

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

That the Senate recede from its amendments as printed on pages 1667-1669 of the House Journal and pages 1354-1357 of the Senate Journal and that Engrossed House Bill No. 1024 be amended as follows:

Page 1, line 2, after "enact" insert "a new section to chapter 23.1-12 and"

Page 1, line 3, after "inspections" insert "and the petroleum tank release compensation fund"

Page 1, line 6, remove "and"

Page 1, line 6, after "23.1-12-30" insert ", and 23.1-16-13"

Page 1, line 8, remove "and"

Page 1, line 9, replace "for a contingent" with "an"

Page 1, line 9, after "date" insert "; and to provide a contingent expiration date"

Page 1, remove lines 19 through 24

Page 2, replace line 1 with:

"Salaries and wages	\$27,040,544	\$3,546,814	\$30,587,358
Operating expenses	8,005,878	1,996,302	10,002,180
Capital assets	1,258,249	1,005,180	2,263,429
Grants	<u>13,407,000</u>	<u>2,454,529</u>	<u>15,861,529</u>
Total all funds	\$49,711,671	\$9,002,825	\$58,714,496
Less estimated income	<u>38,987,520</u>	<u>7,246,054</u>	<u>46,233,574</u>
Total general fund	\$10,724,151	\$1,756,771	\$12,480,922"

Page 2, line 22, replace "\$879,312" with "\$882,249"

Page 2, after line 25, insert:

**"SECTION 5. ESTIMATED INCOME - PETROLEUM RELEASE
COMPENSATION FUND.** The estimated income line item included in section 1 of this Act includes \$297,217, or so much of the sum as may be necessary, to be made available to the department of environmental quality from the petroleum release compensation fund for expenses related to the petroleum tank release program, for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 2, line 26, remove "**CONTINGENT**"

Page 3, line 1, remove "The funding may be spent only upon certification by the"

Page 3, remove lines 2 through 4

Page 3, line 5, replace "**CONTINGENT APPROPRIATION**" with "**FUNDING**"

Page 3, line 6, replace "\$1,248,945" with "\$1,056,767"

Page 3, line 6, replace "ten" with "eight"

Page 3, line 6, after "positions" insert ", related to the state assuming primacy over the quad O and quad Oa federal air pollution programs,"

Page 3, line 7, remove ", and may be spent only upon certification by"

Page 3, remove lines 8 and 9

Page 3, line 10, remove "assuming primacy over the quad O and quad Oa federal air pollution programs"

Page 10, after line 6, insert:

"SECTION 17. A new section to chapter 23.1-12 of the North Dakota Century Code is created and enacted as follows:

Registration fees before adoption of rules.

Until the department adopts rules establishing a schedule of registration fees under section 23.1-12-17, registration fees must comply with this section. An owner or operator of a tank shall pay an annual registration fee of fifty dollars for each aboveground or underground tank owned or operated by the person. If, after the fiscal year has been closed and all expenses relating to the fiscal year have been accounted for, the fund balance is less than six million dollars, the annual registration fee of fifty dollars is increased to one hundred dollars. If, after the fiscal year has been closed and all expenses relating to the fiscal year have been accounted for, the fund balance is five million five hundred thousand dollars or more and the annual registration fee has been increased to one hundred dollars, the fee must be reduced to fifty dollars. If, after the fiscal year has been closed and all expenses relating to the fiscal year have been accounted for, the fund balance exceeds nine million dollars, the annual registration fee is reduced to five dollars. Annual registration fees must continue at five dollars until the fund balance does not exceed nine million dollars."

Page 22, after line 5, insert:

"SECTION 30. AMENDMENT. Section 23.1-16-13 of the North Dakota Century Code is amended and reenacted as follows:

23.1-16-13. Disposition of funds.

All funds collected and received under this chapter must be paid to the state treasurer and deposited in the ~~state fire and tornado~~department of environmental quality operating fund to be used to defray the costs of boiler inspections."

Page 22, after line 6, insert:

"SECTION 32. BOILER INSPECTION PROGRAM EVALUATION - PLAN - REPORT TO LEGISLATIVE MANAGEMENT. The department of environmental quality shall evaluate the boiler inspection program during the 2019-20 interim, develop a plan for program fees to meet program expenses, and report to the legislative management regarding the plan before June 30, 2020."

Page 22, line 7, remove "Sections 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19,"

Page 22, replace lines line 8 through 14 with "Section 30 of this Act becomes effective on July 1, 2020.

