

**Department of Mineral Resources  
Budget No. 474  
House Bill No. 1014**

	FTE Positions	General Fund	Other Funds	Total
<b>2023-25 legislative appropriations</b>	<b>108.00</b>	<b>\$32,444,371</b>	<b>\$2,568,000</b>	<b>\$35,012,371</b>
2023-25 base budget <sup>1</sup>	0.00	0	0	0
Legislative increase (decrease) to base budget	108.00	\$32,444,371	\$2,568,000	\$35,012,371

<sup>1</sup>The 2023 Legislative Assembly provided a separate budget for the Department of Mineral Resources. Prior to the 2023-25 biennium, funding for the Department of Mineral Resources was included with the Industrial Commission.

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
<b>2023-25 legislative appropriations</b>	<b>\$27,975,520</b>	<b>\$4,468,851</b>	<b>\$32,444,371</b>
2021-23 legislative appropriations <sup>1</sup>	0	0	0
2023-25 legislative increase (decrease) to 2021-23 appropriations	\$27,975,520	\$4,468,851	\$32,444,371
Percentage increase (decrease) to 2021-23 appropriations	N/A	N/A	N/A

<sup>1</sup>The 2023 Legislative Assembly provided a separate budget for the Department of Mineral Resources. Prior to the 2023-25 biennium, funding for the Department of Mineral Resources was included with the Industrial Commission.

**SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS  
Changes to Base Budget**

	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Adjusted funding to separate the Department of Mineral Resources from the Industrial Commission	101.50	\$26,489,613	\$238,004	\$26,727,617
Adjusted funding for base payroll changes		167,219		167,219
Added funding to provide employee salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024		1,604,665		1,604,665
Added funding for employee health insurance premiums to reflect a revised premium estimate of \$1,643 per month		564,010		564,010

Added 3 FTE carbon capture positions (\$715,134) and related operating expenses (\$45,777)	3.00	760,911		760,911
Added 1 FTE paleontology position (\$167,102) and related operating expenses (\$29,508)	1.00	196,610		196,610
Added 1 FTE critical minerals position (\$216,028) and related operating expenses (\$60,495)	1.00	276,523		276,523
Added 1 FTE subsurface geologist position (\$119,695) and related operating expenses (\$17,783)	1.00	137,478		137,478
Added 0.5 FTE records management position (\$66,334) and related operating expenses (\$3,163)	0.5	69,497		69,497
Transferred funding for new FTE positions and estimated savings from vacant FTE positions to a new and vacant FTE funding pool in the Office of Management and Budget		(2,674,149)		(2,674,149)
Transferred \$6,907 of general fund appropriation authority from the operating expenses line item to the salaries and wages line item related to cost-savings from operating expenses and increases in salaries		0		0
Added funding from the general fund for temporary salaries (\$45,000) and from federal funds for other salary adjustments (\$29,996)		45,000	29,996	74,996
Added funding for operating expenses for Information Technology Department rate increases (\$3,143), computer server transition costs (\$230,000), and professional membership dues (\$105,000)		338,143		338,143
Added <b>one-time funding</b> from the general fund for equipment for new FTE positions (\$68,335), inflationary increases (\$886,868), core and mineral analyses (\$100,000), drones and computers (\$83,648), computer server transition costs (\$80,000), and oil and gas litigation (\$3 million)		4,218,851		4,218,851
Added <b>one-time funding</b> from the federal funds for administrative costs related to an abandoned well reclamation program			2,300,000	2,300,000
Added <b>one-time funding</b> from the general fund for a transfer to the fossil excavation and restoration fund pursuant to Section 6 of House Bill No. 1014		250,000		250,000
<b>Total</b>	<b>108.00</b>	<b>\$32,444,371</b>	<b>\$2,568,000</b>	<b>\$35,012,371</b>

### FTE Changes

The Legislative Assembly authorized 108 FTE positions for the Industrial Commission for the 2023-25 biennium, an increase of 108 FTE positions from the 2021-23 biennium. The Legislative Assembly transferred 101.50 FTE positions from the Industrial Commission to the Department of Mineral Resources to separate the agencies and authorized 3 FTE carbon capture positions, 1 FTE paleontology position, 1 FTE critical minerals position, 1 FTE subsurface geologist position, and 0.5 FTE records management position.

