

2011 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2100

2011 SENATE STANDING COMMITTEE MINUTES

Senate Government and Veteran's Affairs Committee
Missouri River Room, State Capitol

SB 2100
January 13, 2011
12858

Conference Committee

Committee Clerk Signature

Kathleen Oliver

Explanation or reason for introduction of bill/resolution:

Relating to electricians.

Minutes:

Testimony Attached

Committee was called back to order.

Don Offerdahl: See attached testimony #1.

Chairman Dever: Are you saying that all electricians have insurance limits that are at least this high?

Don Offerdahl: That is what our records show. Most of them have limits of \$1,000,000 or \$2,000,000; there are some one-man shops that have \$300,000 and for Class B's I think that most of them at \$500,000 for Master Electrician.

Chairman Dever: Do those apply to out of state contractors that come work in our state?

Don Offerdahl: That is correct. If they work for an entity, like the mall, they have to have \$2,000,000 so each entity has additional requirements.

Senator Nelson: Your group sets the compensation?

Don Offerdahl: We would leave it to administrative rules so that the industry would set what the compensation would be.

Senator Nelson: Is aggregate amounts or is this per job amounts?

Don Offerdahl: Aggregate amount

Senator Nelson: What would the difference between \$500,000 and a \$1,000,000 for the premium?

Don Offerdahl: I am not sure

Senator Nelson: Standard ones are \$1,000,000.

Senator Berry: I hear the term 'administrative rules process' a lot, what does that mean?

Don Offerdahl: To put any rules in you would have to advertise it in all of the county newspapers, it runs about \$2,000 to do that. The board at that time would have to decide if they would want to do it right away or if they wanted to wait to adopt the 2014 code. From that we have an open hearing and let people voice approval or opposition with that, then there is a waiting period of 20 days to collect comments. At the next board meeting the board decides from the comments to approve it or not.

Senator Berry: If then they agree upon this, where does that money come from?

Chairman Dever: Their fees that they pay.

Senator Cook: I don't understand why it would go to administrative rules.

Don Offerdahl: Any time that law is changed there is a process and we go through administrative rules to have our interpretation of that law so it is the intent that we follow that same process. .

Chairman Dever: Do you have Attorney General?

Don Offerdahl: Yes, he has worked with Legislative Council and what you see here in language is similar to other boards.

Chairman Dever: He said you have to go through administrative rules?

Don Offerdahl: Yes. That is up to the legislature, it hasn't been addressed in over 30 years. It would be similar to what other boards or legislative members would get.

Senator Cook: I would request you have the intern contact the Legislative Council person who drafted this legislation to see if this salary would have to be set by administrative rules.

Chairman Dever: If you ask LC that the info may not be available.

Senator Marcellais: I believe we asked for the same info in 2003.

Chairman Dever: Sit on this bill until we get the information that was requested.

Closed public hearing

2011 SENATE STANDING COMMITTEE MINUTES

Senate Government and Veteran's Affairs Committee
Missouri River Room, State Capitol

SB 2100

January 13, 2011

12864

Conference Committee

Committee Clerk Signature

Kate O'Neil

Explanation or reason for introduction of bill/resolution:

Relating to electricians

Minutes:

No written testimony

After the public hearing on SB 2100 the committee needed more information on the administrative rules John Bjornson from the Legislative Council came in to answer the Senators' questions.

John Bjornson: There are some boards that get no compensation but would receive expenses as provided by state officials and employees so even though they don't get a per diem they would get mileage and travel/lodging expenses. So there is no uniform standard other than a fact that there was an attempt to take a number of them and separate them from legislative pay.

Senator Cook: Is there something else in Chapter 43 that makes reference to all board policy of these boards has to go through administrative rules.

John Bjornson: A lot of what is in chapter 43 varies by the board. What is not in statute they have some authority to adopt rules for certain things there is a large area of rule making authority. In general they have some type of rule making power.

Senator Cook: How hard would it be to find the salaries that have been established in boards that have the authority to set their own salary?

John Bjornson: Just a matter of going through the occupational and professional licensing. Essentially going through title 43 chapter by chapter looking to see what the compensation scheme is.

Chairman Dever: Senator Marcellais said he thought there was something that got put together during the 2007 session.

John Bjornson: We can look.

Senator Marcellais: I believe the intern came up with that information.

