

2019 HOUSE APPROPRIATIONS

HB 1001

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1001
1/14/2019
Recording Job# 30766

- Subcommittee
 Conference Committee

Committee Clerk: Sheri Lewis

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 Vigesaa: Opened the hearing on HB1001.

Senator Holmberg, ND Legislative Assembly: Testified concerning the green sheet.

Chairman Vigesaa: This budget did we go back to what we have been paying in the past? Did we remain a little bit below what we've paid in the past?

Senator Holmberg: This budget only has NCSL in it. We restore the reductions that were made last time. That is a question that this legislature will have to decide if we shall pay our full dues. There were a number of states that did not pay their full dues.

John Bjornson, Director, ND Legislative Council: See testimony attachment A.

Vice Chairman Brandenburg: Has the Supreme Court spoken with you about their plans for the library?

John Bjornson: That space is entirely separate from the committee room space.

Vice Chairman Brandenburg: So they're just up on the next floor?

John Bjornson: Yes.

John Bjornson continued with his testimony.

Representative Kempenich: After how many years to do you become invested in the retirement program?

John Bjornson: It's 5 years.

Representative Kempenich: What are the exit interviews like? What are the comments?

John Bjornson: Our receptionist left us this summer. She loved working here but received a much more lucrative offer from somewhere else. We try our best to give them some degree of flexibility. There are a variety of reasons as to why people leave; but it's often financial.

Representative Kempenich: You do have some experience that comes in. Are we staying competitive with other state agencies?

John Bjornson: When I was promoted to this position, that opened a spot in the legal division. We advertised for an attorney, we received fewer than 10 applications. We interviewed 2 candidates and both of them were in jobs where they were making around \$20,000.00 more a year than what we were able to offer. The one we hired was working in the federal court system and was looking to get out of there within a year.

Representative Kempenich: Because there is such a demand when we get together, I'm just trying to make sure that we're keeping up.

John Bjornson: With the legal staff I would say they lost about 125 years of institutional experience and knowledge with the people who left us.

Vice Chairman Brandenburg: You're looking at this \$117,000.00 to try and fill this gap?

John Bjornson: When I look back at my first session to now, it was a whole new learning experience. They don't teach this type of thing in law school. This is unique.

John Bjornson continued with his testimony.

Representative Kempenich: Are there guidelines for meals?

John Bjornson: There are federal guidelines for reimbursement. Ours for in state are based on statutorily per quarter and they're set at a set amount. When you travel out of state, it's based on your location.

John Bjornson continued with his testimony.

Vice Chairman Brandenburg: It appears that a district is going to Fargo and one out west.

John Bjornson: That's correct. This is based on the Census Bureau's estimate. When they get to the actual count, we don't know.

John Bjornson continued with his testimony.

Vice Chairman Brandenburg: Isn't there a way so that you wouldn't need to use so much paper until you get to the end?

John Bjornson: The printing costs are another issue. Printing costs are going up; because there is less competition.

Representative Kempenich: Where do you store your printed records?

John Bjornson: We digitized a lot of our information. The official bills go to the official state archives and are stored there. We've really reduced the amount of paper that we keep.

Chairman Vigesaa: I see that you have \$500,000.00 requested to replace computers and iPads.

Kyle Forester, IT Manager, ND Legislative Council: We're on a 4 year replacement cycle. We purchase a 4 year warranty on the laptops that you're issued and it also covers accidental damage. We start seeing hardware failures in the 3rd and 4th year with those devices. The manufacturers are supposed to retain parts but as they get to years 3 and 4, it gets more difficult to get them repaired. This cycle we've seen numerous issues with batteries. We've probably replaced 60% of the batteries in the laptops.

Chairman Vigesaa: What about the replacement of the digital signs in the committee rooms?

Kyle Forester: We did that in 2015 and we're going to do that again this next biennium. The reason we're doing it is the manufacturer decided to end the life wear product. Behind each of those digital signs, there is a little computer box. We have enough spares on hand that if we have a failure, we can get through to next biennium.

Chairman Vigesaa: The IT unification. Are you involved in that in any way?

Kyle Forester: No, we are not. We are the legislative branch; so we're not part of the governor's cabinet.

Representative Howe: In the green sheet it talks about one-time funding for voting system upgrade? Can you give us details on that?

Kyle Forester: In 2012, we replaced the voting boards. The life on those are probably 15 to 20 years. There are computers that are in the equipment room that manage what's displayed out on the board. They're not different than your laptop computer; there is an end to life on that. We did have a couple of smaller devices that are part of the sound system fail right before session. During the organizational session, the Senate was not able to do their roll call votes with their buttons on their desk.

Chairman Vigesaa: Closed the hearing.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

HB1001
1/28/2019
Recording Job# 31591

- Subcommittee
- Conference Committee

Committee Clerk Signature Sheri Lewis

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 through C

Chairman Vigesaa: Opened the meeting on HB1001.

Chairman Vigesaa: See attachments A through B.

Representative Bellew: Made a motion to reduce the daily 2% raise from the legislature budget but keep the monthly.

No second was made.

Representative Kempenich: That motion was in order and if I thought we'd have a conversation about it, I'd support it.

Chairman Vigesaa: That worksheet is the 2% and 2% for legislators and staff?

Allen Knudson, Fiscal Analyst, ND Legislative Council: The items that we moved across was the session pay increase and the monthly compensation increase.

Chairman Vigesaa: With regard to health insurance, we've moved to the full reimbursement. Is that the way it was all along in the governor's recommendation or the way the assembly was set up?

Allen Knudson: It was. In the budget request for the assembly we have to estimate what we believe health insurance is going to be because OMB doesn't adjust that when it comes in.

Chairman Vigesaa: Restoring funding for two legislative days. Were we at 75?

Allen Knudson: That's correct. For this current biennium, we budgeted for 75 and for next time we budgeted for 77. That's historically what we budgeted was 77; but with the budget reductions last time we lowered it to 75.

Chairman Vigesaa: The fact that we paid a percentage of the NCSL dues last time, did that limit our ability to participate with them fully?

Allen Knudson: No it did not.

Representative Mock: We were budgeted for this legislative session for 75 days. How does us not gaveling in; but working a couple of those days affect the budget? Are we still at 75 actual legislative days or having two days where we weren't gaveled in bring us down to 73 days?

Allen Knudson: It will have some effect because you continue to get paid for those days you didn't gavel in; but it's not the full cost. It might bring it down to 74 ½ days.

Representative Mock: Has NCSL adjusted their fee structure because several states have only paid a portion of their dues?

Allen Knudson: No they haven't. There's a base and an amount based on population.

Representative Mock: Are you aware if that conversation has been occurring?

Allen Knudson: No I'm not. We can follow up and see if there's been some discussion on that.

Vice Chairman Brandenburg: I have heard some of those conversations at conventions.

Representative Bellew: We have \$500,000.00 for new computers and iPads? How much does a new computer and iPad cost? What would a new computer cost and what would a new iPad cost?

Allen Knudson: There are 229 computers which include 141 for the assembly plus the clerks, 5 spares, and presentation computers for the rooms as well. We budgeted \$1,300.00 each. There are some docking stations and things like that that are added in for the clerks. There are 150 iPads plus 4 for the assistants and 5 spares; we budgeted \$1,220.00 for each.

Representative Beadle: Is that the price for the iPad Pro that we currently operate?

Allen Knudson: Yes.

Representative Beadle: Did the committee look at doing any of the smaller versions?

Representative Mock: I was part of the review committee from the last session. When we met there were committee members that preferred the larger iPad Pro. We went with the larger laptops; and I preferred the smaller iPads, they were a little bit cheaper. I think we're going to have that conversation again when the technology review committee meets again.

Apple has come up with some new versions; there's a smaller Pro version of the iPad which is about \$200.00 to \$300.00 cheaper per unit. It wasn't available the day that we made that decision; it would have been a month or so afterward and the committee just chose to go with the current version.

Representative Beadle: The larger iPad Pro does retail at about \$1,200.00. If we're paying that rate, that means we're not getting it at a discount. The 11" is about \$800.00. Was there any conversation in the committee about looking at transitioning to surface pros that can operate as a dual between the laptop or tablet; so you can use one device instead of two?

Representative Mock: There was no in depth conversation about going to the surface or hybrid devices. We do get a discount with staying with Hewlett Packard. It was also preferred to stick with the Apple iPad. I don't know what if anything will change for this next legislative session. If we would consider going to a different device, we would only consider it if it still had the same functionality and was at or below that price point.

Allen Knudson: Would you like us to put on paper what we budgeted so you have the numbers?

Chairman Vigesaa: I don't think we need any additional detail at this point. They're on a four year cycle and that's how long they're supported.

Representative Mock: For some of us the devices are used a lot less. If it weren't for the batteries, they've been used to the point where they're having a hard time replacing them. When we do replace the machines, we do offer the used machines for sale to legislators.

Allen Knudson: It was between \$100.00 to \$200.00.

Representative Mock: Do you recall how much you received from that last resale?

Allen Knudson: We can check on that.

Chairman Vigesaa: Could you explain the voting system upgrade? What does that entail?

Allen Knudson: It's to replace the hardware behind the voting boards. They're anticipating that those might go before next session.

Chairman Vigesaa went through the green sheet.

Chairman Vigesaa: Has section four always been in the budget?

Allen Knudson: That's correct.

Chairman Vigesaa continued with the green sheet.

Chairman Vigesaa: See attachment C.

Representative Bellew: Why is there an emergency clause on this bill?

Allen Knudson: That's also traditionally been on the bill. That's because if you do go more than 75 days, and we don't have enough money in this biennium's budget, we can borrow from next biennium's budget to pay off any expenses for this biennium.

Vice Chairman Brandenburg: We haven't talked about having a special interim session to deal with major events in the two years. It'd really be nice to have a 15 day session in the interim. The conversation has been that a lot of employers won't go along with having an annual session.

Chairman Vigesaa: You didn't put a bill in this time for this?

Representative Kempenich: Representative Hanson did and I signed on. There's one over in the Senate also. They're both "Do Not Pass".

Vice Chairman Brandenburg: It's a new whole ball game when you go from \$100 million in bonding to \$1.2 billion. We're committing to a lot of buckets that have to fill and if they don't; we can't leave it alone for two years. The Legacy money is being committed through bonding and what if it doesn't happen?

Chairman Vigesaa continued with the green sheet.

Chairman Vigesaa: Under IT data process; there was an IT reduction of over \$1 million?

Allen Knudson: The reason that's showing so large is in the detail. We do have carry over authority; any extra money that wasn't spent last biennium gets carried over and put into IT data processing. A lot of that is IT projects, like updates for Legend. It's a reduction of about \$13,000.00 from last time.

Vice Chairman Brandenburg: It looks like we're spending \$503 million on new IT. We're reducing it in different agencies and increasing in ITD. Looking at the decreases in the budgets, how much is it being increased to ITD? We're reducing agency budgets to put people in ITD; but how much is ITD's budget increasing? Are they the same or comparable?

Allen Knudson: We have a schedule on that.

Representative Howe: That \$40,000.00 for digital sign replacement. I'm having trouble supporting that.

Chairman Vigesaa: Are those the boards outside the committee rooms or does it include the boards in the hall?

Allen Knudson: It's the ones outside the committee rooms.

Chairman Vigesaa: What was the reasoning for the update?

Representative Kempenich: The technology has disappeared. As things went down, once they ran out of parts, there was no way to repair them.

Representative Mock: Could the capitol grounds improvement fund be used for those?

Allen Knudson: It's a general fund request; but there's nothing to say you couldn't appropriate that money out of the capitol building fund.

Representative Beadle: Has there ever been a conversation about it being feasible to replace them televisions that had casting ability to them?

Allen Knudson: That's a Kyle question.

Chairman Vigesaa: You load that information on that board from the council?

Allen Knudson: We do here and in the other standing committees, the interns load that information for those committees.

Chairman Vigesaa: If we did something like Representative Beadle is asking about, that would work the same way?

Allen Knudson: I can pass that on to Kyle and he can come and talk to you.

Chairman Vigesaa: Closed the meeting.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

HB1001
2/4/2019
Recording Job# 32123

- Subcommittee
- Conference Committee

Committee Clerk Signature Sheri Lewis

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 Vigesaa: Opened the discussion on HB1001.

Representative Bellew: I did ask Allen Knudson and he stated that their employees are getting better offers in other government agencies in the state; that includes IT, their law people and their financial people. We're a separate branch of government and I think our employees deserve at least what the supreme court and executive branch employees get.

Chairman Vigesaa: The level that they would be raised to is the entry level salary levels of the other branches?

Representative Bellew: The starting people would; but the people that have been there would be raised to the equivalent of a similar position in the executive or judicial branches.

Chairman Vigesaa: I asked John if we considered this, would there be any other areas of their budget where they could trim a bit to help with your project.

Chairman Vigesaa: See attachment A.

Becky Keller, Analyst, ND Office of Management and Budget: That is if employees would contribute \$28.00 per month for health insurance; the premium would be \$1,427.00.

Chairman Vigesaa continued with attachment A.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

HB1001
2/5/2019
Recording Job# 32147

- Subcommittee
 Conference Committee

Committee Clerk Signature Sheri Lewis

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 Vigesaa: Opened the discussion on HB1001

Roll Call taken.

Representative Bellew: See attachment A.

Chairman Vigesaa: Discussed attachment A.

Vice Chairman Brandenburg: Are we adding the \$216,000.00 to the \$117,000.00?

Chairman Vigesaa: Yes.

Chairman Vigesaa continued with his explanation.

