

Sixty-fourth
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 repeal section
3 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and
4 budget as to school fund; to provide an exemption; to provide for various transfers; and to
5 provide legislative intent.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the office of management and budget for the purpose of defraying the
11 expenses of that agency, for the biennium beginning July 1, 2015, and ending June 30, 2017,
12 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>	
13				
14				
15	Salaries and wages	\$19,803,315	\$313,779	\$20,117,094
16	Accrued leave payments	570,412	(570,412)	0
17	Operating expenses	14,356,788	(150,003)	14,206,785
18	Emergency commission contingency fund	700,000	0	700,000
19	Capital assets	2,251,065	5,278,944	7,530,009
20	Grants	430,000	125,000	555,000
21	Guardianship grants	828,600	1,109,200	1,937,800
22	Prairie public broadcasting	1,337,138	1,862,862	3,200,000
23	State student internship program	200,000	50,000	250,000
24	Energy impact funding pool	0	14,700,000	14,700,000

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1	Health insurance pool - temporary	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
2	employees			
3	Total all funds	\$40,477,318	\$27,719,370	\$68,196,688
4	Less estimated income	<u>8,730,630</u>	<u>10,894,705</u>	<u>19,625,335</u>
5	Total general fund	\$31,746,688	\$16,824,665	\$48,571,353
6	Full-time equivalent positions	130.50	(8.00)	122.50

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

8 **SIXTY-FIFTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
9 items approved by the sixty-third legislative assembly for the 2013-15 biennium and the
10 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

11	<u>One-Time Funding Description</u>	<u>2013-15</u>	<u>2015-17</u>
12	Capitol complex parking lot repairs	\$4,000,000	\$0
13	Health insurance pool	2,000,000	0
14	Exterior restoration of legislative and j-wing	1,500,000	0
15	Repair and cleaning capitol and j-wing	1,200,000	0
16	Capitol south entrance	1,000,000	0
17	Prairie public broadcasting	600,000	1,500,000
18	North Dakota 125th anniversary coordinator	190,000	0
19	Energy impact funding	8,500,000	0
20	Transfer to property tax relief	315,210,000	0
21	Information technology hardware relocation study	200,000	0
22	Student internship	0	50,000
23	Facility projects	0	2,205,000
24	Signage on the capitol grounds	0	1,400,000
25	West parking lot repair	0	1,300,000
26	ACA health insurance	0	5,000,000
27	Energy impact pool	<u>0</u>	<u>14,700,000</u>
28	Total all funds	\$334,400,000	\$26,155,000
29	Less estimated income	<u>5,500,000</u>	<u>12,400,000</u>
30	Total general fund	\$328,900,000	\$13,755,000

1 The 2015-17 one-time funding amounts are not a part of the entity's base budget for the
2 2017-19 biennium. The office of management and budget shall report to the appropriations
3 committees of the sixty-fifth legislative assembly on the use of this one-time funding for the
4 biennium beginning July 1, 2015, and ending June 30, 2017.

5 **SECTION 3. APPROPRIATION - TRANSFER PROPERTY TAX RELIEF SUSTAINABILITY**
6 **FUND TO GENERAL FUND.** There is appropriated out of any moneys in the property tax relief
7 sustainability fund in the state treasury, not otherwise appropriated, the sum of \$657,000,000, or
8 so much of the sum as may be necessary, which the office of management and budget shall
9 transfer to the general fund during the biennium beginning July 1, 2015, and ending June 30,
10 2017.

11 **SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND.** The estimated income
12 line item in section 1 of this Act includes \$1,400,000 from the capitol building fund for capitol
13 building entrance and signage projects.

