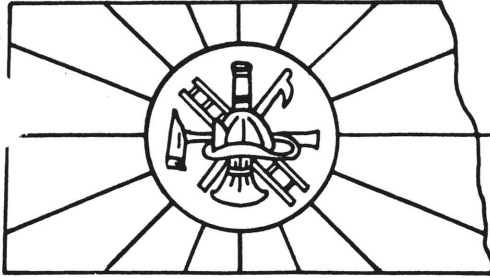
The reason I am telling you this is that some of the money that the local fire departments operate with, come from premium rebates that insurance companies send to the State. This has been an ongoing rebate and this bill doesn't change any of that. The 1997 ruling stated that only departments with full time paid firefighters could use this money to fund retirement accounts. The first thing this bill does is to allow departments to use all or part of this rebate to fund these accounts, and volunteers are eligible to be vested members after they meet the qualifications established by the departments and the State.*

The second change is more of a clarification. The state requires a fund member to be invested for 10 years, but it's hard to tell if that means 10 years as a volunteer or 10 years in the Retirement Plan. The bill would allow credit for time in the department to count toward the volunteer's length of time. If passed this would allow a department that is forming a retirement fund to grandfather in a person who has been with the department for years. An example would be a volunteer who had served the department for 15 years when a department started a retirement fund. The member would immediately be a qualified member even though there was no money in the account. The member would not have to serve another 10 years to qualify for what would be invested in his name. The percentage of his investment would be determined by the rules that the local department set up and approved by the IRS. He would also have to meet any other requirements of the plan. The rebate for an insurance premium has been in place for a decade and no new money is requested and this has no effect on the ND Employee Fund.

Thank you for your time, and I am asking for your favorable recommendation on this bill. If you have any questions, I would be happy to answer them.

Respectfully submitted by:

Representative David Drovdal



North Dakota Firemen's Association

P.O. Box 6127
Bismarck, North Dakota 58506-6127

Organized June 4, 1884. Incorporated January 20, 1901.

HB 1201

NORTH DAKOTA FIREMEN'S ASSOCIATION TESTIMONY

Mr. Chairman and Members of the Committee, my name is Lois Hartman. I am the Executive Director of the North Dakota Firemen's Association. I appear before you today in support of HB1201.

The Governor has held a series of Seminars and Conferences to inspire and encourage community leadership in North Dakota. In those conferences, the challenge of finding volunteers to fill the needs of leadership in the communities was discussed at length. HB 1201 is a tool for recruitment and retention within the fire service.

There are 389 Fire Departments and Fire Protection Districts in North Dakota. Of those, only 4 are full time fire departments, 8 are combination departments and the rest are volunteer departments and fire protection districts. There are about 8,800 firefighters in North Dakota; 245 are from the 4 full time departments and about 20 are from the 8 combination departments. That means that there are about 8,535 volunteer firefighters in North Dakota. The North Dakota Century code requires a fire department or fire protection district to have 15 firefighters in order to be certified. Some of our communities have a hard time getting 15 people to fill their roster.

With an aging population, it is vital to recruit younger firefighters to fill the needs in the communities. Now, I will tell you, that not all communities are having as much of a problem as others, but for the most part, the Fire Service needs a tool to help with the recruitment and retention challenges they are facing.

HB 1201 will allow the volunteer fire departments and fire protection districts the opportunity to establish a firefighter's relief association, if the funds are available from within their own budgets. The fire departments and fire protection districts are funded in part through a special fund in the Insurance Department. The insurance premium tax collected on fire, allied lines, home owners multiple-peril, farm owners multiple-peril, commercial multiple-peril and crop hail insurance is deposited into a special distribution fund, up to a balance of \$2.6 Million annually. The rest of the insurance premium tax dollars are deposited in to the general fund. Chapters 26 and 18 of the Century Code designate these dollars for the fire departments and fire protection districts in which they

Page 2
HB 1201
North Dakota Firemen's Association

are generated.

This bill carries no appropriation, only the authority to establish a firefighters' relief association. Your support of this bill will be greatly appreciated by the volunteer fire departments and fire protection districts of North Dakota. Thank You.

Mr. Chairman, I will be happy to try to answer any questions you or the committee might have.

Testimony for the Government
And Veterans Affairs Committee
On House Bill 1201
By Dan Hoium, State Fire Marshal
January 21, 1999

Mr. Chairman and members of the committee, my name is Dan Hoium, and I am the State Fire Marshal. I am appearing today in favor of House Bill 1201.

This bill is long over due and will be greatly appreciated and accepted by the many statewide volunteer fire departments. It should not matter if you're a volunteer or career firefighter wishing to establish a firefighters relief association. Firefighters should not be treated differently. All firefighters have the same goals and these are to save lives and property.

