

**2017 SENATE APPROPRIATIONS**

**SB 2001**

# 2017 SENATE STANDING COMMITTEE MINUTES

## Appropriations Committee Harvest Room, State Capitol

SB 2001 & SB 2061

1/20/2017

JOB # 27167

☐ Subcommittee

☐ Conference Committee

Committee Clerk Signature

*Carrie W. King for Alice DeBevoise*

### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications, transfers, and cancellation of unexpended appropriations, and to declare an emergency.

### Minutes:

1. Statement of Jim W. Smith, Director

**Chairman Holmberg** called the Committee to order on SB 2001 & 2061 in reference to the legislative branch of state government. Roll call was taken. All committee members were present. Becky J. Keller, OMB and Sheila M. Sandness, Legislative Council were also present. We have our last two budget bills today. Looking at our fiscal sheets there are 20 some that are in appropriations. We will start with Jim Smith, Director.

**(01:24) Jim Smith, Director of Legislative Council** presented Testimony attached # 1 which explains the budget requests for the Legislative Assembly, the Legislative Management, and the Legislative Council for the 2017-19 biennium. Before I begin just in terms of financial statements for the last biennium those were audited and had unqualified opinions, no audit findings. He had the Senators look at Appendix A and explained it to the committee. It shows where those budgets have been adjusted over the last three biennium. He continued on page 1 – Legislative Assembly. **(06:07)** He addressed the salaries and wages on page 1 of testimony.

**(08:24) Chairman Holmberg:** Does that include the huge influx of new folks Is this reflective of the new legislators?

**Director Smith:** Yes, it is. **(09:11)** He went on to page 2 of his testimony – Operating Expenses.

**(12:00) Chairman Holmberg:** When we are putting together these numbers there is no way to know exactly how many legislative days are going to be used. We have in the budget 77 for this current. If we get done in 68 days, would that money that is saved in this budget be rolled over or go back to the general fund?

**Director Smith:** We have a provision in the bill that would provide for that money to carry over to the next biennium.



**Senator Mathern:** Where are the expenses attributed to relating to the security around the building?

**Director Smith:** That responsibility I believe is the Highway Patrol. I believe they have the funding in their budget. He continued on Legislative Management and Legislative Council. (13:15 - Continued with Legislative Management and Legislative Council on Page 2 of testimony and also referenced Appendix B, Page 5 of testimony.)

**(18:20) Chairman Holmberg:** Travel is a huge expense. Coming from Grand Forks, you get \$302. Making meetings back to back has helped. It was a little rougher on the motels in Bismarck, because you had a lot of people. The other thing that helped is that committees would start at 10:00AM so folks from Valley City could come in in the morning and not the night before.

**Director Smith:** When the budget section meets, typically there is a meeting before and a meeting after. There are some common members and it saves some money as well. In that per diem there is a slight increase, the 1% each year. The turnover rate for legislative staff has been about 14% on average for years 2010-2016. Of the 30 plus employees that left, 11 of those were retirement. We currently have good people; we need to do what we can to keep those people long term for the institutions sake.  
(19:32 - Continued with Salaries and Wages on page 2, and into Operating Expenses.)

**(23:25) Chairman Holmberg:** I think the members should be reminded that when legislative arrangements and procedures met, we didn't know exactly what the Governor's recommendation was going to be. The bottom line was that legislators would be treated like other state employees. If state employees got 0 increases both years of the biennium, the legislators would get 0. If the Burgum proposal of a 5% pay on health insurance was approved, the legislative assembly would share in that the same way. Those are the Governor's recommendation. At the end of the day, if no pay raises are passed by the legislature, we will treat ourselves like all our state employees. At the end of the day the legislators will do the same as all the state employees.

**(25:24) Director Smith:** (Continued with Related Bills on Page 3.)

**(26:25) Chairman Holmberg:** HB 1330 would change the membership. It would change the formula to where you divide the number of legislators by 16 and if the minority has less than 1, they get 1.

**(27:10) Director Smith:** (Continued with Specific requests, Appendix C – regarding health insurance, and Appendix D – regarding Legislative Branch Budget Reductions.)

**(29:35) Chairman Holmberg:** If we are not ready to adjourn at 63 days, then we keep going, and you take the money from the next biennium?

**Director Smith:** Right. Your options would be to have some kind of deficiency appropriation or you could borrow from the next session. We have not done that in a long time, but we did do that in the early 80's.

**Chairman Holmberg:** If were to be done in 67 days, that additional money could be used to augment that. It is kind of a budgeting shell game. It is going to be paid, but it would not have recorded paid at this time.

**(30:39) Director Smith:** (Continued with Potential Budget Reductions on Appendix D.)

**(33:58) Chairman Holmberg:** The legislature has typically sent a number of folks to the presidential inauguration, and we don't do that anymore. The ones that went this time went on their own dime. That decision was made in March.

**Senator Dever:** I had questions regarding updating to electronic methods instead of the binders we have for testimony and bills. Are there any conversations regarding any savings by doing that?

**Director Smith:** For this committee, we tried to do a pilot project to make it a little more paperless for about 4 agencies, but it wasn't accepted that well. The other answer is we do have the capability of scanning those documents, entering them electronically, and honestly the staffs goal would be to do more of that. We need to work with committee chairs, the leadership, and the clerks to make that happen. When you do some and for the rest you don't do it; you kind of have both things going and you really don't save a lot. Potentially, that can be done and it is something we would like to do.

**Senator Kilzer:** It seems there a little bit of wiggle room in the IT expenses. I always thought that the bill charges were kind of written in stone and they are pretty hard charges. Could you expand on how there could be some savings there?

**Director Smith:** Part of it is recognizing that our budget had more money than what was necessary. The other part is that there is some flexibility with enhancements to current systems that we have that we would just forego. Those would be additional time that we would purchase from ITD that we would just not do. The base requirements for IT services go up and we have to pay the rate. There is some flexibility and we can delay some things. We have been fortunate in the past six years to do quite a bit as far as improvements. We implemented Legend in 2011. We made improvements for the 2013, 2015, and 2017 sessions. We are basically saying that we are going to put that on hold, unless we find savings somewhere.

**Senator Kilzer:** Is the main frame still around that was used by Human Services and the Secretary of State's office?

**Director Smith:** Those last two agencies are still on the main frame. That was our reason for changing to the Legend system. We wanted to get off that main frame.

**Chairman Holmberg:** Asked for any further testimony and there was none. Doesn't SB 2044 include an FTE for the REMI?

**Director Smith:** Potentially there is an amendment to do that. The original bill was just a contract for services.



**Sheila M. Sandness, Legislative Council:** Yes, the amendment was approved. There is an FTE and there was an increase in funding to \$358,000 roughly.

**Chairman Holmberg:** Closed the hearing on SB 2001 and SB 2061.

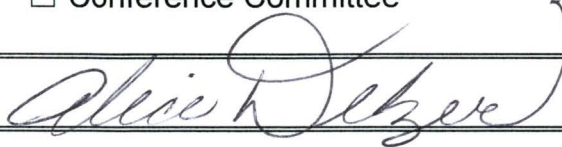
# 2017 SENATE STANDING COMMITTEE MINUTES

## Appropriations Committee Harvest Room, State Capitol

SB 2001  
2/16/2017  
JOB # 28438

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

A DO PASS AS AMENDED for the Legislative Branch

### Minutes:

1. Proposed Amendment # 17.0509.01001

**Chairman Holmberg:** called the Committee to order on SB 2001. All committee members were present. Alex Cronquist, Legislative Council and Becky J. Keller, OMB were also present.

**Chairman Holmberg:** passed out Amendment #17.0509.01001 and explained the amendments. The two parts are kind of interesting as you know the legislative assembly and legislative Council are a separate branch of government so they're not part of the allotment process. But you also should be aware that the governor's request for an allotment of 6.55% overall was matched by legislative council and legislative assembly. It was a little easier in Legislative Council. Legislative assembly is formula driven. You have so many people it costs so much per day for them to be here, it costs so much to send on weekends, etc. Legislative assembly does not include the interim, does not include any of the money that goes for interim committees, the professional staff and the other staff up in legislative council. Legislative assembly has no FTE's. It's just 141 elected officials. Back in August in the legislative assembly we reduced, myself working with Jim Smith and Allen H. Knudson, we reduced the legislative assembly budget by the 6.55%. Removing some salaries from a vacant position, dropping funds from interim committee travel, professional services -the 6.55% The same thing we did with the legislative council - 6.55% and that was \$1m roughly. We reduced that budget. The amendment, legislative assembly Senate actions; remember the built in pay raises, those are by statute. Someone had asked as I as Chairman could reduce the salary for the second year of the biennium, that's only the legislature can do that. So there was a cost to continue of \$26,000 for the legislative assembly. The health insurance increase is added in. and one of the reasons you will find that our changes are less, are reductions are less then we thought they were going to be because OMB made a mistake in the calculation of the health insurance, so we had to add roughly \$100,000 for health insurance. We reduced temporary salaries. Monthly reimbursement, remember that is based upon the GSA rate, etc., and that's roughly \$20,000. Some operating expense money was increased. We reduced the number of days that we estimated the 2019 session will last. We budgeted for 77 days, we reduced that



down to 75. I don't know if that will be an inducement for the legislature to meet less than 77, but we put that in the budget, and was a \$8,000 for NCSL dues, and then we reduced capital assets. That's what we did with the legislative assembly. **(0.4.58)**

**Senator Mathern:** Everything this session appears to be moving with so fewer bills and quicker action. Couldn't we decide now that we will only meet 65 days or something like that. Take that resource and apply it?

**Chairman Holmberg:** We could. The awkwardness of it is that it is a, the number is kind of a unicorn, because it doesn't make any difference. If we were to reduce it to 60 days, our bottom line would like we had reduced \$80,000 a day for 15 days. But if we get here and we meet for 70 days, we will pay for 70 days and the law allows the legislature to take the money from the next biennium to pay for it. So it would be - arithmetic would look better.

**Senator Mathern:** I am also saying, actually do it. Not just do the arithmetic. We ust agree we're going to adjourn.

**Chairman Holmberg:** That is what we thought last time and we ended up coming back. We came back and fulfilled our constitutional duties. But, we did reduce it down for 2 days. We have been running 77 days. That is about what we have done.

**Senator Dever:** That number if it applies to the next session it could be changed in the next session too.

**Chairman Holmberg:** That's what happens and we have budgeted 77 days for this session. Press release indicates we want to get done in 70 days, although sometimes when you come to committee meetings and find out what they're talking about, like this morning, maybe it will take 80 days. Those are things beyond our control. (0.08.02) The legislative council, the 6.55% reduction was made. This was the budget they had the cost continue payroll changes. The health insurance increases. Remember health insurance for state employees went up, we moved the fiscal analyst position, that actually had been sitting there. It was added 3 sessions ago with the understanding that we were going to do our own budget but because of some changes that occurred, that never happened. And we just remove that because it's never been filled. But the money had been taken down when we did the allotment earlier this year. We reduced funding due to staff turnover, reduced interim committee size, and that's a goal, because you have two forces working against each other, you have one where you want to have a committee of 13,13,14 people and some of them you end up with 18,19,20 people and you are trying to balance the size of the committee versus the wishes of legislators. I think there were 3 people that did not get their first choice in committee requests. So we tried to accommodate that. I wish legislators would do a little more experimentation during the interim and go on to or ask for committees that they have not been on before. I think everyone should look at audit and fiscal review at some point so they can see how that operates. We reduced out of state travel. I already made the reduction earlier in the allotment. Fees. By the way, we found that there are professional fees and audit, that also includes audits. We put in the budget money because sometimes you hire consultants to work on interim items. We reduced that twice now and I believe it's at \$150,000 for consulting services. Library services was reduced. Some operating expenses and capital assets that had to do with the printer, a

copier replacement. Those were the amendments before us if someone could move them so we could discuss them. (01.11.30)

**V. Chairman Krebsbach: I move amendment # 17.0509.01001. 2<sup>nd</sup> by Senator Gary Lee.**

**Chairman Holmberg:** Call the roll on amendments to 2001.

**A Roll Call vote was taken on the Amendment. Yea: 14; Nay: 0; Absent: 0.**

**Senator Robinson: Moved a Do Pass as Amended. 2<sup>nd</sup> by Senator Oehlke.**

**Chairman Holmberg:** Call the roll on a Do Pass as Amended on SB 2001.

**A Roll Call vote was taken. Yea: 14; Nay: 0; Absent: 0. Chairman Holmberg: will carry the bill.**

The hearing was closed on SB 2001.

Further discussion was held regarding the full committee coming back at 11:00 and also at 3:00 pm to pass out more bills. 11:00 – SB 2003 and 2018. 3:00 pm – 2004 & 2024.



PROPOSED AMENDMENTS TO SENATE BILL NO. 2001

Page 1, replace lines 15 through 19 with:

"Salaries and wages	\$10,004,373	\$258,322	\$10,262,695
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National conference of state legislatures	<u>241,263</u>	<u>8,909</u>	<u>250,172</u>
Total general fund	\$13,730,065	\$483,393	\$14,213,458"

Page 1, remove line 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	\$9,180,442	(\$11,376)	\$9,169,066
Operating expenses	2,837,968	105,502	2,943,470
Capital assets	<u>0</u>	<u>30,000</u>	<u>30,000</u>
Total all funds	\$12,018,410	\$124,126	\$12,142,536
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,948,410	\$124,126	\$12,072,536
Full-time equivalent positions	37.00	(1.00)	36.00"

Page 2, replace lines 10 through 12 with:

"Grand total general fund	\$25,678,475	\$607,519	\$26,285,994
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$25,748,475	\$607,519	\$26,355,994"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2001 - Summary of Senate Action

	Base Budget	Senate Changes	Senate Version
Legislative Assembly			
Total all funds	\$13,730,065	\$483,393	\$14,213,458
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$13,730,065	\$483,393	\$14,213,458
Legislative Council			
Total all funds	\$12,018,410	\$124,126	\$12,142,536
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$11,948,410	\$124,126	\$12,072,536
Bill total			
Total all funds	\$25,748,475	\$607,519	\$26,355,994
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$25,678,475	\$607,519	\$26,285,994

Senate Bill No. 2001 - Legislative Assembly - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$10,004,373	\$258,322	\$10,262,695

Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National Conf. of State Legislatures	241,263	8,909	250,172
Total all funds	\$13,730,065	\$483,393	\$14,213,458
Less estimated income	0	0	0
General fund	\$13,730,065	\$483,393	\$14,213,458
FTE	0.00	0.00	0.00

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#### Department No. 150 - Legislative Assembly - Detail of Senate Changes

	Adds Funding for Cost-to- Continue Compensation <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Reduces Funding for Temporary Salaries <sup>3</sup>	Increases Funding for Monthly Lodging Reimbursement <sup>4</sup>	Restores Funding for Operating Expenses <sup>5</sup>	Reduces Funding for 2019 Session <sup>6</sup>
Salaries and wages	\$26,146	\$383,040	(\$38,864)			(\$112,000)
Operating expenses				20,320	254,642	(48,000)
Capital assets						
National Conf. of State Legislatures						
Total all funds	\$26,146	\$383,040	(\$38,864)	\$20,320	\$254,642	(\$160,000)
Less estimated income	0	0	0	0	0	0
General fund	\$26,146	\$383,040	(\$38,864)	\$20,320	\$254,642	(\$160,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for NCSL Dues <sup>7</sup>	Reduces Funding for Capital Assets <sup>8</sup>	Total Senate Changes
Salaries and wages			\$258,322
Operating expenses			226,962
Capital assets		(10,800)	(10,800)
National Conf. of State Legislatures	8,909		8,909
Total all funds	\$8,909	(\$10,800)	\$483,393
Less estimated income	0	0	0
General fund	\$8,909	(\$10,800)	\$483,393
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium legislators' monthly compensation.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> Funding for temporary salaries during the 2019 legislative session is reduced.

<sup>4</sup> Funding is added to increase the maximum monthly lodging expense reimbursement to \$1,720 anticipated for the 2019 legislative session. The maximum monthly lodging reimbursement is \$1,682 for the 2017 session.

<sup>5</sup> A portion of the funding for information technology and other operating expenses, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>6</sup> Funding for the 2019 legislative session is reduced to provide funding for an estimated 75 legislative days.

<sup>7</sup> Funding for National Conference of State Legislatures dues is adjusted.



<sup>8</sup> Funding for capital assets is reduced.

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# Senate Bill No. 2001 - Legislative Council - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$9,180,442	(\$11,376)	\$9,169,066
Operating expenses	2,837,968	105,502	2,943,470
Capital assets		30,000	30,000
Total all funds	\$12,018,410	\$124,126	\$12,142,536
Less estimated income	70,000	0	70,000
General fund	\$11,948,410	\$124,126	\$12,072,536
FTE	37.00	(1.00)	36.00

## Department No. 160 - Legislative Council - Detail of Senate Changes

	Adds Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Removes 1 Fiscal Analyst FTE Position <sup>3</sup>	Reduces Funding Due to Staff Turnover <sup>4</sup>	Reduces Interim Committee Sizes <sup>5</sup>	Reduces Funding for Out-of-State Travel <sup>6</sup>
Salaries and wages	\$118,699	\$103,033		(\$126,558)	(\$92,251)	(\$14,299)
Operating expenses					(15,140)	(44,865)
Capital assets						
Total all funds	\$118,699	\$103,033	\$0	(\$126,558)	(\$107,391)	(\$59,164)
Less estimated income	0	0	0	0	0	0
General fund	\$118,699	\$103,033	\$0	(\$126,558)	(\$107,391)	(\$59,164)
FTE	0.00	0.00	(1.00)	0.00	0.00	0.00

	Increases Funding for Travel <sup>7</sup>	Decreases Funding for Professional Fees <sup>8</sup>	Reduces Funding for Library Services <sup>9</sup>	Restores Funding for Operating Expenses <sup>10</sup>	Adds Funding for Capital Assets <sup>11</sup>	Total Senate Changes
Salaries and wages						(\$11,376)
Operating expenses	11,260	(65,000)	(13,000)	232,247		105,502
Capital assets					30,000	30,000
Total all funds	\$11,260	(\$65,000)	(\$13,000)	\$232,247	\$30,000	\$124,126
Less estimated income	0	0	0	0	0	0
General fund	\$11,260	(\$65,000)	(\$13,000)	\$232,247	\$30,000	\$124,126
FTE	0.00	0.00	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> One vacant fiscal analyst FTE position is removed. The related funding for salaries and wages was removed as part of the 2015-17 biennium budget reductions.

<sup>4</sup> Funding for base level salaries and wages is reduced due to staff turnover.

<sup>5</sup> Funding is reduced for per diem and travel related to smaller committee sizes anticipated for the 2017-18 interim.

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<sup>6</sup> Funding for out-of-state travel is reduced to provide for a 10 percent reduction from original 2015-17 biennium levels.

<sup>7</sup> Funding is added for anticipated increases in fees and other travel-related expenses.

<sup>8</sup> Funding is reduced for professional fees to provide a total of \$150,000 for interim committee consulting services during the 2017-18 interim.

<sup>9</sup> Funding for library services is reduced.

<sup>10</sup> A portion of the funding for information technology and other operating expenses, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>11</sup> Funding is added for copier replacement.

Date: 2-16-17  
Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2001

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 17.0509.01001

Recommendation: ☒ Adopt Amendment  
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☐ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Krebsbach Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern	✓	
Vice Chair Krebsbach	✓		Senator Grabinger	✓	
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 2-16-17  
Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2001

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation: ☐ Adopt Amendment  
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☒ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Robinson Seconded By Oehlke

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	<input checked="" type="checkbox"/>		Senator Mathern	<input checked="" type="checkbox"/>	
Vice Chair Krebsbach	<input checked="" type="checkbox"/>		Senator Grabinger	<input checked="" type="checkbox"/>	
Vice Chair Bowman	<input checked="" type="checkbox"/>		Senator Robinson	<input checked="" type="checkbox"/>	
Senator Erbele	<input checked="" type="checkbox"/>				
Senator Wanzek	<input checked="" type="checkbox"/>				
Senator Kilzer	<input checked="" type="checkbox"/>				
Senator Lee	<input checked="" type="checkbox"/>				
Senator Dever	<input checked="" type="checkbox"/>				
Senator Sorvaag	<input checked="" type="checkbox"/>				
Senator Oehlke	<input checked="" type="checkbox"/>				
Senator Hogue	<input checked="" type="checkbox"/>				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Holmberg

If the vote is on an amendment, briefly indicate intent:



**REPORT OF STANDING COMMITTEE**

**SB 2001: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2001 was placed on the Sixth order on the calendar.

Page 1, replace lines 15 through 19 with:

"Salaries and wages	\$10,004,373	\$258,322	\$10,262,695
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National conference of state legislatures	<u>241,263</u>	<u>8,909</u>	<u>250,172</u>
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Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2001 - Summary of Senate Action**

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Legislative Assembly			
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Legislative Council			
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Bill total			
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Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$25,678,475	\$607,519	\$26,285,994

**Senate Bill No. 2001 - Legislative Assembly - Senate Action**

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$10,004,373	\$258,322	\$10,262,695
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National Conf. of State Legislatures	<u>241,263</u>	<u>8,909</u>	<u>250,172</u>
	\$13,730,065	\$483,393	\$14,213,458

Total all funds			
Less estimated income	0	0	0
General fund	\$13,730,065	\$483,393	\$14,213,458
FTE	0.00	0.00	0.00

**Department No. 150 - Legislative Assembly - Detail of Senate Changes**

	Adds Funding for Cost-to- Continue Compensation <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Reduces Funding for Temporary Salaries <sup>3</sup>	Increases Funding for Monthly Lodging Reimbursement <sup>4</sup>	Restores Funding for Operating Expenses <sup>5</sup>	Reduces Funding for 2019 Session <sup>6</sup>
Salaries and wages	\$26,146	\$383,040	(\$38,864)			(\$112,000)
Operating expenses				20,320	254,642	(48,000)
Capital assets						
National Conf. of State Legislatures						
Total all funds	\$26,146	\$383,040	(\$38,864)	\$20,320	\$254,642	(\$160,000)
Less estimated income	0	0	0	0	0	0
General fund	\$26,146	\$383,040	(\$38,864)	\$20,320	\$254,642	(\$160,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for NCSL Dues <sup>7</sup>	Reduces Funding for Capital Assets <sup>8</sup>	Total Senate Changes
Salaries and wages			\$258,322
Operating expenses			226,962
Capital assets		(10,800)	(10,800)
National Conf. of State Legislatures	8,909		8,909
Total all funds	\$8,909	(\$10,800)	\$483,393
Less estimated income	0	0	0
General fund	\$8,909	(\$10,800)	\$483,393
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium legislators' monthly compensation.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> Funding for temporary salaries during the 2019 legislative session is reduced.

<sup>4</sup> Funding is added to increase the maximum monthly lodging expense reimbursement to \$1,720 anticipated for the 2019 legislative session. The maximum monthly lodging reimbursement is \$1,682 for the 2017 session.

<sup>5</sup> A portion of the funding for information technology and other operating expenses, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>6</sup> Funding for the 2019 legislative session is reduced to provide funding for an estimated 75 legislative days.

<sup>7</sup> Funding for National Conference of State Legislatures dues is adjusted.

<sup>8</sup> Funding for capital assets is reduced.

**Senate Bill No. 2001 - Legislative Council - Senate Action**

Base ☐ Senate ☒ Senate

	Budget	Changes	Version
Salaries and wages	\$9,180,442	(\$11,376)	\$9,169,066
Operating expenses	2,837,968	105,502	2,943,470
Capital assets		30,000	30,000
Total all funds	\$12,018,410	\$124,126	\$12,142,536
Less estimated income	70,000	0	70,000
General fund	\$11,948,410	\$124,126	\$12,072,536
FTE	37.00	(1.00)	36.00

**Department No. 160 - Legislative Council - Detail of Senate Changes**

	Adds Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Removes 1 Fiscal Analyst FTE Position <sup>3</sup>	Reduces Funding Due to Staff Turnover <sup>4</sup>	Reduces Interim Committee Sizes <sup>5</sup>	Reduces Funding for Out- of-State Travel <sup>6</sup>
Salaries and wages	\$118,699	\$103,033		(\$126,558)	(\$92,251)	(\$14,299)
Operating expenses					(15,140)	(44,865)
Capital assets						
Total all funds	\$118,699	\$103,033	\$0	(\$126,558)	(\$107,391)	(\$59,164)
Less estimated income	0	0	0	0	0	0
General fund	\$118,699	\$103,033	\$0	(\$126,558)	(\$107,391)	(\$59,164)
FTE	0.00	0.00	(1.00)	0.00	0.00	0.00

	Increases Funding for Travel <sup>7</sup>	Decreases Funding for Professional Fees <sup>8</sup>	Reduces Funding for Library Services <sup>9</sup>	Restores Funding for Operating Expenses <sup>10</sup>	Adds Funding for Capital Assets <sup>11</sup>	Total Senate Changes
Salaries and wages						(\$11,376)
Operating expenses	11,260	(65,000)	(13,000)	232,247		105,502
Capital assets					30,000	30,000
Total all funds	\$11,260	(\$65,000)	(\$13,000)	\$232,247	\$30,000	\$124,126
Less estimated income	0	0	0	0	0	0
General fund	\$11,260	(\$65,000)	(\$13,000)	\$232,247	\$30,000	\$124,126
FTE	0.00	0.00	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> One vacant fiscal analyst FTE position is removed. The related funding for salaries and wages was removed as part of the 2015-17 biennium budget reductions.

<sup>4</sup> Funding for base level salaries and wages is reduced due to staff turnover.

<sup>5</sup> Funding is reduced for per diem and travel related to smaller committee sizes anticipated for the 2017-18 interim.

<sup>6</sup> Funding for out-of-state travel is reduced to provide for a 10 percent reduction from original 2015-17 biennium levels.

<sup>7</sup> Funding is added for anticipated increases in fees and other travel-related expenses.

<sup>8</sup> Funding is reduced for professional fees to provide a total of \$150,000 for interim committee consulting services during the 2017-18 interim.

<sup>9</sup> Funding for library services is reduced.

<sup>10</sup> A portion of the funding for information technology and other operating expenses, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>11</sup> Funding is added for copier replacement.



