

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

11/20

2001 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1120

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1120

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 01-18-01

Tape Number	Side A	Side B	Meter #
#1	X		4108-END
		X	0-2124
#2		X	2399-3639
Committee Clerk Signature <i>Robin S. Small</i>			

Minutes:

REP. M. KLEIN called the meeting to order.

In favor:

KEN PURDY, ACTING DIRECTOR, OMB CENTRAL PERSONNEL DIVISION

Please see attached testimony.

REP. M. KLEIN states that this is another tool, let's try and use it and see how it works.

REP. KLEMIN asks if the state ever uses employment agencies to fill positions?

PURDY replies that it is a very limited use.

REP. KLEMIN asks about the reason or the method of having someone else help them to recruit someone into a position.

PURDY replies that largely it is the cost of doing so.

REP. KROEBER asks do the agencies not have a system by which they can reclassify a position and move them up if that deems necessary? Instead of doing this, why wouldn't they want to reclassify the position? Then get it up to a wage that would be appropriate for that level?

PURDY replies that the classification system is charged with putting jobs with similar levels of knowledge skills complexity and accountability. At an equitable grade with circulation to other occupations. Trying to keep the jobs competitive as possible.

REP. CLEARY asks are the salary increases automatic, and do the heads of the departments get to decide which ones get it and which ones don't?

PURDY replies that employees have been guaranteed a certain dollar increase. Assured a \$35.00 increase. The additional beyond that has been directed on merit and equity and not been given across the board. The over all 2% or 3% is not a guarantee for each employee.

REP. KASPER asks about the attached testimony, and the turn over that has plagued many agencies. What percentage of turn over are you seeing? Second question is how far under the market do you find these people being paid by the state government compared to where they are leaving to go?

PURDY replies that in terms of turnover they saw some I.T. Units and agencies in the high 20%. Overall in state government in recent years they have been at a very controlled rate around 8%. Closing out 2000 at 9.9%. Specialty occupations are the greatest turnover. Overall they are 10-15% behind on salaries on an average on the market.

REP. METCALF asks about the testimony.

REP. DEVLIN asks how many active state employees do they have?

PURDY replies that there are roughly 13,000 in total.

In favor:

ARDYTH PFAFF, NDITD (Human Resource Manager)

PFAFF states that recruiting and flexibility is something that is needed. New alternatives and creative ones are needed to keep these candidates on the hook and keep them interested in what there is to be offered. Sometimes base pay is not an option. We have to come up with a solution. Sign on bonuses are also another thing to be looked at. Hot skills, grow our own technology workers, in the long term of things. Allocate resources necessary to train the employee. One great thing going for a state employee, is the benefit package. So they need to work hard to retain that as well.

REP. M. KLEIN states that we need to follow up with this and operate it properly.

REP. KLEMIN asks about noncash incentives addition to the cash type alternatives. If it would, would this bill allow it?

PFAFF replies that the noncash incentives are appropriate. She is also not certain if this bill would allow for that. Refers to PURDY.

REP. KASPER asks if they hired the employee that she was using for an example.

PFAFF replies that yes they did.

REP. KASPER asks about what sign on incentives do they use.

PFAFF replies that they like to find out what is important to that potential employee. She has to at all times know what tools are available to her. Such as relocation assistance, training development, no cut in pay to move back to North Dakota. So balancing all of those things and also looking at what they are paying the current person in that position. She then created an inequity. We have to correct this over time. PFAFF states that they had a 13% turnover rate, but

now they have it down to 7%. But they had to work with central personnel and ask for some adjustments.

REP. KASPER asks about the turnover that has went down. So why do we need this program?

PEAFF replies that they need to be active. Technology workers out there really need to know how savvy you really are out there. Do we understand what the market is out there? Looking at herself is she able to close the deal.

REP. KLEMIN asks about a sign on bonus, do you have a written agreement with that person that will stay in that position then?

PEAFF replies that in crafting those programs that the literature suggests that. It is something that they will look at.

CURT WOLFE, SENIOR INFORMATION OFFICER, ITD

WOLFE talks about the challenges that they have today. Current budget request asked for 44 new positions in their agency. Augmenting additional people. The rate that they charge to find these people are increasing.

REP. KLEIN states that they put big dollars into this thing and it needs to be made to work and you need people to make it work.

WOLFE replies that is exactly right.

RONALD LEINGANG, HUMAN RESOURCE DIRECTOR, ND DEPARTMENT OF HUMAN SERVICES - Please see attached testimony.

