

1999 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2383

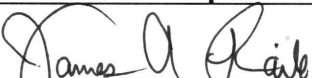
1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2383

Senate Government and Veterans Affairs Committee

Conference Committee

Hearing Date February 5, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-1141
Committee Clerk Signature 			

Minutes:

SENATOR KREBSBACH opened the hearing on SB2383: A BILL FOR AN ACT TO AMEND AND REENACT SECTIONS 54-03-02, 54-03-02.1, AND 54-35-16 OF THE NORTH DAKOTA CENTURY CODE, RELATING TO RECONVENED REGULAR SESSIONS OF THE LEGISLATIVE ASSEMBLY IN EVEN-NUMBERED YEARS FOR BUDGET ADJUSTMENT PURPOSES.

SENATOR REDLIN testified on SB2383. (See attached testimony)

SENATOR WARDNER asked if all of the members of the House and Senate would be involved in committees dealing with budgets.

SENATOR REDLIN replied not at all, the committee structure where you came into the budget section would be exactly the same as it is today.

SENATOR WARDNER asked if this committee, for example, would also deal with some of the budget issues during that budget session.

SENATOR REDLIN replied that is my intention, because I do not believe it is right to believe that there is one committee that ought to have charge of everything. Everyone should be able to talk about the budget and share in the decisions.

SENATOR KREBSBACH asked in reference to the two-week period, do you think this would allow adequate time to set up and establish organizations and to do hearings on both sides of the aisle such as we are now doing.

SENATOR REDLIN replied I think that is possible, and if we keep lengthening this one session every two years to a full 80 days, it is a lot tougher for people to abandon whatever they are making their living at and we are dealing with a lot of retired people. If we had shorter sessions, we would have greater opportunities for a cross-section of the public to become involved.

SENATOR THANE asked would you foresee the possibility that there might be a reduction in the cost of the regular session because perhaps it would run more efficiently and we might end up running a shorter period of time than the regular session since we are meeting on an annual basis, and would that change the fiscal note.

SENATOR REDLIN replied yes and if we knew, we legislators that within one year we were going to be back to double-check and make sure that the budget figures are right, and with all of the uncertainties we are facing today, we are going to have to take a hard look at that, and the fiscal notes should be reviewed by all.

SENATOR KREBSBACH closed the hearing on SB2383.

Page 3
Senate Natural Resources Committee
Bill/Resolution Number SB2383-GVA
Hearing Date February 5, 1999

2-11-99

Committee Discussion/Action: February 11, 1999, Tape 1, Side B, Meter #'s 3505-3946 A

motion for a DO PASS was made by SENATOR DEMERS, seconded by SENATOR

MUTZENBERGER. Roll Call Vote indicated 3 YEAS, 4 NAYS, 0 ABSENT OR NOT

VOTING. The motion failed to carry. SENATOR WARDNER moved a DO NOT PASS on

SB 2383, seconded by SENATOR KILZER. ROLL CALL VOTE indicated 4 YEAS, 3 NAYS,

and 0 ABSENT OR NOT VOTING. SENATOR KREBSBACH will carry the bill.

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: SB 2383 Amendment to: _____

Requested by Legislative Council Date of Request: 1-25-99

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:

Senate Bill No. 2383 requires the Legislative Assembly to reconvene each even-numbered year for budget adjustment purposes. The amount shown assumes the Legislative Assembly would meet for 10 legislative days in 2000 and for 10 legislative days in 2002. The estimated costs would increase or decrease by approximately \$56,000 for each day more or less that the session would last.

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			559,640		559,640	

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: \$559,640 increase
- c. For the 2001-03 biennium: \$559,640 increase)

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: 1-28-99

Date: 2-11-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2383

Senate GOVERNMENT AND VETERAN'S AFFAIRS Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By

Demers

Seconded

By

Mutzenberger

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

Total (Yes) 3 No 4

Absent 0

Floor Assignment _____

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

Date: 2-11-99
Roll Call Vote #: 2

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB2383

Senate GOVERNMENT AND VETERAN'S AFFAIRS Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Sen. Wardner Seconded By Sen. Kilzer

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

Total (Yes) 4 No 3

Absent 0

Floor Assignment Senator Krebsbach

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

REPORT OF STANDING COMMITTEE (410)
February 11, 1999 1:47 p.m.

Module No: SR-28-2597
Carrier: Krebsbach
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2383: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman)
recommends **DO NOT PASS** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING).
SB 2383 was placed on the Eleventh order on the calendar.

1999 TESTIMONY

SB 2383

TESTIMONY FOR SB 2383

Prepared by Senator Rolland Redlin

Madam Chair and Members of the Government and Veterans Affairs Committee.

