

FISCAL NOTE
Requested by Legislative Council
12/21/2018

Revised
 Bill/Resolution No.: HB 1057

- 1 A. **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.*

| | 2017-2019 Biennium | | 2019-2021 Biennium | | 2021-2023 Biennium | |
|-----------------------|--------------------|-------------|--------------------|--------------|--------------------|--------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | | | |
| Expenditures | | | \$62,200,000 | \$81,400,000 | \$67,200,000 | \$88,000,000 |
| Appropriations | | | | | | |

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

| | 2017-2019 Biennium | 2019-2021 Biennium | 2021-2023 Biennium |
|-------------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

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

This bill provides legislative intent that state employee salary increases for the 2019-21 biennium be \$300 per month per employee for the first year and an average of 1% for the second year.

- 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.*

The amounts shown in 1A total \$143.6 million for the 2019-21 biennium, which is the total cost of the proposed increase based on all positions funded in the executive budget recommendation. The total includes all state agencies and institutions of higher education. The estimated cost of \$155.2 million for the 2021-23 biennium is the cost to continue the proposed salary increases for a full biennium, assuming no other changes in authorized FTE.

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.*
- 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.*

The proposed salary increases will increase expenditures by \$143.6 million for the 2019-21 biennium for all state agencies and institutions of higher education.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The \$143.6 million required to fund the proposed increases is \$31.5 million more than the amount included in the 2019-21 executive budget recommendation, which proposes salary increases averaging 4% the first year and 2% the second year, distributed on the basis of performance.

Name: Joe Morrissette

Agency: OMB

Telephone: 701-328-4606

Date Prepared: 01/09/2019

FISCAL NOTE
Requested by Legislative Council
12/21/2018

Bill/Resolution No.: HB 1057

- 1 A. **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.*

| | 2017-2019 Biennium | | 2019-2021 Biennium | | 2021-2023 Biennium | |
|-----------------------|--------------------|-------------|--------------------|--------------|--------------------|--------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | | | |
| Expenditures | | | \$50,900,000 | \$72,400,000 | \$55,700,000 | \$78,700,000 |
| Appropriations | | | | | | |

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

| | 2017-2019 Biennium | 2019-2021 Biennium | 2021-2023 Biennium |
|-------------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

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

This bill provides legislative intent that state employee salary increases for the 2019-21 biennium be \$300 per month per employee for the first year and an average of 1% for the second year.

- 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.*

The amounts shown in 1A total \$123.3 million for the 2019-21 biennium, which is the total cost of the proposed increase based on all positions funded in the executive budget recommendation. The total includes all state agencies and institutions of higher education. The estimated cost of \$134.4 million for the 2021-23 biennium is the cost to continue the proposed salary increases for a full biennium, assuming no other changes in authorized FTE.

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.*
- 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.*

The proposed salary increases will increase expenditures by \$123.3 million for the 2019-21 biennium for all state agencies and institutions of higher education.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The \$123.3 million required to fund the proposed increases is \$11.2 million more than the amount included in the 2019-21 executive budget recommendation, which proposes salary increases averaging 4% the first year and 2% the second year, distributed on the basis of performance.

Name: Joe Morrissette

Agency: OMB

Telephone: 701-328-4606

Date Prepared: 12/26/2018

2019 HOUSE APPROPRIATIONS

HB 1057

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

HB1057
1/31/2019
31873

- Subcommittee
 Conference Committee

Committee Clerk Risa Bergquist

Explanation or reason for introduction of bill/resolution:

Minutes:

Attachment 1-3

Chairman Delzer: Call the hearing to order for HB 1057

-2:15 Representative Heinert, District 32, South Bismarck and Cathedral District: HB 1057 is to make sure all of our state employees know that we appreciate them and care for their wellbeing. The bill would provide all state employees a \$300 per month pay increase effective July 2019. Employees would then be eligible for a 1% increase in July of 2020 if they have met the documented performance standers. Reason for this request is because after our employees going two years without a salary adjustment we need to front end load the salary for the next biennium. We feel that we need to treat all employee equally and provide across the board increase of 300 a month.

Chairman Delzer: Did you consider the classified employees or did you consider the higher end employees as well.

Representative Heinert: We considered all employees

2:50-3:45 Representative Meier: HB 1057 Allowing 300 a month and the opportunity for the 1% the following year will help with the rising cost of living.

Representative Holman: One of the things that happens when you do a flat rate you cause a salary compression from the low to the high. Would you explain why you decided to do it this way?

