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Title.

Prepared by the Legislative Council staff for
the House Appropriations - Government
Operations Division Committee
April 4, 2023

Fiscal No. 1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2008

Page 1, line 2, replace "sections 57-43.2-19 and" with "section"

Page 1, line 2, after "49-01-05" insert ", subsection 4 of section 49-22-22, and sections 49-22.1-21 and 57-43.2-19"

Page 1, line 3, replace the first "and" with a comma

Page 1, line 4, after "fund" insert ", and siting process administrative fees"

Page 1, line 4, replace "and to provide for a report" with "to provide a transfer; and to declare an emergency"

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	\$9,991,488	\$930,538	\$10,922,026
Operating expenses	1,801,570	403,917	2,205,487
Capital assets	25,000	100,000	125,000
Grants	20,000	0	20,000
Abandoned mined lands contractual services	6,000,000	0	6,000,000
Rail rate complaint case	900,000	0	900,000
Railroad safety program	614,724	54,594	669,318
Specialized legal services	<u>420,000</u>	<u>0</u>	<u>420,000</u>
Total all funds	\$19,772,782	\$1,489,049	\$21,261,831
Less estimated income	<u>13,347,095</u>	<u>377,026</u>	<u>13,724,121</u>
Total general fund	\$6,425,687	\$1,112,023	\$7,537,710
Full-time equivalent positions	43.00	2.00	45.00"

Page 2, after line 19, insert:

"SECTION 3. 2021-23 BIENNIUM APPROPRIATION - TRANSFER - PUBLIC SERVICE COMMISSION PROGRAM FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$60,000, which the office of management and budget shall transfer to the public service commission program fund for the purpose of establishing a balance in the public service commission program fund, during the period beginning with the effective date of this Act, and ending June 30, 2023."

Page 2, remove lines 29 and 30

Page 3, remove lines 1 through 13

Page 3, line 17, replace "twenty-four" with "thirty"

Page 3, line 17, remove "eight"

Page 3, line 18, overstrike the first "hundred"

Page 3, line 18, replace "twenty-nine" with "thirty-five"

Page 3, line 19, replace "seven" with "two"

Page 3, line 19, remove "ninety-two"

Page 3, after line 22, insert:

"SECTION 6. AMENDMENT. Subsection 4 of section 49-22-22 of the North Dakota Century Code is amended and reenacted as follows:

4. Every applicant under this chapter shall pay to the commission an administrative fee equal to ~~one~~two hundred dollars for each one million dollars of original investment, not to exceed ~~twenty-five~~fifty thousand dollars. The administrative fee must be deposited in the public service commission program fund.

SECTION 7. AMENDMENT. Section 49-22.1-21 of the North Dakota Century Code is amended and reenacted as follows:

49-22.1-21. Siting process expense recovery - Deposit in special fund - Continuing appropriation.

1. Every applicant under this chapter shall pay to the commission an application fee:
 - a. An applicant for a certificate of site compatibility shall pay an amount equal to five hundred dollars for each one million dollars of investment in the facility.
 - b. An applicant for a certificate of corridor compatibility shall pay an amount equal to five thousand dollars for each one million dollars of investment in the facility.
 - c. An applicant for a waiver shall pay the amount that would be required for an application for a certificate of site or corridor compatibility for the proposed facility. If a waiver is not granted for a proposed facility, the application fee paid must be allowed as a credit against fees payable under this section in connection with an application under this chapter for a certificate or permit for the proposed facility.
 - d. An applicant for a transfer of a certificate or permit shall pay an amount to be determined by the commission to cover anticipated expenses of processing the application.
 - e. An applicant requesting an amendment to a certificate or permit, or certifying to the commission under subsection 3 of section 49-22.1-01 or obtaining siting authority under subdivision b of subsection 2 or subdivision c of subsection 4 of section 49-22.1-15, shall pay an amount to be determined by the commission to cover anticipated expenses of processing the application.
 - f. The application fee under subdivision a, b, or c may not be less than ten thousand dollars nor more than one hundred thousand dollars.
 - g. ~~If an application fee is less than twenty-five thousand dollars, an~~An applicant may agree to pay additional fees that are reasonably necessary for completion of the site, corridor, or route evaluation and designation process.

2. Atf an applicant does not agree to pay additional fees reasonably necessary for completion of the site, corridor, or route evaluation and designation process, at the request of the commission and with the approval of the emergency commission, the applicant shall pay any additional fees as are reasonably necessary for completion of the gas or liquid energy conversion facility site, gas or liquid transmission facility corridor, or gas or liquid transmission facility route evaluation and designation process by the commission. The application fee under subsection 1 and any additional fees required of the applicant under this subsection may not exceed an amount equal to one thousand dollars for each one million dollars of investment in a proposed energy conversion facility or ten thousand dollars for each one million dollars of investment in a proposed gas or liquid transmission facility.
3. A siting process expense recovery fund is established in the state treasury. The commission shall deposit payments received under subsections 1 and 2 in the siting process expense recovery fund. All moneys deposited in the fund are appropriated on a continuing basis to the commission to pay expenses incurred in the siting process. The commission shall specify the time and method of payment of any fees and shall refund the portion of fees collected under subsections 1 and 2 which exceeds the expenses incurred for the evaluation and designation process.
4. Every applicant for a certificate of site compatibility, certificate of corridor compatibility and route permit, and transfer of a certificate or permit under this chapter shall pay to the commission an administrative fee equal to ~~one~~two hundred dollars for each one million dollars of original investment, not to exceed ~~twenty-five~~forty thousand dollars. The administrative fee must be deposited into the public service commission program fund.

