

2011 SENATE APPROPRIATIONS

SB 2228

# 2011 SENATE STANDING COMMITTEE MINUTES

## Senate Appropriations Committee Harvest Room, State Capitol

SB 2228  
January 25, 2011  
13327

Conference Committee

Committee Clerk Signature 

### Explanation or reason for introduction of bill/resolution:

A bill to provide an appropriation to the parks and recreation department for a community health and wellness center grant.

### Minutes:

See attached testimony #1-2.

**Chairman Holmberg** called the committee hearing to order on SB 2228.

Roxanne Woeste - Legislative Council; Joe Morrissette - OMB.

### **Senator John Andrist, District 2, Crosby**

Bill Sponsor

Written testimony attached - # 1.

Testimony attached - # 2 Northwest Health & Wellness Center promotional brochure .

Reading from testimony –

Doesn't understand while the oil money is the state's to share instead of the counties. They are asking 10 days of the revenue. Want money from the oil & gas trust fund.

**Senator Bowman** You mentioned phases. This is Phase 1 – Is this a continuing appropriation and come back for more money? It's a continuing thing for communities. Is it more than one appropriation over the next 10 years?

**Senator Andrist** – The original plan was for \$7.5M dollars. There is an active hockey program. There would be walking paths, a small pool – it's hard to reach the \$2M so it will be awhile before they come back.

**Senator Wanzek** Previous bill showed the distribution of oil and gas money to counties. According to table, Divide County gets \$5.2 M. Are those directed to infrastructure and road fundings and there is no latitude or flexibility to utilize those funds in a different way?

**Senator Andrist** – All funding so far has been road infrastructure. One of the people in group is a county commissioner and could answer better. The state's been good and we

have enough to do with those roads. When you have a truck going down the rural road every 5 minutes, how do you rebuild the darn thing? Just having the money is only part of the solution.

**Gerald Brady – Divide County Commissioner**  
Testified in favor of SB 2228. No written testimony.

Oil has been very good to the state of ND and Divide County. There are individuals' in Divide County who have done well with oil. It is a misconception that everybody is doing well in oil. There not. The actual percentage of people benefitting from oil is pretty small. The mineral ownership on Main street, in the retail business, the education, our schools, health care, its' almost no one of them gets oil from the oil revenue. They are faced with the reality of the oil, the misconception is that we're receiving all the benefits, yes we're receiving some, but if you take a real good look, at revenue from oil, the state receives 11% oil extraction tax. Senator Wanzek your question regards to \$ 5 M back to county. Divide County never got that much. Last year we approached 1M total for the county. The schools could get some or the townships. I am not sure of the actual dollar amount, but towards the end of last year, Divide County is now 6<sup>th</sup> place in county in oil revenues. Last year we doubled our production in one year. We went 5 times up from where we were 5 years ago. Look at what Divide County is doing for the state. Almost \$2 M dollars the state receives in the last month from Divide County in oil taxes. Some other issues not talked about here. There is 21,000 acres of mineral acres in Divide County. They are owned by the Federal Land Bank. That is used to lower interest rate in federal land bank system over the whole country. 71,000 of acres are owned by state. Most don't own mineral rights. Money is leaving in semi-loads and coming back in wheel barrows. Many families are getting displaced because rental owners can get more money from oil workers.

You're going to say that you can't set a precedent like that. They are asking the committee to set a new precedent and help us build our community center.

**Senator Wardner** Dunn County has 1 mill. Do you have anything?

**Gerald Brady - Answer - \$12,000**

**Senator Bowman** Have they looked at setting aside a small portion for this wellness center?

**Gerald Brady –** This new facility is on county property, city owned and city run. The city will run it.

**Senator Wanzek –** Trying to understand the info, are we rigid in how that money is being used or is it not getting to you?

**Gerald Brady \_** Exploration phase starts first. Now we're dealing with no employee, because we have no housing, we are trying to add half again as many maintainers. We're adding twice as many gravel trucks, we're trying to ramp up to catch up to the need. We're so far behind now we're going to have to hire help.

**Senator Wanzek** I'll visit with council – trying to learn how the money goes.

**Gerald Brady** Counties share was around \$240,000.

**David Olson, Chairman, on Wellness Center project.**

Testified in favor of SB 2228; No written testimony.

We've been in our current building for over 50 years. Electrical liability issues, have mold, rodent problems. A \$7.5M facility to be done in phases; the first phase is to build the multi-purpose arena, walking track and an area for a county fair. They have raised over \$1M. The impact in the county and region warrants the building. Crosby Hockey Club has doubled – looking for facilities. Many of new families are from oil industry. Feels the community needs this for future residents. Family of Powers Lake sign up for programs – 5 kids – all in hockey and loved the facility. Although it needs helps – they loved it.

