

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

2022

2007 SENATE APPROPRIATIONS

SB 2022

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2022

Senate Appropriations Committee

.Check here for Conference Committee

Hearing Date: 01-22-07

Recorder Job Number: 1509

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2022 on January 22, 2007 regarding the North Dakota Public Employees Retirement System (PERS) and North Dakota retirement and Investment Office (RIO).

Sparb Collins, Executive Director of PERS presented written testimony (1) and gave oral testimony of an overview of the agency and the budget request. Listed in the testimony are the names of the current board members. Concerning the program responsibilities they are divided into two major areas, retirement and group insurance. We administer approximately 9 different retirement plans (Attachment #1) Attachment #2 is two maps showing the location of the retired members of the PERS retirement plan and the amount of benefits we paid out last year to those members. Attachment #3 is information on the group insurance programs administered by PERS. Attachment #4 is two maps showing the members of the PERS health plan where the money is spent. Attachment #5 is some statistical data in graph form about our agency. Concerning the budget, it can be broken down into three parts for purposes of discussion: The Base Budget, The Business System Replacement Project and the Equity Adjustments. Our current Business System is very outdated and needs radical changes to bring it up to the standards needed for today's technology and the work load in our office. The budget we put before you today includes the system replacement costs, funding for 4

additional FTE's, and the related operating expenses for the project team. The additional staffing is to help backfill existing positions as existing staff are taken off day to day activities and assigned to the Business System Replacement Project. In addition this staffing is necessary to help maintain existing service levels.

Senator Wardner questioned if this project had to go before SITACK.

Chairman Holmberg informed committee members that this is in the budget.

Steve Cochrane, Executive Director of RIO and Investment Director to the State

Investment Board (SIB) presented written testimony (2) and gave oral testimony stating he supports the bill. He explained that RIO was created to capture administrative and investment cost savings in the management of two long-standing state programs, the retirement program of the Teachers' Fund for Retirement (TFFR) and the investment program of the SIB. The RIO budget is in all special funds.

Senator Robinson requested information regarding the challenges arising because of changes in the TFFR program.

Chairman Holmberg made comments concerning the market fluctuation and the impact this has on the TFFR fund.

Senator Grindberg asked Mr. Cochrane to provide the information concerning what percent investments by the State Investment Board are in equities and capital investments. Mr. Cochrane shared about a private investment fund out of Fargo working with the Bank of North Dakota and the Math Loan Program.

Chairman Holmberg requested written information regarding this private investment fund.

Senator Krebsbach requested information regarding the PERS fund and the TFFR fund.

Chairman Holmberg asked for more discussion or testimony. There was none, hearing was closed on SB 2022.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2022

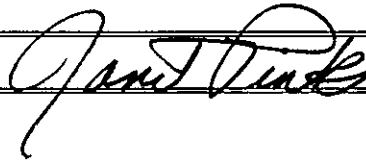
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/31/07

Recorder Job Number: 2353

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2022. This is the budget for PERS. There was a bill in IBL that would impact PERS but I was told the committee took care of that issue so all changes are taken care of so there is nothing we need to be concerned with. Are there any other amendments we need to consider with this bill.

Senator Robinson moved a DO PASS on SB 2022, Senator Krebsbach seconded. No discussion took place. A roll call vote was taken resulting in 13 yes, 0 no, 1 absent.

The motion carried to do pass, Senator Krebsbach will carry the bill.

The hearing closed on SB 2022.

Date: 1/31
Roll Call Vote #: 20.1

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

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number 2022

Action Taken Do Pass

Motion Made By Robinson Seconded By Krebsbach

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) 13 No 0

Absent 1

Floor Assignment Krebsbach

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

REPORT OF STANDING COMMITTEE

SB 2022: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2022 was placed on the
Eleventh order on the calendar.

2007 HOUSE APPROPRIATIONS

SB 2022

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2022

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 2/28/07

Recorder Job Number: 4131

Committee Clerk Signature

Tanya Voegell

Minutes:

Chairman Carlson opened the hearing on SB 2022.

Sparb Collins, Executive Director of the North Dakota Public Employees Retirement System, spoke in support of the bill.

Chairman Carlson: Are the four new FTEs for designing the system?

