



BUDGET SECTION

Thursday, June 25, 2020

Due to public health considerations and in accordance with Executive Order 2020-16, a meeting room will not be available for this meeting. This meeting will be held by teleconference and committee members will receive sign-in or call-in information at least 1 day before the meeting. A live stream of the meeting will be available at: <http://video.legis.nd.gov>.

- 9:00 a.m. Call to order
Roll call
Consideration of the [minutes of the May 15, 2020, meeting](#)
- 9:05 a.m. Presentation by a representative of the Office of Management and Budget regarding:
- Status of the general fund
 - Timeline for completion of a revised revenue forecast
 - Reports from state agencies applying for federal grants estimated to be \$25,000 or more pursuant to North Dakota Century Code Section 54-27-27
 - Irregularities in the fiscal practices of the state pursuant to Section 54-14-03.1
 - Report on any tobacco settlement proceeds pursuant to Section 54-44-04
- *9:20 a.m. Budget Section consideration of the following state agency requests pursuant to Chapter 54-16 authorized by the Emergency Commission which require Budget Section approval:
- **Department of Corrections and Rehabilitation (Request #1966)** - The request is to increase federal funds spending authority by \$260,247 to accept and expend juvenile justice system enhancement grant funds to partner with the Council of State Governments Justice Center to conduct a data analysis relating to juvenile recidivism.
 - **Department of Corrections and Rehabilitation (Request #1967)** - The request is to increase federal funds spending authority by \$268,948 to accept and expend justice reinvestment initiative grant funds to partner with Recidiviz to build technology tools to improve responsive supervision practices, enable the Department of Corrections and Rehabilitation to monitor the criminogenic needs of individuals under supervision, and create analyses that model the potential public safety impact of key initiatives.
 - **Insurance Department (Request #1984)** - The request is to increase federal funds spending authority by \$21,488,350 to accept and expend federal funds to create the Reinsurance Association of North Dakota.
 - **Department of Commerce (Request #1985)** - The request is to increase federal funds spending authority by \$2,113,524 in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding 2020 line item with funding available for the community development block grant program, which will be transferred to the Department of Human Services for a household emergency rent bridge program to assist low-income individuals for rent eviction prevention.

- **Department of Commerce (Request #1986)** - The request is to increase federal funds spending authority by \$7 million and special funds spending authority by \$1 million for unmanned aircraft systems research grants.
- **Legislative Assembly (Request #1987)** - The request is to increase federal funds spending authority by \$750,000 in a Coronavirus (COVID-19) line item to accept and expend a portion of the federal funds allocated to the Information Technology Department (ITD) from the Coronavirus Relief Fund for one-time costs relating to the purchase of equipment and for other costs to enable the Legislative Assembly to meet remotely.
- **Veterans' Home (Request #1988)** - The request is to increase federal funds spending authority by \$190,331 in a new COVID-19 line item to accept and spend provider relief funding available to nursing facilities for salaries for additional cleaning services, overtime, and hazard pay and to purchase protective equipment and medical and cleaning supplies.
- **North Dakota University System office (Request #1989)** - The request is for a line item transfer of \$2.5 million from the agency's student financial assistance grants line item to its academic and technical education scholarships line item.
- **Council on the Arts (Request #1990)** - The request is to increase special funds spending authority by \$62,500 to accept and spend grant funds from the Bush Foundation.
- **State Department of Health (Request #1991)** - The request is to increase federal funds spending authority by \$17.7 million in the COVID-19 response line item to accept and expend grant funds from the federal Centers for Disease Control and Prevention to contain and mitigate the spread of COVID-19.
- **Department of Human Services (Request #1992)** - The request is to increase federal funds spending authority by \$2,360,572 to accept and expend funds for operating expenses with funding from the Department of Emergency Services for the crisis counseling assistance and training program (\$160,572); for operating expenses with funding from a federal Substance Abuse and Mental Health Services Administration COVID-19 emergency response for suicide prevention grant funding (\$800,000); for grants with funding transferred from the City of Fargo for its allocation from the federal CARES Act for the community development block grant program (\$400,000); and for grants with funding from a federal Department of Labor grant for the senior community services employment program (\$1,000,000).
- **Multiple agencies (Request #1993)** - The request is to increase federal funds spending authority by \$401,115,305 to allow the following agencies to accept and expend federal Coronavirus relief funds for costs relating to the COVID-19 pandemic:
 - Governor's office - \$18,085;
 - Office of Management and Budget - \$119,700;
 - State Auditor - \$13,903;
 - Tax Department - \$81,601;
 - Legislative Assembly - \$1,250,000;
 - Legislative Council - \$100,000;
 - Judicial branch - \$26,383;
 - North Dakota University System office - \$1,508,387;
 - Bismarck State College - \$2,417,365;
 - Lake Region State College - \$483,426;
 - Williston State College - \$584,432;

