

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1135

2001 HOUSE FINANCE AND TAXATION

HB 1135

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1135

House Finance and Taxation Committee

Conference Committee

Hearing Date January 16, 2001

Tape Number	Side A	Side B	Meter #
Did not record -Tape Recorder did not work			
Committee Clerk Signature <i>Janice Stein</i>			

Minutes:

REP. AL CARLSON, CHAIRMAN Opened the hearing with one committee member absent.

REP. ROBIN WEISZ, Introduced the bill relating to limitations on the levy by counties for comprehensive health care insurance programs. He stated this bill would combine funds that are existing. It would help counties deal with the same issues we do.

REP. BRANDENBURG Asked if this was insurance for the county.

REP. WEISZ Stated it would allow them to buy a four mill fund, it will allow them flexibility.

TERRY TRAYNOR, ASS'T. DIRECTOR OF THE ASSOCIATION OF COUNTIES

Testified in support of the bill. See attached written testimony.

REP. KROEBER The counties don't have to pay anything

TERRY TRAYNOR That's true, there are only three or four OASIS people surviving, we are obligated to retain that.

REP. CARLSON Stated the ones benefiting the most would be the smaller counties.

TERRY TRAYNOR That is correct.

REP. CARLSON We are just allowing them to do this.

TERRY TRAYNOR Yes - From 1984 - 1997 any levy that was at its cap could grow. It tracked the consumer index set by the legislature. Since 1997, there has been no growth. The only way it would grow is with new property brought in.

SHIRLEY A. MURRAY, SHERIDAN COUNTY AUDITOR, Testified in support of the bill. See attached written testimony plus a handout relating to health insurance highlights from the PERS handout and OASIS levy for Sheridan County.

REP. CARLSON Asked what their option would be should this bill not pass.

SHIRLEY MURRAY She stated they cannot raise the mills anymore. The commissioners would have to decide not to pay the insurance.

REP. HERBEL Asked how they have made up the shortfall.

SHIRLEY MURRAY Stated they had some reserves which are slowly depleting.

LARRY HOFFMAN, DICKEY COUNTY AUDITOR, Testified in support of the bill. See attached written testimony. Mr. Hoffman stated, they would still be short even if this bill passes.

REP. CARLSON Asked what a mill was in their levy.

LARRY HOFFMAN \$13,500 He stated, if it wasn't for FEMA, they would be hurting. It is really a concern for the counties.

REP. BRANDENBURG Asked if there is anything that can be done.

LARRY HOFFMAN Stated, the growth factor helps, as long as you can get a 2% increase.

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House Finance and Taxation Committee

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REP. CARLSON Asked whether the county commissioners were in favor of that.

LARRY HOFFMAN They haven't had a chance to discuss it, but he thought they would be.

REP. HERBEL Asked what segment of society picks up the cost.

LARRY HOFFMAN Probably land.

REP. HERBEL Which is now taxed to death.

LARRY HOFFMAN Stated that most schools in the counties had to compete to get good people to employ.

With no further testimony, the hearing was closed.

COMMITTEE ACTION, TAPE # 2, SIDE A, METER #3231

REP. CARLSON Submitted amendments to the bill for the committee members.

Rep. Carlson explained that right now the insurance levy that is levied is only four mills. Most of the counties are at their limit. The bill allows the county to go into that fund to assess costs regarding health care. He explained that the amendments would allow another four mills which would go into the OASIS fund.

MARK JOHNSON , NORTH DAKOTA ASSOCIATION OF COUNTIES, Appeared before the committee to answer any questions they might have.

REP. DROVDAL Made a motion to adopt the amendments as presented.

REP. RENNERFELDT Second the motion. Amendments were adopted by voice vote.

REP. WIKENHEISER Made a motion for a **DO PASS AS AMENDED.**

REP. BRANDENBURG Second the motion. **Motion carried.**

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House Finance and Taxation Committee
Bill/Resolution Number HB 1135
Hearing Date January 16, 2001

12 Yes 2 No 1 Absent

REP. S. KELSH Was given the floor assignment.

Date: 1-23-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1135

House FINANCE & TAXATION Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as amended

Motion Made By Rep Wikenheiser Seconded By Rep Brandenburg

Representatives	Yes	No	Representatives	Yes	No
CARLSON, AL, CHAIRMAN	✓		NICHOLAS, EUGENE	✓	
DROVDAL, DAVID, V-CHAIR	✓		RENNER, DENNIS	✓	
BRANDENBURG, MICHAEL	✓		RENNERFELDT, EARL	✓	
CLARK, BYRON	✓		SCHMIDT, ARLO	✓	
GROSZ, MICHAEL	✓		WIKENHEISER, RAY	✓	
HERBEL, GIL		✓	WINRICH, LONNY	✓	
KELSH, SCOT	✓				
KROEBER, JOE	✓				
LLOYD, EDWARD		✓			

Total (Yes) 12 No 2

Absent 1

Floor Assignment Rep Kelsh

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

REPORT OF STANDING COMMITTEE

HB 1135: Finance and Taxation Committee (Rep. Carlson, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1135 was placed on the Sixth order on the calendar.

Page 2, line 11, after the period insert "The portion of the levy under this subsection for comprehensive health care insurance employee benefit programs under section 52-09-08 may not exceed four mills."

