

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1101

2007 HOUSE EDUCATION

HB 1101

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1101**

House Education Committee

Check here for Conference Committee

Hearing Date: **8 January 2007**

Recorder Job Number: **709 (53.00)**

Committee Clerk Signature

Jan Fundle

Minutes:

Chairman Kelsch opened the hearing of HB 1101.

Linda Belisle, director of OMB Central Services Division spoke in favor of the bill.

(Testimony Attached.) She outlined the changes made by house bill 1101. The intent of the bill is to update the law to accommodate the technological changes present in today's world.

There was no other testimony on the bill

Chairman Kelsch closed the hearing on HB 1101 and asked the wishes of the Committee.

Representative Haas moved "Do Pass."

Representative Mueller seconded.

A roll call vote was taken. Yea: 13, Nay: 0, Absent: 0

HB 1101 passed.

Representative Karls will carry the bill.

Date: 8 Jan 07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1101

House Education Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Also Pass

Motion Made By Haas Seconded By Mueller

Representatives	Yes	No	Representatives	Yes	No
Chairman Kelsch	✓		Rep Hanson	✓	
V Chairman Meier	✓		Rep Hunskor	✓	
Rep Haas	✓		Rep Mueller	✓	
Rep Herbel	✓		Rep Myxter	✓	
Rep Johnson	✓		Rep Solberg	✓	
Rep Karls	✓				
Rep Sukat	✓				
Rep Wall	✓				

Total Yes 13 No 0

Absent 0

Floor Assignment Karls

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

REPORT OF STANDING COMMITTEE (410)
January 8, 2007. 1:02 p.m.

Module No: HR-04-0305
Carrier: Karls
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1101: Education Committee (Rep. R. Kelsch, Chairman) recommends DO PASS
(13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1101 was placed on the
Eleventh order on the calendar.

2007 SENATE EDUCATION

HB 1101

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1101

Senate Education Committee

Check here for Conference Committee

Hearing Date: March 13, 2007

Recorder Job Number: 4953, 4953

Committee Clerk Signature

Minutes:

Chairman Freborg opened the hearing on HB 1101, a bill relating to services provided by in-plant print shops. All members were present.

Linda Belisle, Director, Central Services Division, Office of Management and Budget, testified in favor of the bill. (Written testimony attached)

Senator Bakke asked if the things that are listed as exceptions are done at a printer and paid for by the state, for example envelopes over 20,000.

Ms. Belisle said in the case of envelopes, central duplicating can print envelopes up to 20,000.

There is a state contract for that so yes, they do pay an outside contractor for that. The snap out and continuous forms are the same case, there are not very many used.

Senator Bakke asked if it is cheaper to go to the outside source. Why would we not do it in house if we can?

Ms. Belisle said the cost depends on the size of the job and the equipment needed. Central duplication is cheaper many times. For larger jobs, central duplicating does not have the equipment in some cases.

Senator Gary Lee asked the value of having this in state law as opposed to the state just deciding the best place to print each job.

Ms. Belisle said that is a good question. She reviewed the history of the legislation and the intent of the original law; she found the law originated during the time when printing was being consolidated from the various agencies into one centralized location. At the time, Human Services and DOT, among other agencies, had print shops. The main concern of the commercial printers in the state at that time was that centralization would allow a state service to become too big and they wanted to restrict what printing jobs the state could do, that it would not impact the commercial printers economically. The items listed, coated stock, continuous forms, snap out forms, were at that time premium work. It was the intent of the original legislation that central duplicating services and any agency not compete in those areas with the commercial printers. In today's situation and environment, she doesn't know that this is an issue. They do not intend to grow central duplicating to compete with the commercial market. In many instances, they can't produce what an agency wants cheaper than what they can buy it for from commercial print partners. Technically no state agency can produce anything beyond a chart or a graph. She explained the difference between process color and spot color. The Department of Agriculture wanted 500 copies of a tri fold brochure with a photo of Roger Johnson. Central duplicating could not print the job because of the 4 color photo. They got three estimates for the job from commercial printers. One printer said the job was too small and did not want to do it, two other printers submitted bids. The Ag Department ended up paying over \$1.00 each for the brochure, central duplicating could have done it for half that amount.

Senator Taylor asked what the penalty would be if a state institution prints a 4 color piece.

Ms. Belisle said it would be an audit finding.

Senator Taylor asked if there had been any talk of striking the law instead of updating it.

Ms. Belisle said they did talk about it, but in good faith and to show it was not their intent to grow central duplicating, they just made these changes.

Senator Gary Lee asked what would happen if this section of the law was repealed?

Ms. Belisle said it would make their life much simpler. They would be in a better position to determine which jobs would be better to do in house and which jobs would be better to contract out or a combination of both to make the best deal for the agency.

Senator Gary Lee asked why we exempt the three that are listed in the law.

Ms. Belisle said when the law was enacted in 1987, those schools have printing curriculums.

Senator Bakke asked if central duplicating has the capacity to do continuous forms or snap out forms.

Ms. Belisle said no. They can do small amounts of envelopes.

Senator Bakke asked if the law was repealed would they continue to contract out these types of forms.

Ms. Belisle said right, they would not invest in new equipment.

Senator Flakoll asked if the exemption for NDSU would extend to the extension service.

Ms. Belisle said yes.

Senator Gary Lee asked what the state spends on printing.

Ms. Belisle said she has the numbers in her office. She recalls it is about \$5 - \$6 million for the biennium ending December 2006. The money paid to central duplicating is about half of that.