**2017 HOUSE APPROPRIATIONS**

**SB 2001**

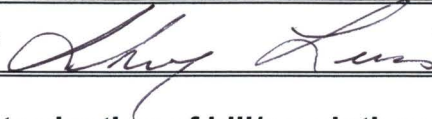
# 2017 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee - Government Operations Division Medora Room, State Capitol

SB2001  
3/6/2017  
Recording Job# 28723

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications, transfers, and cancellation of unexpended appropriations; and to declare an emergency.

### Minutes:

Attachment A

Chairman Brandenburg: Opened the hearing on SB2001.

**Representative Al Carlson, Majority Leader, ND Legislative Assembly:** Testimony see attachment A.

**Representative Kempenich:** The Senate increased it by \$9,000.00.

**Al Carlson:** That's because the dues went up.

Al Carlson continued with his testimony.

**Representative Kempenich:** I see the Senate reduced our days in the 2019 session by two?

**Al Carlson:** Jim can cover about how they cover if we go to 80 days. I don't believe we've ever funded for 80 days. You'll have to question him on how if we go to 80 days, where does the money come from.

Al Carlson continued with his testimony.

**Representative Nathe:** I see the Senate reduces interim committee sizes. I'm curious on your opinion on that.

**Al Carlson:** There's money to be saved there. It would be good to have a set number.

**Chairman Brandenburg:** If we're going to cut these agencies and ask them to make cuts. We have to do some things also.

**Al Carlson:** Just be realistic so you don't affect the way we have to do our business.

**Representative Delmore:** We also have to be aware that the budget that we have for every agency has full time employees. Not one of us in this room is a full time state employee.

**Jim Smith, Director, ND Legislative Council:** See testimony attachment A.

**Representative Kempenich:** We're getting the right people and the qualified people?

**Jim Smith:** We are. We have had retirements and lost some senior people. We're turning back significant budget dollars from where we were in 2015-2017.

Jim Smith continued with his testimony.

**Representative Vigesaa:** If we did go with the 75 day proposal, and then in 2019 it went two or three days over, how would that extra funding be obtained? Would it be a deficiency payment or is there another pool of money that could be used?

**Jim Smith:** We do have some carry over money. If there was money unspent at the conclusion of this biennium, that would be available. The bill has a unique feature, in subdivision 1 it provides an appropriation for the 65<sup>th</sup> and 66<sup>th</sup> legislative assemblies. The next biennium will be for two sessions as well. In theory, you could borrow from the next.

**Representative Delmore:** When we have a special session, where does the funding come from? Does it come out of your carry over as well? How is that funded?

**Jim Smith:** It's the same situation. In this current biennium, it came out of the current appropriation.

Jim Smith continued with his testimony.

**Chairman Brandenburg:** I see we're going to 65% instead of 70%, is that what the Senate put in there?

**Jim Smith:** That's on our list of potential cuts. That was not made by the Senate.

Jim Smith continued with his testimony.

**Representative Nathe:** Going back to the legislature forum. Can you explain what that's all about, whose involved and how that works?

**Jim Smith:** I've never attended those meetings. There's probably six legislatures and they meet annually with legislators from those other states in the Providence of Manitoba.

Jim Smith continued with his testimony.



**Vice Chairman Boehning:** That's just our dues. That doesn't include any travel or anything in that line item. Correct?

**Jim Smith:** Correct.

Jim Smith continued with his testimony.

**Representative Kempenich:** You don't have any temporary employees in the office?

**Jim Smith:** We do have some temporaries. Lincoln at our front desk is temporary. Just during the session is when we would have temporary positions.

**Representative Brabandt:** These temporary people that you're talking about; what kind of work would they be doing? Would it be spell checking or grammar?

**Jim Smith:** Proofreading. Basically we do an amendment, which we do in Legend, that generates a marked up bill. We have to check it for style and basically proofreading amounts to one person reading to another person. We do that internally with people that are in our back room.

Jim Smith continued with his testimony.

**Representative Delmore:** That would not affect the budget section? Is that statute?

**Jim Smith:** It's not statutorily set, but traditionally it is the leadership and the members of the appropriation committee. As the appropriation committee size would go up or down it would affect the size of the budget section. But we would budget that at the full expected size.

**Representative Vigesaa:** I know last summer and fall there was an effort to try to combine meeting days and maybe meet one less time than originally scheduled. Were you able to recognize any savings through the efforts of the committee chairs?

**Jim Smith:** Yes. That was a significant savings. I don't know if we can quantify the dollar amount; but we do have savings on the committee costs for the current biennium.

**Representative Vigesaa:** I would just suggest as we plan for the next interim, that that would be stressed from the start.

**Jim Smith:** A lot of the chairman started calling committees to meet at 10:00 instead of 09:00. Especially in the summer that allowed some legislators to drive in the summer. That would save a half day per diem plus the night's lodging.

**Representative Nathe:** Do you also budget for meetings outside of Bismarck or aren't the costs that much greater?

**Jim Smith:** We don't specifically budget for that; but we feel we can make it work within the budgeted amount.

Jim Smith continued with his testimony.

**Representative Kempenich:** If LAFRC votes to do a performance audit on some agency, how is that covered? In the past there have been some where we've specifically appropriated money. Does the auditor's office have to cover some of that?

**Jim Smith:** That's correct. There is no specific money provided for LAFRC to cover any of those costs.

**Allen Knudson, ND Legislative Council:** For performance audits, that if the auditor's office can't do them within their staff and they need to hire consultants, they can do that and charge that to the agency that's having the performance audit. They have to have LAFRC approval before they can do that.

**Representative Kempenich:** What are we leaving the contingency at?

**Allen Knudson:** That's in the OMB bill and it's at \$350,000.00.

**Representative Delmore:** What's the energy council we pay dues to?

**Jim Smith:** That's the multi-state group of legislators.

Jim Smith continued with his testimony.

**Representative Kempenich:** There is a committee that audits the state audit department. Is that part of this or is this a separate thing?

**Jim Smith:** This is the actual financial audit. There's a national organization that comes in periodically and looks at the state auditor's office. I believe that's every four years.

**Representative Kempenich:** I was wondering if it was something that was duplicative? Are we funding part of that?

**Jim Smith:** We're not funding any of that; this is strictly a financial audit.

Jim Smith continued with his testimony.

**Chairman Brandenburg:** Is there money in any of them?

**Jim Smith:** Legislative council will have some potential turn back at the end of this biennium. A lot of that is unknown until we get through the session.

**Chairman Brandenburg:** You really don't know that number yet.

**Jim Smith:** No.



**Representative Delmore:** I don't see the OMB change to the PERS board in here. Is there not going to be an increase if we change that board? Is it in the OMB budget?

**Jim Smith:** You're talking about the changes made to HB1023 in terms of having two additional legislators on the PERS board?

**Representative Delmore:** It also creates a cabinet position. I was curious if there was an increase in cost that you've estimated or not with that.

**Jim Smith:** The changes would affect the PERS budget. The only connection we would have are any additional legislators that serve on the board. I don't see that issue effecting our budget.

Jim Smith continued with his testimony.

**Vice Chairman Boehning:** What would that 65% take us down to?

**Jim Smith:** We'll come back to that.

Jim Smith continued with his testimony.

**Chairman Brandenburg:** That \$90.00 per month for IT will be reduced to \$81.00?

**Jim Smith:** Right.

Jim Smith continued with his testimony.

**Chairman Brandenburg:** Out of state travel was reduced by 10%. How would that work?

**Jim Smith:** We budget for each of the large meetings like Energy Council, NCSL, CSG, Midwest CSG; we build those from the ground up and we estimate possibly 20 legislators. This would roll those back by 10%; so instead of 20 it might be 18. You'd still be paid for per diem, lodging, any mileage, and meals. It would just reduce the numbers that would be traveling.

Jim Smith continued with his testimony.

**Allan Knudson:** For the answer on the formula change. In the budget request it's \$1,720.00 for the 2019 session. If we went to the 65% it would be \$1,597.00.

**Vice Chairman Boehning:** What is the total for the IT stipends?

**Allan Knudson:** For the biennium it would be \$305,000.00

**Vice Chairman Boehning:** On the operating expenses related to Legislative Assembly, we have that \$20,000.00 relating to lodging. Is that for renting furniture or something up and above that \$1,682.00 if you rent privately?



**Jim Smith:** What that would do is get you to that \$1,720.00 per month maximum. The rate would be for 2019; compared to the \$1,682.00 now. We expect lodging to go up a little bit which drives the cap.

**Vice Chairman Boehning:** The budget includes an additional \$20,000.00 related to lodging.

**Jim Smith:** That's next time.

**Vice Chairman Boehning:** There's a provision in the works if we need to rent some furniture, etc. Where's that reflected in this budget?

**Jim Smith:** That's all to be handled within that cap.

**Representative Nathe:** If we were to limit the bills or say no interim bills, would there be a way to quantify how much of a savings there would be?

**Jim Smith:** My initial reaction would be that there wouldn't be any savings.

**Representative Nathe:** The kill rate of those is pretty high.

**Jim Smith:** Yes, over the years they've been better than the average bill.

**Representative Nathe:** But there wouldn't be any savings.

**Jim Smith:** No.

**Representative Vigesaa:** If we lowered the lodging rate for next time, it would probably affect only those that stay in hotels. What's the percentage of legislators that stay in hotels?

**Jim Smith:** I don't have that for this session.

**Chairman Brandenburg:** Closed the hearing.

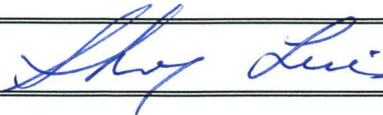
# 2017 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee - Government Operations Division Medora Room, State Capitol

SB2001  
3/16/2017  
Recording Job# 29339

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications, transfers, and cancellation of unexpended appropriations; and to declare an emergency.

### Minutes:

**Chairman Brandenburg:** Opened the hearing on SB2001.

**Representative Vigesaa:** Explained the changes to the budget.

**Representative Nathe:** If we go above that number, where do they get the \$80,000.00?

**Representative Vigesaa:** They generally do have some carry over that would probably fund any extra days?

**Vice Chairman Boehning:** You talked about the monthly lodging rate. Are we going to take it to 70% or move it to 65%?

**Representative Vigesaa:** That was just if we wanted to look at something further. In 2015 we had 54 legislators that stayed in hotels and 66 in private housing. This session there are 39 staying in hotels and 71 in private housing. In both sessions there were 21 legislators that did not require housing.

**Representative Delmore:** For some people that can be a big sacrifice. Reducing it to that should meet the needs or what the hotel people have.

**Chairman Brandenburg:** I understand that we're leaving this at 70%.

Representative Vigesaa continued with his explanation.

**Representative Nathe:** I don't have any problem with at least this biennium reducing it down by 10%.

Representative Vigesaa continued with his testimony.

**Chairman Brandenburg:** Right now we have a budget reduction recommendation of \$1.2 million. Is that correct? Was the 90% the allotment reduction?

**Jim Smith, Director, ND Legislative Council:** What the original appropriation was last biennium, 90% of that would require a budget of reduction of \$1.4 million for the assembly. We tried to identify methods of getting to that number.

**Chairman Brandenburg:** Where are we at with these reductions?

**Jim Smith:** The Senate amendments to the legislative assembly would be at \$14.2 million; so we had a slight increase from the appropriation last time. We're not at that 90% of last biennium.

**Representative Nathe:** I was looking at the minutes and we talked about maybe shortening up some of these committees. That would be on the management side wouldn't it?

Representative Vigesaa continued with his explanation.

**Vice Chairman Boehning:** On the reduced mileage we're going to do that \$.01?

**Jim Smith:** Yes. The current budget would have the \$.55 per mile.

**Vice Chairman Boehning:** We're not going to do the GSA rates because they change bi-yearly?

**Jim Smith:** When we put the budget together, that was our estimate of what the rate would be.

**Vice Chairman Boehning:** So basically we won't be paying above the \$.55. It will cap it at that level no matter if the GSA rates go up?

**Jim Smith:** If the GSA rates go up, we're going to have to pay what that rate is; but we won't have funding for the full amount so we'll have to find some savings elsewhere to make that happen.

Representative Vigesaa continued with his testimony.

**Representative Nathe:** ITD is going to come back with their rate structure and the reasoning for the rates.

**Representative Vigesaa:** Part of that language is going to be that that information had to be presented, analyzed and reviewed prior to the budgeting for the next session.

Representative Vigesaa continued with his testimony.

**Chairman Brandenburg:** Closed the hearing.



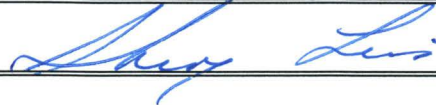
# 2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division  
Medora Room, State Capitol

SB2001  
3/20/2017  
Recording Job# 29468

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications, transfers, and cancellation of unexpended appropriations; and to declare an emergency.

Minutes:

Attachments A and B

**Chairman Brandenburg:** Opened the hearing on SB2001.

**Representative Vigesaa:** Explained amendment 17.0509.02004.

**Representative Nathe:** That's a change from the Senate version?

**Representative Vigesaa:** This is additional changes.

**Representative Nathe:** From the Senate?

**Representative Vigesaa:** Beyond what the Senate did.

**Representative Nathe:** When you say \$29,000.00; that's \$29,000.00 less from the Senate number?

**Representative Vigesaa:** Correct.

**Representative Delmore:** That first one is all health insurance?

**Representative Vigesaa:** Yes.

Representative Vigesaa continued with his explanation.

**Representative Nathe:** Would that amendment work in conjunction?

**Representative Vigesaa:** I believe that would work in conjunction with them.

Representative Vigesaa continued with his explanation.

**Vice Chairman Boehning:** With the IT, are they going to set the rate that the agencies have to use? How's that going to work?

**Representative Vigesaa:** No, I don't think it's going to set the rates. It's going to be a complete review of the revenues they receive. It will involve asking them how they get to the rates.

**Representative Delmore:** It's going to be a nine member committee, is there a fiscal note? Are there specific times that they're going to meet? Is there going to be some added expenses associated with this?

**Jim Smith, Director, ND Legislative Council:** The way it is now there is no money in there for this. I think it would be one of the 25 committees that legislative management would set up. The \$100,000.00 referred to as professional fees would be a source for any consulting that the committee needs. We would just use existing money to make it work.

**Representative Vigesaa:** I think it would be treated as an interim committee because that's when they would meet.

**Representative Nathe:** Will they be reporting to budget section with their findings?

**Representative Vigesaa:** I don't think it's spelled out in here. I think they would report as other interim committees do.

**Representative Nathe:** Just for pre-session.

**Representative Vigesaa:** It could be requested.

**Vice Chairman Boehning:** The way it looks it could be reported to OMB and take their recommendations into consideration.

**Representative Vigesaa:** The whole idea of this is to develop all of this prior to the budget cycle.

**Representative Vigesaa:** Made a motion to move amendment 17.0409.02004.

**Representative Nathe:** Seconded the motion.

**Roll Call Vote:** 6 Yeas 0 Nays 1 Absent.

**Motion Carried.**

**Vice Chairman Boehning:** Explained attachments A and B.

**Representative Nathe:** So this would go back to the way it was?



**Vice Chairman Boehning:** It would just revert back to the way it was previous to last session.

**Representative Vigesaa:** Could we get just a little history on this? How often has this been invoked during the last biennium?

**Jim Smith:** This was passed last session. Prior to that, we would make requests on behalf of legislators of agencies; and it would be a confidential request. When this section was put in place, we began logging those requests for specific information.

**Representative Delmore:** This wouldn't change the number of requests or anything except that it's not part of public record. Is that correct?

**Jim Smith:** Correct. It just takes away the requirement to log those requests and the responses that we keep.

**Representative Nathe:** When this new law come into effect, did you see the number of requests drop?

**Jim Smith:** It is hard to tell.

**Representative Nathe:** It hasn't been as many as before the 2015 session?

**Jim Smith:** I wouldn't say that there has been many.

**Representative Delmore:** Some things are asked for out of interim committees that are never looked at. I don't think there's any reason to repeal this at all.

**Representative Nathe:** I would have to agree. If we go back to the old way, we'll see the same offenders.

**Vice Chairman Boehning:** If I was a member of the public and I wanted to know something on what was happening in an agency, I can get the information but I have to pay for it. Correct?

**Jim Smith:** The open records law has stipulations that you have to pay for a certain number of copies. It can't be provided electronically.

**Vice Chairman Boehning:** It's really hard when you have to talk to an attorney and the attorney has to tell you who's requesting information.

**Representative Delmore:** I don't see repealing this. We want transparency for our citizens and this is part of the transparency.

**Representative Vigesaa:** I guess what I would say is if this isn't accepted here, it could be offered in full committee also.

**Vice Chairman Boehning:** I'll wait until then.



**Representative Vigesaa:** Made a motion for a "Do Pass as Amended".

**Representative Nathe:** Seconded the motion.

**Roll Call Vote:** 6 Yeas 0 Nays 1 Absent.

**Motion Carried.**

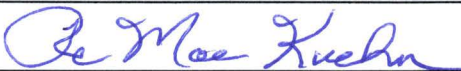
**Chairman Brandenburg:** Closed the hearing.

# 2017 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee Roughrider Room, State Capitol

SB 2001  
March 29<sup>th</sup> 2017  
Job #29814

- ☐ Subcommittee  
☐ Conference Committee



### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the legislative branch of state government

### Minutes:

**Representative Vigesaa:** Reviewing amendment 17.0509.02004

### The Senate changes for the Legislative Assembly:

Increased salary, adjustments for health insurance, reduced funding for temporary salaries, increase in lodging, funding for Information Technology budget reduction was restored. They set the funding level for the 2019 session at 75 days.

**Chairman Delzer:** Is it normally at 75 days or 77 days.

**Representative Vigesaa:** They did reduce it by a couple of days.

They received notice that the dues for NCSL were going to increase so they included that increase.

### The Senate changes for the Legislative Council:

Salaries, increase in insurance premium, removed one FTE--a fiscal analyst, reduced their base level salaries and wages due to staff turnover. They also reduced the per diem travel. They plan on having smaller interim committee sizes by one or two members. They reduced out-of-state travel by 10%. Professional fees were reduced down to \$150,000.

The summary of their changes for the Assembly shows an increase of \$483,393. This includes the reduction of \$10,800 in Capital Assets.

The summary of their changes for the Council shows an increase of \$124,126. That is due to the health insurance premiums and the cost to continue on the salaries.

(3:20)

**The House** changes included the health insurance increase with the addition of Section 2 for both the Assembly and the Council. That added up to \$449,337. The summary of the changes that the House did on page 3 of the statement of purpose, we adjusted the health insurance with the new updated monthly figure. Then we reduced the dues to NCSL by 10%. Investigating the level that they are collecting from other states is averaging about 88 to 90%. Our committee decided to pay 90% of the dues we are billed for so that saved us about \$25,017.

**Representative Streyle:** Are those dues for each legislator or are we assessed based on state size?

**Chairman Delzer:** We are assessed by state population, the number of legislators. 90% is what they are collecting on average from all the other states.

**Representative Vigesaa:** House changes to the Council included adjusting down the funding for health insurance by \$7,465. They have a vacant FTE in the Council. We removed the funding for that office assistant position. Instead they added temporary salary to help during the session period. The funding removed was \$147,071 and added back in \$35,000 for temporary help. They did not remove the FTE, just the funding.

**The House** reduced the funding for Information Technology by \$21,862 and reduced the professional fees by another \$35,000. Those are the fees for bringing in consultants and people during interim committees. We have that now down to about \$100,000 for the biennium for interim. Between the Senate and the House, we reduced that significantly. We removed the funding for the copier of \$30,000 on Capital Assets.

**The House** adjustment in the Council was a savings to the General Fund of \$206,398.

Section 7 on the bottom of page 1, language was added there to establish a state revenue advisory committee. The committee will consist of five members of the House and four members of the Senate. Page 2, their duty will be to monitor the state revenues, state economic activity, review forecasting data and models, review and analyze the executive revenue forecast, alternative revenue forecasts. Added was for the committee to assess and review the charges that ITD assesses our agencies and also what the Department of Transportation charges agencies for fleet services. IT says their budget has gone up so much because that is what they get charged by ITD.

**Chairman Delzer:** The essence of this is to try to get the legislature involved sooner. Currently we get the revenue forecast in our organizational session. This issue will be discussed in conference committee. An example is the fleet service was charging a high amount for gas. Isn't there some carryover money if we had to come in for a special session to deal with something the federal government did? Even if the Governor calls us in, it has to be paid for out of our budget.

**Representative Vigesaa:** Actually the carryover is very minimal this time because of our previous special session and with the allotment that was taken.



**Chairman Delzer** Would there be enough to cover the full 80 days if we ended up coming back?

**Representative Vigesaa:** I think at least 80 days. The only place we can further reduce on the Assembly would be if we would go less on lodging for legislatures or reduce the stipend on Information Technology. Each legislative day costs about \$80,000. The mileage that is built into this budget is 55 cents per mile. That was reduced from 56 cents and that saved \$7,800.

**Representative Vigesaa:** Moved to amend SB 2001 with amendment #17.0509.02004.

**Representative Boehning:** Second.

**Chairman Delzer:** The Senate didn't put in Section 2. They put in the money but not the language?

**Representative Vigesaa:** Correct. We added that on all of our bills.

**Representative Streyle:** I would like to see in the next session that there is another category for federal funds.

**Chairman Delzer:** On the bills there would be a line between the grand total general fund and grand total special funds that would say grand total federal funds.

**Representative Streyle:** I would like to see it on each line item. We have that now but we don't know where they belong. They are all lumped into one now.

**Chairman Delzer:** Allen, can it be split out on the bill?

**Allen Knudson, Legislative Council:** The budget section could look at that during the interim.

**Chairman Delzer:** Would it be better to have it part of the presentation as compared to being part of the bill?

**Representative Streyle:** We can deal with it later.

**Representative Pollert:** We have frustrations in our section as well. There will be a general fund, special fund, federal fund for salaries and wages. But when you get into the operating the travel expense, it can be a percentage. Then there are professional services with a different match. It even varies in each section of each agency.

**Chairman Delzer:** I understand that but I don't think it is anything we want to put on the budget bill itself. We can request a change on how the information comes to us.

**Vice Chair Kempenich:** They would have to go to the next level to see how it is broken out.

**Chairman Delzer:** Can you go to that level in IBARS?

**Becky Deichert, OMB:** We don't budget like that in IBARS. The account and funding source are separate. It is not by line item or account.

**Chairman Delzer:** Do you have any ideas how we could get that information?

**Becky Deichert, OMB:** Most of the agencies do not budget like that.

**Chairman Delzer:** How hard would it be to ask them to do that?

**Representative Streyle:** We requested this from DPI on their FTEs. They provided the percentage. That is the part that gets frustrating. With the FTEs we never know what is federal. Then when you take out an FTE, it doesn't save that much general fund money because it is funded elsewhere.

**Becky Deichert:** With salaries we can do that because they do have to track that for federal.

**Representative Vigesaa:** There is \$70,000 in the Legislative Council budget special funds. That comes from the Insurance Regulatory Trust Fund. That is for NCOIL meetings and travel.

**Chairman Delzer:** Do we pay dues to NCOIL?

**Representative Vigesaa:** There was no discussion of dues. This was for travel-related expenses.

**Representative J. Nelson:** What is the increase in lodging for the next biennium?

**Representative Vigesaa:** It is the formula we are currently using. For the next biennium lodging will be \$1,720. It is \$1,682 this session.

**Representative Boehning:** It changes every six months.

**Allen Knudson:** The rate changes every six months but the formula for the legislative session is set August prior to the session.

**Representative Monson:** I think the lodging would be a place we could save some money. \$1,720 per month to house sit for someone going south is a good deal.

**Chairman Delzer:** Allen, have you had any discussion on how we can separate that?

**Allen Knudson:** There have been proposals in the past to do separate rates for private housing vs. hotels.

**Representative Boehning:** We just need to leave it where it is.

**Representative Vigesaa:** During this session 49 legislators are staying in hotels, 71 in private housing, and 21 do not require housing.

**Voice vote on amendment. All in favor, motion carries.**

**Representative Vigesaa:** Moved Do Pass as Amended

**Representative Boehning:** Second.

**A Roll Call vote was taken. Yea: 18      Nay: 0      Absent: 3**

**Representative Vigesaa will carry the bill**



PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 3, after "appropriations" insert "; to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the creation of a state revenue advisory committee"

Page 1, replace lines 15 through 19 with:

"Salaries and wages	\$10,004,373	\$229,051	\$10,233,424
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National conference of state legislatures	<u>241,263</u>	<u>(16,108)</u>	<u>225,155</u>
Total general fund	\$13,730,065	\$429,105	\$14,159,170"

Page 1, remove line 24

Page 2, replace lines 1 through 6 with

"Salaries and wages	\$9,180,442	(\$130,912)	\$9,049,530
Operating expenses	<u>2,837,968</u>	<u>48,640</u>	<u>2,886,608</u>
Total all funds	\$12,018,410	(\$82,272)	\$11,936,138
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,948,410	(\$82,272)	\$11,866,138
Full-time equivalent positions	37.00	(1.00)	36.00"

Page 2, replace lines 11 through 13 with:

"Grand total general fund	\$25,678,475	\$346,833	\$26,025,308
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$25,748,475	\$346,833	\$26,095,308

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in subdivisions 1 and 2 of section 1 of this Act include funding from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month. Total funding provided from the general fund is as follows:

Legislative assembly	\$353,769
Legislative council	<u>95,568</u>
Total	\$449,337"

Page 3, after line 21, insert:

**"SECTION 7.** A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

**State revenue advisory committee.**

1. There is created a state revenue advisory committee consisting of five members of the house of representatives appointed by the majority leader of the house of representatives and four members of the senate appointed by the majority leader of the senate. The number of committee members from the majority party and the minority party in each house must be in

4/3/17 DP  
2014

proportion to the total number of majority and minority party members in that house. The committee shall select a chairman and vice chairman from its membership. The legislative council shall staff the committee. The members of the committee are entitled to compensation from the legislative council for attendance at committee meetings at the rate provided for members of the legislative assembly for attendance at interim committee meetings and are entitled to reimbursement for expenses incurred in attending the meetings in the amounts provided by law for other state officers.