Chairman Vigesaa: See attachment B from January 28, 2019.

Representative Mock: Made a motion to restore the funding for one of two unfunded administrative positions.

Representative Bellew: Seconded the motion.

Chairman Vigesaa: I think we'll take them all at once for one vote.

Chairman Vigesaa continued with the worksheet.

Chairman Vigesaa: Where would that go?

Allen Knudson, Analyst, ND Legislative Council: We'd put it in with the session retention program.

Chairman Vigesaa continued with the worksheet.

Chairman Vigesaa: Why is there a line for per diem?

Sheila Sandness, Analyst, ND Legislative Council: That's the 2% and 2% on the per diem for the interim committee meetings.

Chairman Vigesaa continued with the worksheet.

Chairman Vigesaa: We would subtract \$60,000.00 from the operating expenses. Would that be correct?

Allen Knudson: That's correct.

Chairman Vigesaa continued with the worksheet.

Sheila Sandness: If you take \$32,790.00 and minus \$70,000.00 you get a negative or reduction of \$37,210.00.

Chairman Vigesaa continued with the worksheet.

Chairman Vigesaa: Can you explain the one-time funding?

Allen Knudson: Explained the green sheet for the one-time funding for legislative council.

Representative Bellew: Are we going to redistrict this next time?

Chairman Vigesaa: Will that redistricting committee be appointed at the end of this session to begin their work during the interim?

Allen Knudson: I don't think so; that would be after the next session.

Chairman Vigesaa continued with the worksheet.

Chairman Vigesaa: The emergency clause is traditional?

Allen Knudson: That's traditional as well just in case you go too many days. We've budgeted 75 days for this session from two years ago. If we would go beyond that, we'd have some costs that we could spend from next biennium's appropriation to cover this biennium's cost.

Representative Mock: Made a motion to move the items over to the House changes for legislative council.

Representative Bellew: Seconded the motion.

Voice Vote made.

Motion Carried.

Chairman Vigesaa: See attachment A from January 28, 2019.

Chairman Vigesaa: What is increased funding for temporary salaries?

Allen Knudson: That would be for the temporary staff during session. We would increase their salaries by the 2% and 2% as well.

Chairman Vigesaa continued with the worksheet.

Vice Chairman Brandenburg: How many days does that give us?

Sheila Sandness: We had budgeted 77 days and went down to 75 days.

Chairman Vigesaa: This would take us back to 77 days?

Sheila Sandness: That's correct.

Chairman Vigesaa continued with the worksheet.

Chairman Vigesaa: Will that be a section to the bill?

Allen Knudson: Yes.

Chairman Vigesaa continued with the worksheet.

Chairman Vigesaa: Is that pretty close?

Allen Knudson: That's pretty close. It's up to the legislative technology committee that gets appointed. If it's too much, it would get turned back at the end.

Representative Mock: Once that committee is appointed, we'll meet during the interim. We'll have a meeting where we'll go the RFP process and we'll have demos with a few of the sample devices. We forward the recommendations off to legislative procedures and arrangements; and they make the final decision.

Chairman Vigesaa continued with the worksheet.

Chairman Vigesaa: The worksheet about NCSL dues states \$38,278.00; but council stated they could reduce to \$26,343.00.

Sheila Sandness: The executive budget included the full funding for the full dues. If you want to go back to a reduction of 90%; that would be a reduction of \$26,343.00. You could calculate the difference; and what you'd end up with is an increase of \$11,935.00.

Chairman Vigesaa: Is that because the dues changed?

Sheila Sandness: That's correct. The dues do go up; so the 90% this time is higher than the 90% from last session.

Chairman Vigesaa: How often are those adjusted?

Sheila Sandness: It's adjusted annually.

Chairman Vigesaa: Do you have any idea of how that's based?

Allen Knudson: It's based on population.

Vice Chairman Brandenburg: What is the Senate doing with CSG dues?

Allen Knudson: I haven't sat on that budget.

Chairman Vigesaa continued with the worksheet.

Sheila Sandness: The transfers and continuations of appropriation authority are in the base budget; but the other two items are related to the 2% increase annually for legislators pay during session.

Allen Knudson: There was a question about how much we sell the computers and iPads for. Last time the laptops sold for \$250.00 and the iPads for \$200.00; 12 legislators bought their laptops and 36 bought their iPads. There was a total revenue of \$10,000.00 and that goes back into the general fund.

Representative Kempenich: They're wiped clean except for what?

Allen Knudson: I believe everything except the operating system; all the software is wiped off.

Representative Mock: The Office 365 and all those programs would be removed. Any legislator that did not return this session, did they have the option of purchasing their equipment?

Allen Knudson: It's when the equipment is replaced.

Representative Mock: Would any of those legislators have the option to purchase the equipment when we are doing the turn back option?

Allen Knudson: I don't believe they would.

Chairman Vigesaa: The ones that aren't purchased by the legislators; they go to surplus property and sold to the general public? Do state employees get first chance?

Allen Knudson: It would be other state agencies or political subdivisions that could purchase them.

Chairman Vigesaa: Do you know how many of them were purchased?

Allen Knudson: I do not.

Representative Mock: Made a motion to move all discussed items to the House version for Legislative Assembly.

Representative Beadle: Seconded the motion.

Voice Vote made.

Motion Carried.

Chairman Vigesaa: Closed the meeting.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

HB1001
2/7/2019
Recording Job# 32420

- Subcommittee
 Conference Committee

Committee Clerk Signature Sheri Lewis

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 Vigesaa: Opened the discussion on HB1001.

Chairman Vigesaa: See attachment A.

Adam Mathiak, Analyst, ND Legislative Council: The digital signage is based on these thresholds; if the device is less than \$5,000.00, those would show up in the operating expenses. If they're over \$5,000.00, they would be capital assets. Since the monitors are probably less than \$5,000.00 a piece, they would show up in the operating expenses.

Chairman Vigesaa continued with attachment A.

Chairman Vigesaa: The \$70,000.00 income that the council gets; what is that for again?

Adam Mathiak: I believe that's related to requesting copies of documents.

Representative Bellew: Is that \$7,500.00 for an oil conference in Dickinson?

Representative Kempenich: Yes.

Representative Bellew: Made a motion to adopt amendment 19.0189.01002.

Representative Howe: Seconded the motion.

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

Representative Howe: Seconded the motion.

House Appropriations Committee – Government Operations Division
HB1001
February 7, 2019
Page 2

Roll Call Vote: 5 Yeas 0 Nays 2 Absent.

Motion Carried.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

HB 1001
2/12/2019
32564

- Subcommittee
 Conference Committee

Committee Clerk: Risa Bergquist by Caitlin Fleck
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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:

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Chairman Delzer: Opened hearing for HB1001.

Representative Bellew: I will be referring to amendment 19.0189.01002.

2:05 Chairman Delzer: It was that much of an increase on...?

Representative Bellew: Yes, because we had to increase it by 11,000.

Chairman Delzer: Did you discuss how the legislative council (LC) sets that?

Representative Bellew: Yes, it's by population of the state.

Chairman Delzer: Did you discuss is there going to be a committee for those computers?

Representative Bellew: The Information Technology committee will make the recommendations.

Chairman Delzer: That's out of the capital building fund? And does the committee have to approve that?

Representative Bellew: Yes. I'm not sure on that.

Allen Knudson, LC: The committee doesn't need to approve that, it would just be appropriated to us.

Chairman Delzer: That would be for the movement that has taken place in there?

Representative Bellew: It would be for the longevity of the department.

Chairman Delzer: You funded one but it's not a change in fulltime employees (FTEs) so is there still one unfunded?

Mr. Knudson: There is one still unfunded.

Chairman Delzer: How many vacancies did we have up there?

Mr. Knudson: There are 4.

7:35 Chairman Delzer: The interim committee meetings in council? Does that cover all the interim committees?

Mr. Knudson: That is the increase of the 2&2.

Chairman Delzer: So then why are they in the LC if it has to get approved?

Mr. Knudson: That is where it has always been because legislative assembly does include the legislative council.

Chairman Delzer: Why did you decrease the interim committee numbers? And there is a onetime funding for the redistricting equipment?

Representative Bellew: That is what we did last biennium, so we just kept it. Some of the districts are redistricting in 2021, and that will allow them to do a good job of redistricting.

Chairman Delzer: We don't have the special session until after that 2021 biennium.

Representative Bellew: We will need the software before that special session, and that will be during this biennium.

Chairman Delzer: That will be after session, I'd assume.

Mr. Knudson: They need to buy that now so they can get them ready for next session.

Chairman Delzer: That didn't carry forward from the last time?

Mr. Knudson: No.

Representative Vigesaa: Council offered some savings within their budget They found almost enough to cover the salaries such as reducing operating expenses, some professional services during the interim, and some printing expenses.

Chairman Delzer: You're not aware of any other conferences that will come to ND?

Mr. Knudson: No.

Chairman Delzer: We usually have some additional funds from the study resolution with a requirement for hiring someone, where does that reside, and how much do we have there?

Mr. Knudson: That is in LC and we have \$140,000. We did not increase that.

Chairman Delzer: That's not the travel or the interim?

Mr. Knudson: Correct, that is just for hiring consultants.

Representative Bellew: Move to adopt amendment 19.0189.01002.

Representative Beadle: Second.

Voice Vote: Motion carries.

Representative Bellew: Move for a do pass as amended.

Representative Howe: Second.

Roll Call Vote: 21 Yes, 0 No, 0 Absent.

Motion Carries.

Floor assignment: **Representative Bellew.**

DA 2/6/19
LOF11

Fiscal No. 2

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1001

Page 1, line 3, after the semicolon insert "to amend and reenact sections 54-03-20 and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide for a report; to provide an effective date;"

Page 1, line 8, after "fund" insert "and the capitol building fund"

Page 1, replace lines 13 through 19 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$927,113	\$11,160,537
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>11,935</u>	<u>237,090</u>
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total general fund	\$14,159,170	\$1,609,695	\$15,768,865"

Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 6 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$886,859	\$9,936,389
Operating expenses	2,911,608	171,749	3,083,357
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,064,608	\$12,955,746
Full-time equivalent positions	36.00	0.00	36.00"

Page 2, replace lines 9 through 13 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$2,674,303	\$28,724,611
Grand total special funds	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
Grand total all funds	\$26,120,308	\$2,814,303	\$28,934,611

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Digital signage replacement	\$0	\$40,000
Voting system upgrades	0	100,000
Computer and iPad replacement	<u>0</u>	<u>517,760</u>

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Total all funds	\$0	\$657,760
Less estimated income	<u>0</u>	<u>140,000</u>
Total general fund	\$0	\$517,760

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative assembly shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Redistricting equipment	\$0	\$22,400
Computer replacement	0	124,856
Council of state governments conference	<u>0</u>	<u>7,500</u>
Total general fund	\$0	\$154,756

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes \$140,000 from the capitol building fund for digital signage replacement and voting system upgrades for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 3, after line 3, insert:

"SECTION 7. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~seventy-~~seventy-eighty-one dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount

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equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
- 3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
- 4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
- 5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

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6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~four~~five hundred ~~ninety-five~~five dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~fifty-five~~sixty-two dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 8. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~eighty-one~~eighty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
 - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of

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the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

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6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of five hundred ~~five~~fifteen dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~sixty-two~~sixty-nine dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 9. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~seventy-seven~~eighty-one dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

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SECTION 10. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~eighty-one~~eighty-five dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 11. EFFECTIVE DATE. Sections 7 and 9 of this Act become effective on July 1, 2019, and sections 8 and 10 of this Act become effective on July 1, 2020."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of House Action

	Base Budget	House Changes	House Version
Legislative Assembly			
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	0	140,000	140,000
General fund	\$14,159,170	\$1,609,695	\$15,768,865
FTE	0.00	0.00	0.00
Legislative Council			
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	70,000	0	70,000
General fund	\$11,891,138	\$1,064,608	\$12,955,746
FTE	36.00	0.00	36.00
Bill total			
Total all funds	\$26,120,308	\$2,814,303	\$28,934,611
Less estimated income	70,000	140,000	210,000
General fund	\$26,050,308	\$2,674,303	\$28,724,611
FTE	36.00	0.00	36.00

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House Bill No. 1001 - Legislative Assembly - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$10,233,424	\$927,113	\$11,160,537
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National Conf. of State Legislatures	225,155	11,935	237,090
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	0	140,000	140,000
General fund	\$14,159,170	\$1,609,695	\$15,768,865
FTE	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of House Changes

	Adds Funding for Legislative Pay Increases ¹	Adjusts Funding for Health Insurance Increases ²	Increases Funding for Temporary Salaries ³	Restores Funding for Two Legislative Days ⁴	Increases Funding for Monthly Lodging Reimbursement ²	Adjusts Funding for Operating Expenses ⁵
Salaries and wages	\$196,858	\$594,255	\$24,000	\$112,000		
Operating expenses				48,000	\$40,670	\$64,217
Capital assets						
National Conf. of State Legislatures						
Total all funds	\$196,858	\$594,255	\$24,000	\$160,000	\$40,670	\$64,217
Less estimated income	0	0	0	0	0	0
General fund	\$196,858	\$594,255	\$24,000	\$160,000	\$40,670	\$64,217
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Funding for National Conference of State Legislatures Dues ²	Adds One-Time Funding for Digital Signage Replacement ⁴	Adds One-Time Funding for Computer and iPad Replacement ³	Adds One-Time Funding for Voting System Upgrades ¹⁹	Total House Changes
Salaries and wages			\$517,760		\$927,113
Operating expenses		\$40,000			710,647
Capital assets				\$100,000	100,000
National Conf. of State Legislatures	\$11,935				11,935
Total all funds	\$11,935	\$40,000	\$517,760	\$100,000	\$1,749,695
Less estimated income	0	40,000	0	100,000	140,000
General fund	\$11,935	\$0	\$517,760	\$0	\$1,609,695
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is added for legislator compensation adjustments of 2 percent per year for regular and organizational sessions, legislators' monthly compensation, and additional monthly compensation for legislative leaders.

