

April 16, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED SENATE BILL NO. 2002

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch;
2 to create and enact a new subsection to section 54-06-08.2 of the North Dakota Century Code,
3 relating to credit and debit card fees; to amend and reenact sections 27-02-02 and 27-05-03 of
4 the North Dakota Century Code, relating to the salaries of justices of the supreme court and
5 salaries of district court judges; to provide for transfers; to provide for a report; and to provide an
6 exemption.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
9 as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from other funds derived from special funds and
11 federal funds, to the judicial branch for the purpose of defraying the expenses of the judicial
12 branch, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

13 Subdivision 1.

14 SUPREME COURT

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15			
16			
17	Salaries and wages	\$12,363,778	\$1,055,927
18	New and vacant FTE pool	8,740,214	(68,714)
19	Operating expenses	2,915,259	191,426
20	Capital assets	0	866,100

Sixty-ninth
Legislative Assembly

1	Total all funds	\$24,019,251	\$2,044,739	\$26,063,990
2	Less other funds	97,793	(53,664)	44,129
3	Total general fund	\$23,921,458	\$2,098,403	\$26,019,861
4	Salaries and wages	\$12,363,778	\$1,488,083	\$13,851,861
5	New and vacant FTE pool	8,740,214	(690,730)	8,049,484
6	Operating expenses	2,915,259	219,534	3,134,793
7	Capital assets	0	866,100	866,100
8	Total all funds	\$24,019,251	\$1,882,987	\$25,902,238
9	Less other funds	97,793	(53,664)	44,129
10	Total general fund	\$23,921,458	\$1,936,651	\$25,858,109

Subdivision 2.

DISTRICT COURTS

		Adjustments or		
		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15	Salaries and wages	\$79,576,340	\$11,134,861	\$90,711,201
16	Operating expenses	24,524,619	3,006,722	27,531,341
17	Capital assets	0	4,742,216	4,742,216
18	Judges' retirement	177,340	(13,666)	163,674
19	Total all funds	\$104,278,299	\$18,870,133	\$123,148,432
20	Less other funds	830,318	(11,320)	818,998
21	Total general fund	\$103,447,981	\$18,881,453	\$122,329,434
22	Salaries and wages	\$79,576,340	\$13,235,292	\$92,811,632
23	Operating expenses	24,524,619	3,767,875	28,292,494
24	Capital assets	0	5,528,916	5,528,916
25	Judges' retirement	177,340	(13,666)	163,674
26	Total all funds	\$104,278,299	\$22,518,417	\$126,796,716
27	Less other funds	830,318	4,643,380	5,473,698
28	Total general fund	\$103,447,981	\$17,875,037	\$121,323,018

Subdivision 3.

JUDICIAL CONDUCT COMMISSION AND DISCIPLINARY BOARD

Sixty-ninth
Legislative Assembly

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Judicial conduct commission and	\$1,399,862	\$155,643	\$1,555,505
disciplinary board			
Total all funds	\$1,399,862	\$155,643	\$1,555,505
Less other funds	512,317	(2,779)	509,538
Total general fund	\$887,545	\$158,422	\$1,045,967
Judicial conduct commission and	\$1,399,862	\$191,985	\$1,591,847
disciplinary board			
Total all funds	\$1,399,862	\$191,985	\$1,591,847
Less other funds	512,317	7,860	520,177
Total general fund	\$887,545	\$184,125	\$1,071,670

Subdivision 4.

~~Office of Guardianship and Conservatorship~~ OFFICE OF GUARDIANSHIP AND
CONSERVATORSHIP

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Office of guardianship and conservatorship	\$0	\$936,405	\$936,405
Total general fund	\$0	\$936,405	\$936,405
Office of guardianship and conservatorship	\$0	\$730,478	\$730,478
Total general fund	\$0	\$730,478	\$730,478

Subdivision 5.

