OTHER RESPONSIBILITIES OF THE
BUDGET COMMITTEE ON GOVERNMENT SERVICES

APPROVE AGREEMENTS BETWEEN NORTH
DAKOTA AND SOUTH DAKOTA

North Dakota Century Code Section 54-40-01, as amended by the 1997 Legislative Assembly in House Bill No. 1015 (a copy of which is included in Appendix “A”), provides that an agency, department, or institution may enter into an agreement with the state of South Dakota to form a bistate authority to jointly exercise any function that the entity is authorized to perform by law. Any proposed agreement must be submitted to the Legislative Assembly or, if the Legislative Assembly is not in session, to the Legislative Council or a committee designated by the Legislative Council, for approval or rejection and may not become effective until approved by the Legislative Assembly or the Legislative Council.

The provisions approved by the Legislative Assembly are similar to the recommendation of the Legislative Council’s interim North Dakota/South Dakota Commission which met during the 1995-96 interim. The commission met to study ways that North Dakota and South Dakota can collaborate to provide government services more efficiently. The commission recommended that an agency may enter an agreement with South Dakota to form a bistate authority to jointly exercise any function that the entity is authorized to perform. Any proposed agreement must be submitted to the Legislative Assembly for approval or rejection.

DEPARTMENT OF HUMAN SERVICES
FTE REPORT

Section 7 of House Bill No. 1012, approved by the 1997 Legislative Assembly (a copy of which is included as Appendix “A”), provides that the human service centers, State Hospital, and Developmental Center report to the Budget Section and a committee of the Legislative Council (Budget Committee on Government Services) any additional full-time equivalent positions hired.

STATE EMPLOYEE
COMPENSATION REPORT

Section 17 of House Bill No. 1015, approved by the 1997 Legislative Assembly (a copy of which is included in Appendix “A”), provides that the Office of Management and Budget report to an interim Legislative Council committee on state employee compensation issues. The report should focus on compression problems, market comparisons, and other compensation issues to include the effects of all benefits, including health insurance, on the employment relationship. The report is to include detailed information on the impact of salary compression and estimates of the dollar amount to correct salary compression problems. In addition, the Office of Management and Budget is to develop and present a plan to compensate state employees in a fair and adequate manner.

The 1997 Legislative Assembly provided for state employee salary increases that average three percent with a minimum of $30 per month beginning July 1997 and that average three percent with a minimum of $30 per month beginning July 1998.

Fringe benefits provided to state employees include:

1. Single or family health insurance policy paid by the state.
2. Social Security benefits - 7.65 percent provided by the employee and 7.65 percent provided by the state.
3. Retirement - 9.12 percent (5.12 percent contributed by the state, four percent employee contribution paid by the state in lieu of salary increases in 1983 and 1984).
4. $1,300 life insurance policy.
5. Annual leave, sick leave, family leave, funeral leave, and holiday leave.
7. Unemployment insurance.

A schedule showing historical state employee salary increases is attached as Appendix “B”.

ATTACH:2