Senator Gary Lee said he knows it is a lot of money, he gets expensive pieces from the colleges and universities.

Senator Bakke asked if they do the printing of the bills.

Ms. Belisle said they do most of it.

Chairman Freborg closed the hearing on HB 1101.

Senator Flakoll said when we are telling agencies to be cost effective and efficient, this is silly. He had an institution tell him they could save \$40,000 on their campus by not having to be forced to do this. He is well aware of the genesis of this legislation. It is not in the best interest of the state of North Dakota how it evolved. He can support the bill as it is or he can support repealing this section of law.

Chairman Freborg asked if this is a good bill.

Senator Flakoll said it is bad legislation on the books right now. This is a good bill. Do we think it's better if we repeal the entire section of law and can we get that passed?

Senator Gary Lee said it's a piece of legislation like the catering bill, if we repeal the whole section, something will come back.

Senator Taylor said we wouldn't have thought of this section of code unless this bill was before us. We don't have any print shop owners in the Senate. It would take some work in the House if we were going to repeal the section.

Senator Gary Lee asked what is the genesis of this bill.

Senator Flakoll said some people with expertise in the printing industry, many sessions ago, fought for this legislation. There were certain provisions about who was covered and who was not covered.

Senator Taylor said a lot has changed since 1987 in the printing industry. Coated stock is now done on a home office machine. We have outgrown this, times have changed. Valley City State but not Minot State?

Senator Bakke said it passed 87-7 in the House. There is nothing offensive in the bill. They are professionals and we should allow them to print what they can and if it's cheaper to print someplace else, to do so.

Senator Gary Lee said the fear and risk is they begin to be involved in things state government should not be. We do not want to be in the printing business.

Senator Flakoll asked if anyone has had feedback from the campuses that are not exempted.

Senator Taylor said all the colleges in District 7 are ok with it.

Senator Flakoll said it is a clean bill that will make things better. If we tweak it, it could be killed in the House and we would have negated good for the purpose of great.

Senator Gary Lee said it is a clean section by itself, it stands alone.

Senator Flakoll said like the cheese.

Senator Bakke moved a Do Pass on HB 1101, seconded by Senator Flakoll.

Senator Bakke said Senator Flakoll had a good point, if we try to repeal the section, we could lose out. We could repeal the section next session.

The motion passed 5-0. Senator Bakke will carry the bill.

Date: 3/13/07
Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1101

Senate Education Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Senator Bakke Seconded By Senator Flakoll

Senators	Yes	No	Senators	Yes	No
Senator Freborg	✓		Senator Taylor	✓	
Senator Flakoll	✓		Senator Bakke	✓	
Senator Gary Lee	✓				

Total Yes 5 No 0

Absent 0

Floor Assignment Senator Bakke

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

REPORT OF STANDING COMMITTEE (410)
March 13, 2007 9:42 a.m.

Module No: SR-47-5079
Carrier: Bakke
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1101: Education Committee (Sen. Freborg, Chairman) recommends DO PASS
(5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1101 was placed on the
Fourteenth order on the calendar.

2007 TESTIMONY

HB 1101

Testimony
HB 1101

Presented by: Linda Belisle, Director
OMB, Central Services Division

Before: Education Committee
RaeAnn Kelsch, Chair

Date: January 8, 2007

Madam Chair and members of the committee, my name is Linda Belisle. I am the Director of Central Services Division of the Office of Management and Budget.

HB 1101 does 4 things.

1. It corrects the names of the State College of Science and Valley City State University. The school of science has been referred to in statute as the state college of science consistently since 1987. The change to the college at Valley City is consistent with the renaming of the state's "normal schools" in 1987.
2. It exempts NDSU from this section. The exemption was inserted at the request of the ND University System Office.
3. It removes the restriction for process color. When the current law was enacted in 1987, it was in the context of 4-color off-set printing. The intent of this change is to update the law to accommodate the technological advances in color equipment. Color is a necessity in today's world and color devices are commonplace in offices.
4. It removes the restriction for paper larger 11" x 17" when the work is done on a plotter. Agencies such as the Department of Transportation, Public Service Commission, and the Department of Agriculture must use print devices, such as plotters, to produce maps and charts that use paper larger than 11" x 17". Excluding plotters from this statute allows agencies to use equipment that is vital to their missions.

This concludes my testimony. I will be happy to answer any questions you may have.

Testimony
HB 1101

Presented by: Linda Belisle, Director
OMB, Central Services Division

Before: Senate Education Committee
Layton Freborg, Chairman

Date: March 13, 2007

Mr. Chairman and members of the committee, my name is Linda Belisle. I am the Director of Central Services Division of the Office of Management and Budget.

HB 1101 does 4 things.

1. It corrects the names of the State College of Science and Valley City State University. The school of science has been referred to in statute as the state college of science consistently since 1987. The change to the college at Valley City is consistent with the renaming of the state's "normal schools" in 1987.
2. It exempts NDSU from this section. The exemption was inserted at the request of the ND University System Office.
3. It removes the restriction for process color. When the current law was enacted in 1987, it was in the context of 4-color off-set printing. The intent of this change is to update the law to accommodate the technological advances in color equipment. Color is a necessity in today's world and color devices are commonplace in offices.
4. It removes the restriction for paper larger 11" x 17" when the work is done on a plotter. Agencies such as the Department of Transportation, Public Service Commission, and the Department of Agriculture must use print devices, such as plotters, to produce maps and charts that use paper larger than 11" x 17". Excluding plotters from this statute allows agencies to use equipment that is vital to their missions.

This concludes my testimony. I will be happy to answer any questions you may have.