John Bjornson: It may well be, it makes sense. There is no reason that we could not put it together again. There was an interim study that looked at the boards and putting them under an umbrella organization. I don't recall any specific study that focused on the compensation itself

The committee had no other questions of Mr. Bjornson and the committee was adjourned.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Government and Veteran's Affairs Committee
Missouri River Room, State Capitol

SB 2100
January 20, 2011
13150

Conference Committee

Committee Clerk Signature

Ketra Oliver

Explanation or reason for introduction of bill/resolution:

Relating to electricians.

Minutes:

No written testimony

Chairman Dever opened the floor to committee work on SB 2100. The intern informed the committee that after researching the issue of board compensation he found that the practice was as varied as the board themselves.

Chairman Dever: So there is no continuity.

Senator Nelson made a motion for a do pass with a second by Senator Schaible, there was no further discussion, roll was taken and the motion passed 7-0 with Chairman Dever carrying the bill to the floor.

FISCAL NOTE

Requested by Legislative Council
12/22/2010

Bill/Resolution No.: SB 2100

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 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.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

(N/A)

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

(N/A)

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.*

(N/A)

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.*

(N/A)

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

(N/A)

Name:	Donald Offerdahl	Agency:	N.D. State Electrical Board
Phone Number:	(701) 328-9522	Date Prepared:	12/22/2010

2100

Date: 1/20/11
Roll Call Vote #: 1

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

Senate Government and Veteran's Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Nelson Seconded By Schaible

Senator	Yes	No	Senator	Yes	No
Chairman Dever	X		Senator Marcellais	X	
Vice Chairman Sorvaag	X		Senator Nelson	X	
Senator Barry	X				
Senator Cook	X				
Senator Schaible	X				

Total (Yes) 7 No 0

Absent _____

Floor Assignment Dever

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

REPORT OF STANDING COMMITTEE

SB 2100: Government and Veterans Affairs Committee (Sen. Dever, Chairman)
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
SB 2100 was placed on the Eleventh order on the calendar.

2011 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2100

2011 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee
Peace Garden Room, State Capitol

SB 2100
March 7, 2011
14987

Conference Committee

Committee Clerk Signature

Ellen Helang

Explanation or reason for introduction of bill/resolution:

Relating to electricians

Minutes:

Chairman Keiser: Opens the hearing on SB 2100

Scott Porsborg~Special Assistant Attorney General for the North Dakota State Electrical Board: (See attached testimony #1).

Chairman Keiser: As a representative of the Attorney General, why don't we have an omnibus bill that says all of our state boards come up to the pay scale? This is the third one this session. I can't imagine that we are going to vote against it. Why don't we just take care of this problem?

Scott Porsborg: There is still some inconsistency because there are a number of boards that have their pay still fixed in statute. There are nine that have their compensations left in the hands of the board they can change so when inflation takes place, they can change that themselves without coming to the legislature for that.

Chairman Keiser: It's in the hands of the board up to a limit?

Scott Porsborg: Not on this one. Not those nine boards and commissions, they just say "as shall be fixed by the board."

Representative N Johnson: Is it possible to get a list of those nine?

Scott Porsborg: I can give you a list or you can write. It's, abstractors, accountants, nurses, optometrists, board of medical examiners, real estate appraisers, dentists, veterinarians, and athletic trainers.

Representative Amerman: In your testimony you are saying that bumping up liability insurance, are most of them carrying the five hundred thousand and the two hundred fifty thousand now?

Scott Porsborg: I've been informed that most of them have an excess of the limits that we are asking for in this bill. In my own experience, as a private practicing attorney, most CDL policies are a million dollars. I would guess that a number of them have that amount of insurance.

Chairman Keiser: Do you know what the increased costs are?

Scott Porsborg: I don't know the answer to that question.

Chairman Keiser: Is there anyone else here to testify in support, in opposition, in the neutral position to SB 2100. Closed the hearing. What are the wishes of the committee?

Vice Chairman Kasper: Moves a Do Pass of SB 2100.

Representative Nathe: Second.

Chairman Keiser: Discusson.

Chairman Keiser: Representative N Johnson is carrying this bill on the floor. It would be great if we could get some information provided on how many people are in excess of this versus not in excess. We are talking about a 500% increase on the one. I can predict who will push the red button to speak on this one.

Representative Boe: Of the nine boards that have free reign, what do they have their fees set at?

Chairman Keiser: We will ask to withdraw the motion.