SECTION 8. AMENDMENT. Section 57-43.2-19 of the North Dakota Century Code is amended and reenacted as follows:

~~57-43.2-19. Transfer, deposit, and distribution of funds. (Effective through June 30, 2025)~~

All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in a highway tax distribution fund, except all special fuels excise taxes collected on sales of diesel fuel to a railroad under section 57-43.2-03 of up to ~~two~~three hundred ~~ninety-seven~~thirty-two thousand three hundred ~~sixty-two~~twenty-seven dollars per year must be transferred to the state treasurer who shall deposit the moneys in the rail safety fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.

~~Transfer, deposit, and distribution of funds. (Effective after June 30, 2025)~~
~~All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in the highway tax distribution fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.~~

SECTION 9. EMERGENCY. Section 3 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2008 - Public Service Commission - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$9,991,488	\$11,948,043	(\$1,026,017)	\$10,922,026
Operating expenses	1,801,570	2,097,737	107,750	2,205,487
Capital assets	25,000	125,000		125,000
Grants	20,000	20,000		20,000
Abandoned mined lands contractual	6,000,000	6,000,000		6,000,000
Rail rate complaint case	900,000	900,000		900,000
Railroad safety program	614,724	675,998	(6,680)	669,318
Specialized legal services	420,000	420,000		420,000
Total all funds	\$19,772,782	\$22,186,778	(\$924,947)	\$21,261,831
Less estimated income	13,347,095	13,988,401	(264,280)	13,724,121
General fund	\$6,425,687	\$8,198,377	(\$660,667)	\$7,537,710
FTE	43.00	47.00	(2.00)	45.00

Department 408 - Public Service Commission - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Adds Salary Equity Funding for Elected Officials ²	Remove Funding for FTE positions ³	Removes Salary Funding for Funding Pool ⁴	Adds Funding for FERC Contractor ⁵	Total House Changes
Salaries and wages	\$164,835	\$20,520	(\$415,386)	(\$795,986)		(\$1,026,017)
Operating expenses			(12,250)		\$120,000	107,750
Capital assets						
Grants						
Abandoned mined lands contractual						
Rail rate complaint case						
Railroad safety program	8,656			(15,336)		(6,680)
Specialized legal services						
Total all funds	\$173,491	\$20,520	(\$427,636)	(\$811,322)	\$120,000	(\$924,947)
Less estimated income	70,952	0	(70,728)	(264,504)	0	(264,280)
General fund	\$102,539	\$20,520	(\$356,908)	(\$546,818)	\$120,000	(\$660,667)
FTE	0.00	0.00	(2.00)	0.00	0.00	(2.00)

¹ Salaries and wages funding is adjusted to provide for the 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$105,444	\$73,017	\$178,461
Health insurance adjustment	(2,905)	(2,065)	(4,970)
Total	\$102,539	\$70,952	\$173,491

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

² Funding is added for providing a salary equity increase for the Public Service Commissioners. The Public Service Commissioners' annual salaries are increased from the current level of \$117,610 to \$130,000 (10.5 percent) effective July 1, 2023. This funding is in addition to the funding of 6 percent added by the Senate.

³ Funding of \$427,636, including \$356,908 from the general fund and \$70,728 from other funds, is removed for 2 FTE positions and related operating expenses:

	<u>FTE</u>	<u>Salaries and Wages</u>	<u>Operating Expenses</u>	<u>Total</u>
Legal assistant	(1.00)	(\$164,482)	(\$3,000)	(\$167,482)
Public utility analyst	(1.00)	(250,904)	(9,250)	(260,154)
Total	(2.00)	(\$415,386)	(\$12,250)	(\$427,636)

⁴ Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
New FTE positions	(\$365,030)	(\$138,602)	(\$503,632)
Vacant FTE positions	(181,788)	(125,902)	(307,690)
Total	(\$546,818)	(\$264,504)	(\$811,322)

⁵ Funding of \$120,000 is added from the general fund for a Federal Energy Regulatory Commission (FERC) contractor to ensure reliable, safe, secure, and economically efficient energy for consumers at a reasonable cost.

This amendment also:

- Adds sections to change Sections 49-22-22(4) and 49-22.1-21 to increase the administrative siting fee from \$100 to \$200 for each \$1 million of original investment and increase the maximum from \$25,000 to \$50,000.
- Adds a section to transfer \$60,000 from the general fund to the Public Service Commission program fund during the 2021-23 biennium.
- Adds a section to provide an emergency clause related to the \$60,000 transfer to the Public Service Commission program fund.