

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

22240

2001 SENATE FINANCE AND TAXATION

SB 2240

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2240

Senate Finance and Taxation Committee

Conference Committee

Hearing Date 1/23/01

Tape Number	Side A	Side B	Meter #
1	X		0-17.8
2	X		9.1-15
Committee Clerk Signature <i>Lynelle A. Kraft, Clerk</i>			

Minutes:

Senator Urlacher: Opened the hearing on SB 2240, relating to an optional contribution by individual income taxpayers for programs and activities conducted by the Silver-Haired Education Association.

Senator Larry Robinson: Sponsored, testified in support. If enacted, there would be a change for the computerized system. Points out that there is a similar bill in the House.

Norm Stuhmiller: Silver-Haired Education Assoc., testified in support. Written testimony attached.

Senator Urlacher: What's the normal amount of money used in the past?

Norm Stuhmiller: About \$30,000.

Senator Urlacher: And that is for the specific purpose of legislative education?

Norm Stuhmiller: Yes.

Senator Wardner: Would this come out of the refund, or out of the taxes?

Norm Stuhmiller: It's a check-off.

Senator Christmann: We keep adding these things to the short form. If we do this for your group, there will be others to follow. Asks for response.

Norm Stuhmiller: This is different because they work with legislation.

Senator Stenehjem: If this \$9,000 is too much, would you have a problem with a small portion of the moneys received going back to cover this cost of the implementation?

Norm Stuhmiller: I don't believe we would have a problem with that.

Howard Snortland: Representing AARP, testified in support. This organization is a worthy cause.

Senator Nichols: How many days does the Silver-Haired assembly meet?

Norm Stuhmiller: Used to be 3 days, now it's 2.

Donnita Wald: ND Tax Dept., neutral. Has no problem with the bill or getting money back from contributions to cover the cost.

Senator Christmann: Concerned about the tax form.

Donnita Wald: Explains how the tax form would change.

Senator Wardner: If you don't get a refund, can you still contribute?

Donnita Wald: Yes, you can add a dollar.

Senator Stenehjem: What is percentage of people use the short form?

Donnita Wald: Right around 97%.

Senator Kroeplin: What is the fiscal note for?

Donnita Wald: To program mainframe information for processing returns.

Senator Nichols: Would there be a change on the form if this didn't pass?

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Senate Finance and Taxation Committee

Bill/Resolution Number 2240

Hearing Date 1/23/01

Donnita Wald: Just changing the name of the tree check-off, so this would be doing something new.

Senator Christmann: How many people use the tree check-off or the other one?

Donnita Wald: Each program gets about \$15,000 a year so about 300,000 returns.

Senator Urlacher: Closed the hearing. Action delayed.

Discussion held later. Meter number 9.1-15.

COMMITTEE ACTION:

Motion made by Senator Stenehjem for a DO PASS, Seconded by Senator Kroeplin.

Vote was 5 yeas, 1 nay, 0 absent or not voting. Bill carrier was Senator Stenehjem.

FISCAL NOTE
 Requested by Legislative Council
 01/18/2001

Bill/Resolution No.: SB 2240

Amendment to:

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$9,000			
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2240 allows voluntary contributions by individual income taxpayers to the silver-haired education association. The amount of contributions that will be made is unknown. (Currently, taxpayers can make voluntary contributions in a similar manner to two other programs. Each program collects approx. \$15,000 per year.)

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.*

SB 2240, if enacted, would require additional operating expenses within the Tax Department to create the necessary database field and adjust existing programs. The estimate of \$8,000 to \$10,000 is a one-time expense. Ongoing costs would be minimal as the Department operates similar checkoff programs already.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Kathryn L. Strombeck	Agency:	Tax Department
Phone Number:	328-3402	Date Prepared:	01/19/2001

Date: 1/23/01
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2240

Senate Finance and Taxation Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Stenehjem Seconded By Kroeplin

Senators	Yes	No	Senators	Yes	No
Senator Urlacher-Chairman	✓				
Senator Wardner-Vice Chairman	✓				
Senator Christmann		✓			
Senator Stenehjem	✓				
Senator Kroeplin	✓				
Senator Nichols	✓				

Total (Yes) 5 No 1

Absent 0

Floor Assignment Stenehjem

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

REPORT OF STANDING COMMITTEE (410)
January 23, 2001 1:00 p.m.

Module No: SR-11-1429
Carrier: Stenehjem
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2240: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO PASS (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2240 was placed on the Eleventh order on the calendar.