Sparb Collins: They are for backfilling the positions that we have right now that will be assigned to the project.

Vice Chairman Carlisle: Do you have a breakdown of the \$9.41 million funding source?

Sparb Collins: It will come from the different retirement funds that use the system.

Chairman Carlson: Is the cost divided by the programs using the system?

Sparb Collins: We have spread it across all of the programs based on the size of the program.

Chairman Carlson: Were the additional items for the new system included in your budget?

Sparb Collins: No. We found out about those after the request was in. We have included an amendment in our testimony.

Representative Skarphol: Are you working with the same vendor that the Retirement and Investment Office used?

Sparb Collins: No it is a different vendor.

Representative Skarphol: This is not a question but more of a comment to the committee. I think what the vendor is saying here is what was not taken into account with Higher Ed did connect ND, I don't think there was a realization of the backfill requirements that he is referring to where you would have people to fill the positions that you have vacated because of the fact you have taken an individual who is familiar with the system and made them work full time on that project. They don't have time to do the job they regularly do. I think they have done a good evaluation of their needs.

Representative Glassheim: Are these positions permanent?

Sparb Collins: At the conclusion of the project some of the staff could be phased out.

Representative Kempenich: What would their classification be??

Sharon Shiermeister: We have budgeted for an accounting position, an account tech position, and two administrative assistants.

Chairman Carlson: Did you request the additional items in the Senate?

Sparb Collins: No, we did not know about it yet.

Representative Skarphol: Page six of your testimony, indicates that right now you would conceivably be in the position of starting the implementation virtually about the time we are done here?

Sparb Collins: We moved the start date to October 2007.

Vice Chairman Carlisle: How do you physically transfer the money to pay for the system?

Sparb Collins: This is charged back like a normal administrative expense.

Representative Kroeber: Is this what we would call partially an "off the shelf" program or is this completely new?

Sparb Collins: It is new.

Chairman Carlson: Do you currently have any vacancies?

Sparb Collins: We have one that we are in the process of filling.

Chairman Carlson: What is your turnover rate?

Sparb Collins: I will get you that information.

Representative Kroeber: In what line are the dollars for the four new FTEs?

Sparb Collins: In the salaries and wages line item.

Chairman Carlson:

Vice Chairman Carlisle: Dept 190 what do they get from the equity pool.

Lori Laschkewitsch: \$23,894

Vice Chairman Carlisle: OK what does Department 192 get?

Lori Laschkewitsch: \$55,294

Vice Chairman Carlisle: Did SB2047 make it over

Sparb Collins: Yes, it made it over.

Mr. Collins explained SB2047.

Vice Chairman Carlisle: the 5 bills that are on here, did you support all of them?

Sparb Collins: We did not take a position on 1078.

Chairman Carlson: Can you monitor these bills for us to see if they affect your budget.

Sparb Collins: Yes.

Vice Chairman Carlisle: For your enhanced equity adjustments, did they do that off of a study?

Sparb Collins: The goal on the classified staff is that the statewide average is 96 percentile. Our employees were at 89%. So what we put in there was enough money to be able to move them up to the average with other state employees.

Steve Cochrane, Executive Director of the North Dakota Retirement and Investment Office, spoke in support of the bill. See testimony 2022.2.28.07B.

Representative Williams: Without SB2046, How long would you be solvent?

Fay Kopp: We will be able to payout funds well into the future however we will see our funding deteriorate. How much and how fast it deteriorates depends on the investment returns.

Representative Williams: Under this bill does the plan go from 85 to 90 for retirement

Fay Kopp: Under SB 2046, one of the provisions that are included in that plan is that for newly hired employees they would have the rule of 90 instead of 85.

Representative Kempnich: Are there triggers for that?

Fay Kopp: The increase is expected to continue. However, the legislature does set the employer contribution rate. At some point if you felt that the fund was funded inappropriately and all adjustments were met, you would have the authority to change that employer contribution rate.

Representative Kroeber: How is the new computer system working?

Fay Kopp: The users of the system are pleased with the efficiency the system has provided.

Representative Skarphol: Can you share a little bit about the overrun on time?