2. The committee shall:

- a. Monitor state revenues and state economic activity, review economic forecasting data and models, and review and analyze the executive revenue forecasts and alternative revenue forecasts.
- b. Review and assess state agency revenues, including revenues received by the information technology department and the department of transportation's state fleet services from other state agencies. The review of information technology and state fleet services revenues must include an assessment of the delivery and cost of services, staffing, and billing processes to identify improvements to the efficiency and effectiveness of the services that will result in reduced costs for state agencies.
- c. Provide recommendations to reduce costs for state agencies to the director of the office of management and budget for use in developing agency biennial budget requests.
- d. Prepare a biennial report to the legislative management and provide recommendations to the appropriations committees of the legislative assembly.

3. The committee may:

- a. Enter contracts, subject to the availability of funding, with economic forecasting entities to provide economic data specific to North Dakota;
- b. Request information and assistance from state agency personnel as needed;
- c. Consider input from representatives of private sector entities regarding the economic conditions of the state;
- d. Develop alternative revenue forecasts; and
- e. Share information associated with state revenues and economic activity with the governor and the director of the office of management and budget."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2001 - Summary of House Action**

Base  
Budget

Senate  
Version

House  
Changes

House  
Version



4/5/17 DR  
3 of 4

Legislative Assembly				
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Less estimated income	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Legislative Council				
Total all funds	\$12,018,410	\$12,142,536	(\$206,398)	\$11,936,138
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,948,410	\$12,072,536	(\$206,398)	\$11,866,138
Bill total				
Total all funds	\$25,748,475	\$26,355,994	(\$260,686)	\$26,095,308
Less estimated income	70,000	70,000	0	70,000
General fund	\$25,678,475	\$26,285,994	(\$260,686)	\$26,025,308

**Senate Bill No. 2001 - Legislative Assembly - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$10,004,373	\$10,262,695.00	(\$29,271)	\$10,233,424
Operating expenses	3,467,629	3,694,591		3,694,591
Capital assets	16,800	6,000		6,000
National Conf. of State Legislatures	241,263	250,172	(25,017)	225,155
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Less estimated income	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
FTE	0.00	0.00	0.00	0.00

**Department No. 150 - Legislative Assembly - Detail of House Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Reduces National Conference of State Legislatures Dues <sup>2</sup>	Total House Changes
Salaries and wages	(\$29,271)		(\$29,271)
Operating expenses			
Capital assets			
National Conf. of State Legislatures		(25,017)	(25,017)
Total all funds	(\$29,271)	(\$25,017)	(\$54,288)
Less estimated income	0	0	0
General fund	(\$29,271)	(\$25,017)	(\$54,288)
FTE	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> National Conference of State Legislatures dues are reduced by 10 percent to provide a total of \$225,155.

This amendment also adds a section to identify additional funding provided for health insurance increases.

**Senate Bill No. 2001 - Legislative Council - House Action**



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4 of 4

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$9,180,442	\$9,169,066	(\$119,536)	\$9,049,530
Operating expenses	2,837,968	2,943,470	(56,862)	2,886,608
Capital assets		30,000	(30,000)	
Total all funds	\$12,018,410	\$12,142,536	(\$206,398)	\$11,936,138
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,948,410	\$12,072,536	(\$206,398)	\$11,866,138
FTE	37.00	36.00	0.00	36.00

**Department No. 160 - Legislative Council - Detail of House Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes Funding for 1 FTE Office Assistant Position <sup>2</sup>	Adds Funding for Temporary Salaries <sup>3</sup>	Reduces Funding for Operating Expenses <sup>4</sup>	Removes Funding for Capital Assets <sup>5</sup>	Total House Changes
Salaries and wages	(\$7,465)	(\$147,071)	\$35,000			(\$119,536)
Operating expenses				(56,862)		(56,862)
Capital assets					(30,000)	(30,000)
Total all funds	(\$7,465)	(\$147,071)	\$35,000	(\$56,862)	(\$30,000)	(\$206,398)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,465)	(\$147,071)	\$35,000	(\$56,862)	(\$30,000)	(\$206,398)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> Funding for 1 FTE office assistant position is removed.

<sup>3</sup> Funding is added for temporary salaries and wages to assist with session duties related to the office assistant position.

<sup>4</sup> Funding is reduced for information technology services (\$21,862) and professional fees (\$35,000).

<sup>5</sup> Funding for copier replacement is removed.

This amendment also adds sections to:

- Identify additional funding provided for health insurance increases.
- Establish a state revenue advisory committee.

**2017 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. SB2001**

House Appropriations - Government Operations Division Committee

☐ Subcommittee

Amendment LC# or Description: 17.0409.02004

Recommendation: ☒ Adopt Amendment  
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☐ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Representative Vigesaa Seconded By Representative Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Brandenburg	X		Representative Delmore	X	
Vice Chairman Boehning	X				
Representative Brabandt	X				
Representative Nathe	X				
Representative Kempenich					
Representative Vigesaa	X				

Total (Yes) 6 No 0

Absent 1

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:  
Motion Carried.

**2017 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. SB2001**

House Appropriations - Government Operations Division Committee

☐ Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation: ☐ Adopt Amendment  
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☒ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Representative Vigesaa Seconded By Representative Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Brandenburg	X		Representative Delmore	X	
Vice Chairman Boehning	X				
Representative Brabandt	X				
Representative Nathe	X				
Representative Kempenich					
Representative Vigesaa	X				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Representative Vigesaa

If the vote is on an amendment, briefly indicate intent:  
Motion Carried.



Date: 3/29/2017  
Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2001**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 17.0509.02004

Recommendation: ☒ Adopt Amendment  
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☐ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Representative Vigesaa Seconded By Representative Boehning

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich			Representative Streyle		
Representative: Boehning			Representative Vigesaa		
Representative: Brabandt					
Representative Brandenburg					
Representative Kading			Representative Boe		
Representative Kreidt			Representative Delmore		
Representative Martinson			Representative Holman		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Pollert					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

**Motion Carries**

Date: 3/29/2017  
Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2001**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation: ☐ Adopt Amendment  
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☒ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Representative Vigesaa Seconded By Representative Boehning

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X		Representative Streyle	X	
Representative: Boehning	X		Representative Vigesaa	X	
Representative: Brabandt	X				
Representative Brandenburg	A				
Representative Kading	A		Representative Boe	X	
Representative Kreidt	X		Representative Delmore	X	
Representative Martinson	X		Representative Holman	X	
Representative Meier	A				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Pollert	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 18 No 0

Absent 3

Floor Assignment Representative Vigesaa

If the vote is on an amendment, briefly indicate intent:

**Motion Carries**



**REPORT OF STANDING COMMITTEE**

**SB 2001, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (18 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2001 was placed on the Sixth order on the calendar.

Page 1, line 3, after "appropriations" insert "; to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the creation of a state revenue advisory committee"

Page 1, replace lines 15 through 19 with:

"Salaries and wages	\$10,004,373	\$229,051	\$10,233,424
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National conference of state legislatures	241,263	(16,108)	225,155
Total general fund	\$13,730,065	\$429,105	\$14,159,170"

Page 1, remove line 24

Page 2, replace lines 1 through 6 with

"Salaries and wages	\$9,180,442	(\$130,912)	\$9,049,530
Operating expenses	2,837,968	48,640	2,886,608
Total all funds	\$12,018,410	(\$82,272)	\$11,936,138
Less estimated income	70,000	0	70,000
Total general fund	\$11,948,410	(\$82,272)	\$11,866,138
Full-time equivalent positions	37.00	(1.00)	36.00"

Page 2, replace lines 11 through 13 with:

"Grand total general fund	\$25,678,475	\$346,833	\$26,025,308
Grand total special funds	70,000	0	70,000
Grand total all funds	\$25,748,475	\$346,833	\$26,095,308

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in subdivisions 1 and 2 of section 1 of this Act include funding from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month. Total funding provided from the general fund is as follows:

Legislative assembly	\$353,769
Legislative council	95,568
Total	\$449,337"

Page 3, after line 21, insert:

**"SECTION 7.** A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

**State revenue advisory committee.**

1. There is created a state revenue advisory committee consisting of five members of the house of representatives appointed by the majority leader of the house of representatives and four members of the senate appointed by the majority leader of the senate. The number of committee members from the majority party and the minority party in each house must be in proportion to the total number of majority and minority party members in that house. The committee shall select a chairman and vice chairman from its membership. The legislative council shall staff the committee. The members of the committee are entitled to compensation from the legislative council for attendance at committee meetings at the



rate provided for members of the legislative assembly for attendance at interim committee meetings and are entitled to reimbursement for expenses incurred in attending the meetings in the amounts provided by law for other state officers.

2. The committee shall:

- a. Monitor state revenues and state economic activity, review economic forecasting data and models, and review and analyze the executive revenue forecasts and alternative revenue forecasts.
- b. Review and assess state agency revenues, including revenues received by the information technology department and the department of transportation's state fleet services from other state agencies. The review of information technology and state fleet services revenues must include an assessment of the delivery and cost of services, staffing, and billing processes to identify improvements to the efficiency and effectiveness of the services that will result in reduced costs for state agencies.
- c. Provide recommendations to reduce costs for state agencies to the director of the office of management and budget for use in developing agency biennial budget requests.
- d. Prepare a biennial report to the legislative management and provide recommendations to the appropriations committees of the legislative assembly.

3. The committee may:

- a. Enter contracts, subject to the availability of funding, with economic forecasting entities to provide economic data specific to North Dakota;
- b. Request information and assistance from state agency personnel as needed;
- c. Consider input from representatives of private sector entities regarding the economic conditions of the state;
- d. Develop alternative revenue forecasts; and
- e. Share information associated with state revenues and economic activity with the governor and the director of the office of management and budget."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2001 - Summary of House Action**

	Base Budget	Senate Version	House Changes	House Version
Legislative Assembly				
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Less estimated income	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Legislative Council				
Total all funds	\$12,018,410	\$12,142,536	(\$206,398)	\$11,936,138
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,948,410	\$12,072,536	(\$206,398)	\$11,866,138

Bill total				
Total all funds	\$25,748,475	\$26,355,994	(\$260,686)	\$26,095,308
Less estimated income	70,000	70,000	0	70,000
General fund	\$25,678,475	\$26,285,994	(\$260,686)	\$26,025,308

**Senate Bill No. 2001 - Legislative Assembly - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$10,004,373	\$10,262,695.00	(\$29,271)	\$10,233,424
Operating expenses	3,467,629	3,694,591		3,694,591
Capital assets	16,800	6,000		6,000
National Conf. of State Legislatures	241,263	250,172	(25,017)	225,155
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Less estimated income	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
FTE	0.00	0.00	0.00	0.00

**Department No. 150 - Legislative Assembly - Detail of House Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Reduces National Conference of State Legislatures Dues <sup>2</sup>	Total House Changes
Salaries and wages	(\$29,271)		(\$29,271)
Operating expenses			
Capital assets			
National Conf. of State Legislatures		(25,017)	(25,017)
Total all funds	(\$29,271)	(\$25,017)	(\$54,288)
Less estimated income	0	0	0
General fund	(\$29,271)	(\$25,017)	(\$54,288)
FTE	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> National Conference of State Legislatures dues are reduced by 10 percent to provide a total of \$225,155.

This amendment also adds a section to identify additional funding provided for health insurance increases.

**Senate Bill No. 2001 - Legislative Council - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$9,180,442	\$9,169,066	(\$119,536)	\$9,049,530
Operating expenses	2,837,968	2,943,470	(56,862)	2,886,608
Capital assets		30,000	(30,000)	
Total all funds	\$12,018,410	\$12,142,536	(\$206,398)	\$11,936,138
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,948,410	\$12,072,536	(\$206,398)	\$11,866,138
FTE	37.00	36.00	0.00	36.00

**Department No. 160 - Legislative Council - Detail of House Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes Funding for 1 FTE Office Assistant Position <sup>2</sup>	Adds Funding for Temporary Salaries <sup>3</sup>	Reduces Funding for Operating Expenses <sup>4</sup>	Removes Funding for Capital Assets <sup>5</sup>	Total House Changes
Salaries and wages	(\$7,465)	(\$147,071)	\$35,000			(\$119,536)
Operating expenses				(56,862)		(56,862)
Capital assets					(30,000)	(30,000)
Total all funds	(\$7,465)	(\$147,071)	\$35,000	(\$56,862)	(\$30,000)	(\$206,398)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,465)	(\$147,071)	\$35,000	(\$56,862)	(\$30,000)	(\$206,398)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> Funding for 1 FTE office assistant position is removed.

<sup>3</sup> Funding is added for temporary salaries and wages to assist with session duties related to the office assistant position.

<sup>4</sup> Funding is reduced for information technology services (\$21,862) and professional fees (\$35,000).

<sup>5</sup> Funding for copier replacement is removed.

This amendment also adds sections to:

- Identify additional funding provided for health insurance increases.
- Establish a state revenue advisory committee.



**2017 CONFERENCE COMMITTEE**

**SB 2001**

# 2017 SENATE STANDING COMMITTEE MINUTES

## Appropriations Committee Harvest Room, State Capitol

SB 2001  
4/12/2017  
JOB # 30074

☐ Subcommittee  
☒ Conference Committee

Committee Clerk Signature

*Emmery Proberg for Alvin DeBer*

### Explanation or reason for introduction of bill/resolution:

A Conference Committee Hearing on the Legislative Branch.

### Minutes:

1. Base Level Funding Changes Budget # 150.
2. Base Level Funding Changes Budget #160.

**Chairman Holmberg:** called the Conference Committee hearing to order in reference to SB 2001 at 8:30 am in the Harvest Room. Let the record show that all conferees were present: Senators: Chairman Holmberg, Terry Wanzek and Larry Robinson; Representatives: Don Vigesaa, Randy Boehning, Lois Delmore. Sheila M. Sandness, Legislative Council and Lori Laschkewitsch, OMB were also present.

**Sheila M. Sandness, Legislative Council:** Handed out Base Level Funding Changes to Budget #150 (see Testimony attached # 1) and Base Level Funding Changes to Budget # 160 (see Testimony attached # 2). These documents were not discussed by the conferees in this hearing.

**Rep. Vigassa:** The only changes we made to the assembly was to make the adjustment for the health insurance and we reduced the funding for MCSL the dues by 10%. In visiting with Mr. Smith, the average MCSL collects from its overall membership by the states is a 10-12% less than the full amount. We agreed to go to a 10% reduction to save \$25,000.

**Chairman Holmberg:** In the OMB budget, where you removed all of the items, our plan is to put back in the western governors and CSG but reduce them all by 10%.

**Rep. Vigassa:** We had been informed of that. I believe that is all we did with the funding on the assembly. With the council, I met with Mr. Smith and looked for some areas we could do more savings. They were agreeable to these changes and they were the health insurance. There is one FTE that is vacant, they agreed to remove the funding for that, but replace it with temporary funding of \$35,000 during the legislative session. We removed the funding but not the authority for one FTE and added back in \$35,000 for temp salary. They agreed we could reduce the professional fees by \$35,000 and those are generally people who are

brought in during the interim; experts to testify and they thought that another \$35,000 in reduction would be fine. They decided they did not need the copier. The Senate had added \$30,000 for a copier replacement; upon further review, they decided they could get by without that particular equipment so we removed that. We are amenable to reducing the information technology services by another \$21,862 so the House on the council side removed another \$206,398 and we will discuss the language that puts in a revenue review committee and use that committee to do our forecasting for funding for the next biennium.

**Chairman Holmberg:** With the exception of that last section, the Senate is fine with the other changes.

**Rep. Vigesaa:** Do you have suggestions on the language in the piece that we added?

**Chairman Holmberg:** We have a few concerns:

1. Could this be a formal subcommittee of the budget section because subcommittees are appropriate but are very seldom done. Also, philosophically, we have people who regularly criticize the budget section for being a small number of legislators making big decisions and then we create a committee to do that but we can all be inconsistent. If we set up a committee, the Senate would like there to be equal membership and not one body dominating.
2. Are we going in the right direction by not including some kind of discussion point about working with OMB?
3. The other concern was that the way the committee is structured, there is no restriction on how much they could meet. Perhaps it is too open. At the end of the day, the legislature does determine what the revenue forecast is going to be because we approve it at the beginning of the session. Right now there is a concern expressed by House and Senate leadership that the legislature funds out and the public does as far as what is going on. If it is too legislative centric and it is viewed as encroaching upon the power of the executive branch, do we run the risk of having nothing?

**Senator Robinson:** In my opinion, the way the language is written, the language is problematic and needs refinement.

**Chairman Holmberg:** I do believe the Senate is very receptive to some ideas that would give the legislature more input and more of a working role in the budget forecast. I don't think we reject the concept in Section 7, but maybe the language can be refined.

**Rep. Vigesaa:** That was going to be my question. As long as the Senate is receptive to us being more involved in the process, we can work on language that will be amenable.

**Chairman Holmberg:** Closed the hearing on SB 2001.



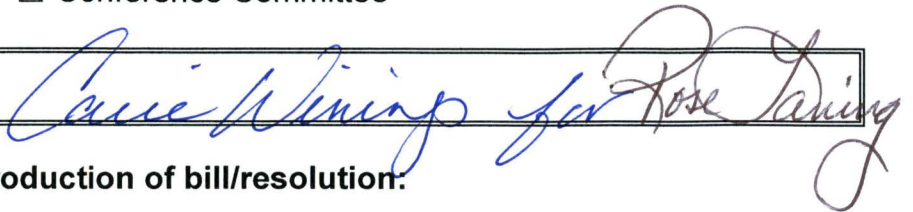
# 2017 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Harvest Room, State Capitol

SB 2001  
4/24/2017  
Job # 30274

☐ Subcommittee  
☒ Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the legislative branch of state government

**Minutes:**

Testimony Attached # 1

**Legislative Council: Sheila Sandness**  
**OMB: Lori Laschkewitsch**

**Chairman Holmberg:** Called the conference committee to order on SB 2001. Conferees are: **Senators Holmberg, Wanzek and Robinson and Representatives Vigesaa, Boehning and Delmore.**

**Chairman Holmberg:** We have had discussion on the legislative budget and the Senate was quite comfortable with practically everything the House did.

**Representative Vigesaa:** See Attachment #1 for proposed Amendment 17.0509.02010. We have had discussions about some changes that you would like to have seen in the way we originally had the revenue advisory committee formed and its duties. We have incorporated language from both chambers and we made one additional change this morning. Everything is fine except if the body would look at page 2, subsection 5; there was some concern on the language "developing the biennial state budget" that we would actually be creating a budget and that certainly was not the intention. If the committee would consider, instead of that language, we would have "the committee shall report its findings and recommendations to the legislative management for use in establishing the state revenue forecast". I think that is the idea behind the advisory committee. That they would be able to develop their own revenue forecast throughout the interim and then be able to pass that along to management.

**Chairman Holmberg:** Do you move the amendment with that editorial change?

**(3:16) Representative Vigesaa Moved Amendment 17.0509.02010 with the proposed language of "establishing the state revenue forecast" instead of "developing the biennial state budget".**

**Senator Wanzek: Seconded the motion.**

**Chairman Holmberg:** The language in there is not exclusive. It says that we will be working with and getting input from OMB, tax commissioner, industrial commission and other state agencies as well as the private sector. It does some piggybacking on the revenue forecast committee that OMB has but it does not go down the road of a budget.

**Representative Vigesaa:** In sub 4, that is exactly right. The committee shall consider input from those people, so I think we have everything there. It is just a recommendation on the part of the legislative body. I think that is what we have wanted. Just a little more input in the forecasting model.

**Senator Wanzek:** (Clarified the small change being made on the amendment to Page 2, Subsection 5.)

**Chairman Holmberg:** Some of the angst that we had discussed and took care of quite early was that because the bodies have equal say at the end of the day that they should be of equal size in the number of member on the committee.

**Representative Vigesaa:** That's included in Section 7, Subsection 1.

**Representative Delmore:** In Section 4, did we just tighten that up and is the money amount of \$25,000 still the same?

**Chairman Holmberg:** The amount of money for consultation was reduced quite a bit by the legislature. That is one of the points that we said. That committee would hire some expertise, and it might be from NDSU, UND, or regional because there might be some other interim studies that require some consultation. If that isn't used it goes back. The motion is for the House to recede from its amendments and further amend.

**A Roll Call Vote was taken: 6 yeas, 0 nays, 0 absent.**

**Senator Holmberg: Yes**  
**Senator Wanzek: Yes**  
**Senator Robinson: Yes**

**Representative Vigesaa: Yes**  
**Representative Boehning: Yes**  
**Representative Delmore: Yes**

**Allen Knudson, Legislative Council:** Just to clarify, this will look different than this because we will incorporate all the other changes as well.

**Chairman Holmberg:** Adjourned the conference committee on SB 2001.



PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

That the House recede from its amendments as printed on pages 1211-1215 of the Senate Journal and pages 1316-1320 of the House Journal and that Engrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 3, after the semicolon insert "to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the creation of a legislative revenue advisory committee; to provide for legislative management studies;"

Page 2, after line 31, insert:

**"SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000, or so much of the sum as may be necessary, to the legislative council for the purpose of procuring consulting services relating to interim committee assignments, for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 3, after line 21, insert:

**"SECTION 7.** A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

**Legislative revenue advisory committee.**

1. The legislative management, during each biennium, shall appoint a legislative revenue advisory committee. The committee must consist of the majority and minority leaders of the house and senate, the chairs of the house and senate appropriations committees, one member appointed by the house majority leader, and one member appointed by the senate majority leader. The legislative management shall designate the chairman of the committee. The committee shall operate according to the statutes and procedures governing the operation of other legislative management interim committees. The committee may contract with economic forecasting entities to provide economic data specific to North Dakota for state revenue forecasting purposes.
2. The committee shall monitor state revenues and state economic activity, review economic forecasting data and models, review and analyze executive revenue forecasts and alternative revenue forecasts, and conduct other assigned studies.
3. The committee shall review and assess agency revenues, including an assessment of the delivery and cost of services, staffing, and billing processes to identify improvements to the efficiency and effectiveness of the services that will result in reduced costs for state agencies.
4. The committee shall consider input from representatives of the office of management and budget, office of the tax commissioner, industrial commission, other state agencies, and private sector entities.



5. The committee shall report its findings and recommendations to the legislative management for use in developing the biennial state budget.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - INFORMATION TECHNOLOGY DEPARTMENT SERVICES AND COSTS.** During the 2017-18 interim, the legislative management shall consider studying the delivery and cost of the information technology department's services provided to state agencies. The study must include a review of the department's cost of services, staffing, and billing processes and must identify improvements to the efficiency and effectiveness of the department's services that will result in reduced costs for state agencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly.

**SECTION 9. LEGISLATIVE MANAGEMENT STUDY - STATE FLEET SERVICES COSTS.** During the 2017-18 interim, the legislative management shall consider studying the delivery and cost of the department of transportation's state fleet services for state agencies. The study must include a review of the department's cost of services, staffing, and billing processes and identify improvements to the efficiency and effectiveness of the state fleet services that will result in reduced costs for state agencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment creates an interim Legislative Revenue Advisory Committee, provides for Legislative Management studies, and appropriates \$25,000 from the general fund for interim committee consulting services.

CR  
4/24/17  
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PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

That the House recede from its amendments as printed on pages 1211-1215 of the Senate Journal and pages 1316-1320 of the House Journal and that Engrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 3, after "appropriations" insert "; to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the creation of a legislative revenue advisory committee; to provide for legislative management studies"

Page 1, replace lines 15 through 19 with:

"Salaries and wages	\$10,004,373	\$229,051	\$10,233,424
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National conference of state legislatures	<u>241,263</u>	<u>(16,108)</u>	<u>225,155</u>
Total general fund	\$13,730,065	\$429,105	\$14,159,170"

Page 1, remove line 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$9,180,442	(\$130,912)	\$9,049,530
Operating expenses	<u>2,837,968</u>	<u>73,640</u>	<u>2,911,608</u>
Total all funds	\$12,018,410	(\$57,272)	\$11,961,138
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,948,410	(\$57,272)	\$11,891,138
Full-time equivalent positions	37.00	(1.00)	36.00"

Page 2, replace lines 11 through 13 with:

"Grand total general fund	\$25,678,475	\$371,833	\$26,050,308
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$25,748,475	\$371,833	\$26,120,308

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in subdivisions 1 and 2 of section 1 of this Act include funding from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month. Total funding provided from the general fund is as follows:

Legislative assembly	\$353,769
Legislative council	<u>95,568</u>
Total	\$449,337"

Page 3, after line 21, insert:

**"SECTION 7.** A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:



EN  
4/24/17  
2 of 4

**Legislative revenue advisory committee.**

1. The legislative management, during each biennium, shall appoint a legislative revenue advisory committee. The committee must consist of the majority and minority leaders of the house and senate, the chairs of the house and senate appropriations committees, one member appointed by the house majority leader, and one member appointed by the senate majority leader. The legislative management shall designate the chairman of the committee. The committee shall operate according to the statutes and procedures governing the operation of other legislative management interim committees. The committee may contract with economic forecasting entities to provide economic data specific to North Dakota for state revenue forecasting purposes.
2. The committee shall monitor state revenues and state economic activity, review economic forecasting data and models, review and analyze executive revenue forecasts and alternative revenue forecasts, and conduct other assigned studies.
3. The committee shall review and assess agency revenues, including an assessment of the delivery and cost of services, staffing, and billing processes, to identify improvements to the efficiency and effectiveness of the services that will result in reduced costs for state agencies.
4. The committee shall consider input from representatives of the office of management and budget, office of the tax commissioner, industrial commission, other state agencies, and private sector entities.
5. The committee shall report its findings and recommendations to the legislative management for use in establishing the state revenue forecast.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - INFORMATION TECHNOLOGY DEPARTMENT SERVICES AND COSTS.** During the 2017-18 interim, the legislative management shall consider studying the delivery and cost of the information technology department's services provided to state agencies. The study must include a review of the department's cost of services, staffing, and billing processes and must identify improvements to the efficiency and effectiveness of the department's services that will result in reduced costs for state agencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly.

**SECTION 9. LEGISLATIVE MANAGEMENT STUDY - STATE FLEET SERVICES AND COSTS.** During the 2017-18 interim, the legislative management shall consider studying the delivery and cost of the department of transportation's state fleet services for state agencies. The study must include a review of the department's cost of services, staffing, and billing processes and identify improvements to the efficiency and effectiveness of the state fleet services that will result in reduced costs for state agencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly."