SECTION 34. CONTINGENT EXPIRATION DATE. Section 17 of this Act is effective until the date the legislative council receives certification from the department of environmental quality that rules establishing a schedule of registration fees under section 23.1-12-17 have been adopted, and after that date is ineffective."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Department of Environmental Quality - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$27,040,544	\$30,196,953	\$390,405	\$30,587,358	\$30,587,358	
Operating expenses	8,005,878	10,002,180		10,002,180	10,002,180	
Capital assets	1,258,249	2,263,429		2,263,429	2,263,429	
Grants	13,407,000	15,861,529		15,861,529	15,861,529	
Total all funds	\$49,711,671	\$58,324,091	\$390,405	\$58,714,496	\$58,714,496	\$0
Less estimated income	38,987,520	46,415,932	(182,358)	46,233,574	45,648,542	585,032
General fund	\$10,724,151	\$11,908,159	\$572,763	\$12,480,922	\$13,065,954	(\$585,032)
FTE	152.50	165.50	0.00	165.50	165.50	0.00

Department 303 - Department of Environmental Quality - Detail of Conference Committee Changes

	Adds Funding for Salary Increases ¹	Adds Funding for Health Insurance Increases ²	Adds 2 FTE Positions for the Supremacy of Federal Programs ³	Removes 2 FTE Positions for the Supremacy of Federal Programs ⁴	Adjusts the Funding Source of the Petroleum Tank Release Program ⁵	Total Conference Committee Changes
Salaries and wages	\$184,841	\$13,386	\$384,356	(\$192,178)		\$390,405
Operating expenses						
Capital assets						
Grants						
Total all funds	\$184,841	\$13,386	\$384,356	(\$192,178)	\$0	\$390,405
Less estimated income	111,289	3,570	0	0	(297,217)	(182,358)
General fund	\$73,552	\$9,816	\$384,356	(\$192,178)	\$297,217	\$572,763
FTE	0.00	0.00	2.00	(2.00)	0.00	0.00

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020, the same as the Senate version. The House provided funding for a salary increase of 2 percent on July 1, 2019, and a 2 percent increase on July 1, 2020.

² Funding is added for health insurance increases related to an information technology unification FTE position not removed and the 2 FTE positions related to the supremacy of federal programs, the same as the Senate version.

³ Two of the FTE positions provided by the House in the 2nd year of the biennium and related funding for salaries and wages are added in the 1st year of the biennium for the supremacy of federal programs, the same as the Senate version. The House provided contingent funding and 10 FTE positions in the 2nd year of the biennium for the supremacy of federal programs.

⁴ Two of the contingent 10 FTE positions provided by the House in the 2nd year of the biennium for the supremacy of federal programs and related funding for salaries and wages are removed because they are added in the 1st year of the biennium, the same as the Senate version, to provide 8 FTE positions in the 2nd year of the biennium.

⁵ Funding for 50 percent of the total provided for defraying the expenses of the petroleum tank release program is provided from the general fund, instead of the petroleum release compensation fund. The House and the Senate provided \$594,434, including funding for salaries and wages of \$355,846 and operating expenses of \$238,588, from the petroleum release compensation fund for the program.

This amendment also:

- Amends a section identifying funding from the state fire and tornado fund for the boiler inspection program. The Senate provided the funding for the program from the general fund;
- Adds a section to identify funding from the petroleum release compensation fund for 50 percent of the funding related to the petroleum release program. Both the House and Senate had provided 100 percent of the funding for the program from the petroleum release compensation fund;
- Adjusts the section relating to the appropriation from the general fund for federal program supremacy to reduce total funding and FTE added in the 2nd year of the biennium;
- Adds a section to provide for petroleum tank fees to be assessed until the Department of Environmental Quality adopts rules regarding fees, the same as the Senate version;
- Amends the section related to the disposition of funds in the boiler inspection program, created to transfer the boiler inspection program to the Department of Environmental Quality, to require fees collected under the section are deposited in the Department of Environmental Quality operating fund beginning July 1, 2020. The House had continued to deposit the fees in the state fire and tornado fund and the senate had provided the fees be deposited in the general fund;
- Adds a section to require that the Department of Environmental Quality review the boiler inspection program during the 2019-20 interim, develop a plan for program fees to meet program expenses, and report to the Legislative Management regarding the plan before June 30, 2020, the same as the Senate version;
- Removes the contingent effective date related to Department of Environmental Quality programs because the department has received federal certification of the transfer of authority, powers, and duties to the Department of Environmental Quality; and
- Adds a section to provide for a contingent expiration date for the section which provides for petroleum tank fees to be assessed until the Department of Environmental Quality adopts rules regarding fees, the same as the Senate version.

House Bill No. 1024 - Other Changes - Conference Committee Action

The Conference Committee provided \$882,249 for the boiler inspection program, including funding for salaries and wages of \$793,249 and operating expenses of \$89,000, from the state fire and tornado fund, the same as the House version, instead of the general fund which was included in the Senate version. The Conference Committee also amended North Dakota Century Code Section 23.1-16-13, related to the disposition of boiler inspection funds, to provide, effective July 1, 2020, fees related to the boiler inspection program are deposited in the Department of Environmental Quality operating fund. The Senate provided for fees to be deposited in the general fund effective July 1, 2019, which would have increased general fund revenues by \$600,000.