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Title.
Fiscal No. 2

Prepared by the Legislative Council
staff for Senate Appropriations - Human
Resources Division Committee
February 20, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2015

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 corrections and rehabilitation; to provide for a report; to provide for a legislative management
3 study; and to provide an exemption.

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 out of any moneys in the general fund in the state
7 treasury, not otherwise appropriated, and from other funds derived from special funds and
8 federal funds, to the department of corrections and rehabilitation for the purpose of defraying
9 the expenses of the department of corrections and rehabilitation, for the biennium beginning
10 July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
13 Adult services	\$265,998,440	\$0	\$265,998,440
14 Youth services	26,853,221	0	26,853,221
15 Total all funds	\$292,851,661	\$0	\$292,851,661
16 Less other funds	45,744,746	0	45,744,746
17 Total general fund	\$247,106,915	\$0	\$247,106,915
18 Full-time equivalent positions	929.79	0.00	929.79
19 <u>Adult services</u>	<u>\$265,998,440</u>	<u>\$159,089,699</u>	<u>\$425,088,139</u>
20 <u>Youth services</u>	<u>26,853,221</u>	<u>9,480,420</u>	<u>36,333,641</u>

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1	<u>New and vacant FTE pool</u>	0	15,246,375	15,246,375
2	<u>Total all funds</u>	\$292,851,661	\$183,816,494	\$476,668,155
3	<u>Less other funds</u>	45,744,746	106,434,000	152,178,746
4	<u>Total general fund</u>	\$247,106,915	\$77,382,494	\$324,489,409
5	<u>Full-time equivalent positions</u>	929.79	51.00	980.79

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

11	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
12	Heart River correctional center	\$36,742	\$35,635,000	\$35,671,742
13	Missouri River correctional center	121,136	8,032,757	8,153,893
14	temporary housing unit			
15	Payments to county and regional jails	17,500,000	0	17,500,000
16	Deferred maintenance and extraordinary	0	15,000,000	15,000,000
17	repairs			
18	New FTE costs	40,000	0	40,000
19	James River correctional center study	0	750,000	750,000
20	Missouri River correctional center planning	0	20,000,000	20,000,000
21	and design			
22	Software systems and technology	0	11,278,631	11,278,631
23	upgrades			
24	Equipment	0	2,079,700	2,079,700
25	Victims of crime grants	0	5,000,000	5,000,000
26	Mental health assessments and services	0	550,000	550,000
27	Rough rider industries equipment and	0	13,722,181	13,722,181
28	supplies			
29	Workforce training and education	0	1,027,500	1,027,500
30	James River correctional center	0	570,000	570,000
31	maintenance building demolition			

1	County and regional correctional centers	<u>0</u>	<u>3,000,000</u>	<u>3,000,000</u>
2	contracted operations			
3	Total	\$17,697,878	\$116,645,769	\$134,343,647

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

10 **SECTION 4. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**

11 The other funds line item in section 1 of this Act includes the sum of \$100,356,197 from the
12 strategic investment and improvements fund for one-time projects and programs as follows:

13	Heart River correctional center project	\$35,635,000
14	Missouri River correctional center temporary housing	8,032,757
15	Missouri River correctional center planning and design	20,000,000
16	James River correctional center facilities study	750,000
17	James River correctional center maintenance building demolition	570,000
18	County and regional correctional center contracted operations	3,000,000
19	Deferred maintenance and extraordinary repairs	15,000,000
20	Software and technology upgrades	11,278,631
21	Equipment	1,089,809
22	Victims of crime grants	<u>5,000,000</u>
23	Total	\$100,356,197

24 **SECTION 5. DEPARTMENT OF CORRECTIONS AND REHABILITATION OPERATING**

25 **FUND REVENUES.** Any moneys received by the department of corrections and rehabilitation
26 from correctional supervision, electronic monitoring, and detention; reimbursements from other
27 agencies; profits received from department of corrections and rehabilitation commissary;
28 miscellaneous revenue, including offender fines, fees, restitution, and medical copayments; and
29 from the youth correctional center permanent fund, may be deposited in the department of
30 corrections and rehabilitation operating fund and expended pursuant to legislative appropriation
31 for the biennium beginning July 1, 2025, and ending June 30, 2027.

1 | **SECTION 6. MISSOURI RIVER CORRECTIONAL CENTER PLANNING AND DESIGN -**

2 | **REPORT.** The appropriation in the adult services line item in section 1 of this Act includes
3 | \$20,000,000 from the strategic investment and improvements fund for planning and design for a
4 | new six hundred bed minimum security male correctional facility for the Missouri River
5 | correctional center. The department of corrections and rehabilitation shall provide a quarterly
6 | report to the legislative management regarding the planning and design of a new minimum
7 | security facility.