TOM FREIER, DEPUTY DIRECTOR, ND DEPARTMENT of TRANSPORTATION

Please see attached testimony.

REP. KLEMIN asks if the nationwide shortage is due to the federal dollars that are available to a matching fund basis. Can any of that money be used to fund the people that do the work?

FREIER replies that yes indirectly, they are able to charge federal dollars to the federal program. The dollars must be appropriated through the department and the ability to use the state dollars as well.

REP. CLEARY suggests maybe another tool would be able to pay their school loans.

REP. KLEIN states that there is a similar bill on the floor that would do just that.

FREIER states that bill was just passed out of the house.

REP. CLEARY explains that she meant a graduate that they were trying to get. Instead of giving them a higher salary.

FREIER refers to TOM EVANS.

REP. HAAS asks if the need is so critical that there should be an emergency clause on it?

FREIER replies that if it were available right now they would use it.

TOM TUPA, INDEPENDENT NORTH DAKOTA EMPLOYEES ASSOC.

TUPA states that they just want to be on record as in favor of this bill. TUPA also touches base on the sunset clause regarding this bill.

Not in favor or against:

CHRIS RUNGE, EXECUTIVE DIRECTOR, NDPEA AFT

RUNGE has an issue with the base pay. Still have to raise the base pay which causes an internal equity problem.

REP. GRANDE comments about the incentives.

REP. HAAS moves to accept the amendment-emergency clause.

Seconded by REP. BRUSEGAARD.

REP. M. KLEIN called for voice vote, with a DO PASS on the amendments. 15-0.

REP. MEIER motioned for a DO PASS AS AMENDED, seconded by REP. HAAS.

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House Government and Veterans Affairs Committee
Bill/Resolution Number HB 1120
Hearing Date 01-18-01

The motion was carried, 15-0. The carrier of the bill is REP. HAAS.

FISCAL NOTE

Requested by Legislative Council
12/21/2000

Bill/Resolution No.: HB 1120

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Pam Sharp	Agency:	OMB
Phone Number:	328-4606	Date Prepared:	12/27/2000

18130.0101
Title.0200

Adopted by the Government and Veterans
Affairs Committee
January 18, 2001

VR
1/18/01

HOUSE AMENDMENTS TO HB 1120 HOUSE GVA 1/18/01
Page 1, line 3, remove "and" and after "date" insert "; and to declare an emergency"

HOUSE AMENDMENTS TO HB 1120 HOUSE GVA 1/18/01
Page 2, after line 2, insert:

"SECTION 3. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

Date: Jan. 18th, 2001
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1120

House GOVERNMENT AND VETERANS AFFAIRS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken accept the amendment - emergency clause

Motion Made By Haas Seconded By Brusegaard

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN			REP KROEBER		
VICE CHAIR GRANDE					
REP BELLEW					
REP BRUSEGAARD					
REP CLARK					
REP DEVLIN					
REP HAAS					
REP KASPER					
REP KLEMIN					
REP MEIER					
REP WIKENHEISER					
REP CLEARY					
REP HUNSKOR					
REP METCALF					

*VOICE VOTE
PASSES*

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Date: Jan. 18th, 2001

Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1120

House GOVERNMENT AND VETERANS AFFAIRS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass As Amended

Motion Made By Meier Seconded By Haas

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN	✓		REP KROEBER	✓	
VICE CHAIR GRANDE	✓				
REP BELLEW	✓				
REP BRUSEGAARD	✓				
REP CLARK	✓				
REP DEVLIN	✓				
REP HAAS	✓				
REP KASPER	✓				
REP KLEMIN	✓				
REP MEIER	✓				
REP WIKENHEISER	✓				
REP CLEARY	✓				
REP HUNSKOR	✓				
REP METCALF	✓				

Total (Yes) 15 No 0

Absent _____

Floor Assignment Rep. Haas

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

REPORT OF STANDING COMMITTEE (410)
January 19, 2001 10:24 a.m.

Module No: HR-09-1276
Carrier: Haas
Insert LC: 18130.0101 Title: .0200

REPORT OF STANDING COMMITTEE

HB 1120: Government and Veterans Affairs Committee (Rep. M. Klein, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1120 was placed on the Sixth order on the calendar.

Page 1, line 3, remove "and" and after "date" insert "; and to declare an emergency"

Page 2, after line 2, Insert:

"SECTION 3. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

2001 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1120