Fay Kopp: When we originally started this project and signed the contract, we anticipated that we would have about a 19 month implementation period. However, as soon as we started getting rolling on this, the implementation of the pension software program is going pretty well. However, during that same period of time we found out from ITD that we need to change our

image processing system and the filenet system. We decided that we have to do this. We could either extend the plan, keep trying to cut corners as we go through this, we explored all of our options and decided that the best thing to do is to try to get both projects done and try to do it all within budget. We decided to keep rolling with it. As a result we did come in four months behind budget which just hit the 20% threshold. However in the big picture we did get more accomplished in that period of time than we originally expected.

Representative Skarphol: Mr. Collins, why are your technology programs costing so much more than the project for RIO?

Sparb Collins: Keep in mind that the Teacher's Fund for Retirement is one of the retirement plans with a set of benefits, with PERS they are talking about doing nine different retirement plans with nine different benefit designs. We are also talking about two to five contribution plans, and an insurance program. We are also talking about bringing on the billing for the vision and dental plans. So we have a broader range of programs.

Representative Skarphol: Mr. Collins, can you give us a breakdown of the programs and agencies that will use your system?

Sparb Collins: I will get you that.

Representative Glassheim: What if any state funds do you manage in the Retirement and Investment Office?

Steve Cochrane: The most significant one is the Budget Stabilization Fund.

Representative Glassheim: Do you have a breakdown of who is in charge of investing what?

Steve Cochrane: I know that the Treasurer's office does invest funds directly.

Representative Kempenich requested a list of that.

Hearing closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2022

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 3/8/07

Recorder Job Number: 4651

Committee Clerk Signature

Minutes:

Chairman Carlson opened the hearing on Senate Bill 2022.

A motion was made by Representative Kempenich, seconded by Representative Kroeber to adopt amendment "Attachment Seven" from testimony.

The amendment was later drafted with the number 78046.0101.

Vice Chairman Carlisle explained the amendment.

The amendment 78046.0101 was adopted by voice vote.

A motion was made by Representative Kroeber, seconded by Representative Thoreson 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 was carried by Representative Kroeber.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2022

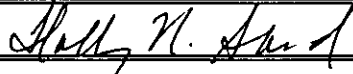
House Appropriations Committee

Check here for Conference Committee

Hearing Date: March 14, 2007

Recorder Job Number: 5093

Committee Clerk Signature



Minutes:

Rep. Svedjan opened the hearing on SB 2022.

Rep. Kroeber distributed Amendment .0101 (Attachment A).

Rep. Kroeber: SB 2022 provides appropriation for the Retirement and Investment office called RIO and the Public Employees Retirement System (PERS). The RIO budget is all special funds and no general funds are requested. This would include \$65,301 for increase for equity which were to include in the executive budget. The 17 classified employees were also qualified for about \$23,894 from the equity pool. They have completed the installation of the new computer system. The project expenditures resulted in a budget surplus for the project of just over \$60,000. They are looking at reducing when the FTE because of the efficiency of the system. He said he has never heard of such a thing before in state Government. The Senate and House made no changes to the executive budget for RIO. The PERS has 33 FTE's and all special funds. This includes \$202,760 for equity which was included in the executive budget. That will qualify for about \$42,830 from the equity pool. The executive budget also includes \$9,362,494 for the replacement of the old legacy application system. And also 4 new FTE's to help with the change to take and implement the new system. The Senate made no changes to the executive budget. However, since the Senate hearing it has been discovered that the funding request of the 9 + million for the new computer system is not sufficient to meet all the

items by \$694,000. We did ask for a complete breakdown of the money and it is as follows.

There is optical character recognition portion for \$18,000. There is training for \$92,000, work process manuals for \$120,000, configuration services for \$59,000 and the performance bond of \$405,000. Again this total is \$694,000. These are the only additions to the house that was made. All funds in both RIO and PERS are special funds.

Rep. Kroeber motioned to adopt amendment .0101. Rep. Carlisle seconded the motion.

The motion carried by a voice vote and the amendment was adopted.

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

The motion carried by a roll call vote of 22 ayes, 0 nays and 2 absent and not voting.