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$185
Monthly compensation	\$495	\$505	\$515
Leaders' additional monthly compensation	\$355	\$362	\$369

² Funding is added for increases in health insurance premiums from \$1,241 to \$1,427 per month.

³ Funding is added for compensation adjustments of 2 percent per year for temporary session staff.

⁴ Funding is added to restore legislative compensation and travel for 2 legislative days removed in 2017 to provide

funding for 77 legislative days.

⁵ Funding is added to increase the maximum monthly lodging expense reimbursement to \$1,796 anticipated for the 2021 legislative session. The maximum monthly lodging expense reimbursement is \$1,758 for the 2019 session.

⁶ Funding for operating expenses is increased, including increases in funding for service contracts and repairs, telecommunications, and information technology software and decreases in information technology data processing, information technology equipment over \$5,000, and other operating expenses.

⁷ Funding is added for increases in National Conference of State Legislatures dues, to provide for 90 percent of the dues assessment, for a total of \$237,090 for the 2019-21 biennium.

⁸ One-time funding is added from the capitol building fund for digital signage replacement.

⁹ One-time funding is provided for information technology equipment under \$5,000 for laptop and iPad replacement.

¹⁰ One-time funding for capital assets is added from the capitol building fund for voting system upgrades.

This amendment also adds sections to:

- Adjust 2019-21 biennium compensation rates to provide 2 percent per year increases for regular and organizational session pay, legislators' monthly compensation, and additional monthly compensation for legislative leaders; and
- Provide effective dates of the legislative compensation increases.

House Bill No. 1001 - Legislative Council - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,049,530	\$886,859	\$9,936,389
Operating expenses	2,911,608	171,749	3,083,357
Capital assets		6,000	6,000
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	70,000	0	70,000
General fund	\$11,891,138	\$1,064,608	\$12,955,746
FTE	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of House Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Restores Funding for an Administrative Position ³	Reduces Funding for Overtime Salaries ⁴	Adds Funding for a Session Retention Program ⁵	Increases Funding for Legislator Per Diem ⁶
Salaries and wages	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
Operating expenses						
Capital assets						
Total all funds	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
Less estimated income	0	0	0	0	0	0
General fund	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
FTE	0.00	0.00	0.00	0.00	0.00	0.00

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	Decreases Funding for Reduced Interim Committee Sizes ⁷	Restores Funding for Out-of-State Travel ⁸	Adds Funding for Increased Lodging Rates ⁹	Decreases Funding for Operating Expenses ¹⁰	Adds Funding for Capital Assets ¹¹	Adds One-Time Funding for Computer Replacement ¹²
Salaries and wages	(\$20,200)	\$30,188				
Operating expenses	(39,257)	81,860	\$11,600	(\$37,210)		\$124,856
Capital assets					\$6,000	
Total all funds	(\$59,457)	\$112,048	\$11,600	(\$37,210)	\$6,000	\$124,856
Less estimated income	0	0	0	0	0	0
General fund	(\$59,457)	\$112,048	\$11,600	(\$37,210)	\$6,000	\$124,856
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Redistricting Equipment ¹³	Adds One-Time Funding for Council of State Governments Conference ¹⁴	Total House Changes
Salaries and wages			\$886,859
Operating expenses	\$22,400	\$7,500	171,749
Capital assets			6,000
Total all funds	\$22,400	\$7,500	\$1,064,608
Less estimated income	0	0	0
General fund	\$22,400	\$7,500	\$1,064,608
FTE	0.00	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent per year and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$207,899	\$0	\$207,899
Health insurance increase	156,172	0	156,172
Total	\$364,071	\$0	\$364,071

³ Funding is restored for one of two unfunded administrative positions.

⁴ Funding for overtime salaries is reduced.

⁵ Funding is added for a session retention program.

⁶ Funding is added for 2019-21 biennium compensation adjustments of 2 percent per year for legislators' attendance at interim meetings. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Interim meeting pay	\$177	\$181	\$185

⁷ Funding is decreased to continue reduced committee sizes during the 2019-21 biennium, including per diem (\$20,200) and travel (\$39,257).

⁸ Funding is added for other meetings and out-of-state travel to restore 2017-19 biennium 10 percent reductions, including per diem \$30,188 and travel \$81,860.

⁹ Funding is added for estimated increases in the lodging rate.

¹⁰ Funding is reduced for operating expenses.

¹¹ Funding is added for capital assets for emergency equipment replacement.

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¹² One-time funding is added for information technology equipment less than \$5,000 for computer replacement.

¹³ One-time funding is added for information technology equipment less than \$5,000 for redistricting.

¹⁴ One-time funding is added for a Council of State Governments conference.

Sections are also added to:

- Adjust 2019-21 biennium compensation rates to provide a 2 percent per year increase for interim meeting pay; and
- Provide effective dates of the legislative compensation increases.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1001**

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 Mock Seconded By Representative Bellew

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigesaa			Representative Mock		
Vice Chairman Brandenburg					
Representative Beadle					
Representative Bellew					
Representative Howe					
Representative Kempenich					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
 Made a motion to move all the discussed changes for Legislative Council to the House version.
 Motion Carried.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1001**

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 Mock Seconded By Representative Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigesaa			Representative Mock		
Vice Chairman Brandenburg					
Representative Beadle					
Representative Bellew					
Representative Howe					
Representative Kempenich					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
 Made a motion to move all the discussed changes for Legislative Assembly to the House version.
 Motion Carried.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1001**

House Appropriations - Government Operations Division Committee

Subcommittee

Amendment LC# or Description: 19.0189.01002

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 Bellew Seconded By Representative Howe

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigesaa			Representative Mock		
Vice Chairman Brandenburg					
Representative Beadle					
Representative Bellew					
Representative Howe					
Representative Kempenich					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1001**

House Appropriations - Government Operations Division Committee

Subcommittee

Amendment LC# or Description: 19.0189.01002

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 Bellew Seconded By Representative Howe

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigesaa	X		Representative Mock		
Vice Chairman Brandenburg					
Representative Beadle	X				
Representative Bellew	X				
Representative Howe	X				
Representative Kempenich	X				

Total (Yes) 5 No 0

Absent 2

Floor Assignment Representative Bellew

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

Date: 2/12/2019
 Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 1001**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 19.0189.01002

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 Bellew Seconded By Representative Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich					
Representative Anderson			Representative Schobinger		
Representative Beadle			Representative Vigesaa		
Representative Bellew					
Representative Brandenburg					
Representative Howe			Representative Boe		
Representative Kreidt			Representative Holman		
Representative Martinson			Representative Mock		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

Voice Vote/Motion Carries

Date: 2/13/2019
 Roll Call Vote #: 2

**2019 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HB 1001**

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 Bellew Seconded By Representative Howe

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X				
Representative Anderson	X		Representative Schobinger	X	
Representative Beadle	X		Representative Vigesaa	X	
Representative Bellew	X				
Representative Brandenburg	X				
Representative Howe	X		Representative Boe	X	
Representative Kreidt	X		Representative Holman	X	
Representative Martinson	X		Representative Mock	X	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 21 No 0

Absent 0

Floor Assignment Representative Bellew

Motion Carries

REPORT OF STANDING COMMITTEE

HB 1001: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1001 was placed on the Sixth order on the calendar.

Page 1, line 3, after the semicolon insert "to amend and reenact sections 54-03-20 and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide for a report; to provide an effective date;"

Page 1, line 8, after "fund" insert "and the capitol building fund"

Page 1, replace lines 13 through 19 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$927,113	\$11,160,537
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>11,935</u>	<u>237,090</u>
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total general fund	\$14,159,170	\$1,609,695	\$15,768,865"

Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 6 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$886,859	\$9,936,389
Operating expenses	2,911,608	171,749	3,083,357
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,064,608	\$12,955,746
Full-time equivalent positions	36.00	0.00	36.00"

Page 2, replace lines 9 through 13 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$2,674,303	\$28,724,611
Grand total special funds	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
Grand total all funds	\$26,120,308	\$2,814,303	\$28,934,611

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.

The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Digital signage replacement	\$0	\$40,000
Voting system upgrades	0	100,000
Computer and iPad replacement	<u>0</u>	<u>517,760</u>
Total all funds	\$0	\$657,760
Less estimated income	<u>0</u>	<u>140,000</u>
Total general fund	\$0	\$517,760

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative assembly shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Redistricting equipment	\$0	\$22,400
Computer replacement	0	124,856
Council of state governments conference	0	7,500
Total general fund	\$0	\$154,756

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes \$140,000 from the capitol building fund for digital signage replacement and voting system upgrades for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 3, after line 3, insert:

"SECTION 7. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~seventy-seventy-one~~ seventy-one dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is

- entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
- (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
 5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
 6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
 7. a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~four~~five hundred ~~ninety-five~~five dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.

- c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~forty-five~~sixty-two dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 8. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~eighty-one~~eighty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.

3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7. a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of five hundred ~~five~~fifteen dollars a month, paid monthly.
- b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
- c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~sixty-two~~sixty-nine dollars per month during the biennium for their execution of public duties.

8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 9. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~seventy-seven~~eighty-one dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 10. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~eighty-one~~eighty-five dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 11. EFFECTIVE DATE. Sections 7 and 9 of this Act become effective on July 1, 2019, and sections 8 and 10 of this Act become effective on July 1, 2020."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of House Action

	Base Budget	House Changes	House Version
Legislative Assembly			
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	0	140,000	140,000
General fund	\$14,159,170	\$1,609,695	\$15,768,865
FTE	0.00	0.00	0.00
Legislative Council			
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	70,000	0	70,000
General fund	\$11,891,138	\$1,064,608	\$12,955,746
FTE	36.00	0.00	36.00
Bill total			
Total all funds	\$26,120,308	\$2,814,303	\$28,934,611
Less estimated income	70,000	140,000	210,000
General fund	\$26,050,308	\$2,674,303	\$28,724,611
FTE	36.00	0.00	36.00

House Bill No. 1001 - Legislative Assembly - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$10,233,424	\$927,113	\$11,160,537
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National Conf. of State Legislatures	225,155	11,935	237,090
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	0	140,000	140,000
General fund	\$14,159,170	\$1,609,695	\$15,768,865
FTE	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of House Changes

	Adds Funding for Legislative Pay Increases ¹	Adjusts Funding for Health Insurance Increases ²	Increases Funding for Temporary Salaries ³	Restores Funding for Two Legislative Days ⁴	Increases Funding for Monthly Lodging Reimbursements ⁵	Adjusts Funding for Operating Expenses ⁶
Salaries and wages	\$196,858	\$594,255	\$24,000	\$112,000		
Operating expenses				48,000	\$40,670	\$64,217
Capital assets						
National Conf. of State Legislatures						
Total all funds	\$196,858	\$594,255	\$24,000	\$160,000	\$40,670	\$64,217
Less estimated income	0	0	0	0	0	0
General fund	\$196,858	\$594,255	\$24,000	\$160,000	\$40,670	\$64,217
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Funding for National Conference of State Legislatures Dues ⁷	Adds One- Time Funding for Digital Signage Replacement ⁸	Adds One- Time Funding for Computer and iPad Replacement ⁹	Adds One- Time Funding for Voting System Upgrades ¹⁰	Total House Changes
Salaries and wages					\$927,113
Operating expenses		\$40,000	\$517,760		710,647
Capital assets				\$100,000	100,000
National Conf. of State Legislatures	\$11,935				11,935
Total all funds	\$11,935	\$40,000	\$517,760	\$100,000	\$1,749,695
Less estimated income	0	40,000	0	100,000	140,000
General fund	\$11,935	\$0	\$517,760	\$0	\$1,609,695
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is added for legislator compensation adjustments of 2 percent per year for regular and organizational sessions, legislators' monthly compensation, and additional monthly compensation for legislative leaders.

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$185
Monthly compensation	\$495	\$505	\$515
Leaders' additional monthly compensation	\$355	\$362	\$369

² Funding is added for increases in health insurance premiums from \$1,241 to \$1,427 per month.

³ Funding is added for compensation adjustments of 2 percent per year for temporary session staff.

⁴ Funding is added to restore legislative compensation and travel for 2 legislative days removed in 2017 to provide funding for 77 legislative days.

⁵ Funding is added to increase the maximum monthly lodging expense reimbursement to \$1,796 anticipated for the 2021 legislative session. The maximum monthly lodging expense reimbursement is \$1,758 for the 2019 session.

⁶ Funding for operating expenses is increased, including increases in funding for service contracts and repairs, telecommunications, and information technology software and decreases in information technology data processing, information technology equipment over \$5,000, and other operating expenses.

⁷ Funding is added for increases in National Conference of State Legislatures dues, to provide for 90 percent of the dues assessment, for a total of \$237,090 for the 2019-21 biennium.

⁸ One-time funding is added from the capitol building fund for digital signage replacement.

⁹ One-time funding is provided for information technology equipment under \$5,000 for laptop and iPad replacement.

¹⁰ One-time funding for capital assets is added from the capitol building fund for voting system upgrades.

