

# MICROFILM DIVIDER

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ROLL NUMBER

DESCRIPTION

1073

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Yalosta Rickford  
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10/2/03  
Date

LP

2003 HOUSE JUDICIARY

HB 1073

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Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1073

House Judiciary Committee

Conference Committee

Hearing Date 1-20-03

Tape Number	Side A	Side B	Meter #
1		xx	9-12
Committee Clerk Signature <i>A. Penrose</i>			

**Minutes:** 12 members present, 1 member absent (Rep. Bernstein)

**Chairman DeKrey:** We will open the hearing on HB 1073.

**Dave Krabbenhoft, Fiscal Director, Dept. of Corrections & Rehabilitation:** (see attached testimony)

**Chairman DeKrey:** Any questions?

**Rep. Delmore:** What is the amount in the account to be rolled over into the Roughrider Industries.

**Mr. Krabbenhoft:** The funds have been and continue to be deposited into the Industries Fund. They never were in the Land Fund.

**Rep. Delmore:** So there isn't any money in the Land Fund at this point.

**Mr. Krabbenhoft:** We do deposit funds into the Land Fund, from the gravel pit, from the land leases owned by the department. We use those funds were capital projects in the budget. There is about \$80,000 in this budget that we propose to use for capitol projects.

Page 2  
House Judiciary Committee  
Bill/Resolution Number HB 1073  
Hearing Date 1-20-03

**Rep. Delmore:** I find it interesting that you have been doing this since 1987, and it wasn't until the audit of 2001 that they realized that you were putting it into the wrong account.

**Mr. Krabbenhoft:** That's true. It depends on how you read the code and how you define "maintain facilities". The code is ambiguous.

**Rep. Wrangham:** What change does this makes to the sale or exchange of land. Will this affect how those funds are handled.

**Mr. Krabbenhoft:** The only thing it affects are the leases. It doesn't affect the sale or exchange of lands.

**Rep. Maragos:** Why are you deleting the words sell or exchange.

**Mr. Krabbenhoft:** If you read in the second section (12) it brings up the sell or exchange again.

**Rep. Grande:** Do you have mission statements for both funds, for what the money is supposed to be used for.

**Mr. Krabbenhoft:** If you look back then on subsection F, you will see what the funds of the Land Fund is to be used for.

**Rep. Grande:** The Industrial Fund, that comes from appropriations?

**Mr. Krabbenhoft:** The fund is exclusively used to operate Rough Rider Industries.

**Rep. Grande:** Where are the funds for the gravel pit going to?

**Mr. Krabbenhoft:** That is still going into the Land Fund and that's used to provide renovations for capitol projects.

**Rep. Delmore:** Is there a balance in the fund now that's meant to be used, and how much is that balance?

Page 3  
House Judiciary Committee  
Bill/Resolution Number HB 1073  
Hearing Date 1-20-03

**Mr. Krabbenhoft:** The balance in the Land Fund, that we are projecting to begin the new biennium, will be zero. We are projecting about \$85,000 in revenue.

**Rep. Delmore:** I am talking about the Rough Rider Industry Fund, where you have been putting the money all along, is there a balance in that fund, and if so, how much.

**Dennis Fracassi, Director of Rough Rider Industries:** Rough Rider operates with revolving funds, and the revenues we're talking about from these leases are from three different parcels of land.

**Chairman DeKrey:** Any further testimony in favor of HB 1073? Any testimony opposed? We will close the hearing.

(The hearing was closed but reopened during the same session)

**Chairman DeKrey:** What are the committee's wishes in regard to HB 1073.

**Rep. Delmore:** I make a motion to Do Pass on HB 1073.

**Rep. Boehning:** I second the motion.

**Chairman DeKrey:** Any discussion.

**Rep. Wrangham:** Since it's a practice already being done, why is it being done that way.

**Mr. Krabbenhoft:** It has been historically been done that way ever since the farming operation was discontinued from Rough Rider. Instead of using that land to farm, the land is leased out. The thinking was that Rough Rider was still responsible for the management of the funds, even though it did not farm it, for the money of the leases.

**Rep. Maragos:** If the money went into the Land Fund, wouldn't Rough Rider be able to access the funds and just pay them out of that fund.

Page 4  
House Judiciary Committee  
Bill/Resolution Number HB 1073  
Hearing Date 1-20-03

**Mr. Krabbenhoft:** That's true, what we are doing here is making the process easier. We would have to be vouchering those funds back and forth. This cleans up the process. It eliminates unnecessary paperwork.

**Rep. Grande:** The Industrial Fund used to have the farm land, but the farm land is now being leased.

**Mr. Krabbenhoft:** The Industrial fund is used by Rough Rider.

**Chairman DeKrey:** Any further discussion, if not the clerk will call the roll on HB 1110.

11 YES 1 NO 1 ABSENT DO PASS CARRIER: Rep. Maragos

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*Yolanda Rickford*  
Operator's Signature

*10/2/03*  
Date

UP

Date: 1/20/03  
Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1073

House Judiciary Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Rep. Delmore Seconded By Rep. Boehning

Representatives	Yes	No	Representatives	Yes	No
Chairman DeKrey	✓		Rep. Delmore	✓	
Vice Chairman Maragos	✓		Rep. Eckre	✓	
Rep. Bernstein	AB		Rep. Onstad	✓	
Rep. Boehning	✓				
Rep. Galvin	✓				
Rep. Grande	✓				
Rep. Kingsbury	✓				
Rep. Klemin	✓				
Rep. Kretschmar	✓				
Rep. Wrangham		✓			

Total (Yes) 11 No 1

Absent 1

Floor Assignment Rep. Maragos

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

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Operator's Signature Yolanda Rickford Date 10/2/03