**Brenda Casteel, Crosby, Secretary. Steering Committee**

Testified in favor of SB 2228. No written testimony.

Need the building for needs of community and for growing population.

**Lexi Unhjem, Crosby High School**

Testified in favor of SB 2228. No written testimony. Plays girls hockey and is extremely beneficial to the kids. Everyone gets to play. Our hockey club has a more positive impact on kids rather than school sports. Everyone gets to play and each person is encouraging and inviting. Blue-Line Hockey Club is basically one big family.

The roof is falling apart, plexi-glass is brittle, rink is just too small. Our hockey kitchen needs help. Not able to host a tournament. Asked the committee for help to fund the new sports center.

**Tyler Brady, Crosby High School**

Testified in favor of SB 2228. No written testimony. He's entering the Navy in spring and asking the committee to consider giving money to get this wellness facility started.

**Evan Eriksmoen, Crosby High School**

Testified in favor of SB 2228. No written testimony.

Help with obesity problem in nation. The facility would have walking path – for exercise.

**Senator Robinson** Compliment the students for coming out. Hear a lot of testimony and haven't heard better than this, congratulations and thank you for what you've done.

**Senator Bowman** We'll have to look at the formulas and see how we can use funds to benefit the communities. There is a demand for facilities. And that adds a lot to the community.

**Chairman Holmberg** closed the hearing on SB 2228.

# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee  
Harvest Room, State Capitol

SB 2228  
02-16-2011  
Job # 14634 (Meter 14.40)

Conference Committee

Committee Clerk Signature

## Explanation or reason for introduction of bill/resolution:

A BiLL for a Community Health and Wellness Grant.

## Minutes:

You may make reference to "attached testimony."

**Chairman Holmberg** opened the hearing on SB 2228. All committee members were present except V. Chair Grindberg. Tammy R. Dolan, OMB and Brady Larson, Legislative Council were also present. He asked the committee if we should wait on this one or pass it because we are going to kill it because we are going to use the other one as the vehicle.

**Senator Christmann moved Do Not Pass on SB 2228. Seconded by Senator Wardner.**

**Chairman Holmberg:** SB 2228 is the Crosby one.

**Senator Wanzek:** Would we be able to hold that Bill until we get the other one and maybe run them on the floor the same time? He was told yes.

**Senator O'Connell:** I have amendments for 2228 but they can go on the other one too so it won't make any difference. He was told to make sure they are ready for SB 2132.

**Chairman Holmberg:** Would you call the roll on a DO NOT PASS ON SB 2228. A Roll Call vote was taken. Yea: 12 Nay: 0 Absent 1

**Chairman Holmberg** asked Senator O'Connell to carry the Bill after the other one.

**Senator O'Connell will carry the Bill.**

There are two other Bills passed out on this job. They are SB 2130 and SB 2339. Also discussion regarding SB 2132 was held with V. Chair Bowman sharing information regarding SB 2132 on this Job.

The hearing was closed on SB 2228.

Date: 2-16-11  
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2228

Senate Appropriation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Christmann Seconded By Wardner

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	A		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 12 No 0