Renumber accordingly



**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2001 - Summary of Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Legislative Assembly						
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170	\$14,159,170	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170	\$14,159,170	\$0
Legislative Council						
Total all funds	\$12,018,410	\$12,142,536	(\$181,398)	\$11,961,138	\$11,936,138	\$25,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$11,948,410	\$12,072,536	(\$181,398)	\$11,891,138	\$11,866,138	\$25,000
Bill total						
Total all funds	\$25,748,475	\$26,355,994	(\$235,686)	\$26,120,308	\$26,095,308	\$25,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$25,678,475	\$26,285,994	(\$235,686)	\$26,050,308	\$26,025,308	\$25,000

**Senate Bill No. 2001 - Legislative Assembly - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$10,004,373	\$10,262,695	(\$29,271)	\$10,233,424	\$10,233,424	
Operating expenses	3,467,629	3,694,591		3,694,591	3,694,591	
Capital assets	16,800	6,000		6,000	6,000	
National Conf. of State Legislatures	241,263	250,172	(25,017)	225,155	225,155	
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170	\$14,159,170	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170	\$14,159,170	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department No. 150 - Legislative Assembly - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Reduces National Conference of State Legislatures Dues <sup>2</sup>	Total Conference Committee Changes
Salaries and wages	(\$29,271)		(\$29,271)
Operating expenses			
Capital assets			
National Conf. of State Legislatures		(25,017)	(25,017)
Total all funds	(\$29,271)	(\$25,017)	(\$54,288)
Less estimated income	0	0	0
General fund	(\$29,271)	(\$25,017)	(\$54,288)
FTE	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the House version.

<sup>2</sup> National Conference of State Legislatures dues are reduced by 10 percent to provide a total of \$225,155, the same as the House version.

OK  
4/24/17  
3 of 4

This amendment also adds a section to identify additional funding provided for health insurance increases, the same as the House version.

CM  
4/24/17  
4 of 4

#### Senate Bill No. 2001 - Legislative Council - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$9,180,442	\$9,169,066	(\$119,536)	\$9,049,530	\$9,049,530	
Operating expenses	2,837,968	2,943,470	(31,862)	2,911,608	2,886,608	25,000
Capital assets		30,000	(30,000)			
Total all funds	\$12,018,410	\$12,142,536	(\$181,398)	\$11,961,138	\$11,936,138	\$25,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$11,948,410	\$12,072,536	(\$181,398)	\$11,891,138	\$11,866,138	\$25,000
FTE	37.00	36.00	0.00	36.00	36.00	0.00

#### Department No. 160 - Legislative Council - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes Funding for 1 FTE Office Assistant Position <sup>2</sup>	Adds Funding for Temporary Salaries <sup>3</sup>	Reduces Funding for Operating Expenses <sup>4</sup>	Removes Funding for Capital Assets <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	(\$7,465)	(\$147,071)	\$35,000			(\$119,536)
Operating expenses				(31,862)		(31,862)
Capital assets					(30,000)	(30,000)
Total all funds	(\$7,465)	(\$147,071)	\$35,000	(\$31,862)	(\$30,000)	(\$181,398)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,465)	(\$147,071)	\$35,000	(\$31,862)	(\$30,000)	(\$181,398)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the House version.

<sup>2</sup> Funding for 1 FTE office assistant position is removed, the same as the House version.

<sup>3</sup> Funding is added for temporary salaries and wages to assist with session duties related to the office assistant position, the same as the House version.

<sup>4</sup> Funding is reduced for information technology services (\$21,862) and professional fees (\$10,000), the House reduced professional fees by \$35,000.

<sup>5</sup> Funding for copier replacement is removed, the same as the House version.

This amendment also adds sections to:

- Identify additional funding provided for health insurance increases, the same as the House version.
- Establish a legislative revenue advisory committee similar to the House version which provided for a state revenue advisory committee.
- Provide for a study of Information Technology Department services and costs. This study was not included in the Senate or House version of the bill.
- Provide for a study of the delivery and cost of the Department of Transportation's state fleet services for state agencies. This study was not included in the Senate or House version of the bill.

Date: \_\_\_\_\_  
Roll Call Vote #: \_\_\_\_\_

**2017 SENATE CONFERENCE COMMITTEE  
ROLL CALL VOTES**

BILL/RESOLUTION NO. 2001 as (re) engrossed

*Attendance  
Sheet*

**Senate Appropriations Committee**

- Action Taken ☐ SENATE accede to House Amendments  
☐ SENATE accede to House Amendments and further amend  
☐ HOUSE recede from House amendments  
☐ HOUSE recede from House amendments and amend as follows
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: \_\_\_\_\_ Seconded by: \_\_\_\_\_

Senators	4/10	4/24		Yes	No		Representatives	4/10	4/24		Yes	No
Senator Holmberg	✓	✓					Rep. Vigessaa	✓	✓			
Senator Wanzek	✓	✓					Rep. Boehning	✓	✓			
Senator Robinson	✓	✓					Rep. Delmore	✓	✓			
Total Senate Vote							Total Rep. Vote					

Vote Count Yes: \_\_\_\_\_ No: \_\_\_\_\_ Absent: \_\_\_\_\_

Senate Carrier \_\_\_\_\_ House Carrier \_\_\_\_\_

LC Number \_\_\_\_\_ of amendment

LC Title # \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment



Date: 4/24/2017  
Roll Call Vote #: 1

**2017 SENATE CONFERENCE COMMITTEE  
ROLL CALL VOTES**

BILL/RESOLUTION NO. 2001 as (re) engrossed

**Senate Appropriations Committee**

- Action Taken ☐ SENATE accede to House Amendments  
☐ SENATE accede to House Amendments and further amend  
☐ HOUSE recede from House amendments  
☒ HOUSE recede from House amendments and amend as follows
- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Vigesaa Seconded by: Senator Wanzek

Senators				Yes	No		Representatives				Yes	No
Senator Holmberg				Y			Representative Vigesaa				Y	
Senator Wanzek				Y			Representative Boehning				Y	
Senator Robinson				Y			Representative Delmore				Y	
Total Senate Vote				3	0		Total Rep. Vote				3	0

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Senator Holmberg House Carrier Representative Vigesaa

LC Number 17.0509 . 02008 of amendment

LC Title # 17.0509 . 05000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Insert LC: 17.0509.02008  
Senate Carrier: Holmberg  
House Carrier: Vigesaa

**REPORT OF CONFERENCE COMMITTEE**

**SB 2001, as engrossed:** Your conference committee (Sens. Holmberg, Wanzek, Robinson and Reps. Vigesaa, Boehning, Delmore) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1211-1215, adopt amendments as follows, and place SB 2001 on the Seventh order:

That the House recede from its amendments as printed on pages 1211-1215 of the Senate Journal and pages 1316-1320 of the House Journal and that Engrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 3, after "appropriations" insert "; to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the creation of a legislative revenue advisory committee; to provide for legislative management studies"

Page 1, replace lines 15 through 19 with:

"Salaries and wages	\$10,004,373	\$229,051	\$10,233,424
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National conference of state legislatures	<u>241,263</u>	<u>(16,108)</u>	<u>225,155</u>
Total general fund	\$13,730,065	\$429,105	\$14,159,170"

Page 1, remove line 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$9,180,442	(\$130,912)	\$9,049,530
Operating expenses	<u>2,837,968</u>	<u>73,640</u>	<u>2,911,608</u>
Total all funds	\$12,018,410	(\$57,272)	\$11,961,138
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,948,410	(\$57,272)	\$11,891,138
Full-time equivalent positions	37.00	(1.00)	36.00"

Page 2, replace lines 11 through 13 with:

"Grand total general fund	\$25,678,475	\$371,833	\$26,050,308
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$25,748,475	\$371,833	\$26,120,308

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in subdivisions 1 and 2 of section 1 of this Act include funding from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month. Total funding provided from the general fund is as follows:

Legislative assembly	\$353,769
Legislative council	<u>95,568</u>
Total	\$449,337"

Page 3, after line 21, insert:

**"SECTION 7.** A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

**Legislative revenue advisory committee.**

1. The legislative management, during each biennium, shall appoint a legislative revenue advisory committee. The committee must consist of the majority and minority leaders of the house and senate, the chairs of the house and senate appropriations committees, one member appointed



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Senate Carrier: Holmberg  
House Carrier: Vigasaa

by the house majority leader, and one member appointed by the senate majority leader. The legislative management shall designate the chairman of the committee. The committee shall operate according to the statutes and procedures governing the operation of other legislative management interim committees. The committee may contract with economic forecasting entities to provide economic data specific to North Dakota for state revenue forecasting purposes.

2. The committee shall monitor state revenues and state economic activity, review economic forecasting data and models, review and analyze executive revenue forecasts and alternative revenue forecasts, and conduct other assigned studies.
3. The committee shall review and assess agency revenues, including an assessment of the delivery and cost of services, staffing, and billing processes, to identify improvements to the efficiency and effectiveness of the services that will result in reduced costs for state agencies.
4. The committee shall consider input from representatives of the office of management and budget, office of the tax commissioner, industrial commission, other state agencies, and private sector entities.
5. The committee shall report its findings and recommendations to the legislative management for use in establishing the state revenue forecast.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - INFORMATION TECHNOLOGY DEPARTMENT SERVICES AND COSTS.** During the 2017-18 interim, the legislative management shall consider studying the delivery and cost of the information technology department's services provided to state agencies. The study must include a review of the department's cost of services, staffing, and billing processes and must identify improvements to the efficiency and effectiveness of the department's services that will result in reduced costs for state agencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly.

**SECTION 9. LEGISLATIVE MANAGEMENT STUDY - STATE FLEET SERVICES AND COSTS.** During the 2017-18 interim, the legislative management shall consider studying the delivery and cost of the department of transportation's state fleet services for state agencies. The study must include a review of the department's cost of services, staffing, and billing processes and identify improvements to the efficiency and effectiveness of the state fleet services that will result in reduced costs for state agencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2001 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Legislative Assembly						
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170	\$14,159,170	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170	\$14,159,170	\$0



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Senate Carrier: Holmberg  
House Carrier: Vigesaa

Legislative Council						
Total all funds	\$12,018,410	\$12,142,536	(\$181,398)	\$11,961,138	\$11,936,138	\$25,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$11,948,410	\$12,072,536	(\$181,398)	\$11,891,138	\$11,866,138	\$25,000
Bill total						
Total all funds	\$25,748,475	\$26,355,994	(\$235,686)	\$26,120,308	\$26,095,308	\$25,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$25,678,475	\$26,285,994	(\$235,686)	\$26,050,308	\$26,025,308	\$25,000

### Senate Bill No. 2001 - Legislative Assembly - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$10,004,373	\$10,262,695	(\$29,271)	\$10,233,424	\$10,233,424	
Operating expenses	3,467,629	3,694,591		3,694,591	3,694,591	
Capital assets	16,800	6,000		6,000	6,000	
National Conf. of State Legislatures	241,263	250,172	(25,017)	225,155	225,155	
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170	\$14,159,170	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170	\$14,159,170	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

### Department No. 150 - Legislative Assembly - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Reduces National Conference of State Legislatures Dues <sup>2</sup>	Total Conference Committee Changes
Salaries and wages	(\$29,271)		(\$29,271)
Operating expenses			
Capital assets			
National Conf. of State Legislatures		(25,017)	(25,017)
Total all funds	(\$29,271)	(\$25,017)	(\$54,288)
Less estimated income	0	0	0
General fund	(\$29,271)	(\$25,017)	(\$54,288)
FTE	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the House version.

<sup>2</sup> National Conference of State Legislatures dues are reduced by 10 percent to provide a total of \$225,155, the same as the House version.

This amendment also adds a section to identify additional funding provided for health insurance increases, the same as the House version.

### Senate Bill No. 2001 - Legislative Council - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$9,180,442	\$9,169,066	(\$119,536)	\$9,049,530	\$9,049,530	
Operating expenses	2,837,968	2,943,470	(31,862)	2,911,608	2,886,608	25,000

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Senate Carrier: Holmberg  
House Carrier: Vigesaa

Capital assets		30,000	(30,000)			
Total all funds	\$12,018,410	\$12,142,536	(\$181,398)	\$11,961,138	\$11,936,138	\$25,000
Less estimated income	70,000	70,000	0	70,000	70,000	0
General fund	\$11,948,410	\$12,072,536	(\$181,398)	\$11,891,138	\$11,866,138	\$25,000
FTE	37.00	36.00	0.00	36.00	36.00	0.00

**Department No. 160 - Legislative Council - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes Funding for 1 FTE Office Assistant Position <sup>2</sup>	Adds Funding for Temporary Salaries <sup>3</sup>	Reduces Funding for Operating Expenses <sup>4</sup>	Removes Funding for Capital Assets <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	(\$7,465)	(\$147,071)	\$35,000			(\$119,536)
Operating expenses				(31,862)		(31,862)
Capital assets					(30,000)	(30,000)
Total all funds	(\$7,465)	(\$147,071)	\$35,000	(\$31,862)	(\$30,000)	(\$181,398)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,465)	(\$147,071)	\$35,000	(\$31,862)	(\$30,000)	(\$181,398)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the House version.

<sup>2</sup> Funding for 1 FTE office assistant position is removed, the same as the House version.

<sup>3</sup> Funding is added for temporary salaries and wages to assist with session duties related to the office assistant position, the same as the House version.

<sup>4</sup> Funding is reduced for information technology services (\$21,862) and professional fees (\$10,000), the House reduced professional fees by \$35,000.

<sup>5</sup> Funding for copier replacement is removed, the same as the House version.

This amendment also adds sections to:

- Identify additional funding provided for health insurance increases, the same as the House version.
- Establish a legislative revenue advisory committee similar to the House version which provided for a state revenue advisory committee.
- Provide for a study of Information Technology Department services and costs. This study was not included in the Senate or House version of the bill.
- Provide for a study of the delivery and cost of the Department of Transportation's state fleet services for state agencies. This study was not included in the Senate or House version of the bill.

Engrossed SB 2001 was placed on the Seventh order of business on the calendar.

**2017 TESTIMONY**

**SB 2001**



**Department 150 - Legislative Assembly**  
**Senate Bill Nos. 2001 and 2061**

**Executive Budget Comparison to Prior Biennium Appropriations**

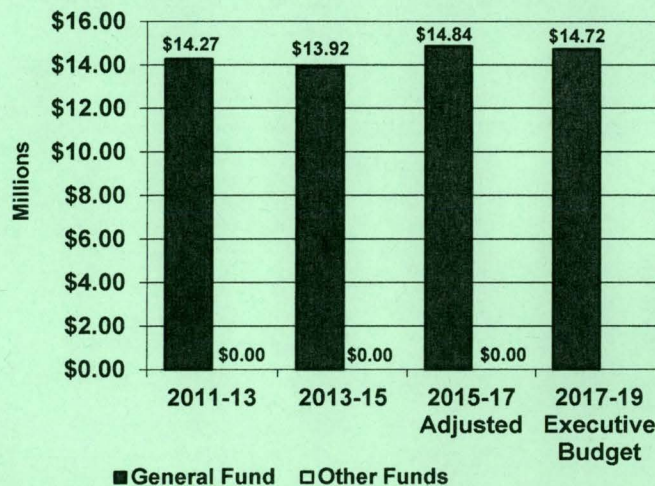
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	0.00	\$14,717,768	\$0	\$14,717,768
2015-17 Adjusted Legislative Appropriations <sup>1</sup>	0.00	14,844,875	0	14,844,875
Increase (Decrease)	0.00	(\$127,107)	\$0	(\$127,107)

<sup>1</sup>The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

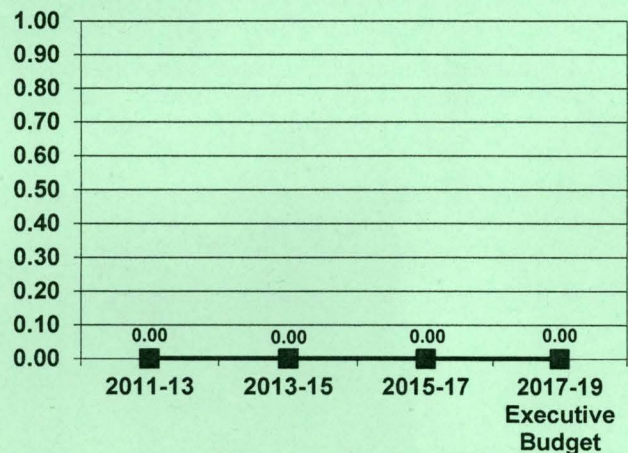
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	\$14,717,768	\$0	\$14,717,768
2015-17 Adjusted Legislative Appropriations	13,730,065	1,114,810	14,844,875
Increase (Decrease)	\$987,703	(\$1,114,810)	(\$127,107)

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$14,717,768	\$0	\$14,717,768
2017-19 Base Level	13,730,065	0	13,730,065
Increase (Decrease)	\$987,703	\$0	\$987,703

**Executive Budget Highlights**

	General Fund	Other Funds	Total
1. Provides funding for proposed legislators' monthly compensation adjustments of 1 percent each year of the biennium, increasing from \$495 to \$500 effective July 2017 and to \$505 effective July 2018	\$27,322	\$0	\$27,322
2. Provides funding for proposed adjustments to additional monthly compensation for legislative leaders of 1 percent each year of the biennium, increasing from \$355 to \$359 effective July 2017 and to \$363 effective July 2018	\$775	\$0	\$775
3. Provides funding for proposed adjustments to legislative compensation for regular and organizational session compensation of 1 percent each year of the biennium, increasing from \$177 per day to \$179 per day effective July 2017 and to \$181 per day effective July 2018	\$70,429	\$0	\$70,429
4. Base budget increase for cost-to-continue 2015-17 biennium compensation increases	\$26,146	\$0	\$26,146



5. Adds funding for increase in legislators' health insurance premiums	\$628,824	\$0	\$628,824
6. Reduces funding for temporary salaries	(\$38,864)	\$0	(\$38,864)
7. Increases funding for monthly lodging	\$20,320	\$0	\$20,320
8. Reduces funding for mileage reimbursement during the legislative session	(\$7,790)	\$0	(\$7,790)
9. Decreases funding for information technology, including data processing, telecommunications, and consulting	(\$224,400)	\$0	(\$224,400)
10. Increases funding for information technology - software	\$67,850	\$0	\$67,850
11. Decreases funding for operating expenses	(\$18,510)	\$0	(\$18,510)
12. Restores funding for information technology savings and other operating expenses relating to 2015-17 budget reductions	\$437,492	\$0	\$437,492
13. Decreases funding for capital assets	(\$10,800)	\$0	(\$10,800)
14. Increases funding for National Conference of State Legislatures (NCSL) dues	\$8,909	\$0	\$8,909

### **Other Bill Sections Recommended to be Added in the Executive Budget (As Detailed in House Bill No. 2061)**

**Transfers** - Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

**Continuation of appropriation authority** - Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

**Compensation** - Section 6 increases legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 1 percent each year of the 2017-19 biennium. Section 7 of the bill increases legislator's interim meeting pay by 1 percent each year of the 2017-19 biennium.

The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2017	Rate Effective July 1, 2018
Daily session pay	\$177	\$179	\$181
Monthly compensation	\$495	\$500	\$505
Leaders' additional monthly compensation	\$355	\$359	\$363
Interim meeting pay	\$177	\$179	\$181

**Emergency** - Section 8 declares the Act is an emergency measure.

### **Continuing Appropriations**

There are no continuing appropriations for the Legislative Assembly.

### **Significant Audit Findings**

There are no significant audit findings for the Legislative Assembly.

### **Major Related Legislation**

**House Bill No. 1054** - Relates to the cancellation of unexpended appropriations.

**House Bill No. 1085** - Creates a brain injury advisory council and provides for the appointment of two legislators to the council.

**House Bill No. 1175** - Adds a member of the Senate and a member of the House of Representatives to the State Investment Board.

**House Bill No. 1330** - Relates to the membership of Legislative Management.

**Senate Bill No. 2044** - Establishes a dynamic fiscal impact analysis pilot project and appropriates \$165,000 from the general fund to the Legislative Council to acquire dynamic fiscal impact analysis software.

**Senate Bill No. 2135** - Creates an initiated and referred measure study commission and appropriates \$50,000 from the general fund to the Legislative Council to reimburse commission members and staff for travel necessary to carry out commission duties.

**Senate Bill No. 2255** - Limits the number of bills a legislator may introduce each session.



**Legislative Assembly - Budget No. 150**  
**Senate Bill Nos. 2001 and 2061**  
**Base Level Funding Changes**

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	0.00	\$13,730,065	\$0	\$13,730,065
<b>2017-19 Ongoing Funding Changes</b>				
Health insurance increase		\$628,824		\$628,824
Adds funding for cost-to-continue 2015-17 compensation increases		26,146		26,146
Adds funding for 1 percent annual increase in session pay		70,429		70,429
Adds funding for 1 percent annual increase in monthly compensation		28,097		28,097
Reduces funding for temporary salaries		(38,864)		(38,864)
Adds funding for increase in monthly lodging		20,320		20,320
Adjusts funding for operating expenses		254,642		254,642
Increases funding for NCSL		8,909		8,909
Reduces funding for capital assets		(10,800)		(10,800)
Total ongoing funding changes	0.00	\$987,703	\$0	\$987,703
<b>One-time funding items</b>				
No one-time funding items				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	0.00	\$987,703	\$0	\$987,703
<b>2017-19 Total Funding</b>	0.00	\$14,717,768	\$0	\$14,717,768

**Other Sections in Legislative Assembly - Budget No. 150**

	Executive Budget Recommendation
Transfers	Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of Legislative Council.
Continuation of appropriation authority	Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of Legislative Council.
Compensation	Section 6 increases legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 1 percent each year of the 2017-19 biennium. Section 7 of the bill increases legislator's interim meeting pay by 1 percent each year of the 2017-19 biennium.
Emergency	Section 8 declares the Act is an emergency measure.



## Department 150 - Legislative Assembly

## Appropriations Comparisons to the Original and Adjusted Base Budgets

### General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$14,180,557	\$1,704,810	\$15,885,367
General fund reductions	(450,492)	(590,000)	(1,040,492)
Adjusted 2015-17 appropriations	\$13,730,065	\$1,114,810	\$14,844,875
Executive Budget changes	987,703	(1,114,810)	(127,107)
2017-19 Executive Budget	\$14,717,768	\$0	\$14,717,768

### Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Salaries and wages savings related to temporary employee savings during the regular session	(\$13,000)	\$0	(\$13,000)
Information technology savings and savings related to a shorter 2017 regular session	(437,492)	0	(437,492)
Reduced funding for legislative wing equipment and improvements	0	(400,000)	(400,000)
Reduced funding for Council of State Governments conference	0	(190,000)	(190,000)
Total reductions	(\$450,492)	(\$590,000)	(\$1,040,492)
Percentage reduction to ongoing and one-time general fund appropriations	3.18%	34.6%	6.55%

### 2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for increasing legislators' monthly compensation	\$28,097	\$0	\$28,097
Adds funding for increasing legislative compensation for regular and organizational session	70,429	0	70,429
Base budget increase for cost-to-continue prior biennium compensation increases	26,146	0	26,146
Adds funding for increase in legislators' health insurance premiums	628,824	0	628,824
Reduces funding for temporary salaries	(51,864)	13,000	(38,864)
Increases funding for monthly lodging	20,320	0	20,320
Reduces funding for mileage reimbursement during the legislative session	(7,790)	0	(7,790)
Adjusts funding for operating expenses	(175,060)	437,492	262,432
Decreases funding for capital assets	(10,800)	0	(10,800)
Increases funding for NCSL dues	8,909	0	8,909
Total	\$537,211	\$450,492	\$987,703

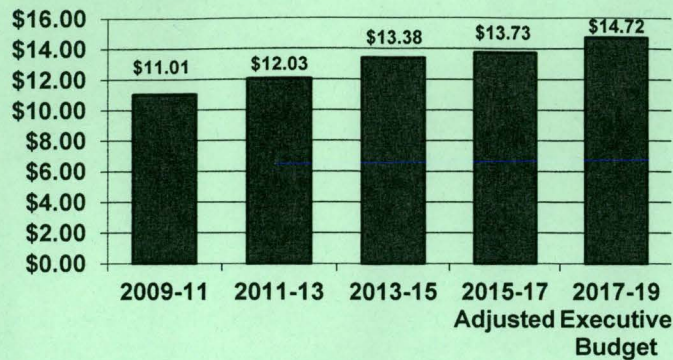


## Department 150 - Legislative Assembly

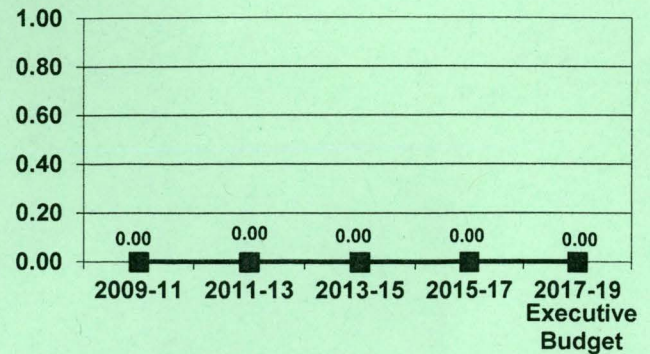
## Historical Appropriations Information

## Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	\$11,011,227	\$12,025,211	\$13,379,971	\$13,730,065	\$14,717,768
Increase (decrease) from previous biennium	N/A	\$1,013,984	\$1,354,760	\$350,094	\$987,703
Percentage increase (decrease) from previous biennium	N/A	9.2%	11.3%	2.6%	7.2%
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	9.2%	21.5%	24.7%	33.7%

## Major Increases (Decreases) in Ongoing General Fund Appropriations

## 2011-13 Biennium

1. No major changes.

## 2013-15 Biennium

1. Increased funding for information technology data processing, including LEGEND maintenance and support. \$485,640
2. Increased funding for costs associated with providing legislators with remote access to data, including broadband, data plans for cellular phones, and other methods as determined by the Legislative Management's Legislative Procedure and Arrangements Committee to provide a total of \$425,000. \$121,000