Vice Chairman Kasper: Moves to withdraw his motion and Representative Nathe second.

Motion withdrawn.

Reopened the hearing.

Scott Porsborg: I don't know the answer to the question about how much they have them set at but I do know that it's not a reimbursement rate. Reimbursement is separate and that is governed by statue that remains in our bill. Reimbursement for expenses is fixed and compensation is a different animal.

Representative Boe: I guess that's the compensation, now that will be a group of ten of those nine. What the chairman talked about was setting it for everybody to be within line with \$149 or \$150 per day. Is anyone above that of those nine?

Representative Ruby: For the people who have to increase their liability insurance, is this on any project they would do?

Scott Porsborg: It would be their comprehensive general liability insurance policy. Therefore, any liability that arises out of the course of their business would be covered by this. It would apply to every incident that took place up to that limit.

Chairman Keiser: We have some boards that are stuck back on statutory language that was passed 10 to 15 years ago. We have a number of boards that are indexed on the pay scale of legislators.

Scott Porsborg: I found one to that affect in Title 43.

Chairman Keiser: We have nine potentially ten that are going to be left out, without technically a ceiling that can placed on them. Doesn't the Attorney General's office want to take a broader look at this?

Scott Porsborg: There is precedent for that type of broad change in last session. All boards and commissions say any violation of this statute is a Class B misdemeanor. I believe there was a study undertaken last session to modify that all throughout Title 43. There would be some precedent in making that broad change but the compensation of board members is addressed as individual board and commission chapter in Title 43. I believe there are 55, 57 in that effect.

Chairman Keiser: We have a couple of options, we could amend this bill to do it but one of the amendments should be a request that a study be done to bring all boards into a consistent pattern.

Chairman Keiser: Any desire to put an amendment on it in any form?

Representative N Johnson: I could see an amendment to study it. Making an amendment to make them all unlimited would never fly.

Chairman Keiser: I agree. If that is the will of the committee, Representative N Johnson will work with Scott Porsborg and Legislative Council.

Chairman Keiser: Closes the hearing on SB 2100.

2011 HOUSE STANDING COMMITTEE MINUTES

House Industry, Business and Labor Committee
Peace Garden Room, State Capitol

SB 2100
March 8, 2100
15116

Conference Committee

Committee Clerk Signature *Ellen Li Tang*

Explanation or reason for introduction of bill/resolution:

Relating to electricians

Work Committee Minutes:

Chairman Keiser: Opens the work committee session.

Representative N Johnson: SB 2100 is the one that removes the cap on the compensation for members of the electrical board. It also raised the amount of insurance coverage that they had to purchase. The committee chair suggested that we look at a resolution looking at all the compensations given to these boards in the interim. Passes the amendment to the committee.

Representative N Johnson: Moves the amendment 11.8015.01001.

Representative Nathe: Second.

Chairman Keiser: Further discussion of the amendment?

Voice vote taken, motion carried.

Representative N Johnson: Moves a for a Do Pass as Amended.

Representative Nathe: Second.

Roll call was taken for a Do Pass as Amended on SB 2100 with 13-1-0 and Representative N Johnson is the carrier.

Date: March 7, 2011

Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2100

House House Industry, Business and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment

Motion Made By Rep Kasper Seconded By Rep Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser			Representative Amerman		
Vice Chairman Kasper			Representative Boe		
Representative Clark			Representative Gruchalla		
Representative Frantsvog			Representative M Nelson		
Representative N Johnson					
Representative Kreun					
Representative Nathe					
Representative Ruby					
Representative Sukut					
Representative Vigesaa					

Total Yes _____ No _____

Absent _____

Floor Assignment Rep Johnson

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

motion was withdrawn

VR
3/8/11

PROPOSED AMENDMENTS TO SENATE BILL NO. 2100

Page 1, line 2, after "electricians" insert "; and to provide for a legislative management study"

Page 2, after line 6, insert:

"SECTION 3. LEGISLATIVE MANAGEMENT STUDY - COMPENSATION FOR MEMBERS OF BOARDS AND COMMISSIONS. During the 2011-12 interim, the legislative management shall consider studying the statutory provisions setting compensation rates for members of executive branch boards and commissions to determine whether it may be desirable to standardize some or all of the compensation rate provisions. The legislative management may limit the study to occupational boards and commissions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

~ Renumber accordingly

Date: March 8, 2011

Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2100

House House Industry, Business and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number 11.8015.01001

