

FISCAL NOTE
HOUSE BILL NO. 1040
LC# 23.0280.06000
04/17/2023
Revised - 04/17/2023

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$5,043,133	\$206,004,824	\$153,849,168	\$248,187,173
Appropriations				\$200,000,000		\$65,000,000

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties		\$2,907,174	\$3,876,232
Cities		\$1,894,105	\$2,525,474
School Districts		\$3,913,549	\$5,218,065
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

Provides for \$200,000,000 of lump sum deposits in the 2023-2025 biennium, and an additional \$65,000,000 2025-2027 biennium. It includes a 1% employer increase effective January 2024, and 30.5% employer increase effective January 2026 (for state employers only).

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

Provides for \$200,000,000 of lump sum deposits in the 2023-2025 biennium, and an additional \$65,000,000 2025-2027 biennium. It includes a 1% employer increase effective January 2024, and 30.5% employer increase effective January 2026 (for state employers only) assuming 50% transfer rate into the DC plan. The expenditures line item includes \$4,000,000 in 2023-2025 to reflect 50% of transfers moving to the DC plan and \$8,000,000 in 2025-2027.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

N/A

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

Total expenses for the 2023-2025 timeframe per the executive budget would be \$11.048 million and \$337..036 million for the 2025-2027 biennium . An agency breakdown for the 2023-2025 biennium is attached.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

\$135,000,000 from the strategic investment and improvements fund to the public employees retirement system fund, for the purpose of reducing the unfunded liability of the public employees retirement system main system plan, during the biennium beginning July 1, 2023, and ending June 30, 2025.

