

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1015

Page 1, line 6, after the semicolon insert "to provide directives relating to 911 telephone services; to provide for program reductions if federal programs are terminated or reduced; to provide for a transfer from the North Dakota insurance reserve fund to the office of management and budget; to provide for a transfer from the information services division operating fund to the state general fund; to provide legislative intent regarding legislative renovations; and replace "section" with "sections 32-12.2-06 and"

Page 1, line 7, after "the" insert "state risk management fund and to the"

Page 1, line 19, replace "8,268,512" with "8,260,692"

Page 1, line 23, replace "57,214,108" with "57,206,288"

Page 2, line 2, replace "15,217,888" with "15,210,068"

Page 2, line 5, replace "45,370,940" with "44,897,969"

Page 2, line 6, replace "45,370,940" with "44,897,969"

Page 2, line 9, replace "4,646,858" with "4,601,858"

Page 2, line 10, replace "4,646,858" with "4,601,858"

Page 2, line 12, replace "399,217" with "354,217"

Page 2, line 21, replace "19,742,049" with "19,689,229"

Page 2, line 22, replace "92,201,411" with "91,728,440"

Page 2, line 23, replace "111,943,460" with "111,417,669"

Page 2, remove lines 24 through 31

Page 4, line 28, replace "a comprehensive public communication" with "the mobile data communications"

Page 4, after line 29, insert:

"SECTION 11. STATE RADIO - 911 SERVICES. As required by section 18 of 1995 Senate Bill No. 2015, the fifty-fifth legislative assembly specifically provides state radio communications with the authority to expand its 911 services beyond the twenty-county limit set by the fifty-fourth legislative assembly. The authority to add Golden Valley county to its 911 service begins with the effective date of this Act and ends on June 30, 1999. State radio communications is then limited to providing 911 services to the counties being served as of June 30, 1999.

SECTION 12. FEDERAL PROGRAM TERMINATIONS - BLOCK GRANT - FUNDING REDUCTIONS - RELATED PROGRAM REDUCTIONS - REPORTS TO

THE BUDGET SECTION. If the federal government during the 1997-99 biennium terminates funding for any program administered by an agency, department, or institution of the state of North Dakota, the agency, department, or institution, subject to budget section approval, may terminate the program and not replace the reduction in federal funds with state funds, notwithstanding any other provision of law. If the federal government combines funding for separate programs in a block grant resulting in a reduction of total federal funds available for those programs, the administering agency, department, or institution may, subject to budget section approval, prioritize or reprioritize programs as necessary in making programmatic reductions. The agency, department, or institution may administer funds available under a new federal block grant or similar measure, consistent with the terms of that measure, notwithstanding any other provisions of law intended to conform to or implement the provisions of the repealed federal Act, and shall report any program terminations, reductions, or changes resulting from this section to the budget section of the legislative council for its approval.

SECTION 13. RISK MANAGEMENT. The North Dakota insurance reserve fund shall transfer \$5,000,000 of excess equity investment in the North Dakota insurance reserve fund to the office of management and budget on July 1, 1997. This transfer represents final settlement with the North Dakota insurance reserve fund for any claim by the state to any funds held in reserve by the North Dakota insurance reserve fund for claims pending before July 1, 1997.

The recovery of the \$5,000,000, together with current reserves in the risk management fund, are considered sufficient reserves for claims anticipated in the 1997-99 biennium. Therefore, the following amounts shall be deducted from the budgets for risk management premiums as indicated:

AGENCY NAME	TOTAL CONTRIBUTIONS RECOMMENDED	
	1997-99	
Governor	\$	5,807
Secretary of state		8,065
Office of management and budget		39,231
Information services division		44,199
State auditor		16,843
Central services		8,065
State treasurer		3,441
Attorney general		68,782
State tax commissioner		50,332
Office of administrative hearings		1,742
Legislative council		10,001
Supreme court		20,216
Judicial conduct commission		2,151
Trial courts		81,734
Retirement and investment office		6,129
Public employees retirement system		5,807
Superintendent of public instruction		42,732
North Dakota university system office		6,387
Board of university and school lands		5,408
Bismarck state college		45,205
University of North Dakota - Lake Region		13,657
University of North Dakota - Williston		14,984
University of North Dakota		332,362
University of North Dakota medical center		169,097
North Dakota state university		246,740
North Dakota state college of science		80,723
Dickinson state university		40,332
Mayville state university		23,424
Minot state university		99,680
Valley City state university		36,719

Minot state university - Bottineau	14,988
North Dakota forest service	7,024
State library	9,517
School for the deaf	16,864
School for the blind	11,275
State board for vocational and technical education	10,162
State department of health	171,531
Veterans home	29,930
Indian affairs commission	1,075
Department of veterans affairs	3,075
Children's services coordinating committee	645
Department of human services	717,420
Protection and advocacy project	13,764
Job service North Dakota	144,639
Insurance commissioner	16,453
Industrial commission	24,092
Labor commissioner	2,581
Public service commission	16,133
Aeronautics commission	1,742
Department of banking and financial institutions	10,323
Securities commissioner	3,011
Bank of North Dakota	67,754
North Dakota housing finance agency	16,453
North Dakota mill and elevator association	53,341
Workers compensation bureau	50,171
Highway patrol	105,931
State radio communications	9,678
Division of emergency management	9,033
Department of corrections and rehabilitation	210,807
Adjutant general	73,414
Department of economic development and finance	9,678
Agriculture commissioner	13,954
North Dakota agricultural products utilization commission	645
State seed department	10,307
Upper great plains transportation institute	3,871
North Dakota state university extension service	74,204
Northern crops institute	2,581
North Dakota state university main research center	109,137
Dickinson research center	4,115
Central grasslands research center	1,613
Hettinger research center	2,581
Langdon research center	2,179
North central research center	1,936
Williston research center	2,581
Carrington research center	4,678
Agronomy seed farm	968
Land reclamation research center	6,696
North Dakota state fair	3,637
State historical society	16,778
Council on the arts	1,774
Soil conservation committee	1,936
Game and fish department	40,167
Department of tourism	3,226
Department of parks and recreation	11,033
State water commission	36,566
Department of transportation	1,095,846
Total	\$4,815,508

SECTION 14. TRANSFER. The director of the office of management and budget shall transfer \$550,000, or an amount equal to the 1997-99 biennium costs

relating to the information technology management division of the legislative council, whichever is less, from the information services operating fund to the general fund during the biennium beginning July 1, 1997, and ending June 30, 1999. The transfer is to reimburse the general fund for costs relating to information technology research, planning, monitoring, reviewing, and auditing and for assistance provided to agencies by the information technology management division of the legislative council.

SECTION 15. INTENT - LEGISLATIVE RENOVATIONS. It is the intent of the fifty-fifth legislative assembly that the facility management division of the office of management and budget convert, during the 1997-99 biennium, the house of representatives lounge into a house committee room. The house conference room is then to be renovated and used to provide space and three telephone lines for the doctor of the day.

SECTION 16. AMENDMENT. Section 32-12.2-06 of the North Dakota Century Code is amended and reenacted as follows:

32-12.2-06. ~~(Contingent expiration date—see Note)~~ Liability insurance - Reinsurance. Upon approval of the director of the office of management and budget, an entity of the state may participate in a government self-insurance pool or may purchase insurance against liability of the entity and its employees for damages resulting from claims under this chapter. The director shall limit participation in government self-insurance pools and, except as provided in this section, the purchase of insurance to exposures determined to cause an excessive financial risk to the state risk management fund including exposures reasonably expected to deplete the fund and have a significant detrimental impact on the state's budget. The director shall develop a state self-insurance program that provides as much coverage as possible of potential liability recognized by this chapter, but that includes supplemental insurance purchases in a manner that is determined appropriate by the director in consultation with the state risk manager. The insurance may be provided by an insurance company authorized to do business in this state which the commissioner of insurance has determined to be responsible and financially sound, considering the extent of the coverage required, or coverage may be provided by a government self-insurance pool. If a premium savings will result and the director of the office of management and budget approves, the insurance policy or memorandum of coverage may be in force from one through three years from the date of issue. The director may procure an excess loss reinsurance contract for the state."