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment

Motion Made By Rep Johnson Seconded By Rep Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser			Representative Amerman		
Vice Chairman Kasper			Representative Boe		
Representative Clark			Representative Gruchalla		
Representative Frantsvog			Representative M Nelson		
Representative N Johnson					
Representative Kreun					
Representative Nathe					
Representative Ruby					
Representative Sukut					
Representative Vigesaa					

Total Yes _____ No _____

Absent _____

Floor Assignment _____

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

voice vote, motion carried

Date: March 8, 2011

Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2100

House House Industry, Business and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number 11.8015.01001

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment

Motion Made By Rep N Johnson Seconded By Rep Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	✓		Representative Amerman	✓	
Vice Chairman Kasper	✓		Representative Boe	✓	
Representative Clark	✓		Representative Gruchalla	✓	
Representative Frantsvog	✓		Representative M Nelson	✓	
Representative N Johnson	✓				
Representative Kreun	✓				
Representative Nathe	✓				
Representative Ruby		✓			
Representative Sukut	✓				
Representative Vigesaa	✓				

Total Yes 13 No 1

Absent 0

Floor Assignment Rep N Johnson

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

REPORT OF STANDING COMMITTEE

SB 2100: Industry, Business and Labor Committee (Rep. Keiser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2100 was placed on the Sixth order on the calendar.

Page 1, line 2, after "electricians" insert "; and to provide for a legislative management study"

Page 2, after line 6, insert:

"SECTION 3. LEGISLATIVE MANAGEMENT STUDY - COMPENSATION FOR MEMBERS OF BOARDS AND COMMISSIONS. During the 2011-12 interim, the legislative management shall consider studying the statutory provisions setting compensation rates for members of executive branch boards and commissions to determine whether it may be desirable to standardize some or all of the compensation rate provisions. The legislative management may limit the study to occupational boards and commissions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Renumber accordingly

2011 TESTIMONY

SB 2100

GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
JANUARY 13, 2011

SENATE BILL 2100

Chairman Dever and Other Members of the Government and Veterans Affairs Committee:

My name is Don Offerdahl. I am here representing the North Dakota State Electrical Board. I come before you on Senate Bill 2100 requested by the North Dakota State Electrical Board. This bill is basically a housekeeping bill referencing 43-09-04, which is compensation of members that has not been addressed for over 30 years. Presently, a Board member's compensation is \$50.00 per day. It is my understanding that the language that you see is similar language to other boards. If this Bill passes, the compensation for Board members will go through the administrative rules process.

43-09-20 is the requirements for liability insurance. Presently, there is a general liability limit of \$100,000 for a contracting Master electrician and \$50,000 for a contracting Class B electrician. We are proposing that it is raised to \$500,000 for a contracting Master electrician and \$250,000 for a contracting Class B electrician. From reviewing our records, the certificates of insurance that the Board presently receives show these increases should not affect any contractors in the State of North Dakota.

If you have any questions, I will try to answer them now for you.

#1

Senate Bill 2100
Relating to Electricians
Testimony of Scott Porsborg
Special Assistant Attorney General
For the North Dakota State Electrical Board

Chairman Keiser and Members of the Committee:

Senate Bill 2100 was introduced by the North Dakota State Electrical Board to update dollar amounts in two of its statutes. These dollar amounts have not been changed in a number of years. This Bill received a unanimous do-pass recommendation from the Senate Government and Veterans Affairs Committee and passed the Senate 43-3.

The amendment to section 43-09-04 deals with the compensation of Electrical Board members. The amount is currently fixed in the statute at \$50 per day. Section 43-09-04 was last amended in 1977. Prior to introducing this bill, the Electrical Board looked at the compensation statutes of the other Title 43 boards and commissions. There are nine boards and commissions which have language similar to what we are requesting in this bill.

Second, the amendment to section 43-09-20 increases the amount of liability insurance required for master and Class B electricians. The requirement for master electricians is increased from \$100,000 to \$500,000, and Class B's are increased from \$50,000 to \$250,000. Based on the certificates of insurance filed with the Board, I have been informed this increase will not affect any current licensees because they already have higher limits than required by the amendment. The last amendment to this statute was in 1983, so essentially the purpose of this amendment is to bring the insurance requirements up to date.

We are respectfully requesting a do-pass recommendation on SB 2100. I would be happy to answer any questions the committee may have.