Contact Information

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Date Prepared: 04/17/2023

ID	Department	Executive Budget				Total
		2023-2025	Biennium	23-25 Funding Adjustments		
		FTE	Salary	General	Other	
101	Office of the Governor	19.00	\$3,770,026.00	\$28,275.20	\$0.00	\$28,275.20
108	Office of the Secretary of State	34.00	\$4,085,753.00	\$26,263.76	\$4,379.39	\$30,643.15
110	Office of Management and Budget	117.00	\$16,172,305.00	\$103,376.91	\$17,915.38	\$121,292.29
112	Information Technology Department	520.00	\$91,481,377.00	\$108,177.26	\$577,933.07	\$686,110.33
117	Office of the State Auditor	68.00	\$11,145,048.00	\$49,980.40	\$33,607.46	\$83,587.86
120	Office of the State Treasurer	7.00	\$1,081,506.00	\$8,111.30	\$0.00	\$8,111.30
125	Office of the Attorney General	263.00	\$43,662,807.00	\$198,357.39	\$129,113.66	\$327,471.05
127	Office of the Sate Tax Commissioner	118.00	\$16,485,208.00	\$123,639.06	\$0.00	\$123,639.06
140	Office of Administrative Hearings	5.00	\$1,028,614.00	\$0.00	\$7,714.61	\$7,714.61
150	Legislative Assembly	0.00	\$0.00	\$0.00	\$0.00	\$0.00
160	Legislative Council	44.00	\$8,649,723.00	\$64,872.92	\$0.00	\$64,872.92
180	Judicial Branch	386.00	\$69,612,481.00	\$518,245.40	\$3,848.21	\$522,093.61
188	Legal Counsel of Indigents	43.00	\$6,685,328.00	\$48,739.50	\$1,400.46	\$50,139.96
190	Retirement and Investment Office	25.00	\$6,105,882.00	\$0.00	\$45,794.12	\$45,794.12
192	Public Employees Retirement System	39.50	\$5,650,693.00	\$0.00	\$42,380.20	\$42,380.20
195	Ethics Commission	3.00	\$569,689.00	\$4,272.67	\$0.00	\$4,272.67
201	Department of Public Instruction	86.25	\$13,501,094.00	\$38,343.95	\$62,914.25	\$101,258.21
215	ND University System	49.23	\$7,497,358.00	\$40,267.09	\$15,963.09	\$56,230.19
226	Department of Trust Lands	32.00	\$5,903,199.00	\$0.00	\$44,273.99	\$44,273.99
227	Bismarck State College	1223.63	\$10,588,202.00	\$32,747.63	\$46,663.88	\$79,411.52
228	Lake Region State College	48.72	\$4,686,342.00	\$15,155.09	\$19,992.48	\$35,147.57
229	Williston State College	28.65	\$2,776,246.00	\$8,950.08	\$11,871.77	\$20,821.85
230	University of North Dakota	765.88	\$74,460,138.00	\$127,636.50	\$430,814.53	\$558,451.04
232	UND Medical Center	148.60	\$14,265,784.00	\$42,116.66	\$64,876.72	\$106,993.38
235	North Dakota State University	633.63	\$55,795,188.00	\$103,202.66	\$315,261.25	\$418,463.91
238	ND State College of Science	137.32	\$11,736,582.00	\$40,887.90	\$47,136.46	\$88,024.37
239	Dickinson State University	52.00	\$4,657,626.00	\$16,223.02	\$18,709.18	\$34,932.20
240	Mayville State University	109.00	\$7,310,360.00	\$21,451.02	\$33,376.68	\$54,827.70
241	Minot State University	116.40	\$9,516,592.00	\$28,912.94	\$42,461.50	\$71,374.44
242	Valley City State University	62.72	\$4,556,678.00	\$17,140.20	\$17,034.88	\$34,175.09
243	Dakota College Bottineau	33.00	\$2,520,656.00	\$10,027.33	\$8,877.59	\$18,904.92
244	ND Forest Service	29.00	\$3,556,837.00	\$25,842.64	\$833.63	\$26,676.28
250	State Library	26.75	\$2,860,303.00	\$18,406.24	\$3,046.03	\$21,452.27
252	School for the Deaf	45.36	\$5,475,463.00	\$39,910.73	\$1,155.25	\$41,065.97
253	N.D. Vision Services	27.75	\$3,386,842.00	\$22,797.03	\$2,604.28	\$25,401.32
270	Dept of Career and Technical Ed	53.30	\$8,038,663.00	\$56,748.36	\$3,541.61	\$60,289.97
303	Department of Environmental Quality	173.00	\$25,273,025.00	\$56,011.04	\$133,536.64	\$189,547.69
313	Veterans Home	114.79	\$11,438,614.00	\$18,942.25	\$66,847.35	\$85,789.61
316	Indian Affairs Commission	4.00	\$642,012.00	\$4,815.09	\$0.00	\$4,815.09
321	Department of Veterans Affairs	9.00	\$1,202,024.00	\$7,767.43	\$1,247.75	\$9,015.18
325	Department of Human Services	2561.83	\$307,112,423.00	\$1,307,220.40	\$996,122.77	\$2,303,343.17
360	Protection and Advocacy Project	28.50	\$4,264,509.00	\$31,983.82	\$0.00	\$31,983.82
380	Job Service North Dakota	158.61	\$20,626,083.00	\$1,523.16	\$153,172.46	\$154,695.62
401	Office of the Insurance Commissioner	37.00	\$6,086,294.00	\$0.00	\$45,647.21	\$45,647.21
405	Industrial Commission	115.75	\$19,376,647.00	\$133,975.85	\$11,349.00	\$145,324.85
406	Office of the Labor Commissioner	13.00	\$2,029,867.00	\$12,532.93	\$2,691.07	\$15,224.00
408	Public Service Commission	44.00	\$7,889,487.00	\$34,872.47	\$24,298.68	\$59,171.15
412	Aeronautics Commission	7.00	\$1,255,863.00	\$0.00	\$9,418.97	\$9,418.97
413	Department of Financial Institutions	34.00	\$6,158,987.00	\$0.00	\$46,192.40	\$46,192.40
414	Office of the Securities Commissioner	10.00	\$1,696,464.00	\$0.00	\$12,723.48	\$12,723.48
471	Bank of North Dakota	181.00	\$29,785,937.00	\$0.00	\$223,394.53	\$223,394.53
473	North Dakota Housing Finance Agency	52.00	\$7,951,541.00	\$0.00	\$59,636.56	\$59,636.56
475	North Dakota Mill & Elevator Association	170.00	\$2,252,026.00	\$0.00	\$16,890.20	\$16,890.20
485	Workforce Safety & Insurance	260.14	\$37,961,361.00	\$0.00	\$284,710.21	\$284,710.21
504	Highway Patrol	208.00	\$34,974,644.00	\$193,923.04	\$68,386.79	\$262,309.83
530	Department of Corrections and Rehabilitation	939.79	\$116,931,535.00	\$830,557.80	\$46,428.71	\$876,986.51
540	Adjutant General	233.00	\$30,100,575.00	\$77,300.22	\$148,454.09	\$225,754.31
601	Department of Commerce	63.80	\$11,340,641.00	\$71,278.00	\$13,776.80	\$85,054.81
602	Department of Agriculture	81.00	\$11,317,442.00	\$49,624.04	\$35,256.77	\$84,880.82
627	Upper Great Plains Transportation Institute	14.05	\$2,244,988.00	\$5,183.71	\$11,653.70	\$16,837.41
628	Branch Research Centers	50.41	\$4,700,804.00	\$25,108.53	\$10,147.50	\$35,256.03
630	NDSU Extension Service	55.27	\$5,307,982.00	\$19,613.22	\$20,196.65	\$39,809.86
638	Northern Crops Institute	1.80	\$195,508.00	\$740.66	\$725.65	\$1,466.31
640	NDSU Main Research Center	55.10	\$5,710,288.00	\$27,967.16	\$14,860.00	\$42,827.16
649	Agronomy Seed Farm	3.00	\$394,224.00	\$0.00	\$2,956.68	\$2,956.68
670	Racing Commission	2.00	\$304,732.00	\$2,171.19	\$114.30	\$2,285.49
701	State Historical Society	83.50	\$10,895,325.00	\$72,847.12	\$8,867.82	\$81,714.94
709	Council on the Arts	6.00	\$814,589.00	\$6,109.42	\$0.00	\$6,109.42
720	Game & Fish Department	172.00	\$28,740,167.00	\$0.00	\$215,551.25	\$215,551.25
750	Department of Parks & Recreation	66.00	\$8,772,820.00	\$61,985.26	\$3,810.89	\$65,796.15
770	State Water Commission	93.00	\$15,593,694.00	\$0.00	\$116,952.71	\$116,952.71
801	Department Of Transportation	1011.00	\$152,441,213.00	\$0.00	\$1,143,309.10	\$1,143,309.10
	State Total	12513.03	\$1,473,060,928.00	\$5,043,132.68	\$6,004,824.28	\$11,047,956.96