SB 2383 would provide for a regularly scheduled session of the legislature in even-numbered years for the express purpose of budget adjustment and fiscal review.

Often we hear that state government should be more businesslike which leads one to wonder how attending to state affairs only every two years lends itself to good business. Having been in banking and farming my entire life, I know of no such operations that would seek to project about 27 months into the future without reassessment, as we do with state finances. Surely no business with a budget involving billions would attempt such an approach. Good business practice requires monitoring by the Board of Directors, sometimes quarterly, if necessary. 43 states use annual sessions to stay closer to the state's problems.

All of us know that our counties and cities deal in annual budget checks so that they can be current in their decisions. This bill provides for using the 80 days

provided by the Constitution. Our odd-year session rarely goes much beyond 60-some days and probably leaves a good two weeks to use in a shorter budget adjustment session. With all committees in place and current figures from OMB, I am confident two weeks time would be sufficient, particularly when the bill clearly states that the purpose is budget adjustment or emergencies only.

The full legislature is empowered by the Constitution to handle the state's fiscal affairs and policy-making as a total legislature with every district involved. Some of us are concerned by the way we empower the budget section to approve or disapprove many matters that involve policy-making and the expenditure of millions of dollars. Let us analyze the make-up of this budget section which consists of leadership and members only of the two appropriations committees. Presently that budget section has 38 members. 16 members come from the Senate while 22 members come from the House. 33 senators and 76 house members have no say whatsoever. Since each member votes one vote, we can easily see that the two houses of the legislature are unequally yoked. Considering the gravity of the decisions that are constantly being made by this budget section, we see a contradiction of the equality of powers between the two houses. When legislation is passed, it must clear both houses and each has equal authority to approve or

disapprove. I believe that these decisions could more properly be made by a budget adjustment session of the legislature. A regularly scheduled budget adjustment session would take the decision out of politics and remove the onus of a political move which follows the calling of a special session. North Dakota is now facing a future with more uncertainties that has been prevalent for several bienniums. We do not need to be reminded that agricultural prices and problems with wellhead price of oil and uncertainties in lignite's future, coupled with the vagaries of weather all add up to an urgency for the full legislature and all of its districts and each part of the state to come together in the even-numbered year to make vital judgments with much more current information. The effort then would be backed by the full power of the legislature itself, which is the body designated by the Constitution to manage the policy-making and fiscal affairs of the state of North Dakota. In addition, we are in a volatile situation in the development of federal policy as it relates to the states. We need to be in a position to make solid and unambiguous decisions as to the commitment of our state as related to federal policy. Surely a budget adjustment session would strengthen the state of North Dakota. The Governor is right when he stated in a recent public letter, "Instead of concentrating on the policy-making role that is the legislature's priority and duty, lawmakers are increasingly taking steps to administer government." Madam

President, that is wrong. Our job is not to administer government. The doctrine of separation of powers is fundamental to our form of government.

A recent budget section meeting tabled an emergency committee request and nullified it.

- Approved \$90,000 increase in the state hospital budget.
- Approved a transfer of \$208,000 in the Human Service budget.
- Approved the transfer of \$300,000 to equipment purchases at Jamestown and Bismarck prisons.
- Authorized salary and wages for 2 FTE's at James River Correctional Center.
- Approved an increase of highway programs of \$30 million.
- Approved the sale of 14.7 acres of state property in Walsh County.

All of these implied the right to disapprove.

We have here a list of 53 items directed to the budget section many giving veto power over the administrative agencies. In an October meeting of the budget section, we recommended a project to the legislature for a \$4.5 million building. That is the correct way to go and make recommendations to the full legislative body. I was disappointed when the budget section took upon itself to establish a

fee for economic development training activities. The budget section was wrong, as a fee is a tax on someone, and that fee is a legislative prerogative.

This session, a bill is before us which would give the budget section authority of a \$23 million turnover from the Bank of North Dakota. Another would give the budget section authority over what could be a decision involving millions of dollars going to school districts. Fortunately, this bill is gone.

When we couple this with the work of the Administrative Rules Committee, which looks over the shoulder of every administrative department, with power to negate the rule if they choose. We have a disturbing pattern of legislative meddling without the day-to-day experience on the front-line decision-making that administrators are job-bound to perform.

We can indeed do our legislative job a great deal better if we develop a budget adjustment session and stick to policy and fiscal affairs with all of the legislators involved, not a select committee which eliminates input from 33 senators and 76 house members; and also has no input from all the other committees that are a part of the legislature. I hope we will soon realize that attempting to second guess

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Senator Rolland Redlin
Senate Bill 2383
February 5, 1999

administrators is not the way to run state government. Madam Chair, I hope your committee will look favorably on SB 2383.