

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1001 - Governor's Office - House Action**

	Base Budget	House Changes	House Version
Salaries and wages	\$4,426,244	\$1,425,905	\$5,852,149
New and vacant FTE pool		117,387	117,387
Operating expenses	509,331	205,714	715,045
Contingencies	10,000		10,000
Rough Rider Awards	10,800	4,200	15,000
Governor's salary	310,621	(310,621)	
Children's cabinet		65,000	65,000
<b>Total all funds</b>	<b>\$5,266,996</b>	<b>\$1,507,585</b>	<b>\$6,774,581</b>
Less estimated income	0	0	0
<b>General fund</b>	<b>\$5,266,996</b>	<b>\$1,507,585</b>	<b>\$6,774,581</b>
<b>FTE</b>	<b>19.00</b>	<b>0.00</b>	<b>19.00</b>

**Department 101 - Governor's Office - Detail of House Changes**

	Adjusts Budget Including Removal of Governor's Salary Line Item <sup>1</sup>	Adds Funding for Salary and Benefit Increases <sup>2</sup>	Increases Salaries and Wages Funding <sup>3</sup>	Adds Funding to Replace 2023-25 New and Vacant FTE Pool <sup>4</sup>	Transfers Funding for 2025-27 New and Vacant FTE Pool <sup>5</sup>	Adds Funding for Fargo Position and Rent <sup>6</sup>
Salaries and wages	\$225,448	\$319,313	\$196,000	\$648,839	(\$167,695)	\$204,000
New and vacant FTE pool					117,387	
Operating expenses	85,186					22,500
Contingencies						
Rough Rider Awards						
Governor's salary	(310,621)					
Children's cabinet						
<b>Total all funds</b>	<b>\$13</b>	<b>\$319,313</b>	<b>\$196,000</b>	<b>\$648,839</b>	<b>(\$50,308)</b>	<b>\$226,500</b>
Less estimated income	0	0	0	0	0	0
<b>General fund</b>	<b>\$13</b>	<b>\$319,313</b>	<b>\$196,000</b>	<b>\$648,839</b>	<b>(\$50,308)</b>	<b>\$226,500</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Increases Operating Funding <sup>7</sup>	Increases Funding for Roughrider Awards. <sup>8</sup>	Adds Funding for Children's Cabinet <sup>9</sup>	Total House Changes
Salaries and wages				\$1,425,905
New and vacant FTE pool				117,387
Operating expenses	\$98,028			205,714
Contingencies				
Rough Rider Awards		\$4,200		4,200
Governor's salary				(310,621)
Children's cabinet			\$65,000	65,000
<b>Total all funds</b>	<b>\$98,028</b>	<b>\$4,200</b>	<b>\$65,000</b>	<b>\$1,507,585</b>
Less estimated income	0	0	0	0
<b>General fund</b>	<b>\$98,028</b>	<b>\$4,200</b>	<b>\$65,000</b>	<b>\$1,507,585</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<sup>1</sup> Agency base budget adjustments are made and the Governor's salary line item funding is transferred to the salaries and wages line item.

<sup>2</sup> The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

**General  
Fund**

Salary increase	\$205,213
Health insurance increase	<u>114,100</u>
Total	\$319,313

<sup>3</sup> Salaries and wages funding is increased for internships (\$20,000) and for other staff salaries (\$176,000).

<sup>4</sup> Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

**General  
Fund**

Vacant FTE positions	\$147,031
New FTE positions	<u>501,808</u>
Total	\$648,839

<sup>5</sup> Funding of \$167,695 is removed for estimated savings from vacant 2025-27 FTE positions and \$117,387 is added for a new and vacant FTE pool line item resulting in net savings of \$50,308.

<sup>6</sup> Funding is added for 18 months of salary costs (\$204,000) and rent costs (\$22,500) to locate an office employee in Fargo.

<sup>7</sup> Operating funding is added to:

- Increase funding for travel by \$35,000 to provide total funding of \$100,000.
- Increase funding for professional development by \$15,000 to provide total funding of \$65,000.
- Increase funding for ongoing information technology costs (\$27,028) and for enhancements (\$21,000) to utilize artificial intelligence programs.

<sup>8</sup> Funding for Roughrider Awards is added to provide total funding of \$15,000.

<sup>9</sup> Ongoing funding of \$35,000 is added for operating costs of the Children's Cabinet and one-time funding of \$30,000 is added for consulting services for the cabinet.

### House Bill No. 1001 - Other Changes - House Action

This amendment also:

- Adds a section regarding the use of funding in the new and vacant FTE pool line item.
- Provides the statutory changes needed to increase the Governor's and Lieutenant Governor's salaries by 3 percent on July 1, 2025, and 3 percent on July 1, 2026.