Representative Meier: We weren't able to do anything the last biennium we thought we'd start with the flat rate across the board for the first year. I have passed out a pay sheet from the last 25 years. **(see attachment 1)**

5:20-11:35 Senator Dever: I know compositions have been offered in both appropriation committees. In 2003 there was no pay raise 2005 it was 4 and 4, the governor's proposal was 4 and 2, this would be less after the two years. What does 300 add up to? It's 3600

years, for employees at the bottom of the pay scale it's 15% and it would mean for the average salary which is 56 thousand it would be 6.4%. What we are hearing in the halls the people that are making more than 100 thousand a year are generally managers. Regarding the issues of compression, I think this is something we do once, or once in a while. I've been self-employed for 40 years and know the importance of your employees. We are in a competitive employment market and we need to have good employees. On average state employees make about 7% less than in the private sector. The average salary across the country we were near the bottom, we now sit in the top 10, it's wonderful that we have that like of an economy.

Chairman Delzer: You are only talking about the salary; you're not talking about the health benefits. You're not looking at the increase costs to the state for health coverage, this year it's a 4% increase just for the classified employees and 3% if you are looking at all employees. So if we did a 2 and 2 or a 2 and 3 it's actually a 6 and 2 or 5 and 2.

13:30 Further testimony?

13:50-15: 30 Nick Archuleta, President of North Dakota United (see attachment 2)

15:45-17:15 Brian Ritter (see attachment 3)

Chairman Delzer: When you say all the jobs; they would leave the community why wouldn't they shift from state to local? And what is the chamber's knowledge of how many offer the benefit package that the state offers?

Mr. Ritter: We think those people would leave because of the number of different skill sets. If that skill set doesn't exist in our community that's when we are running the chance of them leaving the community if not the state as a whole. Of our membership, 1200 members or so how many offer a benefit package there is not many that offer 100% for health care.

Chairman Delzer: Further testimony? We will close this hearing.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

HB 1057
2/6/2019
32261

- Subcommittee
 Conference Committee

Committee Clerk Risa Bergquist

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide a statement of legislative intent regarding state employee compensation adjustments.

Minutes:

1:15 Chairman Delzer: We will call the meeting to order for HB 1057, we had a full hearing, I think we pretty much set the goal at 2 and 2 and full health insurance so I don't see that this bill fits at all. What are your wishes?

Representative Brandenburg: I'll make a motion for a **Do Not Pass**

Representative Howe: Second

Chairman Delzer: Further discussion? I think we all appreciate our state employees and they should get a pay raise but I think this is more than we can afford. I also think this should have been addressed in the OMB bill not on its own.

Representative Meier: I am going to resist that Do Not Pass, we worked on the bill before we knew what we were going to have for a compensation package, we thought this was a little creative and you heard from testimony why this is a good idea so I am going to resist that motion.

Chairman Delzer: Further discussion?

A Roll Call vote was taken. Yea: 15 Nay: 5 Absent: 1

Motion carries,

Chairman Delzer: We will have the same carrier as first bill that comes out on the floor so that they come out together. I will assign that as we go through those other bills.

Chairman Delzer later assigned the bill to Representative Beadle

Date: 2/6/2019
 Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HB 1057**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Representative Brandenburg Seconded By Representative Howe

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------------|-----|----|---------------------------|-----|----|
| Chairman Delzer | X | | | | |
| Representative Kempenich | A | | | | |
| Representative Anderson | X | | Representative Schobinger | X | |
| Representative Beadle | X | | Representative Vigesaa | X | |
| Representative Bellew | X | | | | |
| Representative Brandenburg | X | | | | |
| Representative Howe | X | | Representative Boe | | X |
| Representative Kreidt | X | | Representative Holman | X | |
| Representative Martinson | | X | Representative Mock | | X |
| Representative Meier | | X | | | |
| Representative Monson | X | | | | |
| Representative Nathe | | X | | | |
| Representative J. Nelson | X | | | | |
| Representative Sanford | X | | | | |
| Representative Schatz | X | | | | |
| Representative Schmidt | X | | | | |
| | | | | | |

Total (Yes) 15 No 5

Absent 1

Floor Assignment Representative Beadle

Motion Carries

REPORT OF STANDING COMMITTEE

HB 1057: Appropriations Committee (Rep. Delzer, Chairman) recommends **DO NOT PASS** (15 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). HB 1057 was placed on the Eleventh order on the calendar.

