

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2024

2001 SENATE APPROPRIATIONS

SB 2024

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2024

Senate Appropriations Committee

Conference Committee

Hearing Date January 17, 2001

Tape Number	Side A	Side B	Meter #
Tape #4	x		0.0 - 47.4
Committee Clerk Signature <i>Terrie Petch</i>			

Minutes:

Senator Nething opened the hearing on SB2024.

Senator Bowman: Asked permission to make some introductions prior to hearing the bill.

Permission granted by Senator Nething.

Senator Bowman introduced Jim Olderman and his twin sons (sons serving as pages; and are outstanding athletes and scholars at Bowman High School).

A nice round of applause was given to the three visitors.

Jennifer Clark, Analyst with Legislative Council presented information on the proposed Act.

She served as the Legislative Council Staff for the Interim Advisory Commission on Intergovernmental Relations; of which Senator Lindaas serves as chair. This bill incorporated the changes proposed in SB2028 and SB2029.

Senator Nething: Meaning, what ever we hear now will all be related to SB2028 and SB2029?

Jennifer Clark: Yes.

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The Interim Committee wasn't assigned a specific study, but by statutory rights, they can review anything that had relationship to the commission. The uniqueness here on SB2024 is on page 1, lines 21- 23; where the new language addresses the Community Health Trust fund. Dollars may be distributed to cities and counties on a dollar-for-dollar match; using the dollars to educate employees in the area of tobacco education and cessation programs.

Senator Nething: Page 2, lines 9-11?

Jennifer Clark: These lines were plagiarized from SB2029.

Back to SB2028, page 1, lines 17-19; requesting moneys deposited in the fund along with all the interest earned on the moneys. Incorporated SB2029, lines 9-11 and again bottom of community health trust. Language found on lines 27-29 are strictly housekeeping items. Page 3, lines 1-2 mirrors line above.

Senator Nething: Different section of law (SB2029 also)?

Jennifer Clark: Yes.

Jennifer Clark asked that Joe Morrisette, Legislative Council Analyst, be allowed to address the fiscal note on SB2024. Request granted by Senator Nething.

Joe Morrisette: Explained that the fiscal note dated 12/19/00 (front page has date of 12/14/00) and the one dated 12/19/00 (front page has date of 1/02/01) could be discarded. The fiscal note dated 1/17 (front and back pages) is the correct one. He went through the document -- reflects SB2028 and SB2029; this bill has a decrease in general funds, increase in others. Amounts relate to the tobacco settlement. Estimated 510 thousand here in SB2024; 10% of settlement; leaving 5 million balance this biennium; at 4.5 % interest. This is not a part of the general fund forecast. SB2029 has general fund 2.3 million impact since then water commission -- now estimated at 900 thousand to be used.

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Senator Nething: 1.4 million, bottom line? General fund reduced?

Joe Morrissette: Yes.

Senator Holmberg: Why three bills?

Jennifer Clark: Because they came out of two interim committees; one from the Advisory Commission and two from Budget Committee on Health Care.

Senator Grindberg: Was the Advisory Commission given direction to review this? Are they privy to looking?

Jennifer Clark: Statutory allows them to review any appropriation to city or county; the statute authority is broad.

Robert A. Barnett, Interim State Health Office of the North Dakota Department of Health, testified on SB2024 ( a copy of his testimony is attached), giving much the same information that Jennifer Clark had given earlier.

Senator Nething: The last paragraph of this bill, page 1, lines 21-23 -- language not necessary? Already have authority?

Robert A. Barnett: 3 lines above it -- as appropriated ....basically says the same thing.

Senator Bowman: Wasn't in the department's budget?

Robert A. Barnett: No, the fund was set up last session -- in the next biennium we will be using 5 million of this fund for SB2004, no interest income, receiving tobacco funds.

Senator Andrist: Effect of this bill: doesn't effect the 5 million -- keeping community health trust healthy -- no spending authority?

Robert A. Barnett: Yes, dedicated funds.

Robert Fiarson, Minot City Director testified in support of SB2024, especially page 1, lines 21-23 . In part due to increased health care costs -- in January '99 Minot created a self-funding

health group. Our Human Resources division helped us provide tobacco counseling and education for employees who wished to stop smoking. We had 15-20 volunteers enroll in the program; 2 were successful. The city paid for the counseling, the individuals had to pay for the z-band, medicines themselves. We are willing to be a participant -- match dollar for dollar. Feel that if we paid for the counseling and all medicines, the program could be successful.

