

TESTIMONY OF

**Sherry Neas, Director, Shared Services Division**

Chairman Heinert and members of the committee. I am Sherry Neas, Shared Services Division Director within the Office of Management and Budget (OMB). OMB is neutral on HB 1329.

OMB has discussed its concerns regarding this bill with the primary sponsor, Rep. O'Brien. We discussed an amendment to remove OMB from this bill because state law (North Dakota Century Code section 54-44.1-18) already requires OMB to maintain a searchable database of expenditures for state agencies and higher education institutions. The Financial Transparency website is on the OMB website at [www.omb.nd.gov](http://www.omb.nd.gov) with links to a checkbook, employee compensation, daily cash balance, revenues, funds, appropriations, and more.

OMB proposes amending the bill as follows (see attached):

- Page 1, Lines 2 and 14 – Remove the reference to N.D.C.C. Chapter 54-44.4. This is the state procurement chapter for which OMB must promulgate rules.
- <sup>Lines 16-17 remove OMB</sup> Page 1, Line 19, remove, "a. A budget unit under section 54-44.1-04;"
- Page 1, Line 22, remove, "d. An institution under the control of the state board of higher education."
- Page 2, Line 22, remove, "The office of management and budget"

Mr. Chairman and committee members, this concludes my testimony. I ask your support for an amendment to remove OMB from the requirements of HB 1329. I would be happy to answer any questions.

Introduced by

Representatives O'Brien, Pyle, Schreiber-Beck, Swiontek

Senator Axtman

1 A BILL for an Act to create and enact a new section to chapter 15.1-02 and a new section to  
2 chapter ~~54-44.4~~ of the North Dakota Century Code, relating to duties of the superintendent of  
3 public instruction and the establishment of a government spending database; to provide an  
4 appropriation; and to provide an effective date.

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

6 **SECTION 1.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
7 and enacted as follows:

8 **Training of school officials.**

9 The superintendent of public instruction shall:

- 10 1. Contract for training services for school board members, superintendents, principals,
- 11 and business managers relating to the requirements of section 2 of this Act.
- 12 2. Ensure the training includes academic best practices, personnel management,
- 13 financial operations, facility planning, and regulatory compliance.

14 **SECTION 2.** A new section to chapter ~~54-44.4~~ of the North Dakota Century Code is created  
15 and enacted as follows:

16 **Government spending database - Requirements - State treasurer - Office of**  
17 **management and budget - Superintendent of public instruction.**

18 1. As used in this section, "submitting party" means:

- 19 ~~a. A budget unit under section 54-44.1-04;~~
- 20 ~~ab. A political subdivision;~~
- 21 ~~be. A school district; and~~
- 22 ~~d. An institution under the control of the state board of higher education.~~

23 2. The state treasurer shall collect data from submitting parties and establish and  
24 maintain a government spending database that is accessible without cost through the

1 internet and contains detailed expenditure data collected from submitting parties. The  
2 data must be updated at least monthly.

3 3. The database must include for each expenditure:

4 a. The amount paid.

5 b. The payment date.

6 c. The recipient name.

7 d. The paying entity.

8 e. The employee position, if for a personnel payment.

9 f. For a school district, with respect to educational materials:

10 (1) A description of curriculum.

11 (2) The publisher and author of a textbook.

12 (3) A description of software specifications and developer identification.

13 g. A standardized categorization using United States census bureau codes for state  
14 and local transactions and nationally recognized standardized codes for school  
15 districts and institutions of higher education.

16 4. The database must provide:

17 a. Search capabilities.

18 b. Data aggregation tools.

19 c. Download options in common formats.

20 d. Anonymous salary and benefit information.

21 e. Regular updates of all information.

22 5. ~~The office of management and budget, in coordination with~~ ~~the~~ ~~state~~ ~~treasurer,~~ shall  
23 establish data submission standards for the submitting parties, develop security  
24 protocols, create reporting schedules, and ensure compliance with section 44-04-18.

25 6. A submitting party shall provide the required data as directed, ensure the accuracy of  
26 the data, and use existing resources for compliance with the requirements of this  
27 section.

28 **SECTION 3. APPROPRIATION - STATE TREASURER - GOVERNMENT SPENDING**

29 **DATABASE.** There is appropriated out of any moneys in the general fund in the state treasury,  
30 not otherwise appropriated, the sum of \$350,000, or so much of the sum as may be necessary,

Sixty-ninth  
Legislative Assembly

- 1 to the state treasurer for the purpose of establishing and maintaining a government spending
- 2 database, for the biennium beginning July 1, 2025, and ending June 30, 2027.

- 3 **SECTION 4. EFFECTIVE DATE.** Sections 1 and 2 of this Act become effective July 1, 2026.