

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

2011

2007 SENATE APPROPRIATIONS

SB 2011

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2011

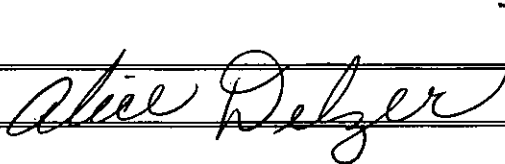
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01-22-07

Recorder Job Number: 1508

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2011 at 9:00 am on January 22, 2007 in reference to North Dakota Securities Commissioner.

Karen Tyler, State Securities Commissioner presented written testimony (1) and gave oral testimony regarding the budget appropriation for the North Dakota Securities Department.

Diane Lillis and Kelly Mathias did not testify but signed the registration in support of the bill.

The primary mission of the Securities Department is to protect the North Dakota Investor through the administration of the North Dakota Securities Act (NDSA). We support this mission through our efforts in four functional areas:

1. Regulation of the Capital Formation Process and Franchise Registration.
2. Registration of Securities Industry Firms and Professionals.
3. Examinations, Investigations and Enforcement Actions.
4. Investor Education and Financial Literacy Initiatives.

This Department also administers laws pertaining to Franchise Investment, Commodities Transactions, and Pre-Need Funeral Services. We have 9 FTE's. We are a profitable agency, spending only 12 cents of every revenue dollar generated. In regard to revenue projections, please turn to the exhibits attached to my written testimony. Some of the challenges in the future are protecting the investments of the baby boomer generation, liability of Social Security,

benefit plans, continued health and education costs, and complaints filed or investigations done for consumers. We encourage investors to use great care when investing and use extreme caution when investing on the internet. The delivery of financial education (such as the Invest North Dakota Teacher Training Academy (INDTTA) held at the University of Mary, now in its 11th year) remains the hallmark of our various education programs. Over 13200 North Dakota teachers have participated in this event since its inception and we estimate that this biennium over 90,000 North Dakota students will benefit from the various financial education programs delivered by our agency.

Senator Krauter requested information regarding time share development in our state and if the Securities Commissioner monitors any activity in that area.

Senator Kilzer inquired about control their office has regarding the Internet and any fraudulent action there may be over the internet.

Karen Tyler informed this committee that indeed there is fraudulent action happening over the internet and gave an example of online accounting coming out of Asia, grabbing your password, which is "pinging", selling securities using the consumer's password and transferring funds from their portfolio. The challenge is how to block the technology that allows this to happen.

Senator Christmann asked if her office regulates real estate transactions.

Senator Holmberg asked for a vote on the bill. **Senator Robinson** made motion do pass,

Senator Krauter seconded the motion, motion carried. Bill was passed by 12 yeas, 0 nays, and 1 absent. **Senator Robinson** will carry SB 2011 to the floor. Hearing closed.

Date: 1-22-07
Roll Call Vote #: 99/1/1

2011

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2011

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken do pass

Motion Made By Robinson Seconded By Krauter

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 12 No 0

Absent 2

Floor Assignment Sen Robinson

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

REPORT OF STANDING COMMITTEE (410)
January 22, 2007 12:17 p.m.

Module No: SR-13-0947
Carrier: Robinson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2011: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2011 was placed on the
Eleventh order on the calendar.

2007 HOUSE APPROPRIATIONS

SB 2011

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2011

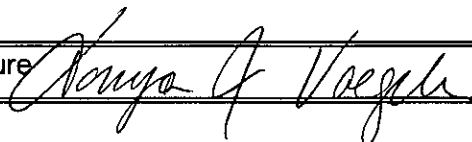
House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 2/22/07

Recorder Job Number: 3709

Committee Clerk Signature



Minutes:

Chairman Carlson opened the hearing on Senate Bill 2011.

Karen Tyler, Securities Commissioner, spoke in support of the bill. See testimony

2011.2.22.02 A.

Representative Thoreson: Out of the 51,635 agents licensed in North Dakota, how many of them are actually here?

Karen Tyler: About 1,300.

Chairman Carlson: If you are an insurance agent who also sells securities you would have to be licensed with the Securities Commission and the Insurance Department correct?

Karen Tyler: Yes.

Chairman Carlson: What about estate planning?

Karen Tyler: You would need an attorney. The securities license does not permit estate planning.