Absent 1

Floor Assignment O'Connell

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

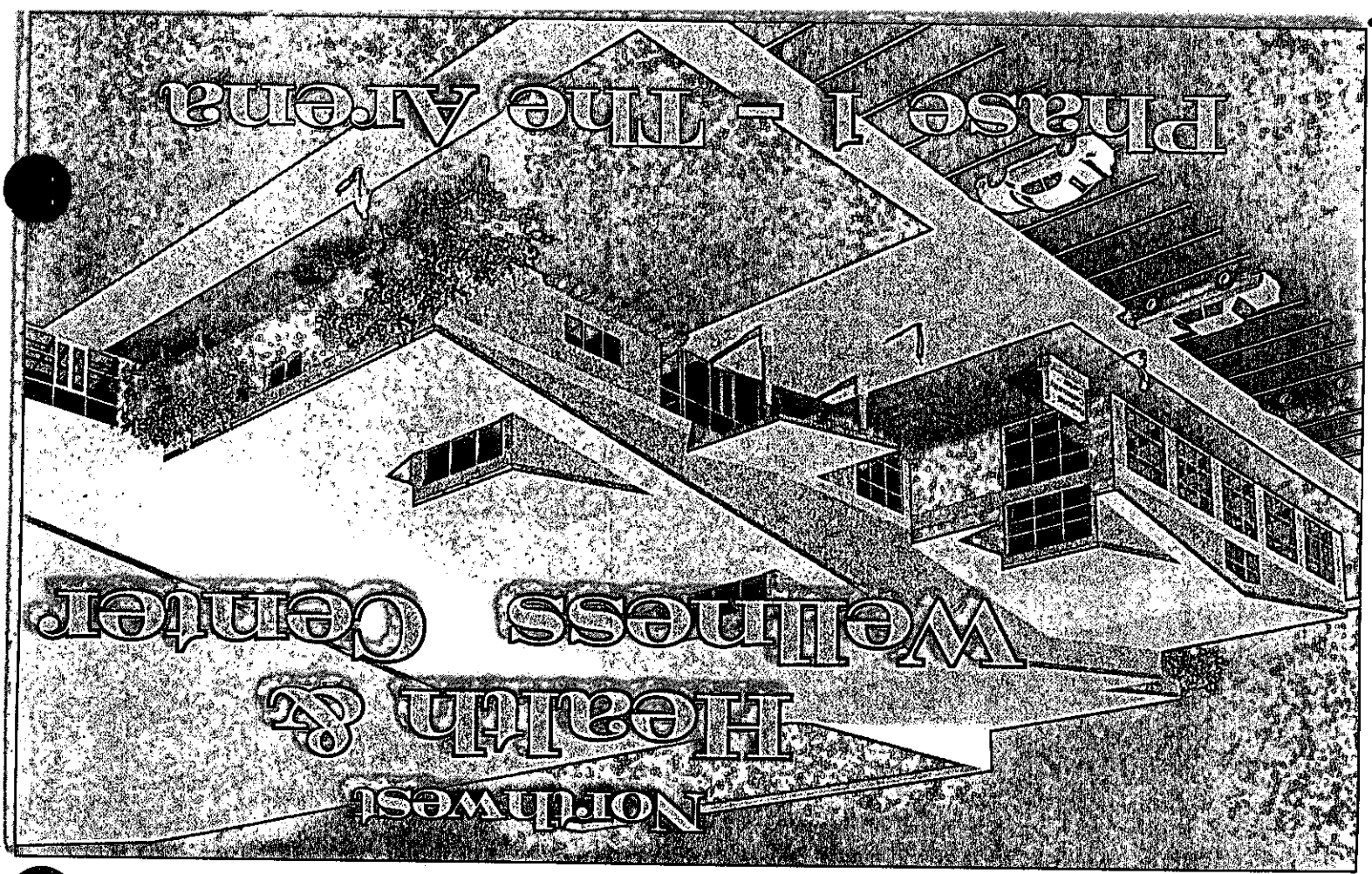
**REPORT OF STANDING COMMITTEE**

**SB 2228: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO NOT PASS (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2228 was placed on the Eleventh order on the calendar.**

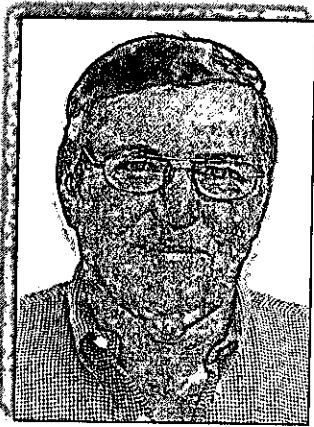
2011 TESTIMONY

SB 2228





## Here's some of the buzz about the center:



We've all benefitted from the efforts of the last generation. Now it's time we make a commitment to this generation and the next.

-- Bob Svangstu



A big city facility in a small town would be a huge blessing for young families like ours -- and for future generations, too.

-- Tonia Eriksmoen



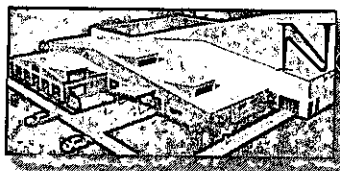
Living in a small community doesn't mean we can't think big. This would be one more community asset that sets us apart from the rest.

-- Richard Larsen



Every community needs a vision and a dream that's bigger than ourselves, and goals worth working for that challenge us.

-- John Andrist



**Northwest  
Health & Wellness Center**

P.O. Box 499 ~ Crosby, ND 58730 ~ 701-570-4109 or 701-648-9720

For months we've been drawn to the vision that Divide County can have a signature health and wellness center.

We've tweaked and re-tweaked the plans, and we've raised over \$1 million.