Page 5, line 13, replace "12" with "17"

Page 5, line 15, replace "12" with "17"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 110 - OFFICE OF MANAGEMENT AND BUDGET

HOUSE - This amendment makes the following changes:

	1997-99 EXECUTIVE RECOMMENDATION	INCREASED JANITORIAL COSTS FOR LEGISLATIVE SESSION	REMOVE ARCHITECTURAL POOL	ADD FUNDING FOR THE PRELIMINARY PLANNING REVOLVING LOAN FUND	REMOVE NEW FTE - EVENTS COORDINATOR	REMOVE NEW FTE - DIRECTOR OF CUSTODIAL SERVICES	TOTAL HOUSE CHANGES	HOUSE VERSION
Administration	\$ 3,405,558							\$ 3,405,558
Fiscal management	4,066,236							4,066,236
Facility Management	8,268,512	\$27,500	\$(75,000)	\$200,000	\$(80,160)	\$(80,160)	\$ (7,820)	8,260,692
Central Personnel	1,126,728							1,126,728
Intergovernmental assistance	39,503,256							39,503,256
Risk management	843,818							843,818
Total all funds	\$57,214,108	\$27,500	\$(75,000)	\$200,000	\$(80,160)	\$(80,160)	\$ (7,820)	\$57,206,288
Less estimated income	41,996,220							41,996,220
General fund	\$15,217,888	\$27,500	\$(75,000)	\$200,000	\$(80,160)	\$(80,160)	\$ (7,820)	\$15,210,068
FTE	119.60				(1.00)	(1.00)	(2.00)	117.60
Salaries and wages	\$ 9,094,855	\$27,500						\$ 8,962,035
Operating expenses	8,243,188		\$(75,000)	\$200,000	\$(80,160)	\$(80,160)	\$(132,820)	8,368,188
Equipment	506,215						125,000	506,215
Grants	37,934,000							37,934,000
Capital improvements	1,435,850							1,435,850
Total all funds	\$57,214,108	\$27,500	\$(75,000)	\$200,000	\$(80,160)	\$(80,160)	\$ (7,820)	\$57,206,288
Less estimated income	41,996,220							41,996,220
General fund	\$15,217,888	\$27,500	\$(75,000)	\$200,000	\$(80,160)	\$(80,160)	\$ (7,820)	\$15,210,068

The \$200,000 is to be used to establish a balance in the preliminary planning revolving loan fund, as recommended by the Budget Section. Pursuant to North Dakota Century Code (NDCC) Section 54-44.1-07, the Budget Section requested that the Office of Management and Budget include in the executive budget presented to the 1997 Legislative Assembly money to be used for the preliminary planning revolving loan fund which is established by NDCC Section 54-27-22. The fund was originally established by the 1975 Legislative Assembly to be used for the prepayment of consultant and planning fees for capital improvement projects. The purpose of the fund is to assist agencies in preparing more accurate cost estimates for proposed capital projects.

This amendment also adds new Sections 12, 13, 14, 15, and 16 as follows:

Section 12 provides that if federal funding for a program is terminated during the 1997-99 biennium, the administering state agency, department, or institution shall terminate the program. It also provides that if the federal government reduces federal funding by combining the funding for separate programs into a block grant, the agency, department, or institution shall prioritize or reprioritize programs as necessary.

Section 13 provides for a transfer from the North Dakota insurance reserve fund of \$5,000,000 of excess equity investment in the North Dakota insurance reserve fund to the Office of Management and Budget.