Representative Kempnich: Do you have any oversight on the fee based investors?

Karen Tyler: We do. There are rules, regulations and laws that apply to the level of fees that can be assessed to a client. All of that must be disclosed to a client.

Chairman Carlson: How many of your staff is involved in enforcement?

Karen Tyler: We have three investigators and one attorney.

Representative Kroeber: Last session when we worked on your budget, you had had a very low (bad audio) and you did not think that you would have that amount of income in the next biennium.

Karen Tyler: The number of cases that we have open right now is at 24.

Representative Kroeber: Oh, it's the number of cases not dollars.

Karen Tyler: Not dollars.

Representative Williams: What was the ninth FTE from last session?

Karen Tyler: That person is an Investigator/Examiner in Fargo.

Representative Williams: Your budget is flat from last session. The only increases I see is the 4 and 4 and a \$4,000 increase in operating. Am I correct?

Karen Tyler: That is Correct.

Vice Chairman Carlisle: Where does the money collected in settlements go? What kind of numbers are we looking at?

Karen Tyler: Yes it goes to the General Fund. It varies so much. It is hard to predict what kind of numbers we are going to be seeing. Those two investigators were added prior to my term and from what I recall what we have been able to achieve there is a structure of routine exams that simply were not taking place before. That way we can go in and find the conduct and prevent it from happening. As far as revenues are concerned on the chart that you would see in the back of my written testimony there is a break down of the revenues. I think historically we have averaged about a half million dollars without enforcement related. Our biggest revenues come in from the registration that we do.

Representative Williams: It says you get twelve cents for every dollar you bring in. How do you use that?

Karen Tyler: We use it for our investor education.

Chairman Carlson: Why would you want more than twelve cents?

Karen Tyler: We have a situation that just came up with the attorney leaving. We have posted the position and we have five responses to the posting but it is very tough to get a qualified attorney. Securities Law is very complex and we certainly don't have a lot of practitioners in the state of ND who specialize in securities law. We are going up against Wall Street firms who have very deep pockets and they use inside counsel and outside counsel and it is tough.

Chairman Carlson: Could you contract that work?

Karen Tyler: Yes.

Representative Williams: Is the twelve cents just a figure that it works out to or is it a fixed amount?

Karen Tyler: It is revenues vs. expenses.

Representative Thoreson: What will the salary be for the new attorney?

Karen Tyler: \$50,000 plus benefits.

Representative Thoreson: What is the applicants' level of experience?

Karen Tyler: They have been fresh out of law school.

Chairman Carlson: Do you have the ability for line item transfer?

Karen Tyler: Yes with approval of the Emergency Commission.

Chairman Carlson: Are you looking to fill the position quickly?

Karen Tyler: Yes.

Chairman Carlson: At this time you are using the attorney in the Attorney General's office?

Karen Tyler: That is correct. We do not have to pay him because we are a General Fund agency.

Representative Thoreson: Why did the person leave the position?

Karen Tyler: They moved out of state for family reasons.

Representative Skarphol: What was the experience of that person?

Karen Tyler: They were hired fresh out of law school ten years ago.

Chairman Carlson: Sandy, how much do they get from the equity pool?

Sandy Paulson: They have \$9,000.

Chairman Carlson: If you had to make a recommendation for a salary for the new FTE what would it be?

Karen Tyler: I would say \$70,000 to \$75,000 to try to get someone with experience.

Representative Kroeber: Do you currently have any other attorneys on staff?

Karen Tyler: No.

Vice Chairman Carlisle: What type of title would you ask for in the new attorney?

Karen Tyler: It would be an Attorney II with securities experience.

Chairman Carlson: Is your investor education working well?

Karen Tyler: Yes.

Chairman Carlson: Do they have to pay to attend the classes?

Karen Tyler: There is a \$50.00 registration fee.

Chairman Carlson: You are seeing a cost benefit to the classes?

Karen Tyler: Yes.

Chairman Carlson: Are there any optional requests that were not funded?

Karen Tyler: \$14,000 for a forty year employee's sick and annual leave.

Chairman Carlson: Sandy why was that left out?

Sandy Paulson: I will find that out.

Representative Skarphol: On the education issue you said there is 1300 teachers that have taken this class. Do you get any repeats?

Karen Tyler: We do have some teachers that come back.

Representative Kroeber: What grade level of teachers attend?