TOTAL - SECTION 1

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Grand total all funds	\$129,697,412	\$22,006,920	\$151,704,332
Grand total other funds	1,440,428	(67,763)	1,372,665
Grand total general fund	\$128,256,984	\$22,074,683	\$150,331,667
Full-time equivalent positions	384.00	12.00	396.00
Grand total all funds	\$129,697,412	\$25,323,867	\$155,021,279
Grand total other funds	1,440,428	4,597,576	6,038,004

1	<u>Grand total general fund</u>	<u>\$128,256,984</u>	<u>\$20,726,291</u>	<u>\$148,983,275</u>
2	<u>Full-time equivalent positions</u>	<u>384.00</u>	<u>10.00</u>	<u>394.00</u>

3 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**
4 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
5 items included in the appropriation in section 1 of this Act which are not included in the entity's
6 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
7 committees of the seventieth legislative assembly regarding the use of this funding:

8	<u>One-Time Funding Description</u>	<u>General Fund</u>		
9	<u>Information technology equipment lease</u>	<u>\$874,216</u>		
10	<u>Case management software cloud migration</u>	<u>758,000</u>		
11	<u>Clerk filing software</u>	<u>1,250,000</u>		
12	<u>Court records access system</u>	<u>960,000</u>		
13	<u>Cloud-based storage fees</u>	<u>866,100</u>		
14	<u>Courtroom audio and video equipment</u>	<u>800,000</u>		
15	<u>Cass County courtroom equipment</u>	<u>100,000</u>		
16	<u>Total</u>	<u>\$5,608,316</u>		

17	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Funds</u>
18	<u>Information technology equipment</u>	<u>\$874,216</u>	<u>\$0</u>	<u>\$874,216</u>
19	<u> lease</u>			
20	<u>Case management software cloud</u>	<u>0</u>	<u>758,000</u>	<u>758,000</u>
21	<u> migration</u>			
22	<u>Clerk filing software</u>	<u>0</u>	<u>1,250,000</u>	<u>1,250,000</u>
23	<u>Court records access system</u>	<u>0</u>	<u>960,000</u>	<u>960,000</u>
24	<u>Cloud-based storage fees</u>	<u>866,100</u>	<u>0</u>	<u>866,100</u>
25	<u>Courtroom audio and video equipment</u>	<u>0</u>	<u>1,586,700</u>	<u>1,586,700</u>
26	<u>Cass County courtroom equipment</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>
27	<u>Total</u>	<u>\$1,740,316</u>	<u>\$4,654,700</u>	<u>\$6,395,016</u>

28 **SECTION 3. NEW AND VACANT FTE POOL - BUDGET SECTION REPORT.**

- 29 1. The supreme court may not spend funding from the new and vacant FTE funding pool
30 line item in subdivision 1 of section 1 of this Act, but may transfer funds from this line
31 item to the salaries and wages line items within subdivisions 1 and 2 of this Act, to the

1 guardianship and conservatorship line item within subdivision 1 of this Act, and to the
2 judicial conduction commission and disciplinary board line item within subdivision 3 of
3 this Act, as necessary to provide funding for:

- 4 a. Filling a new position from the date of hire through the end of the biennium; or
5 b. Salaries and wages if actual salaries and wages savings from vacant positions
6 and employee turnover, adjusted for other uses, are less than the estimate used
7 by the sixty-ninth legislative assembly in the development of the appropriation.

8 2. The supreme court shall report to the budget section regarding the use of funding in
9 the pool, including information on:

- 10 a. New FTE positions, including the date hired;
11 b. Vacant FTE positions, including information regarding positions that become
12 vacant and positions filled, salaries and wages savings resulting from vacant
13 positions and employee turnover, and the use of salaries and wages savings for
14 other purposes; and
15 c. Additional salaries and wages funding needed due to savings from vacant
16 positions being less than anticipated.

17 3. If funding in the new and vacant FTE pool line item is insufficient to provide the
18 necessary salaries and wages funding for the biennium, the supreme court may
19 request a deficiency appropriation from the seventieth legislative assembly.

20 **SECTION 4. APPROPRIATION.** There are appropriated any funds received by the supreme
21 court, district courts, and judicial conduct commission and disciplinary board, not otherwise
22 appropriated, pursuant to federal acts and private gifts, grants, and donations for the purpose
23 as designated in the federal acts or private gifts, grants, and donations for the period beginning
24 July 1, 2025, and ending June 30, 2027.