Senator Solberg: Why more successful when company fund/with matching dollars pays in full, versus when individual pays their own expenses?

Robert A. Barnett: Like to pay for z-band, patches etc. Our self funded health plan paid only for the counseling, at a cost of \$600 per employee.

Senator Nething: Counseling costs?

Robert A. Barnett: \$30 per employee per session. Course consisted of 3 sessions, \$90 total for each employee.

Don Flynn, Vice Chairman of the Southwest Water Authority, Scranton, ND testified against SB2024 ( a copy of his written testimony is attached).

Senator Schobinger; your concern is interest earned on outside support?

Don Flynn: Yes, interest is part of the money we'll need to finalize many projects, including one with a projected completion date of 2007.

Michael Dwyer, lobbyist #82: North Dakota Water Users Association, and the North Dakota Water Resource Districts Association testified in opposition of the water part of the bill. Interest from special funds should stay there. He distributed an information sheet "The North Dakota Water Coalition's Focus on North Dakota' Critical Water Needs: 2001-2003 ( A copy is attached). Requested that the interest remain in the fund.

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Senator Bowman: When you speak of health problems -- smoking and bad water both bad for our health -- with the two entities of health concerns, how do we balance?

Michael Dwyer: Water plays in several areas -- health requires quality water. There is a serious need for quality water. ED&F is a critical player in clean water.

Senator Andrist: This isn't taking your money? Interest goes to the general fund, you're not getting the interest?

Michael Dwyer: HB1151 does take the interest and keeps it there. The tobacco fund -- then allocates out -- didn't address interest, indicated 3 separate funds, to general funds -- same on SB2029.

Dave Koland, Director of Water Resource Board, testified against SB2024. Oppose taking the interest dollars out of water. Newest EPA ratings on arsenic (now 50 per million) will be 10. This would move 43 water systems in the state out of compliance. 40 would need new treatment plants at a cost of 1 - 1.5 million dollars. There could be a serious infrastructure in the area of delivering safe water. Approval of this bill would be setting a dangerous precedent.

Senator Heitkamp: If the Dakota Water Resource Act passes -- will this be a wind fall to ND -- a good match required.

Dave Koland: 1) it does require 25% match, local funds and 35% match state funds, 200 million to address needs -- no appropriation, go back each year for appropriation, no carry over.

Senator Heitkamp: EPA requirement to 10 -- what estimate do you have to mend the ND facilities?

David Koland: 40 million to address.

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Ken Rorse, State Water Resource Board, from Bismarck testified against SB2024. It reduces interest; the water coalition has goals (as Mike Dwyer indicated earlier) yet to be met; this would weaken funds; weaken us in addressing the problems.

Jane Herman, American Heart Association, testified in a neutral position ( a copy of her testimony is attached).

Senator Schobinger: On the second page -- recent studies using consumption or quantity sold?

Jane Herman: Not positive, but believe it is by quantity sold.

Bruce Levi, North Dakota Medical Association, presented neutral testimony ( a copy of his testimony is attached).

Hearing closed by Senator Nething -- no one else requested time to testify, for or against SB2024.



Full Committee Action February 6, 2001 (tape 1, side a, 23.4 - 32.1)

Senator Nething opened the hearing on SB2024.

Senator Andrist, Health Department Subcommittee Chair, spoke regarding SB2024, SB2028, and SB2029. The subcommittee felt the money best left in the general fund; moneys can be transferred from the general fund into the trust funds -- not the reversal.

Senator Andrist moved a DO NOT PASS; seconded by Senator Grindberg.

Discussion: Senator Tallackson: How much money is involved?

Senator Andrist: Not 5 million in fund; can't earn that much in 2 years.

Jim Smith, Legislative Council Analyst: 500 thousand here, rest in water trust.

Senator Andrist: Moneys out of general fund into trust funds -- wouldn't be able to transfer back ---best to keep dollars in the general fund.

Senator Robinson: Both governor's budgets recommended this, as the committee decided.

Senator Lindaas: Not into the individual funds?

Senator Andrist: Yes.

Senator Andrist moved a DO NOT PASS; seconded by Senator Grindberg. Roll Call Votes: 11 yes, 1 no, 2 absent and not voting. Motion carried. Senator Robinson accepted the floor assignment.

