

Sixty-second  
Legislative Assembly  
of North Dakota

ENGROSSED SENATE BILL NO. 2015

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions  
 2 under the supervision of the director of the office of management and budget; to provide an  
 3 exemption; to provide for various transfers; and to create and enact a new section to chapter  
 4 48-01.2 and a new section to chapter 54-27 of the North Dakota Century Code, and a new  
 5 subdivision to subsection 6 of section 1 of House Bill No. 1438 as enacted by the sixty-second  
 6 legislative assembly, relating to public improvement project bids, reports on federal grants, and  
 7 an employer's prohibition on firearm possession; to amend and reenact sections 54-16-03.1 and  
 8 54-35-02.3 of the North Dakota Century Code, relating to petitions to the emergency  
 9 commission and the legislative management employee benefits programs committee; to provide  
 10 legislative intent; to provide for a legislative management study; to provide for retroactive  
 11 application; and to declare an emergency.

12 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
 14 as may be necessary, are appropriated out of any moneys in the general fund in the state  
 15 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
 16 other income, to the office of management and budget for the purpose of defraying the  
 17 expenses of that agency, for the biennium beginning July 1, 2011, and ending June 30, 2013, as  
 18 follows:

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21 Salaries and wages	\$17,203,386	\$1,314,377	\$18,517,763
22 Operating expenses	13,363,053	402,201	13,765,254
23 Emergency commission contingency	0	700,000	700,000
24 fund			

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1	<del>Capital assets</del>	<del>2,420,298</del>	<del>6,969,845</del>	<del>9,390,143</del>
2	<u>Capital assets</u>	<u>2,420,298</u>	<u>6,069,845</u>	<u>8,490,143</u>
3	Grants	430,000	(375,000)	55,000
4	<del>Prairie public broadcasting</del>	<del>1,337,138</del>	<del>500,000</del>	<del>1,837,138</del>
5	<u>Prairie public broadcasting</u>	<u>1,337,138</u>	<u>(337,138)</u>	<u>1,000,000</u>
6	State student internship program	200,000	0	200,000
7	Statewide equity plan	<u>15,984,000</u>	<u>(15,984,000)</u>	<u>0</u>
8	<del>Total all funds</del>	<del>\$50,937,875</del>	<del>(\$6,472,577)</del>	<del>\$44,465,298</del>
9	<del>Less estimated income</del>	<del>14,688,779</del>	<del>(3,774,318)</del>	<del>10,914,461</del>
10	<del>Total general fund</del>	<del>\$36,249,096</del>	<del>(\$2,698,259)</del>	<del>\$33,550,837</del>
11	<u>Total all funds</u>	<u>\$50,937,875</u>	<u>(\$8,209,715)</u>	<u>\$42,728,160</u>
12	<u>Less estimated income</u>	<u>14,688,779</u>	<u>(4,174,318)</u>	<u>10,514,461</u>
13	<u>Total general fund</u>	<u>\$36,249,096</u>	<u>(\$4,035,397)</u>	<u>\$32,213,699</u>
14	Full-time equivalent positions	132.50	(1.00)	131.50

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

**SIXTY-THIRD LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-first legislative assembly for the 2009-11 biennium and the 2011-13 one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2009-11</u>	<u>2011-13</u>
20	<del>Prairie public broadcasting</del>	<del>\$2,016,200</del>	<del>\$500,000</del>
21	<u>Prairie public broadcasting</u>	<u>\$2,016,200</u>	<u>\$0</u>
22	ConnectND	1,000,000	0
23	Facility management repairs and equipment	2,850,000	0
24	Administration projects	126,041	0
25	Federal fiscal stimulus	689,494	0
26	Capital envelope	0	2,800,000
27	<del>Capitol complex parking lot repairs</del>	<del>0</del>	<del>1,000,000</del>
28	<u>Capitol complex parking lot repairs</u>	<u>0</u>	<u>500,000</u>
29	North Dakota 125 anniversary coordinator	<u>0</u>	<u>50,000</u>
30	<del>Total all funds</del>	<del>\$6,681,735</del>	<del>\$4,350,000</del>
31	<u>Total all funds</u>	<u>\$6,681,735</u>	<u>\$3,350,000</u>

1	Less estimated income	1,823,635	0
2	<del>Total general fund</del>	<del>\$4,858,100</del>	<del>\$4,350,000</del>
3	<u>Total general fund</u>	<u>\$4,858,100</u>	<u>\$3,350,000</u>

4 The 2011-13 one-time funding amounts are not a part of the entity's base budget for the  
5 2013-15 biennium. The office of management and budget shall report to the appropriations  
6 committees of the sixty-third legislative assembly on the use of this one-time funding for the  
7 biennium beginning July 1, 2011, and ending June 30, 2013.