2019 TESTIMONY

HB 1057

HISTORY OF STATE EMPLOYEE SALARY INCREASES

| Year | General Salary Increase Provided or Proposed | Annual Inflation* |
|-------------------|--|-------------------|
| 1973 | 5 percent | 6.2% |
| 1974 | 4 percent | 11.0% |
| 1975 | 5 percent (in addition to an 11.9 percent salary adjustment) | 9.1% |
| 1976 | 5 percent | 5.7% |
| 1977 | 5 percent | 6.5% |
| 1978 | 5 percent | 7.6% |
| 1979 | 6.5 percent | 11.3% |
| 1980 | 6.5 percent | 13.5% |
| 1981 | 9 percent (in addition to a 10 percent salary adjustment) | 10.3% |
| 1982 | 8 percent (reduced by Governor's budget allotments) | 6.2% |
| 1983 | 2 percent contribution to retirement | 3.2% |
| 1984 | 2 percent contribution to retirement | 4.3% |
| 1985 | 9.5 percent higher education faculty and senior administrative staff, 5.5 percent for all other state employees | 3.5% |
| 1986 | 4 percent with a minimum of \$50 per month; the Governor deferred this increase for agencies under the Governor's control to January 1, 1987 | 1.9% |
| 1987 | 0 percent | 3.7% |
| 1988 | 0 percent | 4.1% |
| 1989 | 11.4 percent higher education faculty at the University of North Dakota and North Dakota State University; 9.5 percent higher education faculty at other 4-year universities; 7.3 percent higher education faculty at 2-year colleges; 9.1 percent faculty at the medical school; administrative, professional, and classified employees at the institutions of higher education received increases averaging between 8.7 and 9.7 percent; 7.1 percent for all other state employees | 4.8% |
| 1990 | 7 percent higher education faculty at 4-year universities, 5 percent higher education faculty at 2-year colleges, 0 percent all other state employees | 5.4% |
| 1991 | 4 percent with a minimum of \$50 per month | 4.2% |
| 1992 | \$40 per month | 3.0% |
| 1993 | \$60 per month | 3.0% |
| 1994 | 3 percent (to the extent available from agency savings) | 2.6% |
| 1995 | 2 percent | 2.8% |
| 1996 | 3 percent (includes 1 percent for salary inequity correction and merit increases) | 2.9% |
| 1997 | 3 percent (includes 1.5 percent for salary inequity correction and merit increases) | 2.3% |
| 1998 | 3 percent (includes 1.5 percent for salary inequity correction and merit increases; in addition, the North Dakota University System received a \$3.2 million pool of funds for the 1997-99 biennium to address salary compression, market, and equity problems) | 1.5% |
| 1999 | 2 percent with a minimum of \$35 per month - Increases over \$35 were based on merit and equity | 2.2% |
| 2000 | 2 percent with a minimum of \$35 per month - Increases over \$35 were based on merit and equity. An additional 1 percent was provided to the extent the increase could be paid with existing agency resources. | 3.4% |
| 2001 ¹ | 3 percent with a minimum of \$35 per month - Increases over \$35 were based on merit and equity | 2.8% |
| 2002 ¹ | 2 percent with a minimum of \$35 per month - Increases over \$35 were based on merit and equity | 1.6% |