Karen Tyler: K-12

Representative Kroeber: How long is the program?

Karen Tyler: It is one week.

Representative Kroeber: Do they get any college credits?

Karen Tyler: They receive two college credits.

Representative Kroeber: How do they find out about the classes?

Karen Tyler: Through advertising.

Chairman Carlson: How many of the North American Securities Administrators Association are elected vs. appointed?

Karen Tyler: All members are appointed.

Representative Williams: Are the revenues deposited into the General fund?

Karen Tyler: Yes.

Representative Kempenich: Do you have someone who checks the internet for problems?

Karen Tyler: It depends on the nature of the complaint.

Representative Williams: if you get an attorney on staff would the operating line go down?

Karen Tyler: Not that I know of.

Chairman Carlson closed the hearing.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2011

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 3/12/07

Recorder Job Number: 4918

Committee Clerk Signature

Amya Voegelé

Minutes:

Representative Thoreson distributed amendment 78035.0101.

Securities Commissioner Karen Tyler explained the memo she handed out today. See Attachment 2011.3. 12.07A.

Vice Chairman Carlisle: The \$61,000, is that base salary plus benefits?

Karen Tyler: This is an increase in the already established salaries. This is reflecting a salary increase of \$25000 per year plus the necessary adjustments in benefits.

Chairman Carlson: What does this do to equity when we have looking at all of these attorneys through out everything talking about the Attorney General bringing his people up in equity? Does it create inequity by creating equity?

Tammy Dolan: I would have to check what it would do to all of them, but by paying a person more I guess you could be.

Representative Glassheim: So this would put them in as far as mid range.

Karen Tyler: That is correct.

A motion was made to adopt amendment 78035.0101 to Senate Bill 2011. Motion carried by voice vote.

Representative Thoreson: Karen, you said last week when we met that you had a person interested in the position. Is that person still interested?

Karen Tyler: There is interest if the salary was higher than we had hoped for this position. This person fits the position perfectly. As far as I know there is still interest.

A motion was made by Representative Thoreson, seconded by Representative Skarphol for a DO PASS AS AMENDED recommendation to the full committee. The committee vote was 8 Yeas, 0 Nays, 0 Absent and Not Voting. The bill will be carried by Representative Williams.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2011

House Appropriations Committee

Check here for Conference Committee

Hearing Date: March 14, 2007

Recorder Job Number: 5092

Committee Clerk Signature

Kelly N. Hand

Minutes:

Chm. Svedjan opened the hearing on SB 2011.

Rep. Williams distributed amendment .0101 (Attachment A).

Rep. Williams: You all heard this body addressed. This is one of our smaller Departments. As far as the budget is concerned you know if you look at the green sheet that the Senate made no changes to this budget. In our overview of the budget we met with Karen Tyler and a problem exists in the budget. The securities exchange investigates wrong doing on the part of the various securities. In this particular case she lost her attorney that she had on staff on February 7 after the budget was made and after the Senate hearing. The problem is that the attorney that she needs can't be an entry level attorney. The entry level attorney goes anywhere from \$46,000-\$52,000 a year. She needs someone with experience and someone who knows securities because that person is basically up against wall street lawyers. She came in to our Government Ops committee and told us of the problem. Three of us went up and met with her twice. The amendment is very clear. It's the only change in the budget. The amendment to the Department's budget is for the biennium. It calls for \$61,831. That will reflect that. It is a 4% raise and the fringe benefits. This department earns in anywhere from \$14 million a biennium. This last biennium was \$14 million. Your Government Ops committee felt that even though we were enhancing the line item for the attorney, it was money well

spent. She assured us that there would be a return on that investment. That is the one change as you can see to this budget from what was given to the executive branch and to the Senate.

Rep. Williams motioned to adopt amendment .0101. Rep. Carlson seconded the motion.

Chm. Svedjan: Any discussion?

Rep. Kempenich: Basically she went from an attorney 2 to an attorney 3. That is the pay grade. Again, she has someone that she can hire but not at that salary. That is very up on the securities end of the law. It seemed like a very logical way to go.

Chm. Svedjan: I hear it rumored that someone has presented themselves for this position that is highly qualified.

Rep. Williams: Yes.

Rep. Wald: How much did you say with the figure of \$14 million. Is that fines and stuff that end up in the general fund. I misunderstood that.