This amendment also adds sections to:

- Adjust 2019-21 biennium compensation rates to provide 2 percent per year increases for regular and organizational session pay, legislators' monthly compensation, and additional monthly compensation for legislative leaders; and
- Provide effective dates of the legislative compensation increases.

House Bill No. 1001 - Legislative Council - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,049,530	\$886,859	\$9,936,389
Operating expenses	2,911,608	171,749	3,083,357
Capital assets		6,000	6,000
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	70,000	0	70,000
General fund	\$11,891,138	\$1,064,608	\$12,955,746
FTE	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of House Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Restores Funding for an Administrative Position ³	Reduces Funding for Overtime Salaries ⁴	Adds Funding for a Session Retention Program ⁵	Increases Funding for Legislator Per Diem ⁶
Salaries and wages	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
Operating expenses						
Capital assets						
Total all funds	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
Less estimated income	0	0	0	0	0	0
General fund	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Decreases Funding for Reduced Interim Committee Sizes ⁷	Restores Funding for Out-of-State Travel ⁸	Adds Funding for Increased Lodging Rates ⁹	Decreases Funding for Operating Expenses ¹⁰	Adds Funding for Capital Assets ¹¹	Adds One-Time Funding for Computer Replacement ¹²
Salaries and wages	(\$20,200)	\$30,188				
Operating expenses	(39,257)	81,860	\$11,600	(\$37,210)		\$124,856
Capital assets					\$6,000	
Total all funds	(\$59,457)	\$112,048	\$11,600	(\$37,210)	\$6,000	\$124,856
Less estimated income	0	0	0	0	0	0
General fund	(\$59,457)	\$112,048	\$11,600	(\$37,210)	\$6,000	\$124,856
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Redistricting Equipment ¹³	Adds One-Time Funding for Council of State Governments Conference ¹⁴	Total House Changes
Salaries and wages			\$886,859
Operating expenses		\$22,400	171,749
Capital assets			6,000
Total all funds		\$22,400	\$1,064,608
Less estimated income		0	0
General fund		\$22,400	\$1,064,608
FTE		0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent per year and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$207,899	\$0	\$207,899
Health insurance increase	156,172	0	156,172
Total	\$364,071	\$0	\$364,071

³ Funding is restored for one of two unfunded administrative positions.

⁴ Funding for overtime salaries is reduced.

⁵ Funding is added for a session retention program.

⁶ Funding is added for 2019-21 biennium compensation adjustments of 2 percent per year for legislators' attendance at interim meetings. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Interim meeting pay	\$177	\$181	\$185

⁷ Funding is decreased to continue reduced committee sizes during the 2019-21 biennium, including per diem (\$20,200) and travel (\$39,257).

⁸ Funding is added for other meetings and out-of-state travel to restore 2017-19 biennium 10 percent reductions, including per diem \$30,188 and travel \$81,860.

⁹ Funding is added for estimated increases in the lodging rate.

¹⁰ Funding is reduced for operating expenses.

¹¹ Funding is added for capital assets for emergency equipment replacement.

¹² One-time funding is added for information technology equipment less than \$5,000 for computer replacement.

¹³ One-time funding is added for information technology equipment less than \$5,000 for redistricting.

¹⁴ One-time funding is added for a Council of State Governments conference.

Sections are also added to:

- Adjust 2019-21 biennium compensation rates to provide a 2 percent per year increase for interim meeting pay; and
- Provide effective dates of the legislative compensation increases.

2019 SENATE APPROPRIATIONS

HB 1001

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1001
2/28/2019
JOB # 32994

- Subcommittee
 Conference Committee

Committee Clerk: Alice Delzer and Alicia Larsgaard

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; to amend and reenact sections 54-03-20 and 54-35-10 of the NDCC, relating to legislative compensation; to provide for a report; to provide an effective date; and to declare an emergency.

Minutes:

1. Statement of John Bjornson, Director with Appendix

Chairman Holmberg: Called the committee to order on HB 1001. All committee members were present except Senator Bekkedahl. Becky J. Keller, OMB and Sheila M. Sandness, Legislative Council were also present.

John Bjornson, Director of Legislative Council: Testified in favor of SB 1001 and presented attachment #1. Legislative Assembly – page 1 shares the appropriation needs for the Legislative Assembly. The salaries and wages on page 1 are described. The engrossed version of the bill is an estimated cost of \$140,667.00. **(4.36)** Operating costs includes funding for legislators' travel costs, lodging costs, contribution to International Legislator's Forum; Professional services, Replacement of legislator's computers and iPads. Replacement of the digital signs for committee rooms using one-time funding of \$40,000 from the Capitol building fund.

(05.43) Chairman Holmberg: When we went to the new computer system we have had for two sessions, part of the reason we have a four-year replacement, is because of the contracts we have and how the technology changes. I remember one of the topics of discussion was when will we reach the stage where we need only 1 computer versus having the laptop plugged in upstairs and then the iPad. Is that in the future or are we anticipating we would have two computers.

John Bjornson: The proposal is to have two computers. When they considered the computer purchases, the decision was made to go to the iPad pro with the hope that would help lead to a single device.

Kyle Forester, IT Manager for Legislative Branch: The committee still opted to go with both the laptop and the iPad. Mr. Bjornson is correct that possible, the iPad could replace the laptop. We are seeing that the majority of the members in the chamber are still continuing to use their laptops. We do have Word and Excel that is available on the iPad. That technology is there. The budget, we budgeted for both, not knowing what the work group or the committee would ultimately decide for 2020. We do a 4-year life on this equipment and we purchased the extended warranty on these which will expire in 2020. In the past we have seen hardware failures. The manufacturers will stock those parts for only so many years. Once that 4-year end of life happens, it is going to become difficult to replace those parts of the computers. That is why we do the end of life and the replacement.

Chairman Holmberg: I had that failure, and some guy came up to my house and fixed it. Any questions? One of the other concerns at the time was the if the iPad was secure and technologically able to handle the Laws system. We have a long track record with the laptops.

Kyle Forester: The iPads are secure. We do have a LAWS application that many members do run on their iPads. One of the limitations is regarding how many legislators do mail merge in Microsoft word. That is one feature we have never seen available on the iPad. For the most part iPads are used for emails, notes, browsing the web, etc.

Senator Robinson: We are going into the final year of the equipment we have now. How many problems have we had with them? Have we had problems with lost, damaged, or malfunctioned iPads?

Kyle Forester: As far as the laptops we have had several failures with video cards or the actual hard drives. We have also had laptops dropped or coffee spilled on them. We have damage coverage on the laptops. With the iPads, we have had a few cracked screens. We have sent them out to Apple for repair. It costs about 40% of the original device cost. To replace the screen. We have opted to do that rather than discard the device. There have been a handful that have not been able to be repaired.

Chairman Holmberg: I had a laptop stolen from my motel room in Miami Beach. I had to file a police report. I got another one from the legislature. I had to file it and they never found it.

Kyle Forester: Regarding the iPad and personal laptops. All the laptops in the chamber are hooked up to the wired network. If we went to a single device, we would become dependent on the wireless network within the chamber to always be up and functional. For the most part, it has been good. IT did upgrade the wireless before the 2017 session. It has been down every once in a while. This session has been actually pretty good.

(13:06) John Bjornson: Capital Assets – page 2 of his testimony. If any of you have used the Pioneer Room, that has been upgraded. We are looking at investing another \$40,000 in the audio and vision systems to get that room to the same standards as the other committee rooms. The room itself is an excellent room for larger hearings and has been upgraded significantly by the executive branch this last biennium.

Chairman Holmberg: I have been told the chairs are better in there than what is in here. I have not been down there. What is the difference?

John Bjornson: I have not tried the chairs. I know the room looks much like the Sheyenne River and the Choteau rooms. We'll go test them. The next item is the National Conference of State Legislatures: Page 2 of testimony. NCSL does their dues based on the estimated state population. They increase annually based on our increases in population.

Subdivision 2 – Legislative Management and Legislative Council, page 2 of testimony. Refer to the appendix which shows the vacancies in their department. **(18.07)**

Salaries and wages – page 2. The session retention program is intended to retain key staff members for legislative sessions. I was doing research, I found the federal bureau of labor affairs in 2018 indicated the median tenure for people in jobs for the 25 to 34-year-old demographic is under 3 years, and it really takes that long to train the employee. With the turnover we have, we have excellent people on the fiscal staff, they are in their 2nd and 3rd sessions. They are just understanding the process. In the legal staff, we have 6 other attorneys that are under 5 years of experience. We invest a lot of time and effort into their training and we want to retain them. We looked at the supreme court, we looked to OMB, and at this point, the lowest paid OMB fiscal analyst is paid more than half of our fiscal staff. It is hard to us to retain people. We need to be competitive with that. With the attorneys, we need to look at what other people are paying. The Department of Corrections are advertising for an attorney. The midpoint of that pay range would be higher than all five of those. We get a little nervous when we see those things come out. Someone told me that they qualify for it even but they are not applying for it.

Chairman Holmberg: I know there have been some fiscal staff that have left and gone up a few floors. How much of our leakage goes to other state agencies?

John Bjornson: Not as much as we fear. You are correct on the fiscal analyst on the legal side, one left another state agency, one left to the private sector and is now working at the equivalent office in SD. On the support side, we have managed to not lose the state agencies but we are losing them to the private sector. There is no way we could compete with the higher wages. We try to make the council a good place for people to work. We try to be flexible when we are not in session to encourage them to stay with us. We have done a lot to make it an attractive place to work. We want to make it a career destination. Pay is one part of it and they have to love the job. The people do love it that we have now. We try to make it a friendly place for young people that have families and for them to be able to go to their kids' games and this of that nature.

Chairman Holmberg: We have had lawyers and attorneys from other state agencies that come to the Legislative Council.

John Bjornson: Three years ago, we were able to take two attorneys from the Attorney General's Office and we had the flexibility to pay them more than the State Attorney. When we hired out last attorney in September we only had 6 or 8 applicants for the job. We interviewed two of them. One is working at another state agency. They are making \$20,000 more than what we could offer. The other one was working in the federal system and was also making about \$20,000 more than we could offer. That position was ending and we were fortunate to find a hire and hopefully it is someone we can keep for a while.

Chairman Holmberg: You used to have to compete with higher education. They are paying their lawyers so much more. Now they are part of the Attorney General's Office.

(27.12) John Bjornson: We are not part of the classified system. People in the classified system, can move up in the classification and move through different classes. We do not do that in our office. The people have not had the luxury of moving. You have been fair to us over the years but we have hired when there have not been salary increases. That is where we have lost our competitive edge. It has nothing to do with what anybody has done, but it was just an unfortunate impact of the timing when we hired these people. We are trying to do as much training. Our employees need to understand what is going on in other states. We are encouraging them to participate. In NCSL, we are taking advantage of the dues we pay to them by using that for professional development. If we can keep those people using those services to develop them, I hope we will see what we have seen over the last few decades. Jeff Nelson left us in 2013. Between 1996 and 2013, there was no turnover on the legal staff side of our office. That is amazing. In those last 5-6 years since he left, we have seen multiple people who had up to 40 years of experience. We lost a lot of institutional knowledge on the legal side. The fiscal staff went through that at a slower pace and a little sooner than the legal staff did.

(30.00) Operation Expenses – page 3 of testimony. Includes capital assets, other areas, and related bills. Operating expenses will result in software for the program and laptops to be used. Last time, we had to laptops in the office with the redistricting program. Each caucus had their own laptop and we had a second one in the House Republican caucus. We will use the same software. We have maintained one license so we go back and use the software when people have questions or want to produce maps. The vendor has indicated they would update or licenses if we choose to go with them. There is a meeting coming up in June that NCSL puts on. We will meet with our vendor and make a decision then regarding the software for redistricting. SB 2033 provides the Legislative Council may provide drafting services for an initiated measure sponsoring committee under guidelines established by the Legislative Management. This bill has passed the Senate. It will now go before the House. We do not know what it will mean for us. One important thing that was added during the interim was that it would be under guidelines established by Legislative Management. Legislative leaders would be able to decide how we would do that. It would have some impact on the office. If we are asked to draft measures regularly by citizens, it takes away from the time we have to work for you. That is something you should be aware of. That is the end of my comments. I will be happy to take any questions.

(34.33) Senator Robinson: Thank you for your presentation. You have had and continue to have great people working for you. You referenced the issue of your employees not being part of the classification system. Can we make that change so we would be in that situation where they could move up? Is that something we should be looking at? Are there any advantages or disadvantages?

John Bjornson: We wouldn't be part of the executive branch classification system. The court has their own system as well. We could develop that. We have positions within the office. The fiscal analyst can move to senior fiscal analyst. All the attorneys are in counsel positions until they get to the code reviser position. There are fewer opportunities for advancement there. It is not something we have looked at. With flexibility statutorily, the director of the

council has given some flexibility to address salaries with money that is available. I and Jim have done that in the past. When we do have vacancies and savings, we try to compensate people for taking on additional work loads. I do not know if the establishment of a formal system would be necessary. Continuing to have that flexibility and the available funding is important to us.

Senator Dever: I have a concern regarding the Ethics commission. I attended the petroleum conference last May and the Greater ND Chamber Conference in August. They have registration fees and they waive those for legislators. It is important for the legislators to attend. Depending on how things shake out for the rules developed by the Ethics commission, I am not sure these will be appropriate. Speaking of appropriate, is that a factor in the coming biennium or are we in a position to see how that shakes out going forward. I went on 4 trips last year. The 1st was paid for entirely by NCSL. It was on election security. The 2nd was paid entirely by Samsung at their headquarters regarding the opioid crisis. The 3rd one involved the build steering committee and build is paid for entirely by contributions from various organizations including corporations. The 4th was paid for by the Millbank Memorial Fund. It was all about Human Services. Every one of those were justifiable for my job. I am concerned the Ethics commission will say you cannot do that. One person who testified before the Ethics commission said if we want to go on these trips, we should budget for them.

