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Title.
Fiscal No. 2

Prepared by the Legislative Council
staff for House Appropriations -
Government Operations Division
Committee

January 24, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1011

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the securities
2 department; and to amend and reenact subsection 8 of section 10-04-10 of the North Dakota
3 Century Code, relating to fees charged by the securities department.

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

5 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
6 as may be necessary, are appropriated from special funds, to the securities department for the
7 purpose of defraying the expenses of the securities department, for the biennium beginning
8 July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
11 Salaries and wages	\$2,412,763	\$0	\$2,412,763
12 Operating expenses	756,430	0	756,430
13 Total special funds	\$3,169,193	\$0	\$3,169,193
14 Full-time equivalent positions	10.00	0.00	10.00
15 <u>Salaries and wages</u>	<u>\$2,412,763</u>	<u>\$274,224</u>	<u>\$2,686,987</u>
16 <u>New and vacant FTE pool</u>	<u>0</u>	<u>58,172</u>	<u>58,172</u>
17 <u>Operating expenses</u>	<u>756,430</u>	<u>(113,259)</u>	<u>643,171</u>
18 <u>Total special funds</u>	<u>\$3,169,193</u>	<u>\$219,137</u>	<u>\$3,388,330</u>
19 <u>Full-time equivalent positions</u>	<u>10.00</u>	<u>0.00</u>	<u>10.00</u>

1 **SECTION 2. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
2 securities department may not spend funds appropriated in the new and vacant FTE pool line
3 item in section 1 of this Act, but may request the office of management and budget to transfer
4 funds from the new and vacant FTE pool line item to the salaries and wages line item in
5 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
6 approved by the sixty-ninth legislative assembly.

7 **SECTION 3. AMENDMENT.** Subsection 8 of section 10-04-10 of the North Dakota Century
8 Code is amended and reenacted as follows:

9 8. Fees. The fee, which must accompany the application, for registration, transfer, or
10 notice filing, and for each annual renewal thereof is:

- | | |
|--|---------------------------|
| 11 a. For each broker-dealer | \$200.00 \$240 |
| 12 b. For each agent | \$60.00 \$75 |
| 13 c. For each investment adviser or federal covered adviser | \$100.00 \$120 |
| 14 d. For each investment adviser representative | \$50.00 \$60 |

15 An application to register as a broker-dealer, agent, investment adviser, or investment
16 adviser representative may, with the consent of the commissioner, be withdrawn upon
17 written application.

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1011 - Securities Department - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$2,412,763	\$274,224	\$2,686,987
New and vacant FTE pool		58,172	58,172
Operating expenses	756,430	(113,259)	643,171
Total all funds	\$3,169,193	\$219,137	\$3,388,330
Less estimated income	3,169,193	219,137	3,388,330
General fund	\$0	\$0	\$0
FTE	10.00	0.00	10.00

Department 414 - Securities Department - Detail of House Changes

	Base Budget Adjustments ¹	Adds Funding for Salary and Benefit Increases ²	Adds Funding to Replace 2023-25 Vacant FTE Pool ³	Transfers Funding for 2025-27 New and Vacant FTE Pool ⁴	Adds Funding for Information Technology Increases ⁵	Total House Changes
Salaries and wages	\$130,584	\$160,581	\$66,162	(\$83,103)		\$274,224
New and vacant FTE pool				58,172		58,172
Operating expenses	(130,580)				\$17,321	(113,259)
Total all funds	\$4	\$160,581	\$66,162	(\$24,931)	\$17,321	\$219,137
Less estimated income	4	160,581	66,162	(24,931)	17,321	219,137
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ Funding is adjusted for base payroll and budget changes.

² 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:

<u>Other Funds</u>	
Salary increase	\$100,528
Health insurance increase	60,053
Total	\$160,581

³ Funding is added to replace 2023-25 biennium vacant FTE pool funding.

⁴ Funding of \$83,103 is removed for estimated savings from 2025-27 vacant FTE positions and \$58,172 is added for a vacant FTE pool line item for an estimated savings of \$24,931.

⁵ Funding is added for increases in information technology costs.

House Bill No. 1011 - Other Changes - House Action

This amendment also:

- Adds a section regarding the use of funding in the new and vacant FTE pool line item.
- Amends Section 10-04-10 to increase various fees charged by the Securities Department. The fee changes are estimated to increase general fund revenues by \$3,888,320 for the 2025-27 biennium.