Rep. Kroeber was designated to carry the bill.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2022

Page 1, line 2, after "agencies" insert "; and to provide additional spending authority subject to emergency commission approval"

Page 2, line 13, replace "8,985,308" with "9,679,308"

Page 2, line 15, replace "9,830,627" with "10,524,627"

Page 2, line 16, replace "9,849,627" with "10,543,627"

Page 2, line 19, replace "10,224,903" with "10,918,903"

Page 2, line 20, replace "10,205,903" with "10,899,903"

Page 3, line 4, replace "10,550,019" with "11,244,019"

Page 3, line 6, replace "14,549,864" with "15,243,864"

Page 3, line 7, replace "17,900,168" with "18,594,168"

Page 3, after line 12, insert:

"SECTION 5. ADDITIONAL SPENDING AUTHORITY - EMERGENCY COMMISSION APPROVAL. The public employees retirement system may seek emergency commission approval for additional spending authority required to complete implementation of the legacy application system replacement project during the 2007-09 biennium."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Retirement and Investment Office				
Total all funds	\$3,350,304	\$3,350,304	\$0	\$3,350,304
Less estimated income	3,350,304	3,350,304		3,350,304
General fund	\$0	\$0	\$0	\$0
Public Employees Retirement System				
Total all funds	\$14,549,864	\$14,549,864	\$694,000	\$15,243,864
Less estimated income	14,549,864	14,549,864	694,000	15,243,864
General fund	\$0	\$0	\$0	\$0
Bill Total				
Total all funds	\$17,900,168	\$17,900,168	\$694,000	\$18,594,168
Less estimated income	17,900,168	17,900,168	694,000	18,594,168
General fund	\$0	\$0	\$0	\$0

Senate Bill No. 2022 - Public Employees Retirement System - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,749,845	\$3,749,845		\$3,749,845
Operating expenses	10,550,019	10,550,019	\$694,000	11,244,019
Contingencies	<u>250,000</u>	<u>250,000</u>		<u>250,000</u>
Total all funds	\$14,549,864	\$14,549,864	\$694,000	\$15,243,864
Less estimated income	<u>14,549,864</u>	<u>14,549,864</u>	<u>694,000</u>	<u>15,243,864</u>
General fund	\$0	\$0	\$0	\$0
FTE	33.00	33.00	0.00	33.00

Dept. 192 - Public Employees Retirement System - Detail of House Changes

	PROVIDES ADDITIONAL FUNDING FOR LEGACY PROJECT 1	TOTAL HOUSE CHANGES
Salaries and wages		
Operating expenses	\$694,000	\$694,000
Contingencies		
Total all funds	\$694,000	\$694,000
Less estimated income	<u>694,000</u>	<u>694,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

1 This amendment provides additional funding for the legacy application system replacement project.

A section is added to provide authority for the department to seek approval from the Emergency Commission if additional funding is needed to complete the legacy application system replacement project.

Date: 3/8/07

Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2023

House _____ Appropriations- Government Operations _____ Committee

Check here for Conference Committee

Legislative Council Amendment Number 78046.0101

Action Taken _____ = Adopt Amendment

Motion Made By Kempenich Seconded By Kroeber

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 _____ No _____

Absent _____

Floor Assignment _____

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

Attachment Seven

Date: 3/8/07

Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2022

House _____ Appropriations- Government Operations _____ Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass As Amended

Motion Made By Kroeber Seconded By Thoreson

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

Total Yes 8 No 1

Absent 0

Floor Assignment Kroeber

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. 2022

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 78046.0101

Action Taken Adopt amendment 0101

Motion Made By Krober Seconded By Carlisle

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Gulletson		
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:

Voices vote - carries

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

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 2022

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 78046.0101

Action Taken No Pass as amended by .0101

Motion Made By Kroeber Seconded By Carlson

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Representative Wald	✓		Representative Aarsvold	✓	
Representative Monson	✓		Representative Gulleon	✓	
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) 22 No 0

Absent 2

Floor Assignment Kroeber

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

REPORT OF STANDING COMMITTEE

SB 2022: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (22 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2022 was placed on the Sixth order on the calendar.