### Deficiency Appropriations

Section 5 of House Bill No. 1014 provides a deficiency appropriation of \$62,460 from the general fund to the Department of Mineral Resources for employing 3 FTE carbon capture positions and provides a deficiency appropriation of \$15,000 from the general fund for a transfer to the fossil excavation and restoration fund. These amounts are reflected in the Industrial Commission budget for the 2021-23 biennium.

### One-Time Funding

One-time appropriations for the 2023-25 biennium for the Department of Mineral Resources include the following:

	General Fund	Other Funds	Total
Equipment for new FTE positions	\$68,335		\$68,335
Inflationary increases	886,868		886,868
Core and mineral analyses	100,000		100,000
Drones and computer equipment	83,648		83,648
Computer server transition costs	80,000		80,000
Administrative costs related to an abandoned well reclamation program (federal funds)		\$2,300,000	2,300,000
Oil and gas litigation	3,000,000		3,000,000
Transfer to the fossil excavation and restoration fund (Section 6 of House Bill No. 1014)	250,000		250,000
<b>Total</b>	<b>\$4,468,851</b>	<b>\$2,300,000</b>	<b>\$6,768,851</b>

### Other Sections in House Bill No. 1014

**Fossil restoration fund** - Section 6 transfers \$250,000 from the general fund to the fossil restoration fund during the 2023-25 biennium.

**North Dakota outdoor heritage fund** - Section 26 decreases the oil and gas tax revenue allocation limit to the North Dakota outdoor heritage fund from \$20 million per fiscal year to \$7.5 million per fiscal year for the 2023-25 biennium, the same as the 2021-23 biennium.

**Oil and gas research fund** - Section 26 increases the allocations to the oil and gas research fund by \$7.5 million, from \$10 million to \$17.5 million for the 2023-25 biennium, an increase of \$3 million from the 2021-23 biennium.

**Federal State Fiscal Recovery Fund exemption** - Section 27 provides an exemption allowing unspent federal funding authorized during the November 2021 special legislative session to be available in the 2023-25 biennium related to an abandoned oil well conversion program (\$3.2 million).

**Survey review exemption** - Section 27 provides an exemption allowing the Industrial Commission to continue unspent 2017-19 biennium appropriation authority for a survey review into the 2023-25 biennium.

**Emergency clause** - Section 31 includes an emergency clause related to the appropriation and FTE position authorization for carbon capture positions, a transfer of \$15,000 to the fossil restoration fund, \$3 million for oil and gas litigation expenses, and \$310,000 for computer server transition.

### Related Legislation

**Senate Bill No. 2015 (2023) - Funding pools** - Includes funding pools from which the agency may receive allocations, including the:

- Employer retirement contribution pool in accordance with provisions of Section 23 of Senate Bill No. 2015 for the 1 percent employer retirement contribution increase provided for in House Bill No. 1040 (2023), and the funding for the Department of Mineral Resources is included with the funding for the Industrial Commission;

- New and vacant FTE funding pool from which the agency may request funding when hiring new FTE positions or if the agency does not realize sufficient savings from vacant FTE positions in accordance with provisions of Section 22 of Senate Bill No. 2015; and
- Targeted market equity pool from which the agency may receive an allocation as determined by the Office of Management and Budget in accordance with provisions of Section 20 of Senate Bill No. 2015.

**Senate Bill No. 2059 (2023)** - Increases the fund balance limit from \$50 million to \$100 million for oil and gas gross production tax revenue allocations to the abandoned oil and gas well plugging and site reclamation fund.