John Bjornson: The easy answer for me is the next biennium that would have that concern, I am not an expert in the Ethics measures of the bills but my understanding is the gift prohibition is a draft in some of the bills that the commission has the ultimate authority to determine what the gift is. There is an exception that indicated that a gift doesn't include things that include the educational aspect. Who is going to determine that? Is it the commission on a state by state budget? All of that is part of your job as getting educated as a legislator. Someone might argue otherwise such as substance abuse mental health. I do not have an answer for you other than I hope that things will get flushed out a bit in this interim. We will see what results from your bills and the commission from their rule making authority. We have to look at the definition of the gift for the next biennium's appropriation. If they leave it open, there will be a lot of questions.

Senator Dever: (Inaudible) specifically excluded travel and recreation.

John Bjornson: Recreation I would interpret that as a day on the golf course rather than sitting in a meeting room looking at PowerPoint slides. We do not know what the commission will do. They have constitutional authority to adopt rules. Much of that is vague with respect to determination of what a gift is.

Senator Hogue: The bill that passed the Senate is in the House now. That would permit proponents of initiated measure to engage your services for purposed of drafting a measure. I get that it would have a fiscal impact if there were a lot of them. I was wondering more about when we ask you to draft a bill, you take the position that you are the lawyer and it is an attorney client relationship and everything is privileged. I am wondering how your office would ask you to treat someone who asked you to draft an initiated measure. Would we be able to access that information? Would they be a client as well?

John Bjornson: That is an excellent question that we have not fully examined. I would assume we would treat them as a client as well. We would work with the chairman of the sponsoring committee. There are 25 members on the sponsor committee. They did not necessarily agree. There were 3 different versions at the time. Those are things that would have to be worked out in the guidelines. Such as how we would handle those requests, confidentiality, who would be able to access us, what basis would that be, and can we draft 5 different versions for one measure. One of the provisions in that bill is that basically we can't change their intent. That is a problem for us. If you come to us and ask us for a bill and we give you what we think you want, you may come back and say this is not what you exactly had in mind. We would explain why we did not do what you said. We would then all go forward with the drafting committee. We give them what they want despite the fact that it is initiated as a statutory measure, we would say it would be unconstitutional. We still would have something go on the ballot that may not be properly done. What we would probably do is work with legislative management and develop appropriate guidelines. We would make the determination on how it should work. It may have little or big impacts on us. I was at the hearing for that measure and the Secretary of State said this is going to happen during the slow time because the measure deadlines are 120 days before the election. You have one year to circulate a measure. You do not have to submit it at any particular time. They could come to us any day, and say they want this measure so they can start collecting signatures in May. There are questions that need to be resolved by Legislative Management if this passes.

(45.32) Chairman Holmberg: Is there anyone else that wants to testify on 1001? Hearing none, we will close the hearing on HB 1001.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1001
4/11/2019
JOB #34674

- Subcommittee
 Conference Committee

Committee Clerk: Alice Delzer and Alicia Larsgaard
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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; to amend and reenact sections 54-03-20 and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide for a report; to provide an effective date; and to declare an emergency.

Minutes:

1. Proposed Amendment #19.0189.02004

Chairman Holmberg: Called the Committee to order on HB 1001. All committee members were present. Renae Bloms, OMB and Sheila M. Sandness, Legislative Council were also present.

Senator Wardner, District 37, Dickinson: Submitted Attachment # 1. Proposed Amendment # 19.0189.2004. Whether this bill passes or not, we are trying to make sure this is able to move through. It is not a sneaky thing. We want the people of ND to know that we are not trying to pull a fast one. Why did we pick this bill? Because it has the least number of controversial amendments on it. We have talked to Legislative Council and they are in agreement. The House has a process they will go through with it, if it gets there. I believe it will. With that, I will go through the amendment so you know what is in there. You should have a copy at your desk.

I want to look at the appropriation on page 1, section 4. I want to explain it so you understand what it means. He read Section 4 of the Proposed Amendment, **Attachment # 1**. That will be put into the foundation and that will be endowed. You all know we have been funding the digitization at Dickinson State for some time. We have an appropriation for \$500,000 in this session for the coming biennium. If this goes in, it will take care of the digitization forever. You may ask, isn't there a time when they're done and this money is going to accumulate? Once it is digitized and its done, and it will probably never be really done, they still have to manage this material because people from all over the world are contacting Dickinson State right now. They want information. You might ask why you would contact Dickinson State rather than going to the Library of Congress or other places that have these records. If you go there, they sit you down at a table, you fill out a card and they get you a box of papers,

and they go through it but you were looking for something else, then you get another one. This service is really great. It started at Dickinson State with the Theodore Roosevelt program about 20 years ago. If we do this endowment, it takes us off the hook. We do not have to appropriate the money anymore. It's done. The other thing I want to make sure you understand is I was on the Theodore Roosevelt Presidential Library Board until December. I had to get off because of the Ethics Commission. They are asking for a big pile of money and I am in the legislature. There is a conflict of interest. I have been close to that situation. When the library was then pulled out of Dickinson, and there were some hard feelings, no question about it, the people are getting over it. There were promises that the digitization would remain at Dickinson State University and they would complete it. They are about 35% done. Theodore Roosevelt was a prolific writer. He has more records than any president that's written out. It takes a long time to do this stuff. \$500,000 isn't a lot of money. They have a restricted staff and they make it work. They have done a great job for what money they've gotten in appropriations over the years to do that. If the library leaves Dickinson, and now I am sticking my opinion in here, so you know why it's here, if the library is leaving Dickinson, I believe there should be money endowed there to take care of the digitization. There have been other ways of doing it. This was the 9.5 that was returned from the original appropriation. We appropriated \$12M and they got \$6M. They could get \$6M more if they found a donor that would do \$3M. The city of Dickinson stepped up and did \$3M so they had \$12M. We could spend some of that money as long as it was for planning, architecture, etc. We blew through about \$2M. When it was moved, that was the end of it. So, this other money has been returned or stays at the state of ND. So, that is the money we are targeting here.

(0.06.25) Senator Mathern: Before you go to the next subject, I note that you really don't categorize this as endowment money. Your description, to me, doesn't fit the wording. I agree with your concept about endowment, but it doesn't seem to fit the wording that same as the other parts here that are clearly endowment. This appears not to be, clearly, an endowment. I am a little concerned about the wording.

Senator Wardner: As I look through it quickly, I agree with you. I think we need to make sure it is as an endowment. We can add that or we can get it re-amended. It has to be for an endowment for the digitization. There is no other way. Thank you for the question.

Then I want to move to Section 5. He read section 6 of article 10 of the Constitution of ND. It's got \$114,370,000. What does that mean? Currently, \$100M of the 19-21 biennium earnings of the Legacy Fund are already included in this budget. We've already appropriated it. We are not done yet. We might take another \$50M. We need to remind you that we have \$64M that has to go to the Common School Trust Fund. That is a little over \$64M. Then you would get the \$50M coming out of that Legacy earnings and move it over. We are going to move it to the University and School Lands Trust. That is where it would be embedded. And it would be an endowment there that would be used for O&M. Only the earnings would be used for O&M going forward. The big thing here is that it is third in line. You might be saying "I am wondering how much money is that legacy fund going to earn?" I applied 3.5% which is conservative, and I applied the number \$6.7B being the average principle. That is conservative for the next biennium. There will still be about \$260M in the earnings after we take this out. We are not running up against not having enough money. There have been other proposals to split it into 25 and 25. There was another proposal to do 15 and then borrow money from the Bank of ND. I'm for doing and getting it done and it's taken care of.

What does this \$50M do? To get it there has to be \$100M in the donations to this project and in the bank before it's released. It's not like they get their earnings right away, they have to match it with \$100M.

(0.11.35) Also, I would like to go to Section 9. (read that section to the committee) There are a lot of details that we need to deal with during the interim and we need to get it ready. If that money does come, there are a lot of rules that need to be promulgated. I think we, as the legislature, should do that. But for now, we want to make sure that if those donors are serious, the state of ND has set aside \$50M for O&M. Turn to page 2, section 15. The Presidential Library Foundation is raised through pledges and donations but we want cash in the bank of \$100M for the construction of this library. There was one other little detail that needs to be taken care of. Not only did they use money from the state, they used \$300,000 from the city of Dickinson. If they want to get people to forgive and forget, they need to give the \$300,000 back to Dickinson. That is in there too. You have your statement of purpose. It goes through what we have talked about so far. That's the amendment. There is no question. If the presidential library is built in the state of ND, it will be a big deal and will bring tourism to ND. I do not know why, but this particular President is very popular and people want to know about him. We do have a collection out there at the Theodore Roosevelt park plus his site where he had his elk horn cabin. Then with the digitization at Dickinson State, there is a lot of enthusiasm and people wanting to know more about Theodore Roosevelt and his life. With that I would hope we can attach these amendments to the Legislative Council's budget.

(0.14:43) Senator Erbele: If the \$50M goes into the endowment and it is 4-5 years until the thing is actually built, what happens to the earnings until it's built?

Senator Wardner: Right now, our goal is the state to have \$50M so they can match. I think that is a detail we need to work on. We will be in session before this money is available and we will know whether they have money to do it or not. That would be one of the rules. Until they use the money, it could go into the Legacy Fund. There are a variety of things we could market for. I think that is one of the rules we need to work on for next session.

V. Chairman Wanzek: If I am understanding this right, the \$50M is contingent upon the next biennium's final earnings off the Legacy Fund. Before the \$50M kicks in, we would have to have \$114,370,000 more than the earnings that we have listed in our budget.

Senator Wardner: The way it was explained to me by Brady Larson of Legislative Council, is that after this, then it kicks in. The \$50M kicks in after the \$114M. I would rather have him explain.

V. Chairman Wanzek: In our budget, I think we are identifying \$100M of earnings right now. The way I am reading that, I am assuming they have to come in \$114M higher. If they do come in higher at that level, then the \$50M is triggered.

Chairman Holmberg: Right. That is the next \$50 M. It doesn't come out of the \$114 M.

Senator Wardner: No, it has to come after.

(0.17.27) Chairman Holmberg: One of the things the committee should keep in mind is, when Senator Wardner talks about the \$50M. If you recall, most of you were here, in fact, I think all of you were here, in 2009, the big discussion and the big fight was over shall we do the Heritage Center in one swoop for \$51M or should we phase it in over a number of years. The legislature, pretty bitterly divided, decided to flip the bill all at once. You are saying to get it done with a \$50M movement. You were here in 2009 and you remember how divided that question became.

(0.18:43) Senator Mathern: I actually worked on these amendments on a different bill that I thought might go onto Commerce. I worked with Legislative Council on these concepts. This is another issue about the wording. Your statement about cash in the bank on page 2, section 15, the bill that you suggest we have would say the money would be through donations, pledge donations or in-kind donations. When I worked with Legislative Council to try to assure that it is actually cash in the bank, I was led to believe that we actually needed wording that I have is that it says the Governor would have to certify to the director of Office and Management Budget that \$100M of private donations or other non-state funds has been in fact raised for the project. The wording you have in your amendment would appear to permit someone to say I am giving you \$100M which would then trigger the \$50M and then the project moves forward and then the pledge may not come through. I am just wondering if your wording is tight enough in this section to accomplish what you are stating would be the case, your words were, "cash in the bank".

Senator Wardner: I agree with you that it needs to be tightened up and say "cash in the bank". It has to be certified in some way. I agree with your statement.

(0.21.21) Senator Dever: Let me thank you for your leadership. When you put together major proposals like this, I know they are thought through and everything is considered. Like everybody else, I have struggled with this. Only in the last week have I come to warm up to the idea. I wanted to mention a couple of things that led to that, that I think are important as others consider it too. I did some research on other presidential libraries and none of them are built with government money. There are presidential libraries that are supported for operation and maintenance with government money, particularly state money. So I think that relieves one of my concerns. The public perception is that there is a \$50M match to \$100M donation to build a \$150M library. That is not quite accurate. That relieved some of my concern. The other thing is, when we build sports facilities and other things, often times the boosters, like the hockey boosters, will raise the money to build an arena and then donate it to the park board who then assumes responsibility for the operation and maintenance. It seems to me that this is not unlike that. I wanted you to know my rational and just to express my concerns again, as to the historical accuracy of the information that is placed in the library, because nobody is perfect and we should be considering faults as well as virtues. I would imagine you may have shot a few prairie dogs. We might want to know that. Thank-you, Mr. Leader.

(0.23.15) Senator Bekkedahl: Relative to the question earlier from Senator Mathern about Section 4, the need for adding endowment language, my question is, is there prohibition by Legislative Council on naming the Dickinson State Foundation in here versus the University itself? I am trying to see how we can amend this to make that work and I am looking for language suggestions.

Senator Wardner: I thought I said to the drafter the “Dickinson State Foundation” to the drafter. Maybe that is an issue. I want the word “endowment” in there and if it can’t be parked for the Foundation, it could be at Dickinson State but it is locked up as an endowment and it can’t be used for anything else.