8 **SECTION 3. APPROPRIATION - TRANSFER - GENERAL FUND TO PUBLIC**

9 **TRANSPORTATION FUND.** There is appropriated out of any moneys in the general fund in the  
10 state treasury, not otherwise appropriated, the sum of \$100,000, which the office of  
11 management and budget shall transfer to the public transportation fund during the biennium  
12 beginning July 1, 2011, and ending June 30, 2013.

13 **SECTION 4. TRANSFER TO GENERAL FUND FROM LANDS AND MINERALS TRUST**

14 **FUND.** During the biennium beginning July 1, 2011, and ending June 30, 2013, the director of  
15 the office of management and budget shall transfer \$239,000,000 from the lands and minerals  
16 trust fund to the general fund.

17 **SECTION 5. TRANSFER TO GENERAL FUND FROM PERMANENT OIL TAX TRUST**

18 **FUND.** During the biennium beginning July 1, 2011, and ending June 30, 2013, the director of  
19 the office of management and budget shall transfer \$232,000,000 from the permanent oil tax  
20 trust fund to the general fund.

21 ~~**SECTION 5. TRANSFER TO PROPERTY TAX RELIEF SUSTAINABILITY FUND FROM**~~  
22 ~~**PERMANENT OIL TAX TRUST FUND.**~~ During the biennium beginning July 1, 2011, and ending  
23 ~~June 30, 2013, the director of the office of management and budget shall transfer \$388,580,000~~  
24 ~~from the permanent oil tax trust fund to the property tax relief sustainability fund.~~

25 **SECTION 6. EXEMPTION.** The amount appropriated for the fiscal management division, as  
26 contained in section 1 of chapter 15 of the 2009 Session Laws is not subject to the provisions of  
27 section 54-44.1-11. Any unexpected funds from this appropriation are available for continued  
28 development and operating costs of the accounting, management, and payroll systems, during  
29 the biennium beginning July 1, 2011, and ending June 30, 2013.

30 **SECTION 7. INTENT.** Within the authority included in section 1 of this Act are the following  
31 grants and special items:

1	Boys and girls clubwork	\$53,000
2	State memberships and related expenses	\$611,000
3	Unemployment insurance	\$1,500,000
4	Capitol grounds planning commission	\$25,000

5       **SECTION 8. STATE STUDENT INTERNSHIP PROGRAM.** The human resources division  
6 of the office of management and budget may transfer to each eligible agency appropriated  
7 general fund spending authority from the state internship program line item contained in  
8 section 1 of this Act.

9       **SECTION 9. INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS -**

10 **GUIDELINES.** It is the intent of the ~~sixty-third~~sixty-second legislative assembly that 2011-13  
11 compensation adjustments for regular state employees are to vary based on documented  
12 performance and equity and are not necessarily to be ~~the same percentage increase~~three  
13 percent annually for each employee. General increases based on legislative appropriations are  
14 to be given beginning with the month of July 2011, to be paid in August 2011, and beginning  
15 with the month of July 2012, to be paid in August 2012. Each agency appropriation is increased  
16 by ~~four~~three percent for the first year of the 2011-13 biennium and ~~one~~three percent for the  
17 second year of the 2011-13 biennium.

18       Employees whose overall documented performance level does not meet standards are not  
19 eligible for any salary increase.

20       Probationary employees are not entitled to the general increases. However, probationary  
21 employees may be given all or a portion of the increases effective in July, paid in August, or  
22 upon completion of probation, at the discretion of the appointing authority.

23       **SECTION 10. INFORMATION TECHNOLOGY PROJECT PLANNING.** Each executive  
24 branch state agency, excluding entities under the control of the state board of higher education,  
25 considering the development of an information technology project with an estimated cost of  
26 \$100,000 or more shall involve the information technology department in the planning and study  
27 of the project, for the biennium beginning July 1, 2011, and ending June 30, 2013. A state  
28 agency must receive a recommendation from the information technology department prior to  
29 proceeding with any study relating to the project.