14 **SECTION 5. COMMUNITY SERVICE SUPERVISION GRANTS - FUNDING**
15 **ALLOCATIONS - ADDITIONAL INCOME APPROPRIATION.** The grants line item in section 1
16 of this Act includes the sum of \$500,000 from the general fund for the purpose of providing
17 community service supervision grants. The office of management and budget shall distribute the
18 grant funds on or before August first during each year of the biennium beginning July 1, 2015,
19 and ending June 30, 2017, to North Dakota community corrections association regions as
20 follows:

21 Barnes County	\$12,121
22 Bismarck (urban)	27,057
23 Bismarck (rural)	14,223
24 Devils Lake	14,329
25 Dickinson	16,911
26 Fargo	32,169
27 Grand Forks	26,404
28 Jamestown	18,511
29 Minot	21,592
30 Richland County	13,241
31 Rugby	15,543

1	Sargent County	10,781
2	Wells County	10,919
3	Williston	<u>16,199</u>
4	Total	\$250,000

5 Any moneys in the community service supervision fund are appropriated to the office of
6 management and budget for distribution to community corrections association regions on or
7 before August first of each year during the biennium beginning July 1, 2015, and ending
8 June 30, 2017.

9 **SECTION 6. EXEMPTION.** The amount appropriated for the fiscal management division, as
10 contained in section 1 of chapter 15 of the 2013 Session Laws is not subject to the provisions of
11 section 54-44.1-11. Any unexpended funds from this appropriation are available for continued
12 development and operating costs of the accounting, management, and payroll systems, during
13 the biennium beginning July 1, 2015, and ending June 30, 2017.

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

16	Boys and girls clubwork	\$53,000
17	State memberships and related expenses	\$611,000
18	Unemployment insurance	\$1,500,000
19	Capitol grounds planning commission	\$25,000

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

24 **SECTION 9. OFFICE OF MANAGEMENT AND BUDGET - STATE AGENCY ENERGY**
25 **DEVELOPMENT IMPACT FUNDING POOL.** The office of management and budget may
26 transfer to each eligible agency appropriation authority from the energy development impact
27 funding pool line item contained in section 1 of this Act, for the biennium beginning July 1, 2015,
28 and ending June 30, 2017. The funds provided under this section are considered a one-time
29 funding item.

30 **SECTION 10. OFFICE OF MANAGEMENT AND BUDGET - TEMPORARY EMPLOYEE**
31 **HEALTH INSURANCE POOL.** The office of management and budget may transfer to each

1 eligible agency appropriation authority from the health insurance pool - temporary employees
2 line item contained in section 1 of this Act. Transfers may be made for the purpose of providing
3 temporary employee health insurance adjustments for state employees, including institutions of
4 higher education, determined to be full time based on guidelines developed by the office of
5 management and budget in accordance with the shared responsibility provisions of the
6 Affordable Care Act for the biennium beginning July 1, 2015, and ending June 30, 2017.

7 **SECTION 11. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**

8 Notwithstanding section 54-16-04, agencies may transfer appropriation authority between line
9 items, as it relates to compensation increases authorized in section 12 of this Act, for the
10 biennium beginning July 1, 2015, and ending June 30, 2017. The agencies shall notify the office
11 of management and budget of any transfer made pursuant to this section.

12 **SECTION 12. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.** It is
13 the intent of the sixty-fourth legislative assembly that 2015-17 biennium compensation
14 adjustments for classified state employees for each year of the biennium are to be a
15 performance component in a range of two to four percent based on documented performance.
16 Increases for classified state employees are not to be the same percentage increase for each
17 employee. The increases for the first year of the biennium are to be given beginning with the
18 month of July 2015, to be paid in August 2015, and for the second year of the biennium are to
19 be given beginning with the month of July 2016, to be paid in August 2016.

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

23 The office of management and budget shall develop guidelines for use by state agencies for
24 providing compensation adjustments for regular classified employees. The guidelines must
25 follow section 54-44.3-01.2, compensation philosophy statement.

26 Compensation adjustments for regular nonclassified state employees, excluding employees
27 under the control of the state board of higher education, are to be in a range of two to four
28 percent based on market and documented performance and are not to be the same percentage
29 increase for each employee.

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

1 **SECTION 13. REPEAL.** Section 54-44-06 of the North Dakota Century Code is repealed.