## 2015-17 Biennium (Original Amounts)

1. Adjusted funding for operating expenses, capital assets, and NCSL dues. (This item was affected by the 2015-17 budget reductions.) (\$95,548)

## 2017-19 Biennium (Executive Budget Recommendation)

1. Decreases funding for information technology, including data processing, telecommunications, and consulting. (\$224,400)
2. Increases funding for information technology - software. \$67,850
3. Decreases funding for operating expenses. (\$18,510)
4. Restores funding for information technology savings and other operating expenses. \$437,492



**Department 160 - Legislative Council**  
**Senate Bill Nos. 2001 and 2061**

**Executive Budget Comparison to Prior Biennium Appropriations**

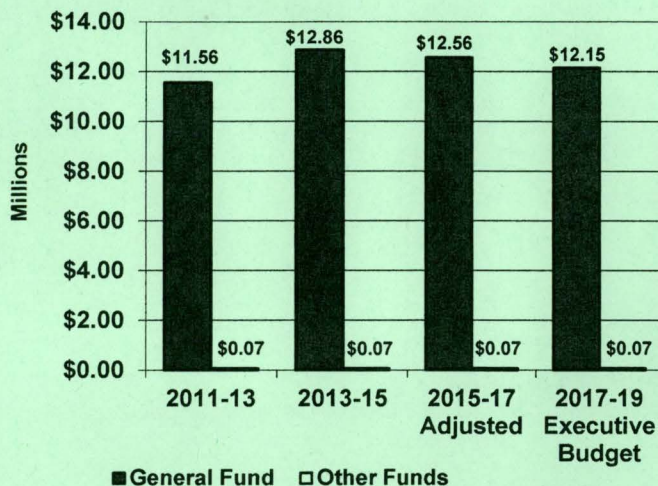
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	36.00	\$12,148,060	\$70,000	\$12,218,060
2015-17 Adjusted Legislative Appropriations <sup>1</sup>	37.00	12,558,870	70,000	12,628,870
Increase (Decrease)	(1.00)	(\$410,810)	\$0	(\$410,810)

<sup>1</sup>The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

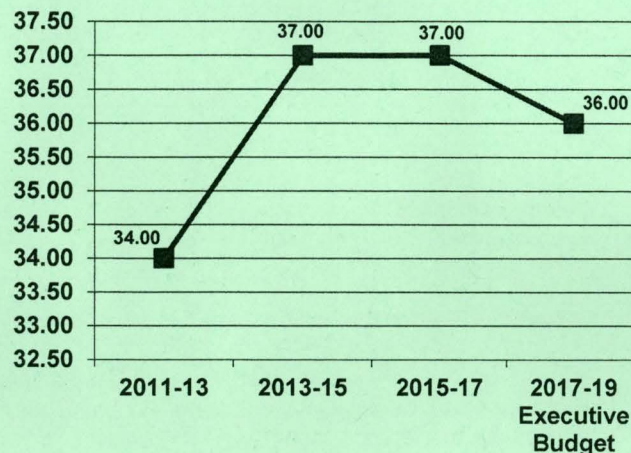
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	\$12,148,060	\$0	\$12,148,060
2015-17 Adjusted Legislative Appropriations	11,948,410	610,460	12,558,870
Increase (Decrease)	\$199,650	(\$610,460)	(\$410,810)

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$12,148,060	\$70,000	\$12,218,060
2017-19 Base Level	11,948,410	70,000	12,018,410
Increase (Decrease)	\$199,650	\$0	\$199,650

**Executive Budget Highlights**

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$34,072 is for salary increases and \$8,587 is for health insurance increases. (Due to a budget software error, the executive recommendation has underfunded the health insurance increase by \$94,446.)	\$42,659	\$0	\$42,659
2. Cost-to-continue prior biennium employee salary increases	\$104,000	0	\$104,000
3. Reduces base payroll due to staff turnover	(\$126,558)	0	(\$126,558)
4. Removes 1 vacant fiscal analyst FTE position (Funding for this position was removed as part of the 2015-17 budget reductions)	\$0	0	\$0
5. Provides funding for proposed legislator per diem compensation adjustments of 1 percent for each year of the biennium, from \$177 per day to \$179 per day effective July 2017 and to \$181 per day effective July 2018	\$11,734	0	\$11,734
6. Base budget increase for cost-to-continue prior biennium legislator per diem compensation increases	\$14,699	0	\$14,699



7. Reduces per diem funding due to anticipated reductions in the size of interim committees	(\$92,251)	0	(\$92,251)
8. Reduces travel funding due to anticipated reductions in the size of interim committees	(\$15,140)	0	(\$15,140)
9. Increases funding for travel due to anticipated increases in fees and travel expenses	\$11,260	0	\$11,260
10. Reduces funding for library services	(\$13,000)	0	(\$13,000)
11. Adjusts funding for other operating expenses	\$232,247	0	\$232,247
12. Adds funding for copier replacement	\$30,000	0	\$30,000

**Other Bill Sections Recommended to be Added in the Executive Budget  
(As Detailed in House Bill No. 2061)**

**Transfers** - Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

**Continuation of appropriation authority** - Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

**Compensation** - Section 6 increases legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 1 percent each year of the 2017-19 biennium. Section 7 of the bill increases legislator's interim meeting pay by 1 percent each year of the 2017-19 biennium.

The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2017	Rate Effective July 1, 2018
Daily session pay	\$177	\$179	\$181
Monthly compensation	\$495	\$500	\$505
Leaders' additional monthly compensation	\$355	\$359	\$363
Interim meeting pay	\$177	\$179	\$181

**Emergency** - Section 8 declares the Act is an emergency measure.

**Continuing Appropriations**

**Legislative services fund** - North Dakota Century Code Section 54-35-19 - This fund is used for depositing and spending funds relating to legislative information.

**Significant Audit Findings**

There are no significant audit findings for the Legislative Council.

**Major Related Legislation**

**House Bill No. 1330** - Relates to the membership of Legislative Management.

**Senate Bill No. 2044** - Establishes a dynamic fiscal impact analysis pilot project and appropriates \$165,000 from the general fund to the Legislative Council to acquire dynamic fiscal impact analysis software.

**Senate Bill No. 2135** - Creates an initiated and referred measure study commission and appropriates \$50,000 from the general fund to the Legislative Council to reimburse commission members and staff for travel necessary to carry out commission duties.



**Legislative Council - Budget No. 160**  
**Senate Bill Nos. 2001 and 2061**  
**Base Level Funding Changes**

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	37.00	\$11,948,410	\$70,000	\$12,018,410
<b>2017-19 Ongoing Funding Changes</b>				
Salary increase - Performance		\$34,072		\$34,072
Health insurance increase		8,587		8,587
Cost-to-continue 2015-17 per diem increase		14,699		14,699
Increases per diem 1 percent per year		11,734		11,734
Reduces interim committee sizes		(92,251)		(92,251)
Cost-to-continue 2015-17 employee salary increase		104,000		104,000
Reduces base level salaries due to staff turnover		(126,558)		(126,558)
Removes 1 FTE fiscal analyst position	(1.00)			0
Decreases travel for smaller committee size		(15,140)		(15,140)
Increases travel related expenses		11,260		11,260
Decreases funding for library services		(13,000)		(13,000)
Adds funding for copier replacement		30,000		30,000
Adjusts funding for other operating expenses		232,247		232,247
Total ongoing funding changes	(1.00)	\$199,650	\$0	\$199,650
<b>One-time funding items</b>				
No one-time funding items				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	(1.00)	\$199,650	\$0	\$199,650
<b>2017-19 Total Funding</b>	36.00	\$12,148,060	\$70,000	\$12,218,060

**Other Sections in Legislative Council - Budget No. 160**

	Executive Budget Recommendation
Transfers	Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or Director of Legislative Council.
Continuation of appropriation authority	Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or Director of Legislative Council.



**Other Sections in Legislative Council - Budget No. 160**

**Executive Budget Recommendation**

Compensation

Section 6 increases legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 1 percent each year of the 2017-19 biennium. Section 7 of the bill increases legislator's interim meeting pay by 1 percent each year of the 2017-19 biennium.

Emergency

Section 8 declares the Act is an emergency measure.



## Department 160 - Legislative Assembly

## Appropriations Comparisons to the Original and Adjusted Base Budgets

### General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$12,773,673	\$665,460	\$13,439,133
General fund reductions	(825,263)	(55,000)	(880,263)
Adjusted 2015-17 appropriations	\$11,948,410	\$610,460	\$12,558,870
Executive Budget changes	199,650	(610,460)	(410,810)
2017-19 Executive Budget	\$12,148,060	\$0	\$12,148,060

### Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Salaries and wages savings related to vacant positions and staff turnover	(\$366,255)	\$0	(\$366,255)
Operating expense savings related to professional fees, information technology, interim committee travel, and out-of-state travel	(459,008)	0	(459,008)
Savings related to consultant fees for the oil and gas tax study	0	(5,000)	(5,000)
Savings related to consultant fees for the incarceration issues study	0	(50,000)	(50,000)
Total reductions	(\$825,263)	(\$55,000)	(\$880,263)
Percentage reduction to ongoing and one-time general fund appropriations	6.46%	8.26%	6.55%

### 2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$42,659	\$0	\$42,659
Cost to continue prior biennium employee salary increases	104,000	0	104,000
Reduces base payroll due to staff turnover	(178,716)	52,158	(126,558)
Removes 1 vacant fiscal analyst FTE position and funding	(185,979)	185,979	0
Removes funding for 1 vacant administrative FTE position	(113,819)	113,819	0
Provides funding for proposed legislator per diem compensation adjustments	11,734	0	11,734
Base budget increase for cost to continue prior biennium legislator per diem compensation increases	14,699	0	14,699
Reduces per diem expense due to anticipated reductions in the size of interim committees	(92,251)	0	(92,251)
Reduces funding for per diem and travel expenses related to out-of-state travel.	(59,164)	59,164	0
Reduces travel expense due to anticipated reductions in the size of interim committees	(15,140)	0	(15,140)
Increases funding for travel due to anticipated increases in fees and travel expenses	11,260	0	11,260
Reduces funding for professional fees	(100,000)	100,000	0
Reduces funding for library services	(13,000)	0	(13,000)
Adjusts funding for various information technology expenses	(52,500)	52,500	0
Adjusts funding for other operating expenses	(29,396)	261,643	232,247
Adds funding for copier replacement	30,000	0	30,000
Total	(\$625,613)	\$825,263	\$199,650

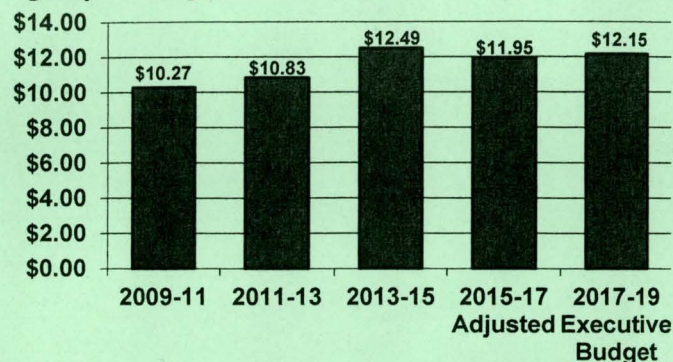


## Department 160 - Legislative Council

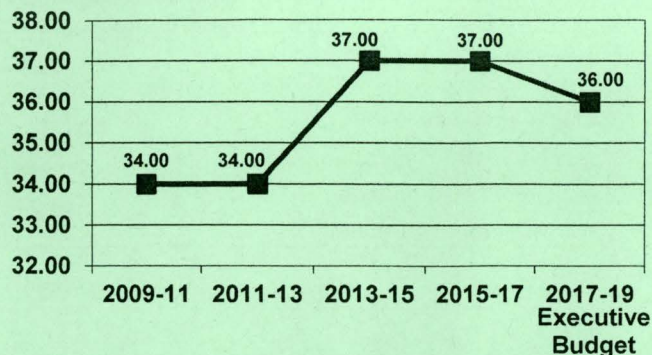
## Historical Appropriations Information

## Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	\$10,269,503	\$10,826,351	\$12,487,475	\$11,948,410	\$12,148,060
Increase (decrease) from previous biennium	N/A	\$556,848	\$1,661,124	(\$539,065)	\$199,650
Percentage increase (decrease) from previous biennium	N/A	5.4%	15.3%	(4.3%)	1.7%
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	5.4%	21.6%	16.3%	18.3%

## Major Increases (Decreases) in Ongoing General Fund Appropriations

## 2011-13 Biennium

- Added funding for increases in travel such as attendance at Energy Council meetings, Council of State Governments meetings, and other out-of-state travel \$150,323
- Decreased funding for information technology consulting (\$280,750)

## 2013-15 Biennium

- Increased funding for information technology consulting \$384,855
- Added funding for 3 fiscal analyst FTE positions and related operating expenses, including information technology and equipment \$525,000

## 2015-17 Biennium (Original Amounts)

- Reduced funding for operating expenses, including information technology--consulting, information technology--data processing, office supplies, and postage (\$522,718)
- Removed market equity salary funding (\$100,000)

## 2017-19 Biennium (Executive Budget Recommendation)

- Reduces per diem expense due to anticipated reductions in the size of interim committees (\$92,251)
- Increases funding for other operating expenses \$232,247



# STATEMENT OF JIM W. SMITH, DIRECTOR, NORTH DAKOTA LEGISLATIVE COUNCIL, REGARDING SENATE BILL NO. 2001/2061, JANUARY 20, 2017

Mr. Chairman and members of the Senate Appropriations Committee:

I am here this morning appearing on Senate Bill No. 2001/2061 on behalf of the members of the Legislative Assembly and the members of the Legislative Management to explain the budget requests for the Legislative Assembly, the Legislative Management, and the Legislative Council for the 2017-19 biennium.

The budget requests for these agencies are prepared using zero-based budgeting, meaning all amounts requested are calculated from a starting point of zero. We have already made reduction in our budget requests which will be discussed in our presentation.

The financial statements for the fiscal years ending June 30, 2015, and 2014, for the Legislative Assembly and Legislative Council had unqualified opinions and no audit findings.

Please refer to Appendix A for a comparison of budgetary changes for the legislative branch compared to other state government agencies in recent bienniums.

## LEGISLATIVE ASSEMBLY

Subdivision 1 of Section 1 of Senate Bill No. 2061 contains the 2017-19 biennium appropriation for the Legislative Assembly of \$14,717,768 from the general fund. This amount does not include any one-time funding requests. The Legislative Assembly "ongoing" request is \$537,211, or 3.8 percent **more** than the original 2015-17 "ongoing" appropriation and \$987,703 or 7.2 percent more than the 2017-19 base level. The amount requested is considered necessary for the organizational session and a **77-legislative-day** (111-calendar-day) regular **2019** legislative session. The following schedule presents the number of legislative days for previous sessions:

Legislative Session	Legislative Days
2015	79
2013	80
2011	78
2009	79
2007	78
2005	76
2003	76*
2001	77
1999	71
1997	66
1995	67

\*Excludes the 3 legislative days relating to the May 2003 special session.

The Legislative Assembly in 2015 provided funding for an estimated 77-legislative-day 2017 legislative session. The estimated cost per day is approximately \$80,000.

## Salaries and Wages

The salaries and wages line item of approximately \$10.7 million includes funding for:

- Legislative employees' pay for the 2019 legislative session based on the number of employees anticipated to be employed for the 2017 legislative session of 84 and 1 percent annual salary adjustments.
- Legislators' salary of \$181 per day for a 77-legislative-day regular session (111 calendar days). This includes a 1 percent 1<sup>st</sup> year and 1 percent 2<sup>nd</sup> year increase as provided for in Sections 6 of Senate Bill No. 2061 (an estimated cost of \$70,429).
- Continuing the additional compensation of \$15 per calendar day for the legislative leaders and \$10 per calendar day for chairmen of the standing committees and assistant legislative leaders. These compensation rates were each increased by \$5 by the Legislative Assembly in 2011.
- Legislators' monthly compensation of \$500 per month for the 1<sup>st</sup> year of the biennium, a \$5, or 1 percent, per month increase and \$505 per month for the 2<sup>nd</sup> year of the biennium, a \$5, or 1 percent, per month increase (an estimated cost of \$27,322). These increases are provided for in Section 6 of Senate Bill No. 2061.
- Additional monthly compensation for House and Senate majority and minority leaders of \$359 per month for the 1<sup>st</sup> year of the biennium, a \$4, or 1 percent, per month increase and \$363 per month for the 2<sup>nd</sup> year of the biennium, a \$4, or 1 percent, per month increase (estimated cost of \$775). These increases are provided for in Section 6 of Senate Bill No. 2061.
- Health insurance coverage for 133 legislators, the same number budgeted for the 2015-17 biennium. Current information indicates that 127 legislators have requested health insurance.



### Operating Expenses

The operating expenses line item of approximately \$3.7 million includes funding for:

- Legislators' travel costs for 16 trips at 55 cents per mile during the 2019 regular session and one trip for the 2018 organizational session. The mileage rate is currently 53.5 cents per mile.
- Lodging costs for 126 legislators for 4 months during the 2019 legislative session at an estimated reimbursement rate of \$1,720 per month. The reimbursement rate for the 2017 legislative session is \$1,682. The budget includes an additional \$20,320 relating to lodging.
- Contribution of \$10,000 annually to the Legislator's Forum (Manitoba, Minnesota, North Dakota, and South Dakota).
- Ongoing information technology data processing of \$1,094,838, a decrease of \$167,952 compared to the 2015-17 biennium.
- Professional services of \$77,000, the same as the 2015-17 biennium budget. The amount includes \$60,000 for the continued privatization of legislative secretarial, bill and journal, and telephone operations.

### Capital Assets

The capital assets line item of \$6,000 for unexpected equipment replacement needs during the 2017-19 biennium. There are no funds requested for legislative wing improvements.

### National Conference of State Legislatures

The National Conference of State Legislatures (NCSL) line item of \$250,172 is an increase of \$8,909, or 3.7 percent, from the 2015-17 budget of \$241,263. This represents North Dakota's contribution to NCSL, and the amount is based on NCSL's estimate of North Dakota's share of the NCSL budget for fiscal years 2018 and 2019.

## LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

Subdivision 2 of Section 1 contains the 2017-19 appropriation for the Legislative Management and the Legislative Council of \$12,218,060, of which \$12,148,060 is from the general fund and \$70,000 is from the insurance regulatory trust fund. This amount does not include any one-time funding requests. The request is \$199,650, or **1.7 percent more** than the 2017-19 biennium base level but \$625,613 or **4.9 percent less** than the original 2015-17 ongoing general fund appropriation of \$12,773,673.

The \$70,000 is from the insurance regulatory trust fund and is for expenses relating to legislator involvement with the National Conference of Insurance Legislators (NCOIL).

The Legislative Council is requesting 36 full-time equivalent (FTE) positions, 1 FTE position less than the number authorized for the 2015-17 biennium. The position being removed is a vacant fiscal staff FTE position (\$185,979). In addition, funding for 1 vacant support FTE position is removed (\$113,819). The organizational chart reflecting the current staff structure is attached as Appendix B. As indicated we currently have 3 vacant FTE positions

### Salaries and Wages

The salaries and wages line item of approximately \$9.1 million includes funding for:

- Thirty-six authorized FTE positions (35 FTE funded). A vacant fiscal analyst position was not requested.
- Funding for salary increases for state employees of \$34,072 (2<sup>nd</sup> year performance increases of 1 percent).
- The Governor's recommended health insurance premium increase of \$8,587. An error was made in the executive budget in the calculation of the health insurance increase for Legislative Council and the School for the Deaf. **An additional \$94,446 from the general fund will be necessary to provide for the health insurance increase.**
- Temporary employees' pay for the 2017 legislative session.
- Legislators' per diem for interim meetings of \$943,386, \$61,141 less than the 2015-17 budgeted amount. This request is based on the same number of committees (26) budgeted for the 2015-16 interim, assumes an 87 percent attendance rate at committee meetings, but reduces the committee membership size to the 2013-14 interim level (from an average of 16 members to 15 members). The budgeted amount includes a proposed increase for legislators' interim meeting pay of 1 percent each year from the current level of \$177 per day to \$179 per day effective July 1, 2017, and \$181 per day effective July 1, 2018 (an estimated cost of \$11,734). These increases are provided for in Section 7 of Senate Bill No. 2061.
- Turnover rates - The Legislative Council employee annual turnover rate has averaged 14 percent for 2010 to 2016. The result is we have 19 employees with less than 5-years' experience, and 28 with less than 10-years' experience. We need to retain these employees.

### Operating Expenses

The operating expenses line item of approximately \$3.1 million includes funding for:

- Travel expenses relating to meetings during the interim of \$1,673,494, which is \$48,745 less than the original 2015-17 budget but



\$135,263 more than the adjusted budget. The funding request is based on the same number of committees (26) budgeted for the 2015-16 interim, assumes an 87 percent attendance rate at committee meetings, but reduces the committee membership size to the 2013-14 interim level.

- Dues of \$38,400 annually to the Energy Council.
- Professional services of \$215,000 is \$100,000 less than the original 2015-17 ongoing budget but \$175,000 more than the adjusted budget. The \$215,000 includes \$200,000 for consulting services to assist with interim committee studies when required, \$6,000 for contracting for the Legislative Council audit, and \$9,000 for contracting for the State Auditor's office audit.
- Other operating expenses changes are based on the Office of Management and Budget's guidelines as they are applicable and anticipated needs in other areas.

#### **Capital Assets**

The capital assets line item of \$30,000 includes funding for replacing a copier.

#### **OTHER AREAS**

Sections 4 and 5 of both bills relate to authorizing line item transfers as necessary and the cancelation of previous unspent appropriations.

#### **RELATED BILLS**

Other bills under consideration that may affect the budget of the legislative branch include:

- **Senate Bill No. 2044** establishes a dynamic fiscal impact analysis pilot project and appropriates \$165,000 from the general fund to

the Legislative Council to acquire dynamic fiscal impact analysis software.

- **Senate Bill No. 2135** creates an initiated and referred measure study commission and appropriates \$50,000 from the general fund to the Legislative Council to reimburse commission members and staff for travel necessary to carry out commission duties.
- **Senate Bill No. 2255** limits the number of bills a legislator may introduce.
- **House Bill No. 1085** creates a brain injury advisory council and provides for the appointment of two legislators to the council.
- **House Bill No. 1175** adds a member of the Senate and a member of the House to the State Investment Board.
- **House Bill No. 1330** affects the membership of Legislative Management.

#### **SPECIFIC REQUESTS**

Regarding the specific items you requested, we have attached separate sheets identifying:

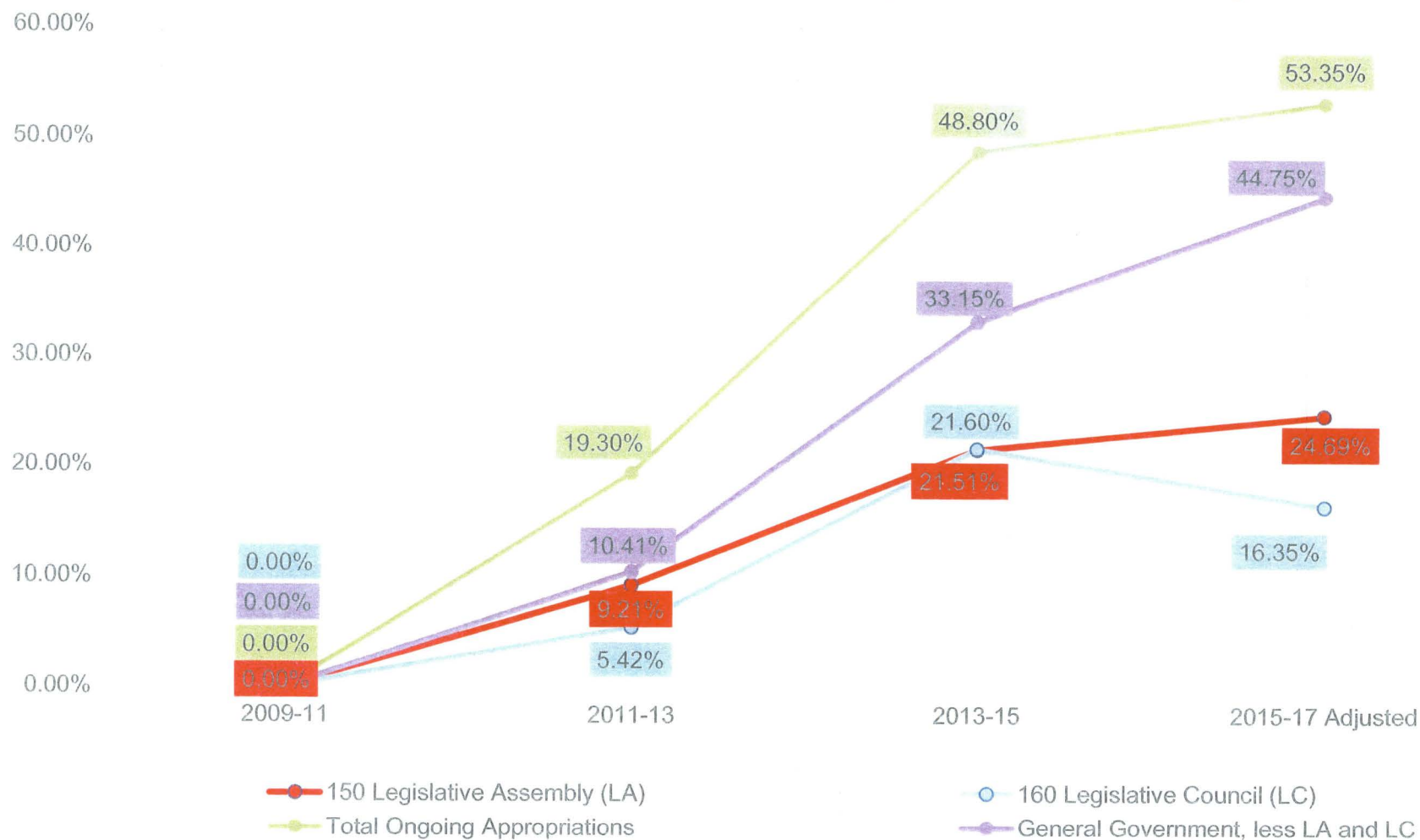
- The changes we are requesting to be made to the executive budget amounts (Appendix C);
- A listing of items to reduce the original 2015-17 biennium budget to a 90 percent level (Appendix D) (The legislative branch is not subject to the Governor's guidelines for a 90 percent budget request)

The legislative branch did not submit any optional adjustment requests since a needs-based budget was submitted.