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| | | |
|-------------------|---|------------------|
| 2003 | Up to 1 percent effective on January 1, 2004, for the executive and judicial branches to the extent that the increase could be provided from pooled savings realized from the eliminated FTE positions and from accumulated savings from other vacant FTE positions. At least 70 percent of the funding for the increase provided was required to be from pooled savings of the eliminated FTE positions. No specific funding was provided to higher education institutions for salary increases, with the intent that any salary increases provided be from existing appropriation authority. The judicial branch eliminated 4 vacant FTE positions and provided a 1 percent salary increase to its employees effective January 1, 2004. The executive branch did not receive a salary increase. | 2.3% |
| 2004 | Up to 2 percent effective on January 1, 2005, for the executive and judicial branches to the extent that the increase could be provided from pooled savings realized from the eliminated FTE positions and from accumulated savings from other vacant FTE positions. At least 70 percent of the funding for the increase provided was required to be from pooled savings of the eliminated FTE positions. No specific funding was provided to higher education institutions for salary increases, with the intent that any salary increases provided be from existing appropriation authority. The executive branch and the judicial branch did not eliminate positions to receive salary increases on January 1, 2005. | 2.7% |
| 2005 | 4 percent | 3.4% |
| 2006 | 4 percent | 3.2% |
| 2007 ² | 4 percent with a minimum of \$75 per month (salary increases were to be based on merit and equity and were not to be given across the board) | 2.9% |
| 2008 ² | 4 percent with a minimum of \$75 per month (salary increases were to be based on merit and equity and were not to be given across the board) | 3.8% |
| 2009 ³ | 5 percent with a minimum of \$100 per month (salary increases were to be based on merit and equity and were not to be given across the board) | (0.3%) |
| 2010 ³ | 5 percent with a minimum of \$100 per month (salary increases were to be based on merit and equity and were not to be given across the board) | 1.6% |
| 2011 ⁴ | 3 percent (salary increases for nonclassified employees were to be based on merit and equity and were not to be given across the board. Salary increases for classified employees were to be based on guidelines developed by the Office of Management and Budget (OMB).) | 3.1% |
| 2012 ⁴ | 3 percent (salary increases for nonclassified employees were to be based on merit and equity and were not to be given across the board. Salary increases for classified employees were to be based on guidelines developed by OMB.) | 2.1% |
| 2013 ⁵ | From 3 to 5 percent based on performance and up to 2 percent for classified employees in the first quartile of their salary range and up to 1 percent for classified employees in the second quartile of their salary range for market equity | 1.5% |
| 2014 ⁵ | From 2 to 4 percent based on performance and up to 2 percent for classified employees in the first quartile of their salary range and up to 1 percent for classified employees in the second quartile of their salary range for market equity | 1.6% |
| 2015 ⁶ | From 2 to 4 percent based on performance | 0.1% |
| 2016 ⁶ | From 2 to 4 percent based on performance | 1.2% |
| 2017 | 0 percent | 1.9% (projected) |
| 2018 | 0 percent | 2.2% (projected) |

*Percentage change, consumer price index annual rate, Moody's.

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1/3/119

¹In addition the 2001 Legislative Assembly provided:

- \$5 million, \$2.7 million of which was from the general fund, for market equity compensation adjustments for classified employees as approved by Human Resource Management Services.
- \$4,628,824 from the general fund for equity and special needs for entities under the control of the State Board of Higher Education. A portion of this amount was used for salary increases to address equity issues.
- \$178,233, \$142,697 of which was from the general fund, for salary equity adjustments for elected and appointed officials.

²In addition the 2007 Legislative Assembly provided \$10 million, \$5 million of which was from the general fund and \$5 million of special funds, for market equity salary adjustments based on market data for classified employees. Employees furthest from market were to receive the largest increase (2007 Senate Bill No. 2189).

The 2007-09 legislative appropriation for the University System included funding for parity to provide for inflationary costs, including the general fund share of 5 percent per year salary increases and health insurance increases.

³In addition the 2009 Legislative Assembly provided an appropriation of \$15,984,000, of which \$9 million is from the general fund, to OMB to address salary equity issues. House Bill No. 1015 (2009) provided the statewide equity pool be used for market equity compensation adjustments for classified and nonclassified state employees of executive branch agencies, institutions, and departments, excluding entities under the control of the State Board of Higher Education. The market equity increases were to be prioritized based on a statewide plan to address occupational market disparities, economic growth areas, recruitment and retention challenges, and internal and external pay inequities for employees who are critical to the mission of the agency. The plan needed to give priority to employees who were employed by the state for the greatest length of time and were furthest below their salary range midpoint. The Office of Management and Budget, in developing the plan, was to consider employee pay comparisons to similar occupational classifications of other North Dakota employers and employers in Montana, South Dakota, and Wyoming.

The 2009-11 legislative appropriation for the University System included funding for parity to provide for inflationary costs, including the general fund share of 5 percent per year salary increases and health insurance increases.

⁴In addition the 2011 Legislative Assembly provided additional salary equity-related funding for the following agencies:

- Attorney General's office - \$125,000 from the general fund - Salary increases available upon certification completion for personnel advancement.
- Industrial Commission - \$502,832 from the general fund - Salary equity increases primarily for geologists and petroleum engineers.
- State Treasurer - \$24,000 from the general fund - Salary increases for employee reclassifications.
- Department of Transportation - \$600,000 from special funds - Optional market salary adjustments primarily for heavy equipment operators and highway maintenance personnel.

The 2011-13 legislative appropriation for the University System included funding for parity to provide for inflationary costs, including the general fund share of 3 percent per year salary increases and health insurance premium increases.

The 2011 Legislative Assembly provided funding for an increase in contributions to the retirement system of 2 percent on January 1, 2012, and another 2 percent increase on January 1, 2013. For each increase, employees would pay 1 percent of the increased contribution and the state would pay the remaining 1 percent.