Rep. Williams: The primary purpose of the labor department is to supervise and investigate. Every once in awhile there are fines for licenses and other things of that nature. They turned in to the general fund those sums of money at the end of the biennium.

Chm. Svedjan: It's settlements on security fraud and such?

Rep. Klein: Just so I understand this correctly, this \$61,000 is a difference between a category 2 and category 3 attorney?

Rep. Williams: Exactly. For the biennium.

The motion to adopt amendment .0101 carried by voice vote and the amendment was adopted.

Rep. Williams motioned for a Do Pass as Amended. Rep. Carlson seconded the motion.

The motion for a Do Pass as Amended carried by a roll call vote of 21 ayes, 0 nays and 3 absent and not voting. Rep. Williams was designated to carry the bill.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2011

Page 1, line 16, replace "99,102" with "160,933"

Page 1, line 18, replace "103,558" with "165,389"

Page 2, line 1, replace "1,204,690" with "1,266,521"

Page 2, line 3, replace "1,780,001" with "1,841,832"

Page 2, line 5, replace "1,562,802" with "1,624,633"

Page 2, after line 5, insert:

"SECTION 4. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in section 3 of this Act includes \$16,876 for the one-time funding identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The securities department shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

Document storage and retrieval system \$16,876"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2011 - Securities Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$1,204,690	\$1,204,690	\$61,831	\$1,266,521
Operating expenses	<u>575,311</u>	<u>575,311</u>		<u>575,311</u>
Total all funds	\$1,780,001	\$1,780,001	\$61,831	\$1,841,832
Less estimated income	<u>217,199</u>	<u>217,199</u>		<u>217,199</u>
General fund	\$1,562,802	\$1,562,802	\$61,831	\$1,624,633
FTE	9.00	9.00	0.00	9.00

Dept. 414 - Securities Department - Detail of House Changes

	ADDS EQUITY FUNDING FOR ATTORNEY POSITION 1	TOTAL HOUSE CHANGES
Salaries and wages	\$61,831	\$61,831
Operating expenses		
Total all funds	\$61,831	\$61,831
Less estimated income		
General fund	\$61,831	\$61,831
FTE	0.00	0.00

1 The House added equity funding for the vacant attorney position.

The House added a section identifying one-time funding included in the budget and providing for a report to the 61st Legislative Assembly on the agency's use of the one-time funding.

Date: 3/12/07

Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2011

House _____ Appropriations- Government Operations _____ Committee

Check here for Conference Committee

Legislative Council Amendment Number 78035.0101

Action Taken Do PASS As Amended

Motion Made By Thoreson Seconded By SKARPHOL

Representatives	Yes	No	Representatives	Yes	No
Chairman Al Carlson	✓		Vice Chairman Ron Carlisle	✓	
Rep Keith Kempenich	✓		Rep Bob Skarphol	✓	
Rep Blair Thoreson	✓		Rep Eliot Glassheim	✓	
Rep Joe Kroeber	✓		Rep Clark Williams	✓	

Total Yes 8 No 0

Absent 0

Floor Assignment Williams

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

Date: 3/14/07
Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2011

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 78035.0101

Action Taken Adopt Amendment, 0101

Motion Made By Williams Seconded By Culor

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Guleson		
Representative Hawken					
Representative Klein					
Representative Martinson					
Representative Carlson			Representative Glassheim		
Representative Carlisle			Representative Kroeber		
Representative Skarphol			Representative Williams		
Representative Thoreson					
Representative Pollert			Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt			Representative Metcalf		
Representative Nelson					
Representative Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Roll Vote - Carries

PROPOSED AMENDMENTS TO SENATE BILL NO. 2011

Page 1, line 2, after "commissioner" insert "; and to provide for a report to the legislative assembly"

Page 1, line 16, replace "99,102" with "160,933"

Page 1, line 18, replace "103,558" with "165,389"

Page 2, line 1, replace "1,204,690" with "1,266,521"

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Document storage and retrieval system \$16,876"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2011 - Securities Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$1,204,690	\$1,204,690	\$61,831	\$1,266,521
Operating expenses	<u>575,311</u>	<u>575,311</u>	<u> </u>	<u>575,311</u>
Total all funds	\$1,780,001	\$1,780,001	\$61,831	\$1,841,832
Less estimated income	<u>217,199</u>	<u>217,199</u>	<u> </u>	<u>217,199</u>
General fund	\$1,562,802	\$1,562,802	\$61,831	\$1,624,633
FTE	9.00	9.00	0.00	9.00