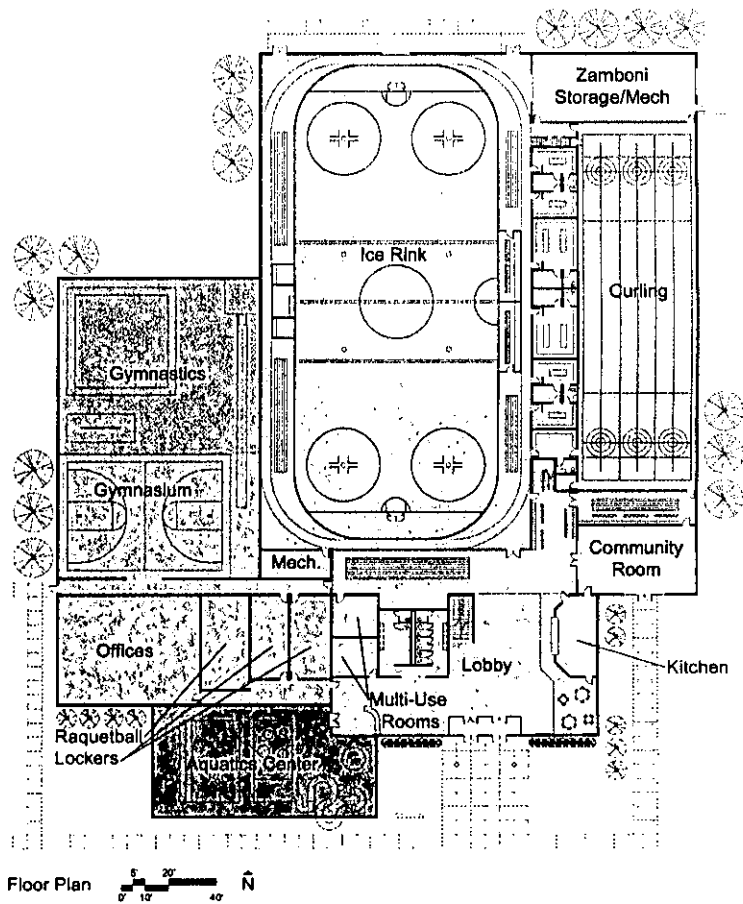
Now we need **\$2 million more**

We've launched a general campaign with a goal of

**\$500,000 more in private gifts and**

**\$1.5 million from public entities**

It's an ambitious goal for an ambitious project in an ambitious, committed community.



## The Plan

Our forefathers had the vision to build facilities that have served the community for generations.

Those facilities have served their purpose. They can be fixed up – at great cost.

Or, we can take a page from our forefathers and build new facilities that will last a lifetime.

Let's borrow the vision of our forefathers.

## The Vision:

### Phase 1 -- Community multi-purpose arena:

- A multi-purpose arena that can be used as:
  - ~ A full sized hockey rink with locker rooms
  - ~ A venue for rodeos, horse shows or other events
  - ~ An exhibition hall for trade shows, exhibits and more.
- Three curling sheets with locker rooms.
- An indoor walking track.
- Food service and community meeting space.

The primary components of phases 2 & 3 would be a gymnastics and fitness center and an indoor swimming pool.

## The Steering Committee:

David Olson, Chairman; Chico Erksmoen, Vice Chairman; Brenda Casteel, Secretary.

Mitch Svangstu, Harlan Johnson, Gerald Brady, Mark Knudson, Corrie Nygaard, Mark Spooner, Keith Olson, Doreen Schilke, Nicki Loucks, Erin Sorum, Tonia Erksmoen, Paul Brady, Melissa Hoff, Steve Andrist, Heather Kippen, John Andrist, Troy Vassen, Josh Bummer, Suzanne Lagein, Lee Svangstu, Tiffany Vigness.

**Senate Bill 2228 Testimony  
John M. Andrist, State Senator District 2  
Senate Appropriations Committee January 25, 2011**

There are so many challenges to life in the Bakken Oil patch. You folks have helped us deal with many of those problems and we're grateful for the impact funding provided by the state. Although road rehabilitation and maintenance is a matter of many things - two of them time and people - we are grateful that you have stepped up to the plate with considerable money.

However, there are many other issues for which we have to find our own solution - housing in particular, workforce shortages, elderly and modest income people who can't afford the rents if they can even find a shelter. Things like people sleeping in trucks and tents and curtailed nursing home capacity because of the labor shortage.

Before you today is something which you could help us solve. For three years many of our young leaders have been struggling to find \$2.5 million to build the first phase of a long-term, comprehensive \$7 million Community Health and Wellness Center. The plan has been revised a number of times.

Currently they are working on the second million, hoping to reach at least \$1.5 million in voluntary gifts. They then would like the city to bond for a half million, and this appropriation from the oil and gas trust fund would be the final piece. Actually, the state contribution and the city funding could become challenges for one another - inspiring the city to match the state support, as well as vice versa..

I'm not totally certain why oil tax revenue is the state's to share with counties instead of the county's to share with the state. But that's the way it is.

In the month of December alone Divide County production brought the state almost \$1.7 million. Can we have just 10-days of that revenue to accomplish this community dream? In the five month period from August through December Divide County production put \$14 million into the permanent oil trust fund. Can we have one-twenty eighth of it back?

I have to tell you my heart is in these young people, our new generation of community builders. So is my pocketbook, by the way. I just thank you for taking the time to listen to their story and their dream.