2001 HOUSE FINANCE AND TAXATION

SB 2240

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2240

House Finance and Taxation Committee

Conference Committee

Hearing Date February 28, 2001

Tape Number	Side A	Side B	Meter #
1	X		660
Committee Clerk Signature <i>Jane Stein</i>			

Minutes:

REP. AL CARLSON, CHAIRMAN Opened the hearing and read the fiscal note.

SEN. LARRY ROBINSON, DIST. 24, Introduced the bill as the prime sponsor. There are also other bills in the legislature which could be dovetailed to minimize the overall impact on the department if this bill becomes law. This is a product of the silver-haired assembly. The bill allows for an optional volunteer effort on the part of taxpayers across the state of North Dakota to provide contributions to the activities of this assembly. I know there has been a reluctance to adding another line to our short form tax form. Some are arguing that our short form will soon become a medium form. I appreciate that concern. We have suggested throughout the years, when different organizations have come to us for assistance, that they go back and create a program to fund their activities. That is exactly what this group has done. They have worked hard to come up with this proposal for your consideration.

REP. CARLSON You can add a dollar to your income tax, it goes into a fund known as the silver-haired education fund, which will be distributed by the Department of Human Services, and it will be used for their lobbying efforts?

SEN. ROBINSON You are accurate, the lobbying effort is a very broad based, all encompassing term. If you follow the activities of the silver haired assembly, they have been very active participants in not only senior citizen issues, but in a whole host of issues we address each year this legislature convenes. It is a tremendously healthy situation we have that there are active participants in the process.

NORM STUHMILLER, SILVER-HAIRED EDUCATION ASSOCIATION, Testified in support of the bill. See attached written testimony.

REP. WINRICH Originally, you said there was funding from the North Dakota Aging Services?

NORM STUHMILLER That is correct.

REP. WINRICH That funding came from the Department of Health?

NORM STUHMILLER Yes, the state supported it.

REP. WINRICH, What is R.S.V.P.

NORM STUHMILLER It is Retired Senior Volunteer Program.

That is a federally funded program. They have, in their budget, a certain number of dollars that they use for education, but they don't have any more of those funds left.

DONNITA WALD ATTY., STATE TAX DEPARTMENT, Testified in a neutral position.

Currently, there are two check offs in the state on returns. One is the centennial trees program, and the other is the non paying wildlife fund. Each of these programs gets about \$16,000 per

year. In 1999 there were 2,314 returns which contributed to the trees. There were 2,004 returns which contributed to the birds.

REP. CARLSON Do they show up as a line on both forms, short and long?

DONNITA WALD That is correct, actually, it is four lines on both of them, you can have your refund reduced or you can pay more.

REP. CARLSON Asked how the money is disbursed.

DONNITA WALD Transfer monthly.

REP. CARLSON It goes to the Department of Human Services, then from there the Senior Haired Education Association, makes a request and gets the money?

DONNITA WALD That is how I understand it will work.

REP. RENNERFELDT Do they have any idea how much money this will raise?

NORM STUHMILLER Answered, stating, no, they don't have any idea. That is another education process we could do, tell all of your senior friends, it will cost one dollar. We have 70,000 AARP members alone, and a lot of seniors don't belong. If each would pay one dollar that would be \$70,000. In California they get \$275,000, of course, the population is different then here.

REP. DROVDAL What is the cost of the silver-haired association?

NORM STUHMILLER deferred the question to Bernie Wagner.

BERNIE WAGNER, VALLEY CITY, SECRETARY OF THE SILVER HAURED EDUCATION STEERING COMMITTEE. See written testimony.

Gave a brief history of what the silver-haired education association consists of and what they do.

REP. CLARK Asked whether their organization received any funding from the state, and when was the last time.

BERNIE WAGNER Six years ago, they received forty thousand dollars, but they have withdrawn that. They phased out the director, when Bernie took over. They use the staff of the Barnes County Seniors.

REP. CARLSON TO DONNITA WALD Asked whether nine thousand dollars is standard to set up to put in another computer program.

DONNITA WALD That is correct.

REP. CARLSON What does the tree one bring in for the year?

DONNITA WALD About fifteen thousand dollars, for each program, for a total of thirty thousand.

REP. CARLSON When I look at the math, we take in fifteen thousand dollars, but it costs nine thousand to get that.

REP. KROEBER But that nine thousand is a one-time cost?

DONNITA WALD That is correct.

REP. SCHMIDT Those two programs you were talking about, the birds and trees, if they put that on there, you will get a lot more than fifteen thousand dollars.

DONNITA WALD Didn't respond.

REP. CARLSON TO NORM STUHMILLER We are real hesitant to add things to our tax forms, whether it be birds or trees, or whatever it happens to be, I am a little bit puzzled why you couldn't use the same effort and have a mailing and raise the same fifteen thousand dollars from your members for legislating efforts?