With the declining membership of many volunteer fire departments across the state, this bill could be utilized as a retention and recruitment tool. The North Dakota century code requires a fire department to have at least 15 members to be a certified department. It would be a means to reward the many volunteers who have given and sacrificed so much for their communities.

If a volunteer firefighter were to die or be injured seriously enough so the firefighter would be unfit to continue as a firefighter, this bill would provide for the spouse and children. Injuries and deaths don't know the difference between a volunteer and career firefighter.

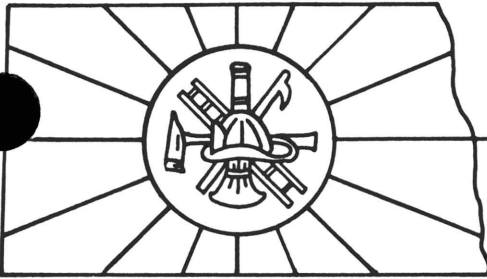
This bill not only helps the volunteer firefighters of the state; it will also benefit the communities by attracting more

firefighters, which will ensure a fire safe community in which to live and play.

The volunteer fire departments respond to the same kinds of fires that career firefighters do, often undermanned, and under equipped. This often puts them at a greater risk for injury and loss of life.

Mr. Chairman and members of the committee, I urge you to support this bill. Your support of this bill will have a great influence on attracting new members to volunteer fire departments and retaining current members.

Mr. Chairman and committee members, I will be happy to try to answer any questions you may have.



North Dakota Firemen's Association

Organized June 4, 1884. Incorporated January 20, 1901.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, MY NAME IS ROBERT WETZLER. I AM THE CENTRAL REGION TRUSTEE OF THE NORTH DAKOTA FIREMEN'S ASSOCIATION AND THE FIRE CHIEF OF THE MINOT RURAL FIRE DEPARTMENT.

I AM HERE TODAY TO SPEAK IN SUPPORT OF HOUSE BILL 1201. SERVING AS A FIRE CHIEF I CAN TELL YOU FIRST HAND THE DIFFICULTY THE VOLUNTEER FIRE SERVICE FACES TODAY IN MAINTAINING A STAFF OF QUALIFIED FIREFIGHTERS.

THE INCREASED DEMANDS PLACED ON VOLUNTEER FIREFIGHTERS GIVES CAUSE TO AN EARLY BURNOUT. THE GLORY DAYS OF FIREFIGHTING ARE BEHIND US. INCREASED RISK TO A GROWING ARRAY OF HAZARDOUS MATERIALS, MORE STRINGENT TRAINING REQUIREMENTS ALONG WITH AN INCREASE IN FIRE RUNS PLACES MORE DEMANDS ON VOLUNTEER FIREFIGHTERS.

HOUSE BILL 1201 PROVIDES THE MECHANISM FOR VOLUNTEER FIRE DEPARTMENTS TO ESTABLISH A PENSION FUND AS AN INCENTIVE TO HELP MAINTAIN THE QUALIFIED FIREFIGHTERS EACH AND EVERY COMMUNITY AND RURAL AREA IN NORTH DAKOTA DEPENDS UPON.

THANK YOU FOR YOUR TIME AND I URGE YOU TO PASS THIS BILL ON BEHALF OF THE 8,500 VOLUNTEER FIREFIGHTERS IN NORTH DAKOTA.

TESTIMONY FOR HB 1201

PREPARED BY REPRESENTATIVE DAVID DROVDAL

FEBRUARY 10, 1999

Ms. Chairman Krebsbach and members of the Government and Veterans Affairs Committee. For the record my name is David Drovdal, Representative from the 39th District. The bill before you was at the request of the North Dakota Fireman Association and the Watford City Volunteer Fire Department. It comes because of a ruling by the Attorney General in 1997 and has two objectives. To explain why they are needed let me first give you some history. I would first like to declare that I do have a conflict of interest in the outcome of this bill.

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Respectfully submitted by:

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**Testimony for the Government
And Veterans Affairs Committee
On House Bill 1201
By Dan Hoium, State Fire Marshal
February 12, 1999**

Chairman and members of the committee, my name is Dan Hoium, and I am the State Fire Marshal. I am appearing today in favor of House Bill 1201.

This bill is long over due and will be greatly appreciated and accepted by the many statewide volunteer fire departments. It should not matter if you're a volunteer or career firefighter wishing to establish a firefighters relief association. Firefighters should not be treated differently. All firefighters have the same goals and these are to save lives and property.

With the declining membership of many volunteer fire departments across the state, this bill could be utilized as a retention and recruitment tool. The North Dakota century code requires a fire department to have at least 15 members to be a certified department. It would be a means to reward the many volunteers who have given and sacrificed so much for their communities.

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