8 | **SECTION 7. LEGISLATIVE MANAGEMENT STUDY - DEPARTMENT OF CORRECTIONS**

9 | **AND REHABILITATION.** During the 2025-26 interim, the legislative management shall consider
10 | studying the impacts of providing requirements for offenders sentenced to the supervision and
11 | custody of the department of corrections and rehabilitation. The study must include a thorough
12 | review of the impacts of requiring an offender to serve eighty-five percent of an offender's term
13 | of imprisonment in a secured facility, together with input from district court judges regarding
14 | sentencing decisions, state's attorneys regarding charging decisions, the department of
15 | corrections and rehabilitation regarding early release and use of transitional facilities to provide
16 | outside services to inmates, and the parole board regarding decisions to parole an inmate. The
17 | legislative management shall report its findings and recommendations, together with any
18 | legislation required to implement the recommendations, to the seventieth legislative assembly.

19 | **SECTION 8. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following

20 | appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
21 | the biennium beginning July 1, 2025, and ending June 30, 2027:

- 22 | 1. Any amounts remaining from funds transferred to the department of corrections and
23 | rehabilitation for deferred maintenance and extraordinary repairs from funding
24 | appropriated from the strategic investment and improvements fund to the office of
25 | management and budget in section 1 of chapter 640 of the 2023 Special Session
26 | Session Laws.
- 27 | 2. Any amounts remaining from funds transferred to the department of corrections and
28 | rehabilitation for deferred maintenance and extraordinary repairs from funding
29 | appropriated from federal funds derived from the state fiscal recovery fund to the office
30 | of management and budget in subsection 10 of section 1 of chapter 550 of the 2021

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- 1 Special Session Session Laws and continued pursuant to section 9 of chapter 15 of
- 2 the 2023 Session Laws.
- 3 3. The sum of \$131,200,000 appropriated from the strategic investment and
- 4 improvements fund for the construction of a new Heart River correctional center in
- 5 section 1 of chapter 15 of the 2023 Session Laws.
- 6 4. The sum of \$307,000 appropriated from the strategic investment and improvements
- 7 fund for DOCSTARS maintenance in section 1 of chapter 15 of the 2023 Session
- 8 Laws.
- 9 5. The sum of \$2,000,000 appropriated from the strategic investment and improvements
- 10 fund for information technology needs in section 1 of chapter 15 of the 2023 Session
- 11 Laws.

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Department of Corrections and Rehab. - Senate Action

	Base Budget	Senate Changes	Senate Version
New and vacant FTE pool		\$15,246,375	\$15,246,375
Adult services	\$265,998,440	159,089,699	425,088,139
Youth services	26,853,221	9,480,420	36,333,641
Total all funds	\$292,851,661	\$183,816,494	\$476,668,155
Less estimated income	45,744,746	106,434,000	152,178,746
General fund	\$247,106,915	\$77,382,494	\$324,489,409
FTE	929.79	51.00	980.79

Department 530 - Department of Corrections and Rehab. - Detail of Senate Changes

	Adds Funding for Salary and Benefit Increases¹	Adds Funding to Replace 2023-25 New and Vacant FTE Pool²	Transfers Funding for 2025-27 New and Vacant FTE Pool³	Adds FTE Positions⁴	Adds Funding for Other Salaries and Wages⁵	Adjusts Other Operations Funding⁶
New and vacant FTE pool			\$15,246,375			
Adult services	\$11,204,805	\$12,835,989	(18,873,622)	\$6,611,898	\$1,277,834	\$18,622,324
Youth services	1,186,161	1,169,113	(1,532,028)	(124,877)	130,101	1,718,774
Total all funds	\$12,390,966	\$14,005,102	(\$5,159,275)	\$6,487,021	\$1,407,935	\$20,341,098
Less estimated income	503,370	569,031	(181,865)	0	0	(11,102,305)
General fund	\$11,887,596	\$13,436,071	(\$4,977,410)	\$6,487,021	\$1,407,935	\$31,443,403
FTE	0.00	0.00	0.00	51.00	0.00	0.00

	Adds One-Time Funding for Overflow Housing²	Adds One-Time Funding for Rough Rider Industries³	Adds Other One-Time Funding³	Total Senate Changes
New and vacant FTE pool				\$15,246,375
Adult services	\$17,500,000	\$13,722,181	\$96,188,290	159,089,699
Youth services			6,933,176	9,480,420
Total all funds	\$17,500,000	\$13,722,181	\$103,121,466	\$183,816,494
Less estimated income	0	13,722,181	102,923,588	106,434,000
General fund	\$17,500,000	\$0	\$197,878	\$77,382,494
FTE	0.00	0.00	0.00	51.00

¹ 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	Other Funds	Total
Salary increase	\$6,645,142	\$273,756	\$6,918,898
Health insurance increase	5,242,454	229,614	5,472,068
Total	\$11,887,596	\$503,370	\$12,390,966

² Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	General Fund	Other Funds	Total
Vacant FTE positions	\$10,831,794	\$569,031	\$11,400,825
New FTE positions	2,604,277	0	2,604,277
Total	\$13,436,071	\$569,031	\$14,005,102

³ Funding of \$20,405,650 for new FTE positions and estimated savings from vacant FTE positions is removed and funding of \$15,246,375 is added for a 2025-27 new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
New FTE positions	(\$4,812,096)	\$0	(\$4,812,096)
Vacant FTE positions	<u>(14,987,334)</u>	<u>(606,220)</u>	<u>(15,593,554)</u>
Total	(\$19,799,430)	(\$606,220)	(\$20,405,650)
Funding pool line item	<u>14,822,020</u>	<u>424,355</u>	<u>15,246,375</u>
Net savings	(\$4,977,410)	(\$181,865)	(\$5,159,275)

⁴ The following FTE positions and related funding are added:

	FTE Positions	General Fund
Heart River Correctional Center (HRCC)	26.00	\$1,755,593
Missouri River Correctional Center (MRCC)	7.00	1,150,364
Pretrial services	2.00	476,510
Community corrections conversion of temporary employees	2.00	69,598
Education services conversion of temporary employees	3.00	61,732
HRCC maintenance supervisor conversion from temporary employee	1.00	61,019
County and regional correctional center - Contract operations	<u>10.00</u>	<u>2,912,205</u>
Total	51.00	\$6,487,021

⁵ Funding is added for other salaries and wages as follows:

	General Fund
Teacher composite schedule	\$358,463
Correctional officer participation in public safety retirement plan	645,000
Inmate wages	<u>404,472</u>
Total	\$1,407,935

⁶ Operations funding is adjusted as follows:

	General Fund	Other Funds	Total Funds
Inflation costs, including utilities, food, clothing, medications, and medical costs	\$8,206,230	\$0	\$8,206,230
Dakota Women's Correctional and Rehabilitation Center contract	2,450,000	0	2,450,000
Increased transitional facility costs	8,127,182	0	8,127,182
Women's treatment unit	2,087,800	0	2,087,800
Payments to county and regional correctional centers for overflow housing	1,046,438	0	1,046,438
Information technology data processing costs	2,500,000	0	2,500,000
Medical information technology modules	400,000	0	400,000
Elimination of supervision fees	1,500,000	(1,500,000)	0
Northwest regional reentry center	1,500,000	0	1,500,000
Various operations adjustments, including base payroll changes	<u>3,625,753</u>	<u>(9,602,305)</u>	<u>(5,976,552)</u>
Total	\$31,443,403	(\$11,102,305)	\$20,341,098

⁷ One-time funding of \$17.5 million from the general fund is added for payments to county and regional correctional facilities for overflow inmate housing.

⁸ One-time funding of \$13,722,181 from Rough Rider Industries special funds is added for equipment and supplies.

⁹ Other one-time funding is added as follows:

	General Fund	SIIF	Federal Funds	Total Funds
HRCC completion and start-up costs	\$36,742	\$35,635,000	\$0	\$35,671,742
MRCC temporary housing unit	121,136	8,032,757	0	8,153,893
Deferred maintenance and extraordinary repairs	0	15,000,000	0	15,000,000
New FTE costs	40,000		0	40,000
James River Correctional Center (JRCC) facility study	0	750,000	0	750,000
MRCC new facility planning and design	0	20,000,000	0	20,000,000
Software systems and technology upgrades	0	11,278,631	0	11,278,631
Equipment, including kitchen, laundry, safety, and medical equipment	0	1,089,809	989,891	2,079,700
Victims of crime grants federal funding replacement	0	5,000,000	0	5,000,000
Mental health assessments and services	0	0	550,000	550,000
Workforce training and education	0	0	1,027,500	1,027,500
JRCC maintenance building demolition	0	570,000	0	570,000
County and regional correctional centers contracted operations	<u>0</u>	<u>3,000,000</u>	<u>0</u>	<u>3,000,000</u>
Total	\$197,878	\$100,356,197	\$2,567,391	\$103,121,466

This amendment also adds sections to:

- Provide language regarding the use of funding in the new and vacant FTE pool line item.
- Identify \$103,834,297 from the strategic investment and improvements fund.
- Require the Department of Corrections and Rehabilitation to provide quarterly reports to the Legislative Management regarding planning and design for a new MRCC facility.
- Provide for a Legislative Management study relating to offender sentencing, use of transitional facilities, and parole.
- Provide exemptions for the Department of Corrections and Rehabilitation to continue unspent funds appropriated in prior bienniums for the HRCC facility, deferred maintenance and extraordinary repairs, DOCSTARS maintenance, and information technology needs into the 2025-27 biennium.