30       **SECTION 11. DRAFT APPROPRIATIONS ACTS - ALTERNATIVE FORMAT PILOT**  
31 **PROJECT - SIXTY-THIRD LEGISLATIVE ASSEMBLY - EXCEPTION.** Notwithstanding

1 subsection 7 of section 54-44.1-06, the draft of proposed appropriations acts submitted by the  
2 governor for introduction to the sixty-third legislative assembly for the highway patrol, protection  
3 and advocacy project, secretary of state, and public service commission must be at the same  
4 level of ongoing funding as provided by the sixty-second legislative assembly. The governor  
5 shall attach a proposed draft amendment to the draft appropriations acts for these agencies  
6 making the funding changes necessary to provide for the appropriations as recommended by  
7 the governor, for the biennium beginning July 1, 2013, and ending June 30, 2015.

8 **SECTION 12.** A new section to chapter 48-01.2 of the North Dakota Century Code is  
9 created and enacted as follows:

10 **Bids less than authorized project amount - Additional expense approval - Budget**  
11 **section report.**

12 Upon accepting a bid under this chapter, if the accepted bid is less than all funds dedicated  
13 to the public improvement, the governing body of an entity that has received an appropriation of  
14 moneys from the general fund of the state treasury for the public improvement shall immediately  
15 notify the office of management and budget. Any change order or expenses exceeding the bid  
16 amount must be submitted to the office of management and budget for approval. The office of  
17 management and budget shall report all approved change orders or additional expenses to the  
18 budget section of the legislative management.

19 **SECTION 13.** A new section to chapter 54-27 of the North Dakota Century Code is created  
20 and enacted as follows:

21 **Report on federal grants by state agency.**

22 Each state agency, excluding entities under the control of the state board of higher  
23 education, shall report to the office of management and budget before applying for a federal  
24 grant for which the agency may receive estimated funding of twenty-five thousand dollars or  
25 more. The report must include the purpose of the grant; the potential amount of the grant; any  
26 additional employees that may be required because of the grant; the time period covered by the  
27 grant; and grant requirements, including state matching requirements or maintenance of effort.  
28 The state agency shall provide updates on the status of the grant application as required by the  
29 office of management and budget. At each meeting of the budget section of the legislative  
30 management, the office of management and budget shall report to the budget section on the  
31 reports received from state agencies under this section.

1       **SECTION 14.** A new subdivision to subsection 6 of section 1 of House Bill No. 1438, as  
2 enacted by the sixty-second legislative assembly, is created and enacted as follows:

3               The state hospital.

4       **SECTION 15. AMENDMENT.** Section 54-16-03.1 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6               **54-16-03.1. Submission of petition to emergency commission.**

7               When an emergency exists, a state officer may present to the emergency commission an  
8 itemized petition requesting approval to transfer money and spending authority between funds  
9 or line items pursuant to section 54-16-04; accept and expend federal funds pursuant to section  
10 54-16-04.1; accept and expend state contingency funds pursuant to section 54-16-09; accept  
11 and expend other funds pursuant to section 54-16-04.2; or recommend full-time equivalent  
12 positions pursuant to section 54-16-04.3. Any petition to the emergency commission by a state  
13 officer must be approved or recommended by the emergency commission prior to submission  
14 for consideration by the budget section.

15       **SECTION 16. AMENDMENT.** Section 54-35-02.3 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17               **54-35-02.3. Employee benefits programs committee - Appointment - Selection of  
18 chairman.**

19               The legislative management, during each biennium, shall appoint an employee benefits  
20 programs committee in the same manner as the legislative management appoints other interim  
21 committees. The legislative management shall appoint ~~five~~seven members of the house of  
22 representatives and ~~four~~six members of the senate to the committee. The legislative  
23 management shall designate the chairman of the committee. The committee shall operate  
24 according to the statutes and procedure governing the operation of other legislative  
25 management interim committees.

26               **SECTION 17. LEGISLATIVE MANAGEMENT STUDY - HOME RULE AMENDMENTS.**

27               During the 2011-12 interim, the legislative management shall consider studying procedures for  
28 proposing, adopting, and implementing changes to county and city home rule charters and  
29 ordinances and resolutions adopted under home rule powers. The legislative management shall  
30 report its findings and recommendations, together with any legislation required to implement the  
31 recommendations, to the sixty-third legislative assembly.

1       **SECTION 18. RETROACTIVE APPLICATION.** House Bill No. 1141, as approved by the  
2 sixty-second legislative assembly, is retroactive in application to January 1, 2011. Upon the  
3 effective date of this Act, the director of the office of management and budget shall recalculate  
4 the maximum monthly lodging reimbursement for members of the sixty-second legislative  
5 assembly based upon section 1 of House Bill No. 1141 to be effective beginning January 1,  
6 2011.

7       **SECTION 19. EMERGENCY.** Section 18 of this Act is declared to be an emergency  
8 measure.