⁵The 2013 Legislative Assembly provided salary increases for eligible classified employees of up to 2 percent per year based on an employee's position in the assigned pay range and increases of 3 to 5 percent on July 1, 2013, and 2 to 4 percent on July 1, 2014, based on performance. The Legislative Assembly provided salary increases to eligible nonclassified employees of 3 to 5 percent on July 1, 2013, and 2 to 4 percent on July 1, 2014, based on performance. The Legislative Assembly also provided funding for an increase in contributions to the retirement system of 2 percent on January 1, 2014. For the increase, employees paid 1 percent of the increased contribution and the state paid the remaining 1 percent.

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The 2015 Legislative Assembly provided salary increases for all eligible classified and nonclassified employees of 2 to 4 percent per year, based on performance. The 2015 Legislative Assembly also provided targeted market equity funds of \$4.49 million, which includes \$3.75 million from the general fund to address occupational market disparities, economic growth areas, recruitment and retention challenges, and external pay inequities for employees who are critical to the mission of the agency. Agencies eligible to receive a targeted market equity salary adjustment include the Adjutant General, Veterans' Home, State Department of Health, Department of Human Services, and the Protection and Advocacy Project.

The 2015 Legislative Assembly also provided additional salary market equity-related funding for the following agencies:

- Attorney General's office - \$1,546,301, which includes \$1,012,301 from the general fund.
- Office of Administrative Hearings - \$38,110 from special funds.
- Retirement and Investment Office - \$50,000 from special funds.
- Department of Public Instruction - \$100,000 from the general fund.
- Department of Corrections and Rehabilitation - \$2,126,442 from the general fund.
- Adjutant General - \$192,621 from the general fund.

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HB 1057



Great Public Schools

Great Public Service

**Testimony Before the House Appropriations Committee
HB 1057
Thursday, January 31, 2019**

Good morning, Mr. Chairman and Members of the Committee. For the record, I am Nick Archuleta and I am the president of North Dakota United. On behalf of our members, I rise today to urge a DO PASS recommendation for HB 1057.

Mr. Chairman, state employees work diligently day in and day out to provide the vital public services that North Dakotans expect and deserve. They work across the state and on our college and university campuses. And for the last two years, they have worked without an increase in their salaries. This has created difficult times in the households of a great many public employees. They have had to stretch every dollar to sustain their families even though the costs of things like food, medicine, and healthcare – unlike their salaries – have continued to increase.

In addition, Mr. Chairman and members of the Committee, our recent economic realities have led to many state employees being let go and many vacant positions to remain unfilled. The result has been that state employees have been doing more work with less help. It is no wonder that state employees have felt frustrated even while doing the important work that they love.

The legislation outlined in HB 1057 will go a long way in easing the burden the families of state employees have endured these past two years. This proposed legislation seeks to increase salaries by three hundred dollars per month in the first year of the biennium and provide for a salary increase in the second year. If we are to continue to recruit and retain high quality, hard-working employees to serve the citizens of North Dakota, we need to raise salaries and make public service an attractive option for those seeking employment. HB 1057 is a welcome step in that direction. Mr. Chairman and members of the Committee, please render a DO PASS recommendation for HB 1057. I am happy to stand for questions.

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**BISMARCK MANDAN
CHAMBER | EDC**

House of Representatives Appropriations Committee - HB 1057

Representative Jeff Delzer, Chair

January 31, 2019

Chairman Delzer, Members of the Committee:

My name is Brian Ritter and I am President of the Bismarck Mandan Chamber EDC. I am here today on behalf of our organization's more than 1,200 members in support of HB 1057.

While it may seem unusual that a business organization is here today in favor of a wage increase for State employees, let me explain why it is important to us.

Wage adjustments such as the one proposed in HB 1057 are critically important to retaining talent not only within State government, but the community as whole. Job Service North Dakota estimated that in December, there were 2,193 open jobs in Bismarck-Mandan alone. And between December 2017 and December 2018, this economy added 1,000 jobs. As such, without a wage increase, we risk those employees not only leaving State government, but possibly even Bismarck-Mandan. And in either scenario, we run the risk of losing good employees and operating less efficiently as a community and state as a result.

Given there are approximately 6,000 State employees living and working here in Bismarck-Mandan, any such loss would have a tremendous impact to our state and local economy.

So whether HB 1057 is the vehicle or another one is identified during this Session, the Chamber EDC supports a wage increase for State employees, in Bismarck-Mandan and across the State. As such, we would respectfully ask for a DO PASS recommendation.

Thank you for the opportunity to testify today and if there are any questions from the Committee, I would be happy to attempt to address them.