ATTACH:4



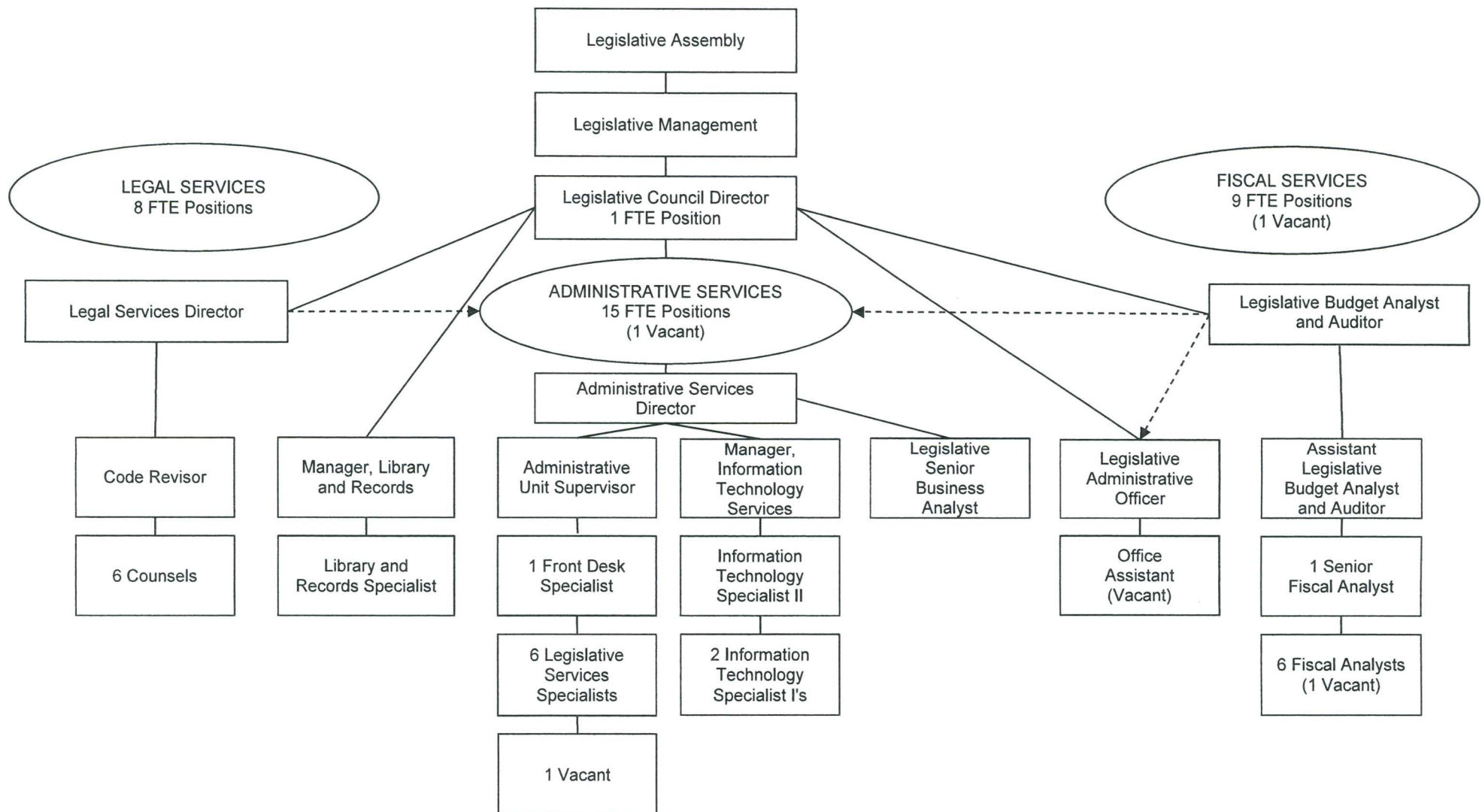
## Cumulative Ongoing General Fund Appropriations Changes



#1  
pd

# LEGISLATIVE COUNCIL ORGANIZATIONAL CHART

APPENDIX B



37 FTE Positions  
Authorized  
(3 Vacant)

— Line of Authority

- - - - - Input and Assigned Oversight Responsibilities

January 17, 2017



#1  
p6

## **SUGGESTED CHANGES TO EXECUTIVE BUDGET FOR THE LEGISLATIVE BRANCH**

1. Add \$94,446 from the general fund to provide the correct amount for health insurance increases for Legislative Council employees.

# LEGISLATIVE BRANCH BUDGET REDUCTIONS IDENTIFIED TO PROVIDE FOR A 90 PERCENT BUDGET

## Legislative Assembly:

	General Fund
2015-17 original appropriation	\$14,180,557
90 percent of appropriation	12,762,501
Budget reduction	\$1,418,056

### Potential budget reductions:

1. Items already reduced in the budget request include:
  - a. Reduced mileage reimbursement rate by 1 cent per mile, from 56 cents to 55 cents per mile - \$7,790
  - b. Reduced funding for information technology services by 10 percent - \$172,332
  - c. Reduced funding for temporary employee salaries - \$51,864
  - d. Reduced funding for capital assets - \$10,800
2. Options for items that could be reduced include:
  - a. Reduce NCSL dues by 10 percent - \$24,126
  - b. Reduce legislator information technology stipends by 10 percent - \$30,456
  - c. Reduce the budgeted length of the 2019 legislative session - \$80,000 per day (approximately 14 fewer days - 63 rather than 77 days)

## Legislative Management/Legislative Council:

	General Fund
2015-17 original appropriation	\$12,773,673
90 percent of appropriation	11,496,306
Budget reduction	\$1,277,367

### Potential budget reductions:

1. Items already reduced in the budget request include:
  - a. Reduced base level salaries due to staff turnover - \$178,716
  - b. Removed 1 vacant fiscal FTE position - \$185,979
  - c. Removed funding for a vacant administrative position - \$113,819
  - d. Reduced funding for information technology services - \$52,500
  - e. Reduced interim committee sizes to 2013-14 biennium levels - \$107,391
  - f. Reduced funding for interim committee consulting services - \$100,000
  - g. Reduced funding for other operating expenses - \$42,396
  - h. Reduced funding for other meetings and out-of-state travel by 5 percent - \$59,164
2. Options for items that could be reduced include:
  - a. Further reduce information technology services - \$21,862
  - b. Further reduce professional services - \$100,000
  - c. Further reduce salaries and operating expenses, including temporary and overtime salaries and operating expenses relating to information technology services, library services, travel, dues and professional development, and others



17.0509.01001  
Title.  
Fiscal No. 1

Prepared by the Legislative Council staff for  
Senate Appropriations Committee  
February 15, 2017

SB 2001  
#1  
2-16-17  
p1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2001

Page 1, replace lines 15 through 19 with:

"Salaries and wages	\$10,004,373	\$258,322	\$10,262,695
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National conference of state legislatures	<u>241,263</u>	<u>8,909</u>	<u>250,172</u>
Total general fund	\$13,730,065	\$483,393	\$14,213,458"

Page 1, remove line 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	\$9,180,442	(\$11,376)	\$9,169,066
Operating expenses	2,837,968	105,502	2,943,470
Capital assets	<u>0</u>	<u>30,000</u>	<u>30,000</u>
Total all funds	\$12,018,410	\$124,126	\$12,142,536
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,948,410	\$124,126	\$12,072,536
Full-time equivalent positions	37.00	(1.00)	36.00"

Page 2, replace lines 10 through 12 with:

"Grand total general fund	\$25,678,475	\$607,519	\$26,285,994
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$25,748,475	\$607,519	\$26,355,994"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2001 - Summary of Senate Action

	Base Budget	Senate Changes	Senate Version
Legislative Assembly			
Total all funds	\$13,730,065	\$483,393	\$14,213,458
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$13,730,065	\$483,393	\$14,213,458
Legislative Council			
Total all funds	\$12,018,410	\$124,126	\$12,142,536
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$11,948,410	\$124,126	\$12,072,536
Bill total			
Total all funds	\$25,748,475	\$607,519	\$26,355,994
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$25,678,475	\$607,519	\$26,285,994

Senate Bill No. 2001 - Legislative Assembly - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$10,004,373	\$258,322	\$10,262,695

Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National Conf. of State Legislatures	241,263	8,909	250,172
Total all funds	\$13,730,065	\$483,393	\$14,213,458
Less estimated income	0	0	0
General fund	\$13,730,065	\$483,393	\$14,213,458
FTE	0.00	0.00	0.00

#1  
p2

#### Department No. 150 - Legislative Assembly - Detail of Senate Changes

	Adds Funding for Cost-to- Continue Compensation <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Reduces Funding for Temporary Salaries <sup>3</sup>	Increases Funding for Monthly Lodging Reimbursement <sup>4</sup>	Restores Funding for Operating Expenses <sup>5</sup>	Reduces Funding for 2019 Session <sup>6</sup>
Salaries and wages	\$26,146	\$383,040	(\$38,864)			(\$112,000)
Operating expenses				20,320	254,642	(48,000)
Capital assets						
National Conf. of State Legislatures						
Total all funds	\$26,146	\$383,040	(\$38,864)	\$20,320	\$254,642	(\$160,000)
Less estimated income	0	0	0	0	0	0
General fund	\$26,146	\$383,040	(\$38,864)	\$20,320	\$254,642	(\$160,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for NCSL Dues <sup>7</sup>	Reduces Funding for Capital Assets <sup>8</sup>	Total Senate Changes
Salaries and wages			\$258,322
Operating expenses			226,962
Capital assets		(10,800)	(10,800)
National Conf. of State Legislatures	8,909		8,909
Total all funds	\$8,909	(\$10,800)	\$483,393
Less estimated income	0	0	0
General fund	\$8,909	(\$10,800)	\$483,393
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium legislators' monthly compensation.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> Funding for temporary salaries during the 2019 legislative session is reduced.

<sup>4</sup> Funding is added to increase the maximum monthly lodging expense reimbursement to \$1,720 anticipated for the 2019 legislative session. The maximum monthly lodging reimbursement is \$1,682 for the 2017 session.

<sup>5</sup> A portion of the funding for information technology and other operating expenses, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>6</sup> Funding for the 2019 legislative session is reduced to provide funding for an estimated 75 legislative days.

<sup>7</sup> Funding for National Conference of State Legislatures dues is adjusted.



<sup>8</sup> Funding for capital assets is reduced.

## Senate Bill No. 2001 - Legislative Council - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$9,180,442	(\$11,376)	\$9,169,066
Operating expenses	2,837,968	105,502	2,943,470
Capital assets		30,000	30,000
Total all funds	\$12,018,410	\$124,126	\$12,142,536
Less estimated income	70,000	0	70,000
General fund	\$11,948,410	\$124,126	\$12,072,536
FTE	37.00	(1.00)	36.00

## Department No. 160 - Legislative Council - Detail of Senate Changes

	Adds Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Removes 1 Fiscal Analyst FTE Position <sup>3</sup>	Reduces Funding Due to Staff Turnover <sup>4</sup>	Reduces Interim Committee Sizes <sup>5</sup>	Reduces Funding for Out-of-State Travel <sup>6</sup>
Salaries and wages	\$118,699	\$103,033		(\$126,558)	(\$92,251)	(\$14,299)
Operating expenses					(15,140)	(44,865)
Capital assets						
Total all funds	\$118,699	\$103,033	\$0	(\$126,558)	(\$107,391)	(\$59,164)
Less estimated income	0	0	0	0	0	0
General fund	\$118,699	\$103,033	\$0	(\$126,558)	(\$107,391)	(\$59,164)
FTE	0.00	0.00	(1.00)	0.00	0.00	0.00

	Increases Funding for Travel <sup>7</sup>	Decreases Funding for Professional Fees <sup>8</sup>	Reduces Funding for Library Services <sup>9</sup>	Restores Funding for Operating Expenses <sup>10</sup>	Adds Funding for Capital Assets <sup>11</sup>	Total Senate Changes
Salaries and wages						(\$11,376)
Operating expenses	11,260	(65,000)	(13,000)	232,247		105,502
Capital assets					30,000	30,000
Total all funds	\$11,260	(\$65,000)	(\$13,000)	\$232,247	\$30,000	\$124,126
Less estimated income	0	0	0	0	0	0
General fund	\$11,260	(\$65,000)	(\$13,000)	\$232,247	\$30,000	\$124,126
FTE	0.00	0.00	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> One vacant fiscal analyst FTE position is removed. The related funding for salaries and wages was removed as part of the 2015-17 biennium budget reductions.

<sup>4</sup> Funding for base level salaries and wages is reduced due to staff turnover.

<sup>5</sup> Funding is reduced for per diem and travel related to smaller committee sizes anticipated for the 2017-18 interim.

<sup>6</sup> Funding for out-of-state travel is reduced to provide for a 10 percent reduction from original 2015-17 biennium levels.

<sup>7</sup> Funding is added for anticipated increases in fees and other travel-related expenses.

<sup>8</sup> Funding is reduced for professional fees to provide a total of \$150,000 for interim committee consulting services during the 2017-18 interim.

<sup>9</sup> Funding for library services is reduced.

<sup>10</sup> A portion of the funding for information technology and other operating expenses, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>11</sup> Funding is added for copier replacement.

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p4



Department 150 - Legislative Assembly  
Senate Bill No. 2001

**Dalrymple Executive Budget Comparison to Prior Biennium Appropriations**

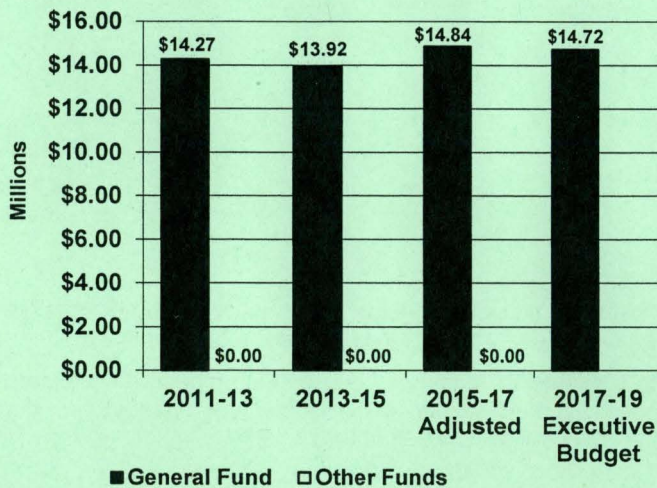
	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	0.00	\$14,717,768	\$0	\$14,717,768
2015-17 Adjusted Legislative Appropriations <sup>1</sup>	0.00	14,844,875	0	14,844,875
Increase (Decrease)	0.00	(\$127,107)	\$0	(\$127,107)

<sup>1</sup>The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

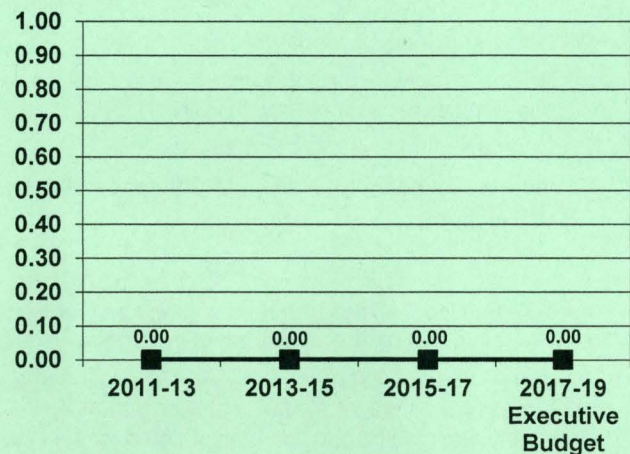
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	\$14,717,768	\$0	\$14,717,768
2015-17 Adjusted Legislative Appropriations	13,730,065	1,114,810	14,844,875
Increase (Decrease)	\$987,703	(\$1,114,810)	(\$127,107)

**Agency Funding**



**FTE Positions**



**Dalrymple Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	\$14,717,768	\$0	\$14,717,768
2017-19 Base Level	13,730,065	0	13,730,065
Increase (Decrease)	\$987,703	\$0	\$987,703

**First House Action**

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Dalrymple and Burgum Executive Budget Highlights  
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Provides funding for proposed legislators' monthly compensation adjustments of 1 percent each year of the biennium, increasing from \$495 to \$500 effective July 2017 and to \$505 effective July 2018. (The Burgum budget removed funding for salary increases.) <b>The Senate removed funding for the salary increases.</b>	\$27,322	\$0	\$27,322
2. Provides funding for proposed adjustments to additional monthly compensation for legislative leaders of 1 percent each year of the biennium, increasing from \$355 to \$359 effective July 2017 and to \$363 effective July 2018. (The Burgum budget removed funding for salary increases.) <b>The Senate removed funding for the salary increases.</b>	\$775	\$0	\$775



3. Provides funding for proposed adjustments to legislative compensation for regular and organizational session compensation of 1 percent each year of the biennium, increasing from \$177 per day to \$179 per day effective July 2017 and to \$181 per day effective July 2018. (The Burgum budget removed funding for salary increases.) <b>The Senate removed funding for the salary increases.</b>	\$70,429	\$0	\$70,429
4. Base budget increase for cost-to-continue 2015-17 biennium compensation increases	\$26,146	\$0	\$26,146
5. Adds funding for increase in legislators' health insurance premiums. (The Burgum budget provided for employees to pay for a portion of health insurance.) <b>The Senate provided \$383,040 for health insurance increases for a monthly premium of \$1,249.</b>	\$628,824	\$0	\$628,824
6. Reduces funding for temporary salaries	(\$38,864)	\$0	(\$38,864)
7. Increases funding for monthly lodging	\$20,320	\$0	\$20,320
8. Reduces funding for mileage reimbursement during the legislative session	(\$7,790)	\$0	(\$7,790)
9. Decreases funding for information technology, including data processing, telecommunications, and consulting	(\$224,400)	\$0	(\$224,400)
10. Increases funding for information technology - software	\$67,850	\$0	\$67,850
11. Decreases funding for operating expenses	(\$18,510)	\$0	(\$18,510)
12. Restores funding for information technology savings and other operating expenses relating to 2015-17 budget reductions	\$437,492	\$0	\$437,492
13. Decreases funding for capital assets	(\$10,800)	\$0	(\$10,800)
14. Increases funding for National Conference of State Legislatures (NCSL) dues	\$8,909	\$0	\$8,909

### Other Sections in Senate Bill No. 2001

**Transfers** - Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

**Continuation of appropriation authority** - Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

**Emergency** - Section 6 declares the Act is an emergency measure.

### Continuing Appropriations

There are no continuing appropriations for the Legislative Assembly.

### Significant Audit Findings

There are no significant audit findings for the Legislative Assembly.

### Major Related Legislation

**House Bill No. 1054** - Relates to the cancellation of unexpended appropriations.

**House Bill No. 1085** - Creates a brain injury advisory council and provides for the appointment of two legislators to the council.

**House Bill No. 1175** - Adds a member of the Senate and a member of the House of Representatives to the State Investment Board.

**House Bill No. 1330** - Relates to the membership of Legislative Management.

**House Bill No. 1397** - Relates to the introduction of bills by the judicial branch and executive branch agencies.

**House Bill No. 1431** - Relates to membership of the Legislative Ethics Committee.

**Senate Bill No. 2044** - Relates to dynamic fiscal impact analysis of select economic development incentives and bills introduced by the Legislative Assembly and the creation of a dynamic fiscal impact bill selection committee.

**Senate Bill No. 2135** - Creates an initiated and referred measure study commission and appropriates \$25,000 from the general fund to the Legislative Council to reimburse commission members and staff for travel necessary to carry out commission duties.

**Senate Concurrent Resolution No. 4007** - Designates Senate and House employment positions for the 2017 session and sets compensation rates for the positions.



Legislative Assembly - Budget No. 150

Senate Bill No. 2001

Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	0.00	\$13,730,065	\$0	\$13,730,065	0.00	\$13,730,065	\$0	\$13,730,065
<b>2017-19 Ongoing Funding Changes</b>								
Health insurance increase		\$628,824		\$628,824		\$628,824		\$628,824
<b>Employee portion of health insurance</b>		<b>(199,404)</b>		<b>(199,404)</b>				0
Reduce funding for health insurance				0		(245,784)		(245,784)
Adds funding for cost-to-continue 2015-17 compensation increases		26,146		26,146		26,146		26,146
<b>Adds funding for 1 percent annual increase in session pay</b>				0				0
<b>Adds funding for 1 percent annual increase in monthly compensation</b>				0				0
Reduces funding for temporary salaries		(38,864)		(38,864)		(38,864)		(38,864)
Adds funding for increase in monthly lodging		20,320		20,320		20,320		20,320
Adjusts funding for operating expenses		254,642		254,642		254,642		254,642
Reduce funding for 2019 session from 77 days to 75 days				0		(160,000)		(160,000)
Increases funding for NCSL		8,909		8,909		8,909		8,909
Reduces funding for capital assets		(10,800)		(10,800)		(10,800)		(10,800)
Total ongoing funding changes	0.00	\$689,773	\$0	\$689,773	0.00	\$483,393	\$0	\$483,393
<b>One-time funding items</b>								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	0.00	\$689,773	\$0	\$689,773	0.00	\$483,393	\$0	\$483,393
<b>2017-19 Total Funding</b>	0.00	\$14,419,838	\$0	\$14,419,838	0.00	\$14,213,458	\$0	\$14,213,458



Other Sections in Legislative Assembly - Budget No. 150

**Burgum Executive Budget Recommendation  
(Changes to Dalrymple Budget in Bold)**

**Senate Version**

Transfers

Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

Continuation of appropriation authority

Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of Legislative Council.

Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of Legislative Council.

Compensation

Section 6 increases legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 1 percent each year of the 2017-19 biennium. Section 7 of the bill increases legislators' interim meeting pay by 1 percent each year of the 2017-19 biennium. **(The Burgum budget recommendation removes these sections.)**

The Senate did not include these sections.

Emergency

Section 8 declares the Act is an emergency measure.

Section 6 declares the Act is an emergency measure.