25 **SECTION 5. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**

26 The grand total other funds line item in section 1 of this Act includes the sum of \$4,654,700 from
27 the strategic investment and improvements fund for one-time projects and programs as follows:

28 Case management software cloud migration	\$758,000
29 Clerk filing software	1,250,000
30 Court records access system	960,000
31 Courtroom audio and video equipment	1,586,700

1	Cass County courtroom equipment	<u>100,000</u>
2	Total	\$4,654,700

3 **SECTION 6. AMENDMENT.** Section 27-02-02 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **27-02-02. Salaries of justices of supreme court.**

6 The annual salary of each justice of the supreme court is ~~one hundred seventy-nine~~
7 ~~thousand three hundred twelve dollars through June 30, 2024, and one hundred eighty-six~~
8 ~~thousand four hundred eighty-four dollars thereafter~~ two hundred two thousand three hundred
9 ~~thirty-five dollars~~ two hundred seven thousand two hundred forty-nine dollars. The chief justice of
10 the supreme court is entitled to receive an additional ~~five thousand seventy-one dollars per~~
11 ~~annum through June 30, 2024, and five thousand two hundred seventy-four~~ six thousand six
12 ~~hundred eighty-one~~ seven thousand six hundred forty-seven dollars per annum thereafter.

13 **SECTION 7. AMENDMENT.** Section 27-05-03 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **27-05-03. Salaries and expenses of district judges.**

16 The annual salary of each district judge is ~~one hundred sixty-four thousand five hundred~~
17 ~~thirty-two dollars through June 30, 2024, and one hundred seventy-one thousand one hundred~~
18 ~~thirteen dollars thereafter~~ one hundred eighty-three thousand ninety-one dollars one hundred
19 eighty-four thousand three hundred sixty-six dollars. Each district judge is entitled to travel
20 expenses, including mileage and subsistence while engaged in the discharge of official duties
21 outside the city in which the judge's chambers are located. The salary and expenses are
22 payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled
23 to receive an additional ~~four thousand six hundred seventy-five~~ five thousand two hundred
24 ~~two~~ five thousand one hundred sixty-two dollars per annum through June 30, 2024, and four-
25 ~~thousand eight hundred sixty-two dollars thereafter~~.

26 **SECTION 8.** A new subsection to section 54-06-08.2 of the North Dakota Century Code is
27 created and enacted as follows:

28 The judicial branch may charge a reasonable fee not exceeding the discount charged
29 by the credit or debit card issuer. The fee may be added to a payment as a service
30 charge for the acceptance of a payment made by a credit or debit card. The state

1 court administrator shall determine which nationally recognized cards will be accepted
2 for payments made to the judicial branch under this section.

3 **SECTION 9. EXEMPTION - TRANSFERS.** Notwithstanding section 54-16-04, the director
4 of the office of management and budget shall transfer appropriation authority between line items
5 in section 1 of this Act, as requested by the supreme court upon a finding by the court that the
6 nature of the duties of the court and its staff requires the transfers to carry on properly the
7 functions of the judicial branch of government.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2002 - Summary of House Action**

	Base Budget	Senate Version	House Changes	House Version
Supreme Court				
Total all funds	\$24,019,251	\$26,063,990	(\$161,752)	\$25,902,238
Less estimated income	97,793	44,129	0	44,129
General fund	\$23,921,458	\$26,019,861	(\$161,752)	\$25,858,109
FTE	45.50	44.50	0.50	45.00
District Courts				
Total all funds	\$104,278,299	\$123,148,432	\$3,648,284	\$126,796,716
Less estimated income	830,318	818,998	4,654,700	5,473,698
General fund	\$103,447,981	\$122,329,434	(\$1,006,416)	\$121,323,018
FTE	334.00	341.00	1.50	342.50
Judicial Conduct Commission				
Total all funds	\$1,399,862	\$1,555,505	\$36,342	\$1,591,847
Less estimated income	512,317	509,538	10,639	520,177
General fund	\$887,545	\$1,045,967	\$25,703	\$1,071,670
FTE	4.50	4.50	0.00	4.50
Guardianship and Conservatorship				
Total all funds	\$0	\$936,405	(\$205,927)	\$730,478
Less estimated income	0	0	0	0
General fund	\$0	\$936,405	(\$205,927)	\$730,478
FTE	0.00	6.00	(4.00)	2.00
Bill total				
Total all funds	\$129,697,412	\$151,704,332	\$3,316,947	\$155,021,279
Less estimated income	1,440,428	1,372,665	4,665,339	6,038,004
General fund	\$128,256,984	\$150,331,667	(\$1,348,392)	\$148,983,275
FTE	384.00	396.00	(2.00)	394.00

