

I have attached a ***projected*** organizational chart for the ethics commission. This organizational chart is based upon the structure of the majority of other state ethics commissions. Most commissions have commissioners, with an executive director. The operations of commissions are typically divided into operations section and a legal section. The legal section is then split between compliance (preventative) and enforcement. The attached projected organizational chart is based on that basic structure. I would add, North Dakota's Ethics Commission has the smallest staff of the constitutional ethics commissions. Rhoda Island and New Mexico are the other smallest, with approximately 9 – 14 staff.

To create this organization, the Commission would need an additional 4-5 FTEs, with an additional cost of approximately \$1.4 - \$1.5 million per biennium.

Below is a breakdown of FTEs:

- 5 Commissioners = appointed by the Governor, Senate Majority Leader, and Senate Minority Leader
- Executive Director = oversees the legal and operations sections of the Commission and implements the strategic initiatives of the Commission

Legal Section:

- Lead/General Counsel = provides counsel to the Commission and oversees both the compliance and enforcement divisions of legal work
- Compliance Counsel = provides legal counsel regarding advisory opinions and informal guidance issued by the commission. Works closely with the education and communications administrator to ensure educational initiatives are in accordance with rules, laws, and opinions issued.
- Educational/Communication Administrator = Manages and implements all aspects of the Commission's communication and educational initiatives to provide stakeholders with information
- Enforcement Counsel = investigate complaints and represent the commission in litigation
- Paralegal = Assists Enforcement/Public Integrity Counsel with; focused on investigation and obtaining information, documents, and interviews during the investigative process.

Operations Section:

- Operations Manager = oversees procurement, records retention, IT needs, monthly budget
- Administrative Assistant = reviews and logs filings received by the Commission, focusing on the case management system, and assists operations manager and legal section with scheduling and other administrative work.

April 1, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED SENATE BILL NO. 2004

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the ethics
2 commission.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
5 as may be necessary, are appropriated out of any moneys in the general fund in the state
6 treasury, not otherwise appropriated, to the ethics commission for the purpose of defraying the
7 expenses of the ethics commission, for the biennium beginning July 1, 2025, and ending
8 June 30, 2027, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
11 Ethics commission	\$1,041,374	\$308,563	\$1,349,937
12 New and vacant FTE pool	0	246,304	246,304
13 Total general fund	\$1,041,374	\$554,867	\$1,596,241
14 Full-time equivalent positions	3.00	1.00	4.00
15 <u>Ethics commission</u>	<u>\$1,041,374</u>	<u>\$308,563</u>	<u>\$1,349,937</u>
16 <u>New and vacant FTE pool</u>	<u>0</u>	<u>1,646,304</u>	<u>1,646,304</u>
17 <u>Total general fund</u>	<u>\$1,041,374</u>	<u>\$1,954,867</u>	<u>\$2,996,241</u>
18 <u>Full-time equivalent positions</u>	<u>3.00</u>	<u>5.00</u>	<u>8.00</u>

19 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
20 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding

1 items included in the appropriation in section 1 of this Act which are not included in the entity's
2 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
3 committees of the seventieth legislative assembly regarding the use of this funding:

4 <u>One-Time Funding Description</u>	<u>General Fund</u>
5 Case management system	\$50,000
6 Office furniture	2,348
7 New FTE position one-time costs	<u>5,484</u>
8 Total	\$57,832

9 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
10 ethics commission may not spend funds appropriated in the new and vacant FTE pool line item
11 in section 1 of this Act, but may request the office of management and budget to transfer funds
12 from the new and vacant FTE pool line item to the ethics commission line item in accordance
13 with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the
14 sixty-ninth legislative assembly.

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - Ethics Commission - House Action

	Base Budget	Senate Version	House Changes	House Version
New and vacant FTE pool Ethics Commission	\$1,041,374	\$246,304 1,349,937	\$1,400,000	\$1,646,304 1,349,937
Total all funds	\$1,041,374	\$1,596,241	\$1,400,000	\$2,996,241
Less estimated income	0	0	0	0
General fund	\$1,041,374	\$1,596,241	\$1,400,000	\$2,996,241
FTE	3.00	4.00	4.00	8.00

Department 195 - Ethics Commission - Detail of House Changes

	Adds New FTE Positions¹	Total House Changes
New and vacant FTE pool Ethics Commission	\$1,400,000	\$1,400,000
Total all funds	\$1,400,000	\$1,400,000
Less estimated income	0	0
General fund	\$1,400,000	\$1,400,000
FTE	4.00	4.00

¹ Funding is added for the following new FTE positions:

- Compliance counsel
- Administrative assistant
- Enforcement counsel
- Paralegal

PROJECTED ETHICS COMMISSION ORGANIZATIONAL CHART