Senator Robinson: I certainly support the package. The one thing many of us keep hearing back home earlier in the session, at my legislative quorums, they’re saying absolutely not. Then part way through the legislative quorum and legislative session, I had people warming up and they are thinking about the tourism aspect of the presidential library in ND. But I was constantly reminded to make certain we take care of DD, nursing homes, hospitals, and those things before I came home. That has been the biggest concern because there’s been a lot of hurt out there So, I support it. I also followed over the years, the investments that Dickinson State made in the library leading up to a year or so ago. I can appreciate where the University and the community is coming from. When I first saw this, I thought of our friend Frank Wald and I thought that here are some more football scholarships. You put a lot of work into this. I appreciate that. I can support it. I hope at the end of the day and this session, we are able to address the nursing homes and DD. We have to take care of our people. There is a lot riding on that as a result of our inability to fund them last session. We are in a catch up mode there. I know the House is ready to kick that bill out, and it will be in conference. It is another issues. I know it is not on this topic but it is an important piece of the work we’ve got to do before we go home.

Senator Wardner: I agree that we need to take care of our priorities.

(0.26:29) Senator Mathern: I am wondering, if you might consider the endowments being together into one endowment, the digitization and the library. I am concerned about the separation of those two projects. I think the ability to make this work is two-fold. It’s the tourism aspect and the scholarly work. In ND, we have a small population and we always have to figure out how to package things together to have the biggest bang. When we are talking about endowments, we are talking about 25, 50,100 years. We’re talking about permanent. It would be sad and maybe counterproductive, if at some point those things got separated. The digitization was going on here, and the library was going on here and there was some breakup of the common activity which has already been part of our history in this project. If we should in some way cement them together so that doesn’t happen, it would be unfortunate if a competing activity happened in our future which would be to the demerit of either one and our state. I bring that up as a suggestion to make sure there is a clear connection between these two aspects for everyone’s interest. Thank you.

Senator Wardner: I think you may have found a solution that has been bothering me a little. I think the \$9.5M out of our budget is a problem. If we could draft it so the amendment adds onto this, not \$5 M, but \$60M, \$10M would be for Dickinson State and it would be parked at the same place and the earnings of that would go to the digitization. It would not be at Dickinson State. The state would still have control of the 10M, produces earnings for Dickinson State’s digitization and the \$50M produces earnings for the O&M of the library. Mr. Chairman and Senator Mathern I think you just answered something that has been nagging on me. I know you want to move the bill.

Chairman Holmberg: That was your suggestion.

(0.30.21) Senator Wardner: Here is what I would suggest, I will go up and make the appropriate corrections and then I'll come back when you guys are coming back and I will have this amendment right. If there are any other concerns bring them up now because I am going to go up and make those corrections.

Chairman Holmberg: If there are no other questions, we will take this under advisement.

Senator Wardner: There might be some other people that want to comment on the general concept but I am going to make these adjustments.

Chairman Holmberg: Is there anyone else that wants to tell us something this morning? I think it is easier, as far as the other amendments that we have to the Legislative Council budget, if we do it all at once rather than do one small set of amendments now and then turn around and have another set of amendments. Brady, or whoever does the drafting, make sure they are reminded that we want this to be divisible on the floor from the Legislative Council budget so the amendments can easily be part A and Part B, so that individuals have an opportunity to vote on this issue by itself. We will come back at 11:00 AM. Subcommittee will meet at 10:00 for ITD.

Senator Oehlke: The other subcommittee had been cancelled because the House has called a full appropriations meeting at 10:00 AM. Senator Dever and Senator Grabinger and I do not have a subcommittee meeting at 10:00AM on the auditor's budget.

Chairman Holmberg: The subcommittee can be down here. We just got our first sniff of higher education. As we were sniffing around, one interesting aspect is, after all the change in the amendments and everything we did, the bill that you will be presented with at 11:00 AM, increases ongoing General Fund spending in higher education by \$640,000. It was not a huge change. Keep in mind, most of the higher education budget is formula driven. You have so many students, so many credits, this is the cash you get. We will see you back here at 11:00 AM. The subcommittee will be here at 10:00 AM.

The hearing was closed on HB 1001.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1001
4/11/2019
JOB #34699

- Subcommittee
 Conference Committee

Committee Clerk: Alice Delzer and Alicia Larsgaard

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; to amend and reenact sections 54-03-20 and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide for a report; to provide an effective date; and to declare an emergency. (Do Pass as Amended)

Minutes:

1. Proposed Amendment # 19.0189.02003
2. Proposed Amendment # 19.0189.02006

Chairman Holmberg: Called the Committee back to order on HB 1001 at 11:00 am. All committee members were present. Sheila M. Sandness, Legislative Council, Brady Larson, Legislative Council and Larry Martin, OMB were present.

Chairman Holmberg: Submitted **Attachment #1**. Proposed Amendment # 19.0189.02003 We did very little change in the legislative assembly. There are two parts to it. That is us, and the Legislative Council. They are the people on the other side of the table. The change for legislative assembly was an increase in pay of \$23,000 for temporary session staff and we increased our dues to NCSL. We are paying 100% of our dues. That is the entire change in the legislative assembly item. Legislative Council had salary increases. We did increase funding for professional services of \$60,000. The House did not increase that funding. They are aware of that. If you recall, last session, we had a bill we passed that said what the legislature will be doing to revenue forecasting. The executive branch did not like that. They vetoed the bill and we did it anyway because we can. This time, we decided we were not going to put it in a bill because we know we can do it but we put in the funding for it without having it in a bill. Those are the changes we made to the legislative branch. Could we have a motion on these amendments.

Senator Robinson: Moved the Amendment # 19.0189.02003. 2nd by V. Chairman Krebsbach.

A Voice Vote Was Taken. Motion carried.

Senator Rich Wardner, District 37, Dickinson: There are no football scholarships in these amendments.

Chairman Holmberg: Are these Brady amendments?

Senator Wardner: I bring before the new amendment that we worked on together for the Presidential Library that is to be built in Medora. See **Attachment #2**. Proposed Amendment # 19.0189.02006. I also have Brady Larson to bail me out if I make any mistakes. We did make a few changes from this morning. First, I want to talk about section 4. \$124,370,000 includes the \$50 M for the library and the \$64.37 M that goes into the Common Schools Trust Fund. This would come out after the \$100 M, that we have already grabbed hold of for the budget, for 19-21. That is what that is. We changed it to \$60 M. Of that \$60 M, \$50 M will go into the University and School Lands Trust Fund and be endowed. That earnings will go to the operation and maintenance of the Presidential Library if it's built. The other \$10 M will be moved from the Legacy earnings to the University and School Lands Department and put in to a trust there for the digitization at Dickinson State. It doesn't spell out Dickinson State for a voice of higher learning. That money in the amendment this morning was \$9.5 M and we were going to take that money and move it to a foundation in Dickinson. This way, it is still a part of the state. That state has that money. If something happens, the state can take it back because we have possession of it. We will need to figure out, between now and next session, and put them in language in a bill in the next legislative session. That is what we have up there in section 4. In Section 8, the Presidential Library is spelled out. There is created in the state treasury, the Presidential Library operating and maintenance endowment fund. If you move down to Section 9, that is the presidential documents digitization endowment fund. That would be the \$10 M that will parked over there at the University and School Lands Trust. The earnings off of that will go to operate the digitization at Dickinson State. Just you understand, we have been appropriating money every biennium to do the digitization. Once this gets up and rolling we won't have to appropriate it in the future. The legislature has been kind and kept it going over the years.

If you turn over to page 2, section 15 talks about effective date. It also talks about the act becoming affective when the Presidential Library Foundation certifies to the Commissioners of the University and School Lands, two things; one is that the Presidential Library Foundation is received the sum of \$100 M in cash donations and binding pledged donations for the construction of a presidential library and for grants to affected entities. There is one more thing; they have to pay the city of Dickinson \$300,000 for money they took during the operations that ended up doing nothing. There you have it. I'll answer any questions. We cleaned it up from this morning.

Chairman Holmberg: It was a good discussion this morning because it was a very interesting and helpful hint.

Senator Grabinger: Is there a sunset on this \$50 M as to how long we are going to leave it there for them to raise that money. When do we decide to take it back if they are not moving ahead?

Senator Wardner: I believe we will write this in the legislation the next session because this money will not have been even drawn out until after our next session. All the ground rules

will be laid out there. All we are doing here is telling potential donors that the state of ND is committed to this. Some of the rules that have to be set up are what we need to do. We need to pass that legislation next session.

Chairman Holmberg: Is there anyone in the audience that is here to talk to us this afternoon? I saw Brady there. I was over in the House this afternoon and they had a full house. I asked Representative Nelson when he was standing with a bunch of folks from a particular department. I asked who the beggars and choosers are. He decided he was a chooser yesterday but he was not very successful. I am assuming you got it all taken care of. Are there any additional questions? Are there any motions on the amendment?

V. Chairman Wanzek: Moved the Amendment #19.0189.02006. 2nd by Senator Gary Lee.

Senator Mathern: I raised the question of in-kind, pledges, and those other options that were originally considered. I've had some discussions between then and now and in that process, I am very comfortable with the words of cash here or binding pledges which I think approaches the word "cash" pretty closely. I think these are excellent changes from this morning

Senator Bekkedahl: I plan to support the amendment. I am personally in favor of the library. I think it is a great project for the state and it will benefit everyone with the tourism traffic. I reserve the right to change my vote on the floor pending circumstances at home regarding school issues we are currently dealing with. Please give me that allowance.

Chairman Holmberg: Yes.

A Voice Vote Was Taken on the amendment. The motion carried.

V. Chairman Krebsbach: Moved a Do Pass as Amended on HB 1001. 2nd by Senator Robinson.

A Roll Call Vote Was Taken: 14 yeas, 0 nays, 0 absent. Chairman Holmberg will carry the bill.

Chairman Holmberg: I do not think we can get it on the floor tomorrow because of the amendments.

Senator Wardner: I prefer to wait until Monday or Tuesday.

Chairman Holmberg: Okay. Again, in the drafting of the amendment, we want to make sure it is divisible so that if the body wants to vote on the two amendments separately, they certainly may.

The hearing was closed on HB 1001.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

Page 1, replace lines 18 through 24 with:

"Salaries and wages	\$10,233,424	\$957,420	\$11,190,844
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>38,278</u>	<u>263,433</u>
Total all funds	\$14,159,170	\$1,806,345	\$15,965,515
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total general fund	\$14,159,170	\$1,666,345	\$15,825,515"

Page 2, replace lines 5 through 10 with:

"Salaries and wages	\$9,049,530	\$916,187	\$9,965,717
Operating expenses	2,911,608	231,749	3,143,357
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,153,936	\$13,115,074
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,153,936	\$13,045,074"

Page 2, replace lines 16 through 18 with:

"Grand total general fund	\$26,050,308	\$2,820,281	\$28,870,589
Grand total special funds	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
Grand total all funds	\$26,120,308	\$2,960,281	\$29,080,589"

Page 7, line 6, replace "eighty-five" with "eighty-six"

Page 8, line 31, replace "fifteen" with "eighteen"

Page 9, line 8, replace "sixty-nine" with "seventy-one"

Page 10, line 9, replace "eighty-five" with "eighty-six"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Legislative Assembly				
Total all funds	\$14,159,170	\$15,908,865	\$56,650	\$15,965,515
Less estimated income	<u>0</u>	<u>140,000</u>	<u>0</u>	<u>140,000</u>
General fund	\$14,159,170	\$15,768,865	\$56,650	\$15,825,515
FTE	0.00	0.00	0.00	0.00
Legislative Council				
Total all funds	\$11,961,138	\$13,025,746	\$89,328	\$13,115,074
Less estimated income	<u>70,000</u>	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$11,891,138	\$12,955,746	\$89,328	\$13,045,074
FTE	36.00	36.00	0.00	36.00
Bill total				

Total all funds	\$26,120,308	\$28,934,611	\$145,978	\$29,080,589
Less estimated income	70,000	210,000	0	210,000
General fund	\$26,050,308	\$28,724,611	\$145,978	\$28,870,589
FTE	36.00	36.00	0.00	36.00

House Bill No. 1001 - Legislative Assembly - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$10,233,424	\$11,160,537	\$30,307	\$11,190,844
Operating expenses	3,694,591	4,405,238		4,405,238
Capital assets	6,000	106,000		106,000
National Conf. of State Legislatures	225,155	237,090	26,343	263,433
Total all funds	\$14,159,170	\$15,908,865	\$56,650	\$15,965,515
Less estimated income	0	140,000	0	140,000
General fund	\$14,159,170	\$15,768,865	\$56,650	\$15,825,515
FTE	0.00	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of Senate Changes

	Adjusts Funding for Legislative Pay Increases ¹	Adjusts Funding for Salary Increases for Temporary Session Staff ²	Increases Funding for National Conference of State Legislatures Dues ³	Total Senate Changes
Salaries and wages	\$23,201	\$7,106		\$30,307
Operating expenses				
Capital assets				
National Conf. of State Legislatures			\$26,343	26,343
Total all funds	\$23,201	\$7,106	\$26,343	\$56,650
Less estimated income	0	0	0	0
General fund	\$23,201	\$7,106	\$26,343	\$56,650
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide legislative compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for regular and organizational sessions, legislators' monthly compensation, and additional monthly compensation for legislative leaders. The House provided funding for legislative compensation adjustments of 2 percent on July 1, 2019, and 2 percent on July 1, 2020. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$186
Monthly compensation	\$495	\$505	\$518
Leaders' additional monthly compensation	\$355	\$362	\$371

² Funding is added for compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for temporary session staff.