Senate Bill No. 2002 - Supreme Court - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$12,363,778	\$13,419,705	\$432,156	\$13,851,861
New and vacant FTE pool	8,740,214	8,671,500	(622,016)	8,049,484
Operating expenses	2,915,259	3,106,685	28,108	3,134,793
Capital assets		866,100		866,100
Total all funds	\$24,019,251	\$26,063,990	(\$161,752)	\$25,902,238
Less estimated income	97,793	44,129	0	44,129
General fund	\$23,921,458	\$26,019,861	(\$161,752)	\$25,858,109
FTE	45.50	44.50	0.50	45.00

Department 181 - Supreme Court - Detail of House Changes

	Increases Funding for Salary Equity¹	Adds Funding for Administrative Assistant Position²	Transfers Funding for 2025-27 New and Vacant FTE Pool³	Increases Funding for Operating Costs⁴	Total House Changes
Salaries and wages	\$423,170	\$74,147	(\$65,161)		\$432,156
New and vacant FTE pool			(622,016)		(622,016)
Operating expenses				\$28,108	28,108
Capital assets					
Total all funds	\$423,170	\$74,147	(\$687,177)	\$28,108	(\$161,752)
Less estimated income	0	0	0	0	0
General fund	\$423,170	\$74,147	(\$687,177)	\$28,108	(\$161,752)
FTE	0.00	0.50	0.00	0.00	0.50

¹ Funding is added as follows for Supreme Court salary equity:

	Senate Version	House Changes	Total General Fund
Supreme Court justices salaries increase of 11.1 percent and chief justice salary increase of 12.1 percent	\$200,219	\$63,386	\$263,605
Pay plan 3 percent salary adjustment	0	359,784	359,784
Total	\$200,219	\$423,170	\$623,389

² Funding of \$74,147 is added by the House to increase a part-time administrative assistant position to a full-time position.

³ Funding of \$65,161 for an increased administrative assistant position is removed from the Supreme Court salaries and wages line item and funding of \$622,016 is removed for the judicial branch 2025-27 new and vacant FTE pool line item as follows:

	General Fund
New FTE positions	(\$65,161)
Funding pool line item	58,645
Supreme Court net savings	(\$6,516)
Funding pool line item from district courts	214,005
Guardianship and conservatorship funding pool line item adjustment	(894,666)
Net impact on Supreme Court	(\$687,177)

⁴ Funding of \$28,108 from the general fund is added by the House to provide a total of \$56,217 for increased miscellaneous operating costs.

Senate Bill No. 2002 - District Courts - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$79,576,340	\$90,711,201	\$2,100,431	\$92,811,632
Operating expenses	24,524,619	27,531,341	761,153	28,292,494
Capital assets		4,742,216	786,700	5,528,916
Judges' retirement	177,340	163,674		163,674
Total all funds	\$104,278,299	\$123,148,432	\$3,648,284	\$126,796,716
Less estimated income	830,318	818,998	4,654,700	5,473,698
General fund	\$103,447,981	\$122,329,434	(\$1,006,416)	\$121,323,018
FTE	334.00	341.00	1.50	342.50

Department 182 - District Courts - Detail of House Changes

	Increases Funding for Salary Equity¹	Adds Funding for Juvenile Court Positions²	Transfers Funding for 2025-27 New and Vacant FTE Pool³	Adds Funding for Treatment Courts⁴	Adjusts Operating Funding⁵	Adjusts One- Time Funding⁶
Salaries and wages	\$1,819,586	\$258,852	(\$237,783)	\$259,776		
Operating expenses				113,700	\$647,453	
Capital assets						\$786,700
Judges' retirement						
Total all funds	\$1,819,586	\$258,852	(\$237,783)	\$373,476	\$647,453	\$786,700
Less estimated income	0	0	0	0	0	4,654,700
General fund	\$1,819,586	\$258,852	(\$237,783)	\$373,476	\$647,453	(\$3,868,000)
FTE	0.00	1.50	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	\$2,100,431
Operating expenses	761,153
Capital assets	786,700
Judges' retirement	
Total all funds	\$3,648,284
Less estimated income	4,654,700
General fund	(\$1,006,416)
FTE	1.50

¹ Funding is added as follows for district courts salary equity:

	Senate Version	House Changes	Total General Fund
District court judges salaries increase of 7.7 percent	\$1,641,973	\$173,290	\$1,815,263
Pay plan 3 percent salary adjustment	0	1,646,296	1,646,296
Total	\$1,641,973	\$1,819,586	\$3,461,559

² Funding of \$258,852 from the general fund is added by the House for 1 new FTE administrative assistant position and to increase a part-time administrative assistant position to a full-time position.