## Department 150 - Legislative Assembly

## Appropriations Comparisons to the Original and Adjusted Base Budgets

### General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$14,180,557	\$1,704,810	\$15,885,367
General fund reductions	(450,492)	(590,000)	(1,040,492)
Adjusted 2015-17 appropriations	\$13,730,065	\$1,114,810	\$14,844,875
Dalrymple Executive Budget changes	987,703	(1,114,810)	(127,107)
2017-19 Dalrymple Executive Budget	\$14,717,768	\$0	\$14,717,768

### Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Salaries and wages savings related to temporary employee savings during the regular session	(\$13,000)	\$0	(\$13,000)
Information technology savings and savings related to a shorter 2017 regular session	(437,492)	0	(437,492)
Reduced funding for legislative wing equipment and improvements	0	(400,000)	(400,000)
Reduced funding for Council of State Governments conference	0	(190,000)	(190,000)
Total reductions	(\$450,492)	(\$590,000)	(\$1,040,492)
Percentage reduction to ongoing and one-time general fund appropriations	3.18%	34.6%	6.55%

### 2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for increasing legislators' monthly compensation	\$28,097	\$0	\$28,097
Adds funding for increasing legislative compensation for regular and organizational session	70,429	0	70,429
Base budget increase for cost-to-continue prior biennium compensation increases	26,146	0	26,146
Adds funding for increase in legislators' health insurance premiums	628,824	0	628,824
Reduces funding for temporary salaries	(51,864)	13,000	(38,864)
Increases funding for monthly lodging	20,320	0	20,320
Reduces funding for mileage reimbursement during the legislative session	(7,790)	0	(7,790)
Adjusts funding for operating expenses	(175,060)	437,492	262,432
Decreases funding for capital assets	(10,800)	0	(10,800)
Increases funding for NCSL dues	8,909	0	8,909
Total	\$537,211	\$450,492	\$987,703

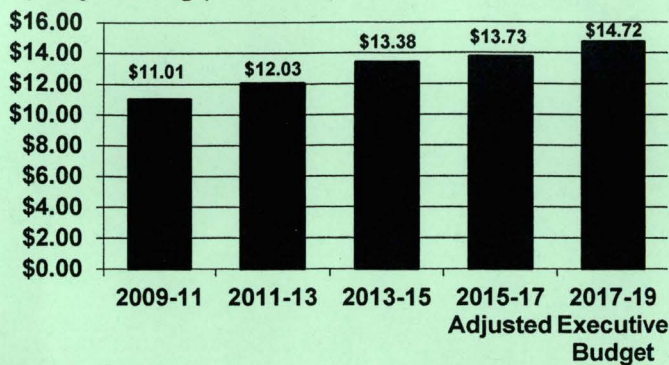


## Department 150 - Legislative Assembly

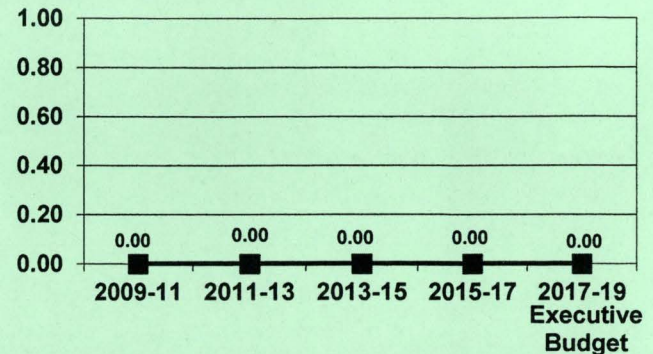
## Historical Appropriations Information

## Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	\$11,011,227	\$12,025,211	\$13,379,971	\$13,730,065	\$14,717,768
Increase (decrease) from previous biennium	N/A	\$1,013,984	\$1,354,760	\$350,094	\$987,703
Percentage increase (decrease) from previous biennium	N/A	9.2%	11.3%	2.6%	7.2%
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	9.2%	21.5%	24.7%	33.7%

## Major Increases (Decreases) in Ongoing General Fund Appropriations

## 2011-13 Biennium

1. No major changes.

## 2013-15 Biennium

1. Increased funding for information technology data processing, including LEGEND maintenance and support. \$485,640
2. Increased funding for costs associated with providing legislators with remote access to data, including broadband, data plans for cellular phones, and other methods as determined by the Legislative Management's Legislative Procedure and Arrangements Committee to provide a total of \$425,000. \$121,000

## 2015-17 Biennium (Original Amounts)

1. Adjusted funding for operating expenses, capital assets, and NCSL dues. (This item was affected by the 2015-17 budget reductions.) (\$95,548)

## 2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

1. Decreases funding for information technology, including data processing, telecommunications, and consulting. (\$224,400)
2. Increases funding for information technology - software. \$67,850
3. Decreases funding for operating expenses. (\$18,510)
4. Restores funding for information technology savings and other operating expenses. \$437,492



Department 160 - Legislative Council  
Senate Bill No. 2001

### Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

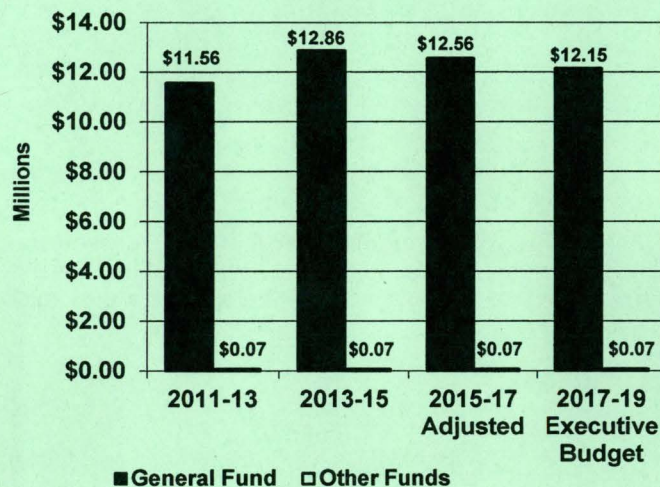
	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	36.00	\$12,148,060	\$70,000	\$12,218,060
2015-17 Adjusted Legislative Appropriations <sup>1</sup>	37.00	12,558,870	70,000	12,628,870
Increase (Decrease)	(1.00)	(\$410,810)	\$0	(\$410,810)

<sup>1</sup>The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

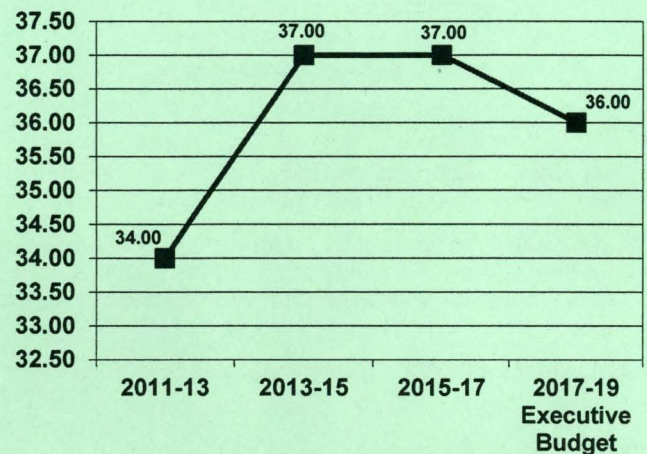
### Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	\$12,148,060	\$0	\$12,148,060
2015-17 Adjusted Legislative Appropriations	11,948,410	610,460	12,558,870
Increase (Decrease)	\$199,650	(\$610,460)	(\$410,810)

Agency Funding



FTE Positions



### Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	\$12,148,060	\$70,000	\$12,218,060
2017-19 Base Level	11,948,410	70,000	12,018,410
Increase (Decrease)	\$199,650	\$0	\$199,650

### First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

### Dalrymple and Burgum Executive Budget Highlights (With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$34,072 is for salary increases and \$8,587 is for health insurance increases. (Due to a budget software error, the executive recommendation has underfunded the health insurance increase by \$94,446.) (The Burgum budget removed funding for salary increases, corrected the health insurance underfunding error, and provided for employees to pay for a portion of health insurance.) <b>The Senate removed funding for the salary increases and corrected the health insurance underfunding error.</b>	\$42,659	\$0	\$42,659
2. Cost-to-continue prior biennium employee salary increases	\$104,000	0	\$104,000



3. Reduces base payroll due to staff turnover	(\$126,558)	0	(\$126,558)
4. Removes 1 FTE vacant fiscal analyst position (Funding for this position was removed as part of the 2015-17 budget reductions)	\$0	0	\$0
5. Provides funding for proposed legislator per diem compensation adjustments of 1 percent for each year of the biennium, from \$177 per day to \$179 per day effective July 2017 and to \$181 per day effective July 2018. (The Burgum budget removed funding for salary increases.) <b>The Senate removed funding for the salary increases.</b>	\$11,734	0	\$11,734
6. Base budget increase for cost-to-continue prior biennium legislator per diem compensation increases	\$14,699	0	\$14,699
7. Reduces per diem funding due to anticipated reductions in the size of interim committees. <b>The Senate also reduced per diem related to out-of-state travel (\$14,299).</b>	(\$92,251)	0	(\$92,251)
8. Reduces travel funding due to anticipated reductions in the size of interim committees	(\$15,140)	0	(\$15,140)
9. Increases funding for travel due to anticipated increases in fees and travel expenses	\$11,260	0	\$11,260
10. Reduces funding for library services	(\$13,000)	0	(\$13,000)
11. Adjusts funding for other operating expenses. <b>The Senate reduced professional fees (\$65,000) and operating expenses related to out-of-state travel (\$44,865).</b>	\$232,247	0	\$232,247
12. Adds funding for copier replacement	\$30,000	0	\$30,000

### Other Sections in Senate Bill No. 2001

**Transfers** - Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

**Continuation of appropriation authority** - Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

**Emergency** - Section 6 declares the Act is an emergency measure.

### Continuing Appropriations

**Legislative services fund** - North Dakota Century Code Section 54-35-19 - This fund is used for depositing and spending funds relating to legislative information.

### Significant Audit Findings

There are no significant audit findings for the Legislative Council.

### Major Related Legislation

**House Bill No. 1303** - Prohibits state agencies from filling vacant positions.

**House Bill No. 1330** - Relates to the membership of Legislative Management.

**House Bill No. 1397** - Relates to the introduction of bills by the judicial branch and executive branch agencies.

**House Bill No. 1431** - Relates to membership of the Legislative Ethics Committee.

**Senate Bill No. 2044** - Relates to dynamic fiscal impact analysis of select economic development incentives and bills introduced by the Legislative Assembly and the creation of a dynamic fiscal impact bill selection committee.

**Senate Bill No. 2135** - Creates an initiated and referred measure study commission and appropriates \$25,000 from the general fund to the Legislative Council to reimburse commission members and staff for travel necessary to carry out commission duties.



**Legislative Council - Budget No. 160**  
**Senate Bill No. 2001**  
**Base Level Funding Changes**

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	37.00	\$11,948,410	\$70,000	\$12,018,410	37.00	\$11,948,410	\$70,000	\$12,018,410
<b>2017-19 Ongoing Funding Changes</b>								
<i>Salary increase - Performance</i>				<b>\$0</b>				0
Health insurance increase		8,587		8,587		8,587		8,587
<i>Adds funding to correct the health insurance increase</i>		<b>94,446</b>		<b>94,446</b>		94,446		94,446
<i>Employee portion of health insurance</i>		<b>(53,974)</b>		<b>(53,974)</b>				0
Cost-to-continue 2015-17 per diem increase		14,699		14,699		14,699		14,699
Increases per diem 1 percent per year		11,734		11,734				0
Reduces interim committee sizes		(92,251)		(92,251)		(92,251)		(92,251)
Cost-to-continue 2015-17 employee salary increase		104,000		104,000		104,000		104,000
Reduces base level salaries due to staff turnover		(126,558)		(126,558)		(126,558)		(126,558)
Removes 1 FTE fiscal analyst position	(1.00)			0	(1.00)			0
Decreases funding for out-of-state travel				0		(59,164)		(59,164)
Decreases travel for smaller committee size		(15,140)		(15,140)		(15,140)		(15,140)
Increases travel-related expenses		11,260		11,260		11,260		11,260
Decreases funding for professional fees				0		(65,000)		(65,000)
Decreases funding for library services		(13,000)		(13,000)		(13,000)		(13,000)
Adds funding for copier replacement		30,000		30,000		30,000		30,000
Adjusts funding for other operating expenses		232,247		232,247		232,247		232,247
Total ongoing funding changes	(1.00)	\$206,050	\$0	\$206,050	(1.00)	\$124,126	\$0	\$124,126
<b>One-time funding items</b>								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	(1.00)	\$206,050	\$0	\$206,050	(1.00)	\$124,126	\$0	\$124,126
<b>2017-19 Total Funding</b>	36.00	\$12,154,460	\$70,000	\$12,224,460	36.00	\$12,072,536	\$70,000	\$12,142,536



Other Sections in Legislative Council - Budget No. 160

**Burgum Executive Budget Recommendation  
(Changes to Dalrymple Budget in Bold)**

Transfers

Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

Continuation of appropriation authority

Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

Compensation

Section 6 increases legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 1 percent each year of the 2017-19 biennium. Section 7 of the bill increases legislators' interim meeting pay by 1 percent each year of the 2017-19 biennium. **(The Burgum budget recommendation removes these sections.)**

Emergency

Section 8 declares the Act is an emergency measure.

**Senate Version**

Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

The Senate did not include these sections.

Section 6 declares the Act is an emergency measure.



## Department 160 - Legislative Council

## Appropriations Comparisons to the Original and Adjusted Base Budgets

### General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$12,773,673	\$665,460	\$13,439,133
General fund reductions	(825,263)	(55,000)	(880,263)
Adjusted 2015-17 appropriations	\$11,948,410	\$610,460	\$12,558,870
Dalrymple Executive Budget changes	199,650	(610,460)	(410,810)
2017-19 Dalrymple Executive Budget	\$12,148,060	\$0	\$12,148,060

### Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Salaries and wages savings related to vacant positions and staff turnover	(\$366,255)	\$0	(\$366,255)
Operating expense savings related to professional fees, information technology, interim committee travel, and out-of-state travel	(459,008)	0	(459,008)
Savings related to consultant fees for the oil and gas tax study	0	(5,000)	(5,000)
Savings related to consultant fees for the incarceration issues study	0	(50,000)	(50,000)
Total reductions	(\$825,263)	(\$55,000)	(\$880,263)
Percentage reduction to ongoing and one-time general fund appropriations	6.46%	8.26%	6.55%

### 2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$42,659	\$0	\$42,659
Cost to continue prior biennium employee salary increases	104,000	0	104,000
Reduces base payroll due to staff turnover	(178,716)	52,158	(126,558)
Removes 1 FTE vacant fiscal analyst position and funding	(185,979)	185,979	0
Removes funding for 1 FTE vacant administrative position	(113,819)	113,819	0
Provides funding for proposed legislator per diem compensation adjustments	11,734	0	11,734
Base budget increase for cost to continue prior biennium legislator per diem compensation increases	14,699	0	14,699
Reduces per diem expense due to anticipated reductions in the size of interim committees	(92,251)	0	(92,251)
Reduces funding for per diem and travel expenses related to out-of-state travel.	(59,164)	59,164	0
Reduces travel expense due to anticipated reductions in the size of interim committees	(15,140)	0	(15,140)
Increases funding for travel due to anticipated increases in fees and travel expenses	11,260	0	11,260
Reduces funding for professional fees	(100,000)	100,000	0
Reduces funding for library services	(13,000)	0	(13,000)
Adjusts funding for various information technology expenses	(52,500)	52,500	0
Adjusts funding for other operating expenses	(29,396)	261,643	232,247
Adds funding for copier replacement	30,000	0	30,000
Total	(\$625,613)	\$825,263	\$199,650

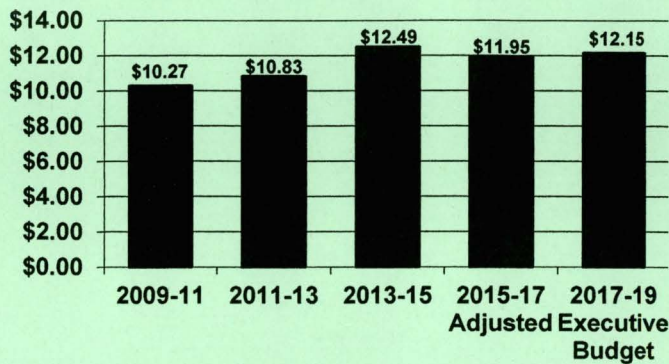


## Department 160 - Legislative Council

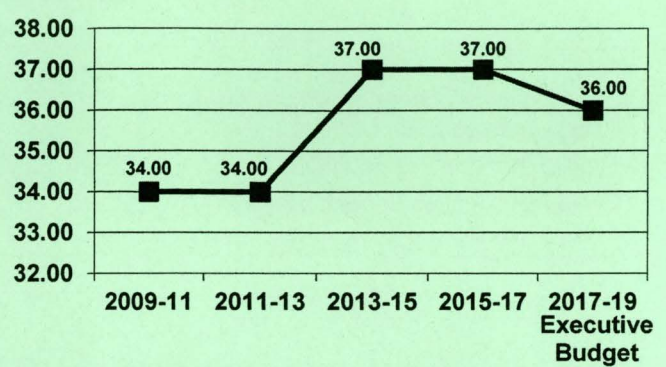
# Historical Appropriations Information

## Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	\$10,269,503	\$10,826,351	\$12,487,475	\$11,948,410	\$12,148,060
Increase (decrease) from previous biennium	N/A	\$556,848	\$1,661,124	(\$539,065)	\$199,650
Percentage increase (decrease) from previous biennium	N/A	5.4%	15.3%	(4.3%)	1.7%
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	5.4%	21.6%	16.3%	18.3%

## Major Increases (Decreases) in Ongoing General Fund Appropriations

### 2011-13 Biennium

- Added funding for increases in travel such as attendance at Energy Council meetings, Council of State Governments meetings, and other out-of-state travel \$150,323
- Decreased funding for information technology consulting (\$280,750)

### 2013-15 Biennium

- Increased funding for information technology consulting \$384,855
- Added funding for 3 FTE fiscal analyst positions and related operating expenses, including information technology and equipment \$525,000

### 2015-17 Biennium (Original Amounts)

- Reduced funding for operating expenses, including information technology--consulting, information technology--data processing, office supplies, and postage (\$522,718)
- Removed market equity salary funding (\$100,000)

### 2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

- Reduces per diem expense due to anticipated reductions in the size of interim committees. The Senate also reduced per diem related to out-of-state travel (\$14,299). (\$92,251)
- Increases funding for other operating expenses. The Senate reduced professional fees (\$65,000) and operating expenses related to out-of-state travel (\$44,865). \$232,247



**STATEMENT OF JIM W. SMITH, DIRECTOR,  
NORTH DAKOTA LEGISLATIVE COUNCIL,  
REGARDING ENGROSSED SENATE BILL NO. 2001,  
MARCH 6, 2017**

Mr. Chairman and members of the Government Operations Division of the House Appropriations Committee:

I am here this morning appearing on Engrossed Senate Bill No. 2001 on behalf of the members of the Legislative Assembly and the members of the Legislative Management to explain the budget requests for the Legislative Assembly, the Legislative Management, and the Legislative Council for the 2017-19 biennium.

The budget requests for these agencies are prepared using zero-based budgeting, meaning all amounts requested are calculated from a starting point of zero. We have already made reductions in our budget requests which will be discussed in our presentation.

The financial statements for the fiscal years ending June 30, 2015, and 2014, for the Legislative Assembly and Legislative Council had unqualified opinions and no audit findings.

Please refer to Appendix A for a comparison of budgetary changes for the legislative branch compared to other state government agencies in recent bienniums.

### LEGISLATIVE ASSEMBLY

Subdivision 1 of Section 1 of Engrossed Senate Bill No. 2001 contains the 2017-19 biennium appropriation for the Legislative Assembly of \$14,213,458 from the general fund. This amount does not include any one-time funding requests. This amount is \$32,901, or .2 percent, more than the original 2015-17 "ongoing" appropriation and \$483,393, or 3.5 percent, more than the 2017-19 base level. The budget request would have provided for the organizational session and a 77-legislative-day (111-calendar-day) regular 2019 legislative session; however, the Senate provided funding at a level that is considered adequate to provide for the organizational session and a **75-legislative-day regular session in 2019**. The following schedule presents the number of legislative days for previous sessions:

Legislative Session	Legislative Days
2015	79
2013	80
2011	78
2009	79
2007	78
2005	76
2003	76*
2001	77
1999	71
1997	66
1995	67

\*Excludes the 3 legislative days relating to the May 2003 special session.

The Legislative Assembly in 2015 provided funding for an estimated 77-legislative-day 2017 legislative session. The estimated cost per day is approximately \$80,000.

### Salaries and Wages

The salaries and wages line item of approximately \$10.3 million includes funding for:

- Legislative employees' pay for the 2019 legislative session based on the number of employees anticipated to be employed for the 2017 legislative session of 84.
- Legislators' salary of \$177 per day for a **75-legislative-day** regular session (109 calendar days). The Senate did not include funding requested for a 1 percent 1<sup>st</sup> year and 1 percent 2<sup>nd</sup> year increase for legislators' daily session pay.
- Continuing the additional compensation of \$15 per calendar day for the legislative leaders and \$10 per calendar day for chairmen of the standing committees and assistant legislative leaders. These compensation rates were each increased by \$5 by the Legislative Assembly in 2011.
- Legislators' monthly compensation of \$495 per month for the 2017-19 biennium. The budget as requested included a 1 percent increase for each year of the biennium. The Senate did not include funding for these increases.
- Additional monthly compensation for House and Senate majority and minority leaders of \$355 per month for the 2017-19 biennium. The budget as requested included a 1 percent increase for each year of the biennium. The Senate did not include funding for these increases.
- Health insurance coverage for 133 legislators, the same number budgeted for the 2015-17 biennium. Current information indicates that 127 legislators have requested health insurance.

### Operating Expenses

The operating expenses line item of approximately \$3.7 million includes funding for:

- Legislators' travel costs for 16 trips at 55 cents per mile during the 2019 regular session and one trip for the 2018 organizational session. The mileage rate is currently 53.5 cents per mile.
- Lodging costs for 126 legislators for 4 months during the 2019 legislative session at an estimated reimbursement rate of \$1,720 per



month. The reimbursement rate for the 2017 legislative session is \$1,682. The budget includes an additional \$20,320 relating to lodging.

- Contribution of \$10,000 annually to the Legislator's Forum (Manitoba, Minnesota, North Dakota, and South Dakota).
- Ongoing information technology data processing of \$1,094,838, a decrease of \$167,952 compared to the 2015-17 biennium.
- Professional services of \$77,000, the same as the 2015-17 biennium budget. The amount includes \$60,000 for the continued privatization of legislative secretarial, bill and journal, and telephone operations.

### **Capital Assets**

The capital assets line item of \$6,000 for unexpected equipment replacement needs during the 2017-19 biennium. There are no funds requested for legislative wing improvements.

### **National Conference of State Legislatures**

The National Conference of State Legislatures (NCSL) line item of \$250,172 is an increase of \$8,909, or 3.7 percent, from the 2015-17 budget of \$241,263. This represents North Dakota's contribution to NCSL, and the amount is based on NCSL's estimate of North Dakota's share of the NCSL budget for fiscal years 2018 and 2019.

## **LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL**

Subdivision 2 of Section 1 contains the 2017-19 appropriation for the Legislative Management and the Legislative Council of \$12,142,536, of which \$12,072,536 is from the general fund and \$70,000 is from the insurance regulatory trust fund. This amount does not include any one-time funding requests. The request is \$124,126, or 1.0 percent, more than the 2017-19 biennium base level, but \$701,137, or 5.5 percent, less than the original 2015-17 ongoing general fund appropriation of \$12,773,673.

The \$70,000 is from the insurance regulatory trust fund and is for expenses relating to legislator involvement with the National Conference of Insurance Legislators (NCOIL).

The Legislative Council is requesting 36 full-time equivalent (FTE) positions, 1 FTE position fewer than the number authorized for the 2015-17 biennium. The position being removed is a vacant fiscal staff FTE position (\$185,979). In addition, funding for 1 vacant support FTE position is removed (\$113,819). The organizational chart reflecting the current staff structure is attached as Appendix B. As indicated we currently have 3 vacant FTE positions.

### **Salaries and Wages**

The salaries and wages line item of approximately \$9.2 million includes funding for:

- Thirty-six authorized FTE positions (35 FTE funded). A vacant fiscal analyst position was not requested.
- The Governor's recommended health insurance premium increase of \$103,033. An error was made in the executive budget in the calculation of the health insurance increase for the Legislative Council. The Senate added \$94,446 from the general fund to correct the error.
- Temporary employees' pay for the 2017 legislative session.
- Legislators' per diem for interim meetings of \$931,652, \$72,875 less than the 2015-17 budgeted amount. This request is based on the same number of committees (26) budgeted for the 2015-16 interim, assumes an 87 percent attendance rate at committee meetings, but reduces the committee membership size to the 2013-14 interim level (from an average of 16 members to 15 members). The budget request included a proposed increase for legislators' interim meeting pay of 1 percent each year from the current level of \$177 per day to \$179 per day effective July 1, 2017, and \$181 per day effective July 1, 2018 (an estimated cost of \$11,734). The Senate did not include funding for these increases.
- Turnover rates - The Legislative Council employee annual turnover rate has averaged 14 percent for 2010 to 2016. The result is we have 19 employees with less than 5-years' experience, and 28 with less than 10-years' experience. We need to retain these employees.

### **Operating Expenses**

The operating expenses line item of approximately \$2.9 million includes funding for:

- Travel expenses relating to meetings during the interim of \$1,673,494, which is \$48,745 less than the original 2015-17 budget, but \$135,263 more than the adjusted budget. The funding request is based on the same number of committees (26) budgeted for the 2015-16 interim, assumes an 87 percent attendance rate at committee meetings, but reduces the committee membership size to the 2013-14 interim level.
- Dues of \$38,400 annually to the Energy Council.
- Professional services of \$150,000 is \$165,000 less than the original 2015-17 ongoing budget, but \$110,000 more than the adjusted budget. The \$150,000 includes \$135,000 for consulting services to assist with interim committee studies when required, \$6,000 for contracting



for the Legislative Council audit, and \$9,000 for contracting for the State Auditor's office audit.

- Other operating expenses changes are based on the Office of Management and Budget's guidelines as they are applicable and anticipated needs in other areas.

### **Capital Assets**

The capital assets line item of \$30,000 includes funding for replacing a copier.

### **OTHER AREAS**

Sections 4 and 5 relate to authorizing line item transfers as necessary and the cancellation of previous unspent appropriations.

### **RELATED BILLS**

Other bills under consideration that may affect the budget of the legislative branch include:

- **Senate Bill No. 2044** allows for dynamic fiscal impact analysis to be conducted and creates a dynamic fiscal impact bill selection committee.
- **Senate Bill No. 2135** creates an initiated and referred measure study commission and appropriates \$25,000 from the general fund to

the Legislative Council to reimburse commission members and staff for travel necessary to carry out commission duties.

- **House Bill No. 1175** adds a member of the Senate and a member of the House to the State Investment Board.
- **House Bill No. 1330** affects the membership of Legislative Management.
- **House Bill No. 1431** relates to membership of the legislative ethics committee.

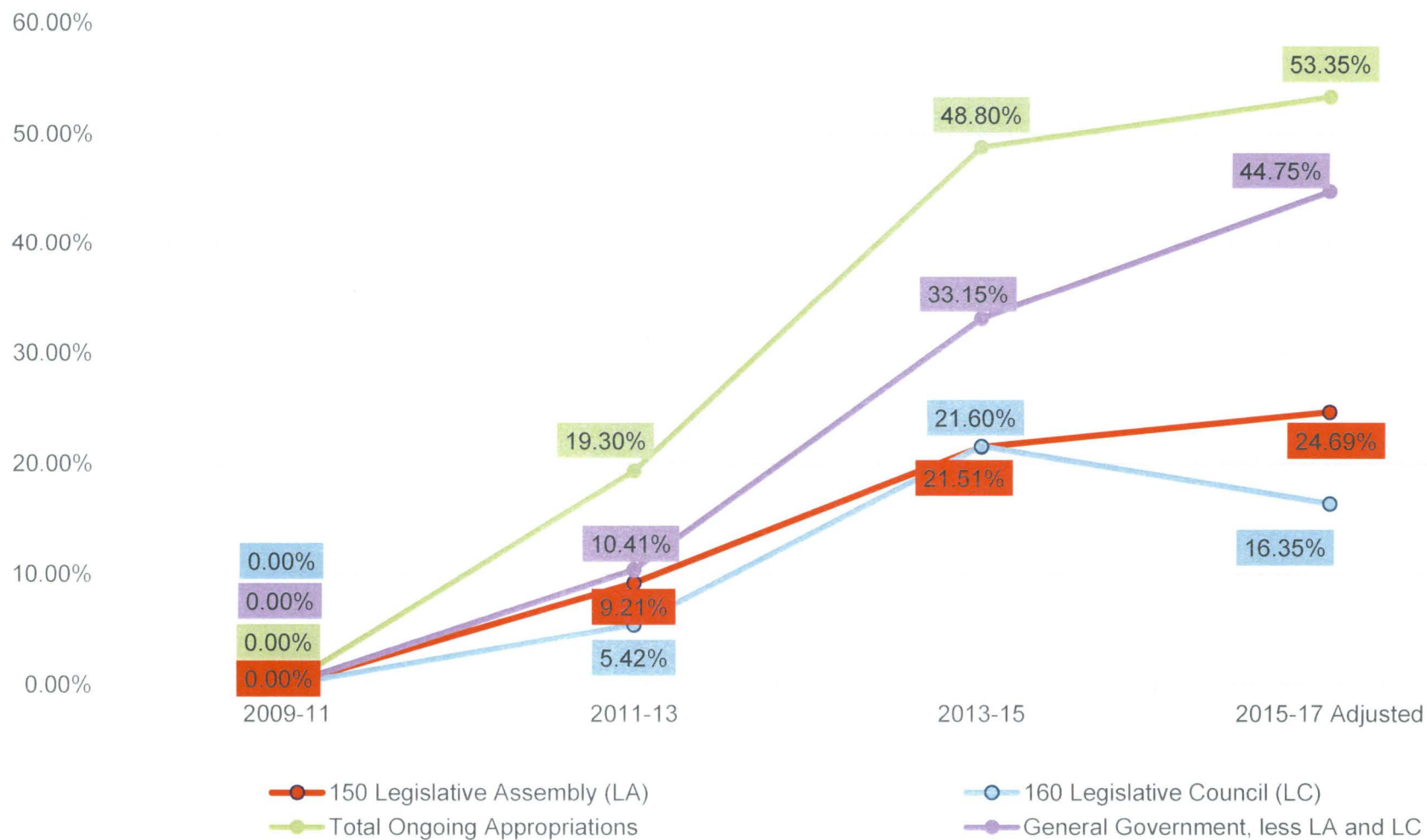
### **ADDITIONAL INFORMATION**

We have attached a listing of items to reduce the original 2015-17 biennium budget to a 90 percent level (Appendix C). (The legislative branch is not subject to the Governor's guidelines for a 90 percent budget request.)