³ Funding is added for National Conference of State Legislatures dues to provide for 100 percent of the estimated assessment, or \$263,433, for the 2019-21 biennium. The House provided funding for 90 percent of the dues assessment, or \$237,090.

This amendment also amends statutory sections related to legislative compensation to provide an increase of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for organizational and regular session pay, legislators' monthly compensation, and additional monthly compensation for legislative leaders.

House Bill No. 1001 - Legislative Council - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,049,530	\$9,936,389	\$29,328	\$9,965,717
Operating expenses	2,911,608	3,083,357	60,000	3,143,357
Capital assets		6,000		6,000
Total all funds	\$11,961,138	\$13,025,746	\$89,328	\$13,115,074
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,891,138	\$12,955,746	\$89,328	\$13,045,074
FTE	36.00	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of Senate Changes

	Adjusts Funding for Salary Increases¹	Adjusts Funding for Legislator Per Diem²	Increases Funding for Professional Services³	Total Senate Changes
Salaries and wages	\$27,242	\$2,086		\$29,328
Operating expenses			\$60,000	60,000
Capital assets				
Total all funds	\$27,242	\$2,086	\$60,000	\$89,328
Less estimated income	0	0	0	0
General fund	\$27,242	\$2,086	\$60,000	\$89,328
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The House provided funding for salary increases of 2 percent on July 1, 2019, and 2 percent on July 1, 2020.

² Funding is added to provide for compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for legislators' attendance at interim meetings. The House provided funding for compensation adjustments of 2 percent on July 1, 2019, and 2 percent on July 1, 2020. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Interim meeting pay	\$177	\$181	\$186

³ Funding for professional services is increased to provide a total of \$200,000. The House did not increase funding for professional services.

This amendment also amends statutory sections related to interim committee pay to provide an increase of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020.

April 11, 2019

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

Page 1, line 3, after "appropriations" insert "; to provide continuing appropriations; to create and enact two new sections to chapter 15-03 of the North Dakota Century Code, relating to a presidential library operating and maintenance endowment fund and a presidential documents digitization endowment fund"

Page 3, after line 16, insert:

"SECTION 4. CONTINGENT APPROPRIATION - TRANSFERS. If the actual legacy fund earnings transferred to the general fund at the end of the 2019-21 biennium in accordance with section 26 of article X of the Constitution of North Dakota exceed the estimate made by the sixty-sixth legislative assembly by at least \$124,370,000, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$60,000,000, of which the state treasurer shall immediately transfer \$50,000,000 of the sum to the presidential library operating and maintenance endowment fund and shall immediately transfer \$10,000,000 of the sum to the presidential documents digitization endowment fund, for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 4, after line 11, insert:

"SECTION 8. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential library operating and maintenance endowment fund - Continuing appropriation.

1. There is created in the state treasury the presidential library operating and maintenance endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund.
2. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide annual grants for the operating and maintenance costs of presidential libraries located in North Dakota.

SECTION 9. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential documents digitization endowment fund - Continuing appropriation.

There is created in the state treasury the presidential documents digitization endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide annual grants to educational institutions and educational institution foundations for the digitization of documents related to Theodore Roosevelt."

Page 10, line 18, replace "7 and 9" with "10 and 12"

Page 10, line 19, replace "8 and 10" with "11 and 13"

Page 10, after line 19, insert:

"SECTION 15. EFFECTIVE DATE. Subsection 2 of the new section to chapter 15-03 of the North Dakota Century Code, as created in section 8 of this Act, becomes effective when a presidential library foundation certifies to the commissioner of university and school lands that:

1. The presidential library foundation has received the sum of \$100,000,000 in cash donations and binding pledged donations for the construction of a presidential library and for grants to affected entities; and
2. The foundation has donated \$300,000 to a city in North Dakota for prior costs incurred related to planning for a presidential library."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Sections are added:

- Creating a presidential library operating and maintenance endowment fund to be invested and managed by the Board of University and School Lands;
- Creating a presidential documents digitization endowment fund to be invested and managed by the Board of University and School Lands;
- Providing a \$50 million general fund transfer to the presidential library operating and maintenance endowment fund and a \$10 million general fund transfer to the presidential documents digitization endowment fund during the 2019-21 biennium contingent on 2019-21 biennium legacy fund earnings exceeding legislative estimates by at least \$124,370,000;
- Appropriating on a continuing basis the interest and earnings of the presidential library operating and maintenance endowment fund to the Board of University and School Lands to provide grants for the operations and maintenance of the presidential library with the continuing appropriation not becoming effective until the presidential library foundation certifies that:
 - It has raised \$100 million through cash donations and binding pledge donations for the construction of a presidential library; and
 - It has donated \$300,000 to the City of Dickinson for prior costs incurred relating to the presidential library; and
- Appropriating on a continuing basis the interest and earnings of the presidential documents digitization endowment fund to the Board of University and School Lands to provide grants for the digitization of documents relating to Theodore Roosevelt.

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PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

Page 1, line 3, after "appropriations" insert "; to provide a continuing appropriation; to create and enact two new sections to chapter 15-03 of the North Dakota Century Code, relating to a presidential library operating and maintenance endowment fund and a presidential documents digitization endowment fund"

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National conference of state legislatures	<u>225,155</u>	<u>38,278</u>	<u>263,433</u>
Total all funds	\$14,159,170	\$1,806,345	\$15,965,515
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total general fund	\$14,159,170	\$1,666,345	\$15,825,515"

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"Salaries and wages	\$9,049,530	\$916,187	\$9,965,717
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Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
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Grand total special funds	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
Grand total all funds	\$26,120,308	\$2,960,281	\$29,080,589"

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"SECTION 4. CONTINGENT APPROPRIATION - TRANSFERS. If the actual legacy fund earnings transferred to the general fund at the end of the 2019-21 biennium in accordance with section 26 of article X of the Constitution of North Dakota exceed the estimate made by the sixty-sixth legislative assembly by at least \$124,370,000, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$60,000,000, of which the state treasurer shall immediately transfer \$50,000,000 of the sum to the presidential library operating and maintenance endowment fund and shall immediately transfer \$10,000,000 of the sum to the presidential documents digitization endowment fund, for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 4, after line 11, insert:

"SECTION 8. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential library operating and maintenance endowment fund - Continuing appropriation.

- 1. There is created in the state treasury the presidential library operating and maintenance endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund.
- 2. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide annual grants for the operating and maintenance costs of presidential libraries located in North Dakota.

SECTION 9. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential documents digitization endowment fund - Continuing appropriation.

There is created in the state treasury the presidential documents digitization endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide annual grants to educational institutions and educational institution foundations for the digitization of documents related to Theodore Roosevelt."

Page 7, line 6, replace "eighty-five" with "eighty-six"

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Page 9, line 8, replace "sixty-nine" with "seventy-one"

Page 10, line 9, replace "eighty-five" with "eighty-six"

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Page 10, line 19, replace "8 and 10" with "11 and 13"

Page 10, after line 19, insert:

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- 1. The presidential library foundation has received the sum of \$100,000,000 in cash donations and binding pledged donations for the construction of a presidential library and for grants to affected entities; and
- 2. The foundation has donated \$300,000 to a city in North Dakota for prior costs incurred related to planning for a presidential library."

Renumber accordingly

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STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Legislative Assembly				
Total all funds	\$14,159,170	\$15,908,865	\$56,650	\$15,965,515
Less estimated income	0	140,000	0	140,000
General fund	\$14,159,170	\$15,768,865	\$56,650	\$15,825,515
FTE	0.00	0.00	0.00	0.00
Legislative Council				
Total all funds	\$11,961,138	\$13,025,746	\$89,328	\$13,115,074
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,891,138	\$12,955,746	\$89,328	\$13,045,074
FTE	36.00	36.00	0.00	36.00
Bill total				
Total all funds	\$26,120,308	\$28,934,611	\$145,978	\$29,080,589
Less estimated income	70,000	210,000	0	210,000
General fund	\$26,050,308	\$28,724,611	\$145,978	\$28,870,589
FTE	36.00	36.00	0.00	36.00

House Bill No. 1001 - Legislative Assembly - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$10,233,424	\$11,160,537	\$30,307	\$11,190,844
Operating expenses	3,694,591	4,405,238		4,405,238
Capital assets	6,000	106,000		106,000
National Conf. of State Legislatures	225,155	237,090	26,343	263,433
Total all funds	\$14,159,170	\$15,908,865	\$56,650	\$15,965,515
Less estimated income	0	140,000	0	140,000
General fund	\$14,159,170	\$15,768,865	\$56,650	\$15,825,515
FTE	0.00	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of Senate Changes

	Adjusts Funding for Legislative Pay Increases¹	Adjusts Funding for Salary Increases for Temporary Session Staff²	Increases Funding for National Conference of State Legislatures Dues³	Total Senate Changes
Salaries and wages	\$23,201	\$7,106		\$30,307
Operating expenses				
Capital assets				
National Conf. of State Legislatures			\$26,343	26,343
Total all funds	\$23,201	\$7,106	\$26,343	\$56,650
Less estimated income	0	0	0	0
General fund	\$23,201	\$7,106	\$26,343	\$56,650
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide legislative compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for regular and organizational sessions, legislators' monthly compensation, and additional monthly compensation for legislative leaders. The House provided funding for legislative compensation adjustments of 2 percent on July 1, 2019, and 2 percent on July 1, 2020. The compensation adjustments are as follows:

485

	<u>Current Compensation Rate</u>	<u>Rate Effective July 1, 2019</u>	<u>Rate Effective July 1, 2020</u>
Daily session pay	\$177	\$181	\$186
Monthly compensation	\$495	\$505	\$518
Leaders' additional monthly compensation	\$355	\$362	\$371

² Funding is added for compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for temporary session staff.

³ Funding is added for National Conference of State Legislatures dues to provide for 100 percent of the estimated assessment, or \$263,433, for the 2019-21 biennium. The House provided funding for 90 percent of the dues assessment, or \$237,090.

This amendment also amends statutory sections related to legislative compensation to provide an increase of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for organizational and regular session pay, legislators' monthly compensation, and additional monthly compensation for legislative leaders.

House Bill No. 1001 - Legislative Council - Senate Action

	<u>Base Budget</u>	<u>House Version</u>	<u>Senate Changes</u>	<u>Senate Version</u>
Salaries and wages	\$9,049,530	\$9,936,389	\$29,328	\$9,965,717
Operating expenses	2,911,608	3,083,357	60,000	3,143,357
Capital assets		6,000		6,000
Total all funds	\$11,961,138	\$13,025,746	\$89,328	\$13,115,074
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,891,138	\$12,955,746	\$89,328	\$13,045,074
FTE	36.00	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of Senate Changes

	<u>Adjusts Funding for Salary Increases¹</u>	<u>Adjusts Funding for Legislator Per Diem²</u>	<u>Increases Funding for Professional Services³</u>	<u>Total Senate Changes</u>
Salaries and wages	\$27,242	\$2,086		\$29,328
Operating expenses			\$60,000	60,000
Capital assets				
Total all funds	\$27,242	\$2,086	\$60,000	\$89,328
Less estimated income	0	0	0	0
General fund	\$27,242	\$2,086	\$60,000	\$89,328
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The House provided funding for salary increases of 2 percent on July 1, 2019, and 2 percent on July 1, 2020.

² Funding is added to provide for compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for legislators' attendance at interim meetings. The House provided funding for compensation adjustments of 2 percent on July 1, 2019, and 2 percent on July 1, 2020. The compensation adjustments are as follows:

	<u>Current Compensation Rate</u>	<u>Rate Effective July 1, 2019</u>	<u>Rate Effective July 1, 2020</u>
Interim meeting pay	\$177	\$181	\$186

³ Funding for professional services is increased to provide a total of \$200,000. The House did not increase funding for professional services.

This amendment also amends statutory sections related to interim committee pay to provide an increase of

2 percent on July 1, 2019, and 2.5 percent on July 1, 2020.

House Bill No. 1001 - Other Changes - Senate Action

Presidential Library Operating and Maintenance Endowment Fund - Presidential Documents Digitization Endowment Fund

Sections are added:

- Creating a presidential library operating and maintenance endowment fund to be invested and managed by the Board of University and School Lands;
- Creating a presidential documents digitization endowment fund to be invested and managed by the Board of University and School Lands;
- Providing a \$50 million general fund transfer to the presidential library operating and maintenance endowment fund and a \$10 million general fund transfer to the presidential documents digitization endowment fund during the 2019-21 biennium contingent on 2019-21 biennium legacy fund earnings exceeding legislative estimates by at least \$124,370,000;
- Appropriating on a continuing basis the interest and earnings of the presidential library operating and maintenance endowment fund to the Board of University and School Lands to provide grants for the operations and maintenance of the presidential library with the continuing appropriation not becoming effective until the presidential library foundation certifies that:
 - It has raised \$100 million through cash donations and binding pledge donations for the construction of a presidential library; and
 - It has donated \$300,000 to the City of Dickinson for prior costs incurred relating to the presidential library; and
- Appropriating on a continuing basis the interest and earnings of the presidential documents digitization endowment fund to the Board of University and School Lands to provide grants for the digitization of documents relating to Theodore Roosevelt.