³ Funding of \$237,783 from the general fund added by the Senate for new FTE position salaries and wages is removed and \$214,005 is added to the Supreme Court new and vacant FTE pool line item resulting in a net savings of \$23,778.

⁴ Funding of \$373,476 from the general fund is added for three new treatment courts. The Senate did not include funding for new treatment courts.

⁵ Operating funding is adjusted as follows:

	Senate Version	House Changes	Total General Fund
Credit card processing and bank fees	\$200,000	(\$200,000)	\$0
Interpreters	60,000	65,500	125,500
Family mediation program	0	138,200	138,200
Guardian ad litem program	470,000	465,768	935,768
Miscellaneous operating adjustments	168,284	177,985	346,269
Total	\$898,284	\$647,453	\$1,545,737

⁶ One-time funding is increased by \$786,700 to provide a total of \$1,586,700 for courtroom audio and video equipment. The House is providing \$4,654,700 from the strategic investment and improvements fund for one-time funding items, including a case management system, clerk filing software, court records access system, courtroom audio and video equipment, and Cass County courtroom equipment. The Senate provided \$3,868,000 from the general fund for these items.

Senate Bill No. 2002 - Judicial Conduct Commission - House Action

	Base Budget	Senate Version	House Changes	House Version
Judicial Conduct Commission	\$1,399,862	\$1,555,505	\$36,342	\$1,591,847
Total all funds	\$1,399,862	\$1,555,505	\$36,342	\$1,591,847
Less estimated income	512,317	509,538	10,639	520,177
General fund	\$887,545	\$1,045,967	\$25,703	\$1,071,670
FTE	4.50	4.50	0.00	4.50

Department 183 - Judicial Conduct Commission - Detail of House Changes

	Adds Funding for Salary Equity ¹	Adds funding for Operating Costs ²	Total House Changes
Judicial Conduct Commission	\$32,736	\$3,606	\$36,342
Total all funds	\$32,736	\$3,606	\$36,342
Less estimated income	10,639	0	10,639
General fund	\$22,097	\$3,606	\$25,703
FTE	0.00	0.00	0.00

¹ Funding of \$32,736, including \$22,097 from the general fund and \$10,639 from other funds, is added for a pay plan adjustment of 3 percent. The Senate did not include additional funding for a pay plan adjustment.

² Funding of \$3,606 from the general fund is added by the House to provide a total increase of \$19,384 for miscellaneous operating costs, including \$7,213 from the general fund and \$12,171 from other funds.

Senate Bill No. 2002 - Guardianship and Conservatorship - House Action

	Base Budget	Senate Version	House Changes	House Version
Guardianship and conservatorship		\$936,405	(\$205,927)	\$730,478
Total all funds	\$0	\$936,405	(\$205,927)	\$730,478
Less estimated income	0	0	0	0
General fund	\$0	\$936,405	(\$205,927)	\$730,478
FTE	0.00	6.00	(4.00)	2.00

Department 184 - Guardianship and Conservatorship - Detail of House Changes

	Transfers Positions to Office of Guardianship and Conservatorship ¹	Total House Changes
Guardianship and conservatorship	(\$205,927)	(\$205,927)
Total all funds	(\$205,927)	(\$205,927)
Less estimated income	0	0
General fund	(\$205,927)	(\$205,927)
FTE	(4.00)	(4.00)

¹ Funding of \$205,927 added by the Senate for operating costs relating to 4 new FTE guardianship and conservatorship positions is removed by the House. The House amendment provides for the transfer of the 4 new FTE positions and related salaries and operating costs to a newly created Office of Guardianship and Conservatorship separate from the judicial branch. The reduction for related salaries and wages is from the new and vacant FTE pool line item under the Supreme Court.

Senate Bill No. 2002 - Other Changes - House Action

This amendment also:

- Adds a section to identify \$4,654,700 from the strategic investment and improvements fund for various one-time appropriations.
- Amends sections relating to the salaries of Supreme Court justices and district court judges.
- Adds a section to authorize the judicial branch to charge a fee as a service charge for the acceptance of a payment made by a credit or debit card.