The legislative branch did not submit any optional adjustment requests since a needs-based budget was submitted.

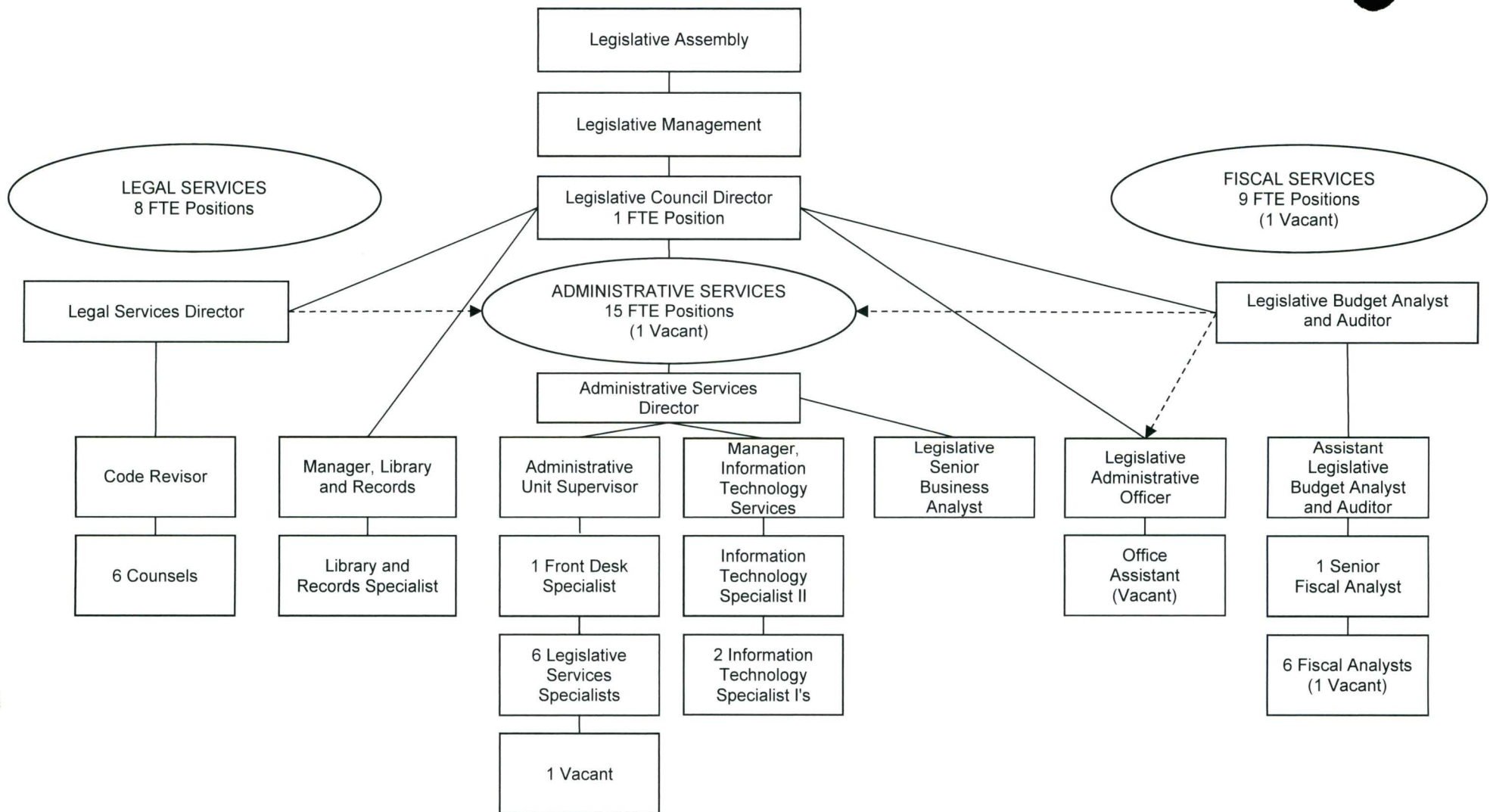
ATTACH:3

## Cumulative Ongoing General Fund Appropriations Changes





# LEGISLATIVE COUNCIL ORGANIZATIONAL CHART



37 FTE Positions  
Authorized  
(3 Vacant)

———— Line of Authority      - - - - - Input and Assigned Oversight Responsibilities

## LEGISLATIVE BRANCH BUDGET REDUCTIONS IDENTIFIED TO PROVIDE FOR A 90 PERCENT BUDGET

### Legislative Assembly:

	General Fund
2015-17 original appropriation	\$14,180,557
90 percent of appropriation	12,762,501
Budget reduction	\$1,418,056

#### Potential budget reductions:

1. Items already reduced in the budget request and Senate version include:
  - a. Reduced mileage reimbursement rate by 1 cent per mile, from 56 cents to 55 cents per mile - \$7,790
  - b. Reduced funding for information technology services by 10 percent - \$172,332
  - c. Reduced funding for temporary employee salaries - \$51,864
  - d. Reduced funding for capital assets - \$10,800
  - e. Reduced the budgeted length of the 2019 session by two days, to 75 legislative days - \$160,000
2. Options for items that could be reduced include:
  - a. Reduce NCSL dues by 10 percent - \$24,126
  - b. Reduce the number of temporary staff hired during a legislative session by 5 percent (4 employees from 84 to 80) - \$49,411
  - c. Reduce the monthly maximum lodging reimbursement during a legislative session by changing the formula from 70 to 65 percent of the daily rate - \$61,488
  - d. Reduce legislator information technology stipends by 10 percent - \$30,456
  - e. Further reduce the budgeted length of the 2019 legislative session - \$80,000 per day

### Legislative Management/Legislative Council:

	General Fund
2015-17 original appropriation	\$12,773,673
90 percent of appropriation	11,496,306
Budget reduction	\$1,277,367

#### Potential budget reductions:

1. Items already reduced in the budget request and Senate version include:
  - a. Reduced base level salaries due to staff turnover - \$178,716
  - b. Removed 1 vacant FTE fiscal position - \$185,979
  - c. Removed funding for a vacant administrative position - \$113,819
  - d. Reduced funding for information technology services - \$52,500
  - e. Reduced interim committee sizes to 2013-14 biennium levels - \$107,391
  - f. Reduced funding for interim committee consulting services - \$165,000
  - g. Reduced funding for other operating expenses - \$42,396
  - h. Reduced funding for other meetings and out-of-state travel by 10 percent - \$118,328
2. Options for items that could be reduced include:
  - a. Further reduce information technology services - \$21,862
  - b. Further reduce professional services - \$35,000
  - c. Further reduce salaries and operating expenses, including temporary and overtime salaries and operating expenses relating to information technology services, library services, travel, dues and professional development, and others



March 20, 2017

SB2001

17.0509.02004

Title.

Fiscal No. 1

Prepared by the Legislative Council staff for  
Representative Vigesaa

March 17, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 3, after "appropriations" insert "; to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the creation of a state revenue advisory committee"

Page 1, replace lines 15 through 19 with:

"Salaries and wages	\$10,004,373	\$229,051	\$10,233,424
Operating expenses	3,467,629	226,962	3,694,591
Capital assets	16,800	(10,800)	6,000
National conference of state legislatures	<u>241,263</u>	<u>(16,108)</u>	<u>225,155</u>
Total general fund	\$13,730,065	\$429,105	\$14,159,170"

Page 1, remove line 24

Page 2, replace lines 1 through 6 with

"Salaries and wages	\$9,180,442	(\$130,912)	\$9,049,530
Operating expenses	<u>2,837,968</u>	<u>48,640</u>	<u>2,886,608</u>
Total all funds	\$12,018,410	(\$82,272)	\$11,936,138
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,948,410	(\$82,272)	\$11,866,138
Full-time equivalent positions	37.00	(1.00)	36.00"

Page 2, replace lines 11 through 13 with:

"Grand total general fund	\$25,678,475	\$346,833	\$26,025,308
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$25,748,475	\$346,833	\$26,095,308

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in subdivisions 1 and 2 of section 1 of this Act include funding from the general fund for increases in employee health insurance premiums from \$1,130 to \$1,241 per month. Total funding provided from the general fund is as follows:

Legislative assembly	\$353,769
Legislative council	<u>95,568</u>
Total	\$449,337"

Page 3, after line 21, insert:

**"SECTION 7.** A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

**State revenue advisory committee.**

1. There is created a state revenue advisory committee which consists of five members of the house of representatives and four members of the senate. The majority leader of the house shall appoint the house members of the committee with the number of majority party members and the number of minority party members being of the same proportion as the total number

of majority and total number of minority members of the house and the majority leader of the senate shall appoint the senate members of the committee with the number of majority party members and the number of minority party members being of the same proportion as the total number of majority and total number of minority members of the senate. The committee shall select from its membership the chairman and vice chairman of the committee. The legislative council shall provide staffing for the committee. The members of the committee are entitled to compensation from the legislative council for attendance at committee meetings at the rate provided for members of the legislative assembly for attendance at interim committee meetings and are entitled to reimbursement for expenses incurred in attending the meetings in the amounts provided by law for other state officers.

2. The committee shall:

- a. Monitor state revenues and state economic activity, review economic forecasting data and models, and review and analyze the executive revenue forecasts and alternative revenue forecasts.
- b. Review and assess state agency revenues, including revenues received by the information technology department and the department of transportation's state fleet services from other state agencies. The review of information technology and state fleet services revenues must include an assessment of the delivery and cost of services, staffing, and billing processes to identify improvements to the efficiency and effectiveness of the services that will result in reduced costs for state agencies.
- c. Provide any recommendations to reduce costs for state agencies to the director of the office of management and budget for use in developing agency biennial budget requests.
- d. Prepare a biennial report to the legislative management and provide recommendations to the appropriations committees of the legislative assembly.

3. The committee, to carry out its responsibilities, may:

- a. Enter contracts, subject to the availability of funding, with economic forecasting entities to provide economic data specific to North Dakota;
- b. Request information and assistance from state agency personnel as needed;
- c. Consider input from representatives of private sector entities regarding the economic conditions of the state;
- d. Develop alternative revenue forecasts; and
- e. Share information associated with state revenues and economic activity with the governor and the director of the office of management and budget."

Renumber accordingly



# STATEMENT OF PURPOSE OF AMENDMENT:

## Senate Bill No. 2001 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Legislative Assembly				
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Less estimated income	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Legislative Council				
Total all funds	\$12,018,410	\$12,142,536	(\$206,398)	\$11,936,138
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,948,410	\$12,072,536	(\$206,398)	\$11,866,138
Bill total				
Total all funds	\$25,748,475	\$26,355,994	(\$260,686)	\$26,095,308
Less estimated income	70,000	70,000	0	70,000
General fund	\$25,678,475	\$26,285,994	(\$260,686)	\$26,025,308

## Senate Bill No. 2001 - Legislative Assembly - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$10,004,373	\$10,262,695.00	(\$29,271)	\$10,233,424
Operating expenses	3,467,629	3,694,591		3,694,591
Capital assets	16,800	6,000		6,000
National Conf. of State Legislatures	241,263	250,172	(25,017)	225,155
Total all funds	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
Less estimated income	0	0	0	0
General fund	\$13,730,065	\$14,213,458	(\$54,288)	\$14,159,170
FTE	0.00	0.00	0.00	0.00

## Department No. 150 - Legislative Assembly - Detail of House Changes

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Reduces National Conference of State Legislatures Dues <sup>2</sup>	Total House Changes
Salaries and wages	(\$29,271)		(\$29,271)
Operating expenses			
Capital assets			
National Conf. of State Legislatures		(25,017)	(25,017)
Total all funds	(\$29,271)	(\$25,017)	(\$54,288)
Less estimated income	0	0	0
General fund	(\$29,271)	(\$25,017)	(\$54,288)
FTE	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> National Conference of State Legislatures dues are reduced by 10 percent to provide a total of \$225,155.

This amendment also adds a section to identify additional funding provided for health insurance increases.

**Senate Bill No. 2001 - Legislative Council - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$9,180,442	\$9,169,066	(\$119,536)	\$9,049,530
Operating expenses	2,837,968	2,943,470	(56,862)	2,886,608
Capital assets		30,000	(30,000)	
Total all funds	\$12,018,410	\$12,142,536	(\$206,398)	\$11,936,138
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,948,410	\$12,072,536	(\$206,398)	\$11,866,138
FTE	37.00	36.00	0.00	36.00

**Department No. 160 - Legislative Council - Detail of House Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes Funding for 1 FTE Office Assistant Position <sup>2</sup>	Adds Funding for Temporary Salaries <sup>3</sup>	Reduces Funding for Operating Expenses <sup>4</sup>	Removes Funding for Capital Assets <sup>5</sup>	Total House Changes
Salaries and wages	(\$7,465)	(\$147,071)	\$35,000			(\$119,536)
Operating expenses				(56,862)		(56,862)
Capital assets					(30,000)	(30,000)
Total all funds	(\$7,465)	(\$147,071)	\$35,000	(\$56,862)	(\$30,000)	(\$206,398)
Less estimated income	0	0	0	0	0	0
General fund	(\$7,465)	(\$147,071)	\$35,000	(\$56,862)	(\$30,000)	(\$206,398)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> Funding for 1 FTE office assistant position is removed.

<sup>3</sup> Funding is added for temporary salaries and wages to assist with session duties related to the office assistant position.

<sup>4</sup> Funding is reduced for information technology services (\$21,862) and professional fees (\$35,000).

<sup>5</sup> Funding for copier replacement is removed.

This amendment also adds sections to:

- Identify additional funding provided for health insurance increases.
- Establish a state revenue advisory committee.



**44-04-18.25. Value of property paid or delivered to the administrator of the state abandoned property office - Exempt record.**

A record of the value of property paid or delivered to the administrator of the state abandoned property office under section 47-30.1-17 is an exempt record.

**44-04-18.26. Requests for records by members of the legislative assembly and the legislative council.**

Notwithstanding section 44-04-18.6, any record of the legislative council relating to a request for public records made by the legislative council on behalf of a member of the legislative assembly is a public record. The legislative council shall maintain a written or digital record of any request for public records made on behalf of a member of the legislative assembly which identifies the member of the legislative assembly who made the request.

**44-04-19. Access to public meetings.**

Except as otherwise specifically provided by law, all meetings of a public entity must be open to the public. That portion of a meeting of the governing body of a public entity as defined in subdivision c of subsection 13 of section 44-04-17.1 which does not regard public business is not required to be open under this section.

1. This section is violated when any person is denied access to a meeting under this section, unless such refusal, implicitly or explicitly communicated, is due to a lack of physical space in the meeting room for the person or persons seeking access.
2. For purposes of this section, the meeting room must be accessible to, and the size of the room must accommodate, the number of persons reasonably expected to attend the meeting.
3. The right of a person to attend a meeting under this section includes the right to photograph, to record on audiotape or videotape and to broadcast live on radio or television the portion of the meeting that is not held in executive session, provided that there is no active interference with the conduct of the meeting. The exercise of this right may not be dependent upon the prior approval of the governing body. However, the governing body may impose reasonable limitations on recording activity to minimize the possibility of disruption of the meeting.
4. For meetings subject to this section when one or more of the members of the governing body is participating by telephone or video, a speakerphone or monitor must be provided at the location specified in the notice issued under section 44-04-20.

**44-04-19.1. Open records and open meetings - Exemptions for attorney work product, attorney consultation, and negotiation preparation.**

1. Attorney work product is exempt from section 44-04-18. Attorney work product and copies thereof shall not be open to public inspection, examination, or copying unless specifically made public by the public entity receiving such work product.
2. Attorney consultation is exempt from section 44-04-19. That portion of a meeting of a governing body during which an attorney consultation occurs may be closed by the governing body under section 44-04-19.2.
3. Active investigatory work product is exempt from section 44-04-18.
4. "Adversarial administrative proceedings" include only those administrative proceedings in which the administrative agency or institution of higher education acts as a complainant, respondent, or decisionmaker in an adverse administrative proceeding. This term does not refer to those instances in which the administrative agency or institution acts in its own rulemaking capacity.
5. "Attorney consultation" means any discussion between a governing body and its attorney in instances in which the governing body seeks or receives the attorney's advice regarding and in anticipation of reasonably predictable civil or criminal litigation or adversarial administrative proceedings or concerning pending civil or criminal litigation or pending adversarial administrative proceedings. Mere presence or

March 20, 2017

SB2001

Attachment B

17.0509.02002  
Title.

Prepared by the Legislative Council staff for  
Representative Kasper  
March 10, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 2, after the semicolon insert "to repeal section 44-04-18.26 of the North Dakota Century Code, relating to record requests;"

Page 3, after line 21, insert:

**"SECTION 6. REPEAL.** Section 44-04-18.26 of the North Dakota Century Code is repealed."

Renumber accordingly



**Legislative Assembly - Budget No. 150**  
**Senate Bill No. 2001**  
**Base Level Funding Changes**

4-12-17 SB 2001  
 #1 conf comm.  
 P1

	Senate Version				House Version				House Changes to Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	0.00	\$13,730,065	\$0	\$13,730,065	0.00	\$13,730,065	\$0	\$13,730,065	0.00	\$0	\$0	\$0
<b>2017-19 Ongoing Funding Changes</b>												
Health insurance increase		\$628,824		\$628,824		\$628,824		\$628,824				\$0
Reduce funding for health insurance		(245,784)		(245,784)		(275,055)		(275,055)		(29,271)		(29,271)
Adds funding for cost-to-continue 2015-17 compensation increases		26,146		26,146		26,146		26,146				0
Reduces funding for temporary salaries		(38,864)		(38,864)		(38,864)		(38,864)				0
Adds funding for increase in monthly lodging		20,320		20,320		20,320		20,320				0
Adjusts funding for operating expenses		254,642		254,642		254,642		254,642				0
Reduce funding for 2019 session from 77 days to 75 days		(160,000)		(160,000)		(160,000)		(160,000)				0
Adjusts funding for NCSL		8,909		8,909		(16,108)		(16,108)		(25,017)		(25,017)
Reduces funding for capital assets		(10,800)		(10,800)		(10,800)		(10,800)				0
Total ongoing funding changes	0.00	\$483,393	\$0	\$483,393	0.00	\$429,105	\$0	\$429,105	0.00	(\$54,288)	\$0	(\$54,288)
<b>One-time funding items</b>												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	0.00	\$483,393	\$0	\$483,393	0.00	\$429,105	\$0	\$429,105	0.00	(\$54,288)	\$0	(\$54,288)
<b>2017-19 Total Funding</b>	0.00	\$14,213,458	\$0	\$14,213,458	0.00	\$14,159,170	\$0	\$14,159,170	0.00	(\$54,288)	\$0	(\$54,288)

Other Sections in Legislative Assembly - Budget No. 150

#1  
P2

	Senate Version	House Version
Health insurance increase		A section is added to identify the appropriation provided to fund increases in employee health insurance premiums from \$1,130 to \$1,241 per month.
Transfers	Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.	Section 5 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.
Continuation of appropriation authority	Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of Legislative Council.	Section 6 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of Legislative Council.
State revenue advisory committee		Section 7 creates a new section to Chapter 54-35 to establish a state revenue advisory committee.
Emergency	Section 6 declares the Act is an emergency measure.	Section 8 declares the Act is an emergency measure.



**Legislative Council - Budget No. 160**  
**Senate Bill No. 2001**  
**Base Level Funding Changes**

4-12-17 SB 2001  
 #2 conf comm -  
 P1

	Senate Version				House Version				House Changes to Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2017-19 Biennium Base Level</b>	37.00	\$11,948,410	\$70,000	\$12,018,410	37.00	\$11,948,410	\$70,000	\$12,018,410	0.00	\$0	\$0	\$0
<b>2017-19 Ongoing Funding Changes</b>												
Health insurance increase		8,587		8,587		8,587		8,587				0
Adds funding to correct the health insurance increase		94,446		94,446		86,981		86,981		(7,465)		(7,465)
Cost-to-continue 2015-17 per diem increase		14,699		14,699		14,699		14,699				0
Reduces interim committee sizes		(92,251)		(92,251)		(92,251)		(92,251)				0
Cost-to-continue 2015-17 employee salary increase		104,000		104,000		104,000		104,000				0
Reduces base level salaries due to staff turnover		(126,558)		(126,558)		(126,558)		(126,558)				0
Removes 1 FTE fiscal analyst position	(1.00)			0	(1.00)			0				0
Removes funding for 1 FTE office assistant position				0		(147,071)		(147,071)		(147,071)		(147,071)
Adds funding for temporary salaries				0		35,000		35,000		35,000		35,000
Decreases funding for out-of-state travel		(59,164)		(59,164)		(59,164)		(59,164)				0
Decreases travel for smaller committee size		(15,140)		(15,140)		(15,140)		(15,140)				0
Increases travel-related expenses		11,260		11,260		11,260		11,260				0
Decreases funding for professional fees		(65,000)		(65,000)		(100,000)		(100,000)		(35,000)		(35,000)
Decreases funding for library services		(13,000)		(13,000)		(13,000)		(13,000)				0
Adds funding for copier replacement		30,000		30,000		0		0		(30,000)		(30,000)
Adjusts funding for other operating expenses		232,247		232,247		232,247		232,247				0
Reduces funding for information technology services				0		(21,862)		(21,862)		(21,862)		(21,862)
Total ongoing funding changes	(1.00)	\$124,126	\$0	\$124,126	(1.00)	(\$82,272)	\$0	(\$82,272)	0.00	(\$206,398)	\$0	(\$206,398)
<b>One-time funding items</b>												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	(1.00)	\$124,126	\$0	\$124,126	(1.00)	(\$82,272)	\$0	(\$82,272)	0.00	(\$206,398)	\$0	(\$206,398)
<b>2017-19 Total Funding</b>	36.00	\$12,072,536	\$70,000	\$12,142,536	36.00	\$11,866,138	\$70,000	\$11,936,138	0.00	(\$206,398)	\$0	(\$206,398)

#2  
P2

Other Sections in Legislative Council - Budget No. 160

	Senate Version	House Version
Health insurance increase		A section is added to identify the appropriation provided to fund increases in employee health insurance premiums from \$1,130 to \$1,241 per month.
Transfers	Section 4 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.	Section 5 allows transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.
Continuation of appropriation authority	Section 5 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.	Section 6 provides that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2015-17 biennium be continued and that unexpended appropriations enacted prior to the 2015-17 biennium may be cancelled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.
State revenue advisory committee		Section 7 creates a new section to Chapter 54-35 to establish a state revenue advisory committee.
Emergency	Section 6 declares the Act is an emergency measure.	Section 8 declares the Act is an emergency measure.



PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

That the House recede from its amendments as printed on pages 1211-1215 of the Senate Journal and pages 1316-1320 of the House Journal and that Engrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 3, after the semicolon insert "to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the creation of a legislative revenue advisory committee; to provide for legislative management studies;"

Page 2, after line 31, insert:

**"SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000, or so much of the sum as may be necessary, to the legislative council for the purpose of procuring consulting services relating to interim committee assignments, for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 3, after line 21, insert:

**"SECTION 7.** A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

**Legislative revenue advisory committee.**

1. The legislative management, during each biennium, shall appoint a legislative revenue advisory committee. The committee must consist of the majority and minority leaders of the house and senate, the chairs of the house and senate appropriations committees, one member appointed by the house majority leader, and one member appointed by the senate majority leader. The legislative management shall designate the chairman of the committee. The committee shall operate according to the statutes and procedures governing the operation of other legislative management interim committees. The committee may contract with economic forecasting entities to provide economic data specific to North Dakota for state revenue forecasting purposes.
2. The committee shall monitor state revenues and state economic activity, review economic forecasting data and models, review and analyze executive revenue forecasts and alternative revenue forecasts, and conduct other assigned studies.
3. The committee shall review and assess agency revenues, including an assessment of the delivery and cost of services, staffing, and billing processes to identify improvements to the efficiency and effectiveness of the services that will result in reduced costs for state agencies.
4. The committee shall consider input from representatives of the office of management and budget, office of the tax commissioner, industrial commission, other state agencies, and private sector entities.

5. The committee shall report its findings and recommendations to the legislative management for use in developing the biennial state budget.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - INFORMATION TECHNOLOGY DEPARTMENT SERVICES AND COSTS.** During the 2017-18 interim, the legislative management shall consider studying the delivery and cost of the information technology department's services provided to state agencies. The study must include a review of the department's cost of services, staffing, and billing processes and must identify improvements to the efficiency and effectiveness of the department's services that will result in reduced costs for state agencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly.

**SECTION 9. LEGISLATIVE MANAGEMENT STUDY - STATE FLEET SERVICES COSTS.** During the 2017-18 interim, the legislative management shall consider studying the delivery and cost of the department of transportation's state fleet services for state agencies. The study must include a review of the department's cost of services, staffing, and billing processes and identify improvements to the efficiency and effectiveness of the state fleet services that will result in reduced costs for state agencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment creates an interim Legislative Revenue Advisory Committee, provides for Legislative Management studies, and appropriates \$25,000 from the general fund for interim committee consulting services.