Page 1, line 2, after "agencies" insert "; and to provide additional spending authority subject to emergency commission approval"

Page 2, line 13, replace "8,985,308" with "9,679,308"

Page 2, line 15, replace "9,830,627" with "10,524,627"

Page 2, line 16, replace "9,849,627" with "10,543,627"

Page 2, line 19, replace "10,224,903" with "10,918,903"

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Page 3, line 4, replace "10,550,019" with "11,244,019"

Page 3, line 6, replace "14,549,864" with "15,243,864"

Page 3, line 7, replace "17,900,168" with "18,594,168"

Page 3, after line 12, insert:

"SECTION 5. ADDITIONAL SPENDING AUTHORITY - EMERGENCY COMMISSION APPROVAL. The public employees retirement system may seek emergency commission approval for additional spending authority required to complete implementation of the legacy application system replacement project during the 2007-09 biennium."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Retirement and Investment Office				
Total all funds	\$3,350,304	\$3,350,304	\$0	\$3,350,304
Less estimated income	<u>3,350,304</u>	<u>3,350,304</u>		<u>3,350,304</u>
General fund	\$0	\$0	\$0	\$0
Public Employees Retirement System				
Total all funds	\$14,549,864	\$14,549,864	\$694,000	\$15,243,864
Less estimated income	<u>14,549,864</u>	<u>14,549,864</u>	<u>694,000</u>	<u>15,243,864</u>
General fund	\$0	\$0	\$0	\$0
Bill Total				
Total all funds	\$17,900,168	\$17,900,168	\$694,000	\$18,594,168
Less estimated income	<u>17,900,168</u>	<u>17,900,168</u>	<u>694,000</u>	<u>18,594,168</u>
General fund	\$0	\$0	\$0	\$0

Senate Bill No. 2022 - Public Employees Retirement System - House Action

EXECUTIVE SENATE HOUSE HOUSE

	BUDGET	VERSION	CHANGES	VERSION
Salaries and wages	\$3,749,845	\$3,749,845		\$3,749,845
Operating expenses	10,550,019	10,550,019	\$694,000	11,244,019
Contingencies	<u>250,000</u>	<u>250,000</u>		<u>250,000</u>
Total all funds	\$14,549,864	\$14,549,864	\$694,000	\$15,243,864
Less estimated income	<u>14,549,864</u>	<u>14,549,864</u>	<u>694,000</u>	<u>15,243,864</u>
General fund	\$0	\$0	\$0	\$0
FTE	33.00	33.00	0.00	33.00

Dept. 192 - Public Employees Retirement System - Detail of House Changes

	PROVIDES ADDITIONAL FUNDING FOR LEGACY PROJECT ¹	TOTAL HOUSE CHANGES
Salaries and wages		
Operating expenses	\$694,000	\$694,000
Contingencies		
Total all funds	\$694,000	\$694,000
Less estimated income	<u>694,000</u>	<u>694,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment provides additional funding for the legacy application system replacement project.

A section is added to provide authority for the department to seek approval from the Emergency Commission if additional funding is needed to complete the legacy application system replacement project.

2007 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2022

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2022 Conference Committee**

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: **April 6, 2007**

Recorder Job Number: **5810**

Committee Clerk Signature

Janet Pinks

Meeting opened by Senator Krebsbach.

All conference committee members are present at the meeting.

S Krebsbach: We need an explanation of the amendment, someone from the House side is available to do that.

Representative ____: The only amendment that was added by the House or the Senate is to correct a problem that was discovered after you had your hearing and your vote. It was found that the quote of \$9 million, 362,494 for the replacement of the old Legacy computer system prefers was not sufficient to meet all items in the RFD by \$694,000. This breakdown of these dollars, we get asked for as follows: \$18,000 for scanning of documents, \$92,000 for training, \$120,000 for processing manuals and a configuration server for \$59,000 and a performance bond of \$405,000. The total of this amendment is \$694,000, it also included legislative intent that PERS must go to emergency in costs that go any higher for the new system. This was the only amendment we put on there.

S Krebsbach: I might say that the \$694,000 is NOT general fund money, it is strictly from their own balance, their own assets.

Rep.: That is correct, and in the \$694,000, that came from your committee also. That included four FDE's that will have to help with the installation, the installation will take from 3-4 years to actually complete.

Page 2
Senate Appropriations Committee
Bill/Resolution No. **SB 2022 CC**
Hearing Date: **April 6, 2007**

S Krebsbach: Are we ready to take action?

Motion to Senate Accede to the House Amendments.

Second on the motion.

Roll Call Taken – Passed

CLOSED