Dept. 414 - Securities Department - Detail of House Changes

	ADDS EQUITY FUNDING FOR ATTORNEY POSITION 1	TOTAL HOUSE CHANGES
Salaries and wages	\$61,831	\$61,831
Operating expenses	<u> </u>	<u> </u>
Total all funds	\$61,831	\$61,831
Less estimated income	<u> </u>	<u> </u>
General fund	\$61,831	\$61,831

FTE

0.00

0.00

† The House added equity funding for the vacant attorney position.

The House added a section identifying one-time funding included in the budget and providing for a report to the 61st Legislative Assembly on the agency's use of the one-time funding.

Date: 3/14/07
 Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2011

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 78035.0101

Action Taken Do Pass as amendment

Motion Made By Williams Seconded By Carlson

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Representative Wald	✓		Representative Aarsvold	✓	
Representative Monson	✓		Representative Gulleson	✓	
Representative Hawken	✓				
Representative Klein	✓				
Representative Martinson	✓				
Representative Carlson	✓		Representative Glassheim	✓	
Representative Carlisle	✓		Representative Kroeber	✓	
Representative Skarphol	✓		Representative Williams	✓	
Representative Thoreson	✓				
Representative Pollert	✓		Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt	✓		Representative Metcalf	✓	
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 21 No 0

Absent 3

Floor Assignment Williams

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

REPORT OF STANDING COMMITTEE

SB 2011: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). SB 2011 was placed on the Sixth order on the calendar.

Page 1, line 2, after "commissioner" insert "; and to provide for a report to the legislative assembly"

Page 1, line 16, replace "99,102" with "160,933"

Page 1, line 18, replace "103,558" with "165,389"

Page 2, line 1, replace "1,204,690" with "1,266,521"

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Document storage and retrieval system \$16,876"

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STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2011 - Securities Department - House Action

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Operating expenses	<u>575,311</u>	<u>575,311</u>		<u>575,311</u>
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General fund	\$1,562,802	\$1,562,802	\$61,831	\$1,624,633
FTE	9.00	9.00	0.00	9.00

Dept. 414 - Securities Department - Detail of House Changes

	ADDS EQUITY FUNDING FOR ATTORNEY POSITION ¹	TOTAL HOUSE CHANGES
Salaries and wages	\$61,831	\$61,831
Operating expenses		

REPORT OF STANDING COMMITTEE (410)
March 15, 2007 2:51 p.m.

Module No: HR-48-5478
Carrier: Williams
Insert LC: 78035.0102 Title: .0200

Total all funds	\$61,831	\$61,831
Less estimated income		
General fund	\$61,831	\$61,831
FTE	0.00	0.00

¹ The House added equity funding for the vacant attorney position.

The House added a section identifying one-time funding included in the budget and providing for a report to the 61st Legislative Assembly on the agency's use of the one-time funding.

2007 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2011

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2011

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 04-09-07

Recorder Job Number: 5826

Committee Clerk Signature



Minutes:

Chairman Bowman opened the Conference Committee Hearing on SB 2011 regarding the Securities Commissioner at 9:00 am on April 9, 2007. Roll call was taken. All conferees present. They are Senators Holmberg, Lindaas; Representatives Thoreson, Kempenich, and Williams. Don Wolf, Leg. Council and Tammy Dolan, OMB were present. He asked for someone to explain the difference in the bill.

Representative Williams stated that when Senate Bill 2011 came across the security department came down to our committee and they had a situation that occurred after 11 years with the same attorney. They lost their attorney in a very invested area of securities the House appropriations committee felt that it is a good investment to add on the second sheet \$61,831 to the general fund. He discussed the salary increase and the fringe benefits. You might wonder why this department generally for the last several bienniums has turned back \$13 million. This year they're projected to turn back this biennium about \$14 million, Relative to their appropriation they send about 12 ½ cents out of a dollar It is extremely important they have someone who is capable not a person coming out of their first year of college. We made that change and we think it is a positive change. The second change is in section 4, which does not add money, just separates out a portion of the budget for a one time expenditure for a computerized retrieval system. There were questions about the breakdown of the money and it