Section 14 provides for a transfer equal to the costs associated with the Legislative Council's Information Technology Management Division up to \$550,000 from the Information Services Division's operating fund to the general fund during the 1997-99 biennium. The amount is a portion of the estimated revenue that will be generated as a result of increasing the Information Services Division's overhead rate by two percent from 2.9 percent to 4.9 percent for the 1997-99 biennium. Funding for the increase has been included in agency budget requests and the increase is based on the recommendations of Wolfe and Associates, Inc., to provide funding for planning, reviewing, and for research and development costs. These functions were originally included in the Information Services Division but are now being transferred to the Legislative Council and provided a general fund appropriation.

Section 15 provides legislative intent regarding legislative renovations.

Section 16 amends Section 32-12.2-06 relating to the state risk management fund. The change directs the director of the Office of Management and Budget to develop a state self-insurance program.

DEPARTMENT 112 - INFORMATION SERVICES DIVISION

HOUSE - This amendment makes the following changes:

	1997-99 EXECUTIVE RECOMMENDATION	REMOVE PLANNING FUNCTIONS	TOTAL HOUSE CHANGES	HOUSE VERSION
Information resource management	\$45,370,940	\$(472,971)	\$(472,971)	\$44,897,969
Total all funds	\$45,370,940	\$(472,971)	\$(472,971)	\$44,897,969
Less estimated income	<u>45,370,940</u>	<u>(472,971)</u>	<u>(472,971)</u>	<u>44,897,969</u>
General fund	\$0	\$0	\$0	\$0
FTE	159.00	(4.00)	(4.00)	155.00
Salaries and wages	\$13,963,492	\$(442,611)	\$(442,611)	\$13,520,881
Operating expenses	27,522,448	(20,360)	(20,360)	27,502,088
Equipment	<u>3,885,000</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>3,875,000</u>
Total all funds	\$45,370,940	\$(472,971)	\$(472,971)	\$44,897,969
Less estimated income	<u>45,370,940</u>	<u>(472,971)</u>	<u>(472,971)</u>	<u>44,897,969</u>
General fund	\$0	\$0	\$0	\$0

DEPARTMENT 118 - CENTRAL SERVICES

HOUSE - This amendment makes the following changes:

	1997-99 EXECUTIVE RECOMMENDATION	DECREASE FUNDING FOR INFORMATION TECHNOLOGY SYSTEM	TOTAL HOUSE CHANGES	HOUSE VERSION
Central services	<u>\$4,646,858</u>	<u>\$(45,000)</u>	<u>\$(45,000)</u>	<u>\$4,601,858</u>
Total all funds	\$4,646,858	\$(45,000)	\$(45,000)	\$4,601,858
Less estimated income	<u>4,247,641</u>	<u> </u>	<u> </u>	<u>4,247,641</u>
General fund	\$399,217	\$(45,000)	\$(45,000)	\$354,217
FTE	27.00		0.00	27.00
Salaries and wages	\$1,790,989		\$0	\$1,790,989
Operating expenses	2,780,869	\$(22,500)	(22,500)	2,758,369
Equipment	<u>75,000</u>	<u>(22,500)</u>	<u>(22,500)</u>	<u>52,500</u>
Total all funds	\$4,646,858	\$(45,000)	\$(45,000)	\$4,601,858
Less estimated income	<u>4,247,641</u>	<u> </u>	<u> </u>	<u>4,247,641</u>
General fund	\$399,217	\$(45,000)	\$(45,000)	\$354,217

DEPARTMENT 506 - STATE RADIO COMMUNICATIONS

HOUSE - This amendment adds a new Section 11 which allows State Radio to expand its 911 services by adding Golden Valley County. Section 18 of 1995 Senate Bill No. 2015 provided that State Radio could not expand beyond 20 counties until the Fifty-fifth Legislative Assembly addressed the future of 911 services provided by State Radio.