University of North Dakota - \$13,578,957;
 North Dakota State University - \$19,788,622;
 North Dakota State College of Science - \$3,825,311;
 Dickinson State University - \$862,335;
 Mayville State University - \$248,543;
 Minot State University - \$588,379;
 Valley City State University - \$237,930;
 Dakota College at Bottineau - \$372,316;
 Department of Environmental Quality - \$70,000;
 Department of Veterans' Affairs - \$2,860;
 Department of Human Services - \$9,866,232;
 Job Service North Dakota - \$200,000,000;
 Industrial Commission - \$33,176,513;
 Mill and Elevator Association - \$149,079;
 Workforce Safety and Insurance - \$116,576;
 Highway Patrol - \$404,094;
 Department of Corrections and Rehabilitation - \$4,226,240;
 Adjutant General - \$10,000,000;
 Department of Commerce - \$69,679,000;
 Department of Agriculture - \$2,700,000;
 Branch Research Centers - \$726,007;
 North Dakota State University Extension Service - \$855,400;
 Northern Crops Institute - \$115,586;
 Main Research Center - \$989,968;
 Racing Commission - \$1,000;
 State Historical Society - \$20,000;
 Parks and Recreation Department - \$96,547;
 Department of Transportation - \$17,881,982; and
 State Treasurer (to be distributed to political subdivisions) - \$3,932,546

- **Department of Agriculture (Request #1994)** - The request is to increase federal funds spending authority in the grants line item by \$5 million from the Coronavirus Relief Fund for a competitive grant program provided to North Dakota research companies for COVID-19 antibody treatment research.

- *10:00 a.m. Presentation by a representative of the North Dakota University System of requests for:
- Budget Section approval under Section 15-10-12.1 to authorize an outdoor track project at North Dakota State University using \$5,000,000 of private donations
 - Budget Section approval under Section 48-01.2-25 to increase the Dickinson State University Pulver Hall project authorization from \$4,000,000 to \$4,284,500 using extraordinary repairs and matching funding
- 10:10 a.m. Presentation by a representative of Job Service North Dakota on the status of the job insurance trust fund including the actual fund balance, the targeted modified average high-cost multiplier pursuant to Section 52-02-17, and projected fund balances

- *10:20 a.m. Presentation by a representative of the Board of University and School Lands regarding a report of state agencies that have not submitted a claim for unclaimed property belonging to those agencies and Budget Section consideration of the relinquishment of agencies' rights to recover unclaimed property pursuant to Section 47-30.1-24.1
- 10:30 a.m. Presentation of a report from the Legacy and Budget Stabilization Fund Advisory Board regarding the status of the legacy fund and budget stabilization fund investments
- 10:40 a.m. Presentation by a representative of the Industrial Commission on the balance of the abandoned oil and gas well plugging and site reclamation fund and expenditures from the fund pursuant to Section 38-08-04.5
- 10:50 a.m. Presentation by a representative of the Housing Finance Agency of a report pursuant to Section 54-17-40 regarding the activities of the housing incentive fund
- 11:00 a.m. Presentation by the Legislative Council staff of the *2019-21 Biennium Report on Compliance with Legislative Intent*
- 11:10 a.m. Distribution of a status report from the State Board of Agricultural Research and Education regarding its activities pursuant to Section 15-12.1-17
- 11:15 a.m. Committee discussion and staff directives
- 11:30 a.m. Adjourn

***This item includes a request for Budget Section action.**

Committee Members

Senators: Terry M. Wanzek (Chairman), Brad Bekkedahl, Dick Dever, Robert Erbele, John Grabinger, Joan Heckaman, David Hogue, Ray Holmberg, Jerry Klein, Karen K. Krebsbach, Gary A. Lee, Tim Mathern, Dave Oehlke, Nicole Poolman, Larry J. Robinson, Ronald Sorvaag, Rich Wardner

Representatives: Bert Anderson, Thomas Beadle, Larry Bellew, Tracy Boe, Josh Boschee, Mike Brandenburg, Jeff Delzer, Karla Rose Hanson, Richard G. Holman, Michael Howe, Keith Kempenich, Lawrence R. Klemin, Gary Kreidt, Scott Louser, Bob Martinson, Lisa Meier, Corey Mock, David Monson, Mike Nathe, Jon O. Nelson, Chet Pollert, Mark Sanford, Mike Schatz, Jim Schmidt, Randy A. Schobinger, Don Vigasaa

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