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DESCRIPTION

1421

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Richard Costa
Operator's Signature

10/16/03
Date

2003 HOUSE APPROPRIATIONS

HB 1421

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Galista Rickford
Operator's Signature

10/10/03
Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1421

House Appropriations Committee

Conference Committee

Hearing Date February 5, 2003

Tape Number	Side A	Side B	Meter #
1		X	
Committee Clerk Signature <i>Chris S. Nyhus</i>			

Minutes:

Chairman Svedjan opens discussion on HB 1421. This is a bill that has to do with recommended changes to code as it relates to the workings of the emergency commission. It was brought to us at the recommendation of the secretary of state. The prime sponsor of the bill is Representative Belter. In the secretary of state's testimony, he did provide a suggested amendment, and what I did was take that suggested amendment and asked legislative council to draft that. We have that in front of us numbered 0302. You also have 0301. There will be two sets of amendments here. We will first go to 0301, Representative Delzer's suggested amendment, which also relates to the amendment suggested by the secretary of state.

Rep. Delzer What this amendment does is it adds in what was recommended by the secretary of state. The amendment that I offer takes care of the amendment from the secretary of state but also adds a line that anything over \$50,000 requires the approval of the budget section to expend.

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Salvatore Riccardi
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10/16/03
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The emergency commission can accept it, but it can't be put into line item and expended without budget section approval. I would move the amendment 0301.

Chairman Svedjan Seconded by Rep. Timm, moved by Rep. Delzer. Just for clarification, if you put these two amendments side by side, 0302 is handled in this amendment except that in 0302, approval by the budget section of the legislative council is not required if the acceptance and expenditure is necessary to avoid imminent threat. The difference with the amendment that has just been moved is that approval by the budget section of the legislative council is not required for the acceptance, it doesn't include the words expenditure, but it does require that the expenditure be authorized by approval of the budget section.

Rep. Delzer The purpose of my amendment is to make sure that the budget section approves the expenditures. They would approve the acceptance by approving the expenditures. The acceptance can be done by the emergency commission.

Chairman Svedjan Is there any further discussion on the amendment?

Rep. Aarsvold I have a little problem when we use words like imminent. Who would make that definition under the language proposed here?

Chairman Svedjan I suspect definition would be provided by the chief executive, in this case the governor, depending upon the nature of the threat.

Rep. Delzer That is the reason why I was concerned about this. Who defines the imminent loss of funds to the state? That is why I would like to make sure that the budget section is aware of everything that goes on.

Jo Costa Rickford
Operator's Signature

10/16/03
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Chairman Svedjan If an imminent threat were to happen, there would very likely have to be an emergency budget section meeting called to approve the expenditure. The emergency commission could accept the funds, the budget section would have to authorize expenditure.

Rep. Warner My question has to do with the grant that we nearly missed out on last summer in human services because the expiration date of the grant was so short after the offer that there wasn't a chance for the budget section to meet. Because it is an imminent financial loss to the state, would that be covered by this?

Chairman Svedjan I can't answer that specifically. My recall of the Department of Labor grant had a lot to do with the requirements of the Department of Labor and less with North Dakota's rules and regulations. What this is saying is that that money could be accepted by the emergency commission, so to me it would handle that but it would require that the emergency commission meet to take it up. The assumption would be that they would have to meet by any deadline set up by the funding agency.

Rep. Delzer The problems seem to be that the deadline for the grant was before the emergency commission would set it. Simply because of that time line, the granting agency said no. This bill really has nothing to do with that. The emergency commission or the budget section can have a conference to take up either of these situations if that needs to be done. If they had known that, all they had to do was have an emergency commission meeting.

Rep. Warner My recollection is slightly different, but I thought it took budget section approval.

Chairman Svedjan Is there further discussion on the amendment? Hearing none, we will take a voice vote on adopting amendment 0301. Motion carries. We also need to take up the amendment that was offered by the secretary of state. This is a situation now where we can't

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have both amendments. The one we just adopted authorizes the receipt of money that expenditure requires budget section approval. This amendment would authorize receipt and expenditure by the emergency commission with no review by the budget section. Rep. Aarsvold moves amendment 0302 and it is seconded by Rep. Kempenich. Any discussion?

Rep. Aarsvold Given the amendment we just passed, should the emergency commission accept the funds under the imminent loss criteria, and the budget section refused to expend the funds for whatever reason, what would be the circumstances of that?

Chairman Svedjan I don't know. I have never seen that happen. Every federal fund that we have got our hands on we have spent. It is hard to imagine what circumstance would cause that.

Rep. Delzer My thought on that would be that it would sit there until the end of the biennium, and if it was still available could be used by the next legislative session. I am going to resist this amendment because if this amendment passes, it deletes everything we did in the last one.

Chairman Svedjan Further discussion?

Rep. Carlisle We don't need this amendment now because we passed the other one.

Chairman Svedjan Any further discussion? A voice vote on adopting amendment 0302 was taken. Motion failed. What are your wishes with the amended bill before us?

Rep. Delzer I move a do pass as amended.

Chairman Svedjan Seconded by Rep. Wald. Any discussion? A roll call vote was taken on a do pass as amended recommendation on HB 1421.

ROLL CALL VOTE ON A DO PASS AS AMENDED

___ YES ___ NO ___ ABSENT

Chairman Svedjan ends discussion on HB 1421. Rep. Delzer will carry this bill.

FISCAL NOTE
 Requested by Legislative Council
 01/21/2003

Bill/Resolution No.: HB 1421

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.

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 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.

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

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

No fiscal impact

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:	01/23/2003

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J. Costa Richardson
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10/16/03
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REPORT OF STANDING COMMITTEE (410)
February 6, 2003 7:06 p.m.

Module No: HR-23-1932
Carrier: Delzer
Insert LC: 38313.0303 Title: .0400

REPORT OF STANDING COMMITTEE

HB 1421: Appropriations Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1421 was placed on the Sixth order on the calendar.

Page 2, line 7, replace the underscored colon with "transfer money and spending authority between funds or line items pursuant to section 54-16-04; accept and expend federal funds pursuant to section 54-16-04.1; accept and expend state contingency funds pursuant to section 54-16-09; or accept and expend other funds pursuant to section 54-16-04.2."

Page 2, remove lines 8 through 11

Page 2, line 26, overstrike "may not be" and insert immediately thereafter ", if"

Page 2, line 27, overstrike "without" and insert immediately thereafter ", require the" and overstrike "by" and insert immediately thereafter "of"

Page 3, line 19, replace "if" with "for" and replace "and expenditure" with "of federal funds if the acceptance"

Page 3, line 21, after the underscored period insert "Budget section approval is required before the expenditure of any funds accepted under these conditions."

Page 4, line 10, after the period insert "Approval by the budget section of the legislative council is not required for the acceptance of moneys under this section if the acceptance is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or an imminent financial loss to the state. Budget section approval is required before the expenditure of any funds accepted under these conditions."

Renumber accordingly

2003 SENATE APPROPRIATIONS

HB 1421

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Yolanda Richardson
Operator's Signature

10/16/03
Date