Renumber accordingly

2001 SENATE POLITICAL SUBDIVISIONS

HB 1135

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1135

Senate Political Subdivisions Committee

Conference Committee

Hearing Date February 16, 2001

Tape Number	Side A	Side B	Meter #
1	x		29.4-52.7
March 1, 2001 2	x		5.6-7.0
Committee Clerk Signature <i>Mary Jo Wacker</i>			

Minutes:

The hearing was opened on HB1135; relating to limitations on the levy by counties for comprehensive health care insurance programs.

REP. WEISZ: Spoke in support of HB1135. I introduced this bill on behalf of some of the rural counties to cover the problem they are facing and this is probably particularly a problem in some our smaller counties is that currently you can levy four mills for your health insurance plan for your employees. The fact of it is, is that four mills is not covering the increases of the insurance and are levies aren't not taking care of that because of the size of our counties and the amount of our taxable property, especially when the government comes in and takes some of this property off the road etc. All this bill is going do is allow the counties if they are already maxed out of the four mills that is currently allowed and allow them and use four mills of the oasis fund to take care of the health insurance needs of there employees. I think the reality is if this doesn't pass, there is probably some counties that are going to faced with either drastically cutting back on the

insurance or canceling insurance on their employees. I think this is a good deal. It gives our counties some room to take care of the needs of their employees and I urge a Do Pass on this bill.

TERRY TRAYNOR: Assistant Director of the Association of Counties, and am here to express the support of our association for this bill. See written testimony. The county board would have to act on that to expand authority of the existing levy. Strong urging that this be given a Do Pass recommendation. SENATOR FLAKOLL: The current OASIS, as I read the back sheet here as far as dollars that are brought in, do we know there is nothing on here that tells me, what percent are typically are used or were used in the year 1999 or anything like that, is that correct? TERRY

TRAYNOR: No. SENATOR FLAKOLL: So, if I started adding at Adams CO which is a bad example and went to Barnes County, we know what they brought in, but we don't know exactly what they used? Is that correct? TERRY TRAYNOR: I am not quite sure that the way counties budget, they only budget, they only levy for those funds that they have budgeted and intend to use. So virtually what they bring in is what they spend from those funds. SENATOR FLAKOLL:

So how much wiggle room do we have there, are we looking at most of these counties? Do we know that? Before we hit the cap. TERRY TRAYNOR: The OASIS levy is a 30 mill authority.

And as you can see, most of the counties in particularly the counties were talking about are levying much less than half of the authority that is already there. SENATOR LEE: I am curious I guess, I see two counties are not providing health insurance at all, any chance that by just passing this there would be a possibility they would be on some kind of health insurance, without telling

they have to. TERRY TRAYNOR: I don't know that, those counties have a least in my experience have not provided that for a number of years for their employees. I am not sure why, that is. Generally they are the smaller counties and often times the employees insuring themselves. I don't know if there compensation reflects that or not, but. SENATOR COOK:

Terry, what's the present cap on the comprehensive health care, is at four? TERRY TRAYNOR: That's correct, its four mills. These counties that over four mills. TERRY TRAYNOR: Between 1981 and 1997 the legislature allowed for growth in levies that had reached their statutory maximum. It was based on a percentage two years, one year, three years, so to follow the consumer price index growth somewhat, and those that were at the max in 1981 or sometimes after that were allowed to grow slightly and that's why some of them are over. SENATOR COOK: Then Terry this would allow them an additional 4 or would it allow them to go to 8? TERRY TRAYNOR: They would still be allowed to keep the four that they have in the comprehensive levy and then allow them to access four mills of the 30 mill Oasis levy, also for the health insurance purposes. SENATOR COOK: Eddy is at 5.59 and the highest they could go is 8 or would they be able to go to 9.59? TERRY TRAYNOR: My understanding is that they would go to 9.59. SENATOR KLEIN: I would stand in favor of HB1135. SHIRLEY A. MURRAY: Sheridan County Auditor. I speak in support HB1135. See written testimony. Hearing Closed on HB1135.

Committee Discussion Followed.

March 1, 2001 Tape 2, Side A, Meter # 5.6-7.0

Senator Cook called the committee for discussion on HB1135.

Senator Watne moved for a Do Pass

Senator Christenson- 2nd

Roll call vote HB1135 7 Yeas, 0 No, 1 Absent

Carrier: Senator Lyson

March 1, 2001 Tape 2, Side A, Meter # 5 6- 7 0

Senator Cook called the committee for discussion on HB1135

Senator Watne moved for a Do Pass
Senator Christenson --2nd

Committee Discussion was held.

Roll Call Vote HB1135: 7 Yeas, 0 No, 1 Absent

Carrier: Senator Polovitz

Date: Mar 1, 2001
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1135

Senate Political Subdivisions Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken No Pass

Motion Made By Sen. Watne Seconded By Sen. Christenson

Senators	Yes	No	Senators	Yes	No
Senator Cook	✓		Senator Christenson	✓	
Senator Lyson	✓		Senator Mathern	✓	
Senator Flakoll			Senator Polovitz	✓	
Senator Lee	✓				
Senator Watne	✓				

Total (Yes) 7 No 0

Absent 1

Floor Assignment Sen. Lyson

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

