Sixty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1014

Introduced by

Appropriations Committee

A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; and to provide for a transfer.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income to the industrial commission and agencies under its control for the purpose of defraying the expenses of the industrial commission and agencies under its control, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

Subdivision 1.

INDUSTRIAL COMMISSION

	Base Level	Governor's Recommendation	Appropriation
Salaries and wages	$22,014,084	$23,754,413	$22,014,084
Operating expenses	5,305,888	5,991,987	5,305,888
Capital assets	0	5,000,000	0
Grants - bond payments	13,210,484	10,508,767	13,210,484
Contingencies	221,737	0	221,737
Total all funds	$40,752,193	$45,255,167	$40,752,193
Less estimated income	15,343,206	18,014,947	15,343,206
Total general fund	$25,408,987	$27,240,220	$25,408,987
Full-time equivalent positions	110.25	110.25	110.25

Subdivision 2.

BANK OF NORTH DAKOTA

	Base Level	Governor's Recommendation	Appropriation
Bank of North Dakota operations	$58,489,204	$143,315,329	$58,489,204
Capital assets	810,000	1,510,000	810,000
Total all funds	$59,299,204	$144,825,329	$59,299,204
Less estimated income	59,299,204	64,825,329	59,299,204
Total general fund	$0	$80,000,000	$0
Full-time equivalent positions	181.50	181.50	181.50

Subdivision 3.

HOUSING FINANCE AGENCY

	Base Level	Governor's Recommendation	Appropriation
Salaries and wages	$7,892,056	$8,615,649	$7,892,056
Operating expenses	4,743,355	5,346,276	4,743,355
Grants	31,794,828	53,466,600	31,794,828
Housing finance agency contingencies	100,000	100,000	100,000
Total special funds	$44,530,239	$67,528,525	$44,530,239
Full-time equivalent positions	44.00	44.00	44.00

Subdivision 4.

MILL AND ELEVATOR ASSOCIATION

	Base Level	Governor's Recommendation	Appropriation
Salaries and wages	$39,308,519	$46,679,931	$39,308,519
Operating expenses	28,195,000	29,837,000	28,195,000
Contingencies	500,000	500,000	500,000
Agriculture promotion	210,000	210,000	210,000
Total special funds	$68,213,519	$77,226,931	$68,213,519
Full-time equivalent positions	153.00	157.00	153.00

Subdivision 5.

BILL TOTAL

	Base Level	Governor's Recommendation	Appropriation
Grand total general fund	$25,408,987	$107,240,220	$25,408,987
Grand total special funds	187,386,168	227,595,732	187,386,168
Grand total all funds	$212,795,155	$334,835,952	$212,795,155

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

One-Time Funding Description	2017-19	2019-21
Litigation	$1,000,000	$0
Industrial water supply asset study	150,000	0
Soil remediation studies	5,000,000	0
Survey review	800,000	0
Total special funds	$6,950,000	$0

SECTION 3. BOND PAYMENTS. The amount of $13,210,484 included in subdivision 1 of section 1 of this Act in the grants - bond payments line item must be paid from the following funding sources during the biennium beginning July 1, 2019, and ending June 30, 2021:

North Dakota university system	$6,605,326
North Dakota university system - energy conservation projects	491,500
Department of corrections and rehabilitation	1,158,679
Department of corrections and rehabilitation - energy conservation projects	16,285
State department of health	636,877
Job service North Dakota	428,100
Office of management and budget	665,411
Attorney general's office	766,012
State historical society	1,392,629
Parks and recreation department	73,642
Research and extension service	571,520
Veterans' home	404,503
Total	$13,210,484

SECTION 4. CONTINGENT APPROPRIATION - INDUSTRIAL COMMISSION FUNDING. The amount of $221,737 from the general fund and two full-time equivalent positions included in

subdivision 1 of section 1 of this Act may be spent only in accordance with the provisions of this section. The industrial commission shall notify the office of management and budget and the legislative council when the total number of wells capable of production and injection exceeds eighteen thousand two hundred. Subject to budget section approval, the industrial commission may spend $221,737 from the contingencies line item and may hire two full-time equivalent positions if the total number of oil wells capable of production and injection exceeds eighteen thousand two hundred.

SECTION 5. TRANSFER - ENTITIES UNDER THE CONTROL OF THE INDUSTRIAL COMMISSION TO INDUSTRIAL COMMISSION FUND. The sum of $1,103,779, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, may be transferred from the entities within the control of the industrial commission or entities directed to make payments to the industrial commission fund for administrative services rendered by the commission. Transfers must be made during the biennium beginning July 1, 2019, and ending June 30, 2021, upon order of the commission. Transfers from the student loan trust fund must be made to the extent permitted by sections 54-17-24 and 54-17-25.

SECTION 6. TRANSFER - BANK OF NORTH DAKOTA PROFITS TO GENERAL FUND. The industrial commission shall transfer to the general fund $140,000,000 from the current earnings and the accumulated profits of the Bank of North Dakota during the biennium beginning July 1, 2019, and ending June 30, 2021. The moneys must be transferred in the amounts and at the times requested by the director of the office of management and budget after consultation with the Bank of North Dakota president.

SECTION 7. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM - LIGNITE MARKETING FEASIBILITY STUDY. The amount of $4,500,000 from the lignite research fund, or so much of the amount as may be necessary, may be used for the purpose of contracting for an independent, nonmatching lignite marketing feasibility study or studies that determine those focused priority areas where near-term, market-driven projects, activities, or processes will generate matching private industry investment and have the most potential of preserving existing lignite production and industry jobs or that will lead to increased development of lignite and its products and create new lignite industry jobs and economic growth for the general welfare of this state. Moneys appropriated pursuant to this section also

may be used for the purpose of contracting for nonmatching studies and activities in support of the lignite vision 21 program; for litigation that may be necessary to protect and promote the continued development of lignite resources; for nonmatching externality studies and activities in externality proceedings; or other marketing, environmental, or transmission activities that assist with marketing of lignite-based electricity and lignite-based byproducts. Moneys needed for the purposes stated in this section are available to the industrial commission for funding projects, processes, or activities under the lignite research, development, and marketing program.