Date: 4-11-19

Roll Call Vote #: 1

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1001

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 19.0189.02003

- 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 Krebsbach

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger		
Senator Wanzek			Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl					
Senator G. Lee					
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

*Voice Vote
Carried*

Date: 4-11-19

Roll Call Vote #: 2

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1001

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 19.0189.02006

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 Wanzek Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger		
Senator Wanzek			Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl					
Senator G. Lee					
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

*Voice Vote
Carried*

Date: 4-11-19
 Roll Call Vote #: 3

**2019 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 1001**

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 Krebsbach Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Senator Holmberg	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator Grabinger	✓	
Senator Wanzek	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Poolman	✓				
Senator Bekkedahl	✓				
Senator G. Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Holmberg

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

REPORT OF STANDING COMMITTEE

HB 1001, as engrossed: 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). Engrossed HB 1001 was placed on the Sixth order on the calendar.

Page 1, line 3, after "appropriations" insert "; to provide a continuing appropriation; to create and enact two new sections to chapter 15-03 of the North Dakota Century Code, relating to a presidential library operating and maintenance endowment fund and a presidential documents digitization endowment fund"

Page 1, replace lines 18 through 24 with:

"Salaries and wages	\$10,233,424	\$957,420	\$11,190,844
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>38,278</u>	<u>263,433</u>
Total all funds	\$14,159,170	\$1,806,345	\$15,965,515
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total general fund	\$14,159,170	\$1,666,345	\$15,825,515"

Page 2, replace lines 5 through 10 with:

"Salaries and wages	\$9,049,530	\$916,187	\$9,965,717
Operating expenses	2,911,608	231,749	3,143,357
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,153,936	\$13,115,074
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,153,936	\$13,045,074"

Page 2, replace lines 16 through 18 with:

"Grand total general fund	\$26,050,308	\$2,820,281	\$28,870,589
Grand total special funds	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
Grand total all funds	\$26,120,308	\$2,960,281	\$29,080,589"

Page 3, after line 16, insert:

"SECTION 4. CONTINGENT APPROPRIATION - TRANSFERS. If the actual legacy fund earnings transferred to the general fund at the end of the 2019-21 biennium in accordance with section 26 of article X of the Constitution of North Dakota exceed the estimate made by the sixty-sixth legislative assembly by at least \$124,370,000, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$60,000,000, of which the state treasurer shall immediately transfer \$50,000,000 of the sum to the presidential library operating and maintenance endowment fund and shall immediately transfer \$10,000,000 of the sum to the presidential documents digitization endowment fund, for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 4, after line 11, insert:

"SECTION 8. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential library operating and maintenance endowment fund - Continuing appropriation.

1. There is created in the state treasury the presidential library operating and maintenance endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund.

2. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide annual grants for the operating and maintenance costs of presidential libraries located in North Dakota.

SECTION 9. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential documents digitization endowment fund - Continuing appropriation.

There is created in the state treasury the presidential documents digitization endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide annual grants to educational institutions and educational institution foundations for the digitization of documents related to Theodore Roosevelt."

Page 7, line 6, replace "eighty-five" with "eighty-six"

Page 8, line 31, replace "fifteen" with "eighteen"

Page 9, line 8, replace "sixty-nine" with "seventy-one"

Page 10, line 9, replace "eighty-five" with "eighty-six"

Page 10, line 18, replace "7 and 9" with "10 and 12"

Page 10, line 19, replace "8 and 10" with "11 and 13"

Page 10, after line 19, insert:

"SECTION 15. EFFECTIVE DATE. Subsection 2 of the new section to chapter 15-03 of the North Dakota Century Code, as created in section 8 of this Act, becomes effective when a presidential library foundation certifies to the commissioner of university and school lands that:

1. The presidential library foundation has received the sum of \$100,000,000 in cash donations and binding pledged donations for the construction of a presidential library and for grants to affected entities; and
2. The foundation has donated \$300,000 to a city in North Dakota for prior costs incurred related to planning for a presidential library."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Legislative Assembly				
Total all funds	\$14,159,170	\$15,908,865	\$56,650	\$15,965,515
Less estimated income	0	140,000	0	140,000
General fund	\$14,159,170	\$15,768,865	\$56,650	\$15,825,515
FTE	0.00	0.00	0.00	0.00
Legislative Council				
Total all funds	\$11,961,138	\$13,025,746	\$89,328	\$13,115,074
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,891,138	\$12,955,746	\$89,328	\$13,045,074

FTE	36.00	36.00	0.00	36.00
Bill total				
Total all funds	\$26,120,308	\$28,934,611	\$145,978	\$29,080,589
Less estimated income	70,000	210,000	0	210,000
General fund	\$26,050,308	\$28,724,611	\$145,978	\$28,870,589
FTE	36.00	36.00	0.00	36.00

House Bill No. 1001 - Legislative Assembly - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$10,233,424	\$11,160,537	\$30,307	\$11,190,844
Operating expenses	3,694,591	4,405,238		4,405,238
Capital assets	6,000	106,000		106,000
National Conf. of State Legislatures	225,155	237,090	26,343	263,433
Total all funds	\$14,159,170	\$15,908,865	\$56,650	\$15,965,515
Less estimated income	0	140,000	0	140,000
General fund	\$14,159,170	\$15,768,865	\$56,650	\$15,825,515
FTE	0.00	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of Senate Changes

	Adjusts Funding for Legislative Pay Increases ¹	Adjusts Funding for Salary Increases for Temporary Session Staff ²	Increases Funding for National Conference of State Legislatures Dues ³	Total Senate Changes
Salaries and wages	\$23,201	\$7,106		\$30,307
Operating expenses				
Capital assets				
National Conf. of State Legislatures			\$26,343	26,343
Total all funds	\$23,201	\$7,106	\$26,343	\$56,650
Less estimated income	0	0	0	0
General fund	\$23,201	\$7,106	\$26,343	\$56,650
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide legislative compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for regular and organizational sessions, legislators' monthly compensation, and additional monthly compensation for legislative leaders. The House provided funding for legislative compensation adjustments of 2 percent on July 1, 2019, and 2 percent on July 1, 2020. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$186
Monthly compensation	\$495	\$505	\$518
Leaders' additional monthly compensation	\$355	\$362	\$371

² Funding is added for compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for temporary session staff.

³ Funding is added for National Conference of State Legislatures dues to provide for 100 percent of the estimated assessment, or \$263,433, for the 2019-21 biennium. The House provided funding for 90 percent of the dues assessment, or \$237,090.

This amendment also amends statutory sections related to legislative compensation to provide an increase of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for organizational and regular session pay, legislators' monthly compensation, and additional monthly compensation for legislative leaders.

House Bill No. 1001 - Legislative Council - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,049,530	\$9,936,389	\$29,328	\$9,965,717
Operating expenses	2,911,608	3,083,357	60,000	3,143,357
Capital assets		6,000		6,000
Total all funds	\$11,961,138	\$13,025,746	\$89,328	\$13,115,074
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,891,138	\$12,955,746	\$89,328	\$13,045,074
FTE	36.00	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of Senate Changes

	Adjusts Funding for Salary Increases ¹	Adjusts Funding for Legislator Per Diem ²	Increases Funding for Professional Services ³	Total Senate Changes
Salaries and wages	\$27,242	\$2,086		\$29,328
Operating expenses			\$60,000	60,000
Capital assets				
Total all funds	\$27,242	\$2,086	\$60,000	\$89,328
Less estimated income	0	0	0	0
General fund	\$27,242	\$2,086	\$60,000	\$89,328
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The House provided funding for salary increases of 2 percent on July 1, 2019, and 2 percent on July 1, 2020.

² Funding is added to provide for compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for legislators' attendance at interim meetings. The House provided funding for compensation adjustments of 2 percent on July 1, 2019, and 2 percent on July 1, 2020. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Interim meeting pay	\$177	\$181	\$186

³ Funding for professional services is increased to provide a total of \$200,000. The House did not increase funding for professional services.

This amendment also amends statutory sections related to interim committee pay to provide an increase of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020.

House Bill No. 1001 - Other Changes - Senate Action

Presidential Library Operating and Maintenance Endowment Fund - Presidential Documents Digitization Endowment Fund

Sections are added:

- Creating a presidential library operating and maintenance endowment fund to be invested and managed by the Board of University and School Lands;
- Creating a presidential documents digitization endowment fund to be invested and managed by the Board of University and School Lands;
- Providing a \$50 million general fund transfer to the presidential library operating and maintenance endowment fund and a \$10 million general fund transfer to the presidential documents digitization endowment fund during the 2019-21 biennium

- contingent on 2019-21 biennium legacy fund earnings exceeding legislative estimates by at least \$124,370,000;
- Appropriating on a continuing basis the interest and earnings of the presidential library operating and maintenance endowment fund to the Board of University and School Lands to provide grants for the operations and maintenance of the presidential library with the continuing appropriation not becoming effective until the presidential library foundation certifies that:
 - It has raised \$100 million through cash donations and binding pledge donations for the construction of a presidential library; and
 - It has donated \$300,000 to the City of Dickinson for prior costs incurred relating to the presidential library; and
 - Appropriating on a continuing basis the interest and earnings of the presidential documents digitization endowment fund to the Board of University and School Lands to provide grants for the digitization of documents relating to Theodore Roosevelt.

2019 TESTIMONY

HB 1001

**Department 150 - Legislative Assembly
House Bill No. 1001**

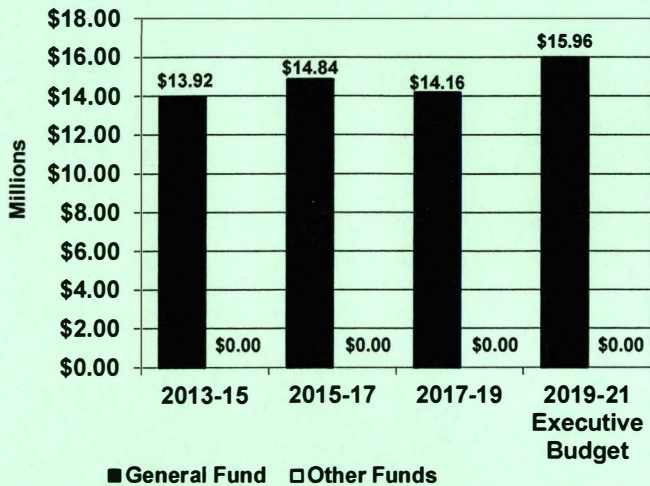
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	0.00	\$15,957,552	\$0	\$15,957,552
2017-19 Legislative Appropriations	0.00	14,159,170	0	14,159,170
Increase (Decrease)	0.00	\$1,798,382	\$0	\$1,798,382

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$15,299,792	\$657,760	\$15,957,552
2017-19 Legislative Appropriations	14,159,170	0	14,159,170
Increase (Decrease)	\$1,140,622	\$657,760	\$1,798,382

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$15,957,552	\$0	\$15,957,552
2019-21 Base Level	14,159,170	0	14,159,170
Increase (Decrease)	\$1,798,382	\$0	\$1,798,382

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for proposed legislators' monthly compensation adjustments of 2 percent each year of the biennium, increasing from \$495 to \$505 effective July 2019 and to \$515 effective July 2020.	\$54,643	\$0	\$54,643
2. Provides funding for proposed adjustments to additional monthly compensation for legislative leaders of 2 percent each year of the biennium, increasing from \$355 to \$362 effective July 2019 and to \$369 effective July 2020.	\$1,358	\$0	\$1,358
3. Provides funding for proposed adjustments to legislative compensation for regular and organizational session compensation of 2 percent each year of the biennium, increasing from \$177 per day to \$181 per day effective July 2019 and to \$185 per day effective July 2020.	\$140,857	\$0	\$140,857

4. Provides funding to increase temporary salaries, including legislative employees and interns, 2 percent each year of the 2019-21 biennium.	\$24,000	\$0	\$24,000
5. Adds funding for the health insurance premium increase for legislators.	\$616,599	\$0	\$616,599
6. Adds funding for proposed increase in daily lodging and maximum monthly lodging expense reimbursement allowed during legislative sessions from \$1,720 to \$1,796.	\$40,670	\$0	\$40,670
7. Adds funding to restore legislative compensation and travel for 2 legislative days removed in 2017 to provide for a total of 77 legislative days.	\$160,000	\$0	\$160,000
8. Decreases funding for information technology data processing.	(\$13,382)	\$0	(\$13,382)
9. Increases funding for service contracts and repairs, telecommunications, and information technology software.	\$92,914	\$0	\$92,914
10. Decreases funding for information technology equipment over \$5,000.	(\$9,300)	\$0	(\$9,300)
11. Decreases funding for other operating expenses.	(\$6,015)	\$0	(\$6,015)
12. Increases funding for National Conference of State Legislatures (NCSL) dues, including funding to restore the 10 percent reduction made in the 2017-19 biennium.	\$38,278	\$0	\$38,278
13. Adds one-time funding for digital signage replacement.	\$40,000	\$0	\$40,000
14. Adds one-time funding for voting system upgrade.	\$100,000	\$0	\$100,000
15. Adds one-time funding for information technology equipment under \$5,000 for laptop and Ipad replacement.	\$517,760	\$0	\$517,760

**Other Sections Recommended to be Added
(As Detailed in the Attached Appendix)**

Transfers - Section 4 would allow 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 would provide the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2017-19 biennium be continued and unexpended appropriations enacted prior to the 2017-19 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

Compensation - Sections 6 and 7 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 8 and 9 of the bill would increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.

The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$185
Monthly compensation	\$495	\$505	\$515
Leaders' additional monthly compensation	\$355	\$362	\$369
Interim meeting pay	\$177	\$181	\$185

Effective date - Section 10 would provide the effective dates of legislative compensation increases.

Emergency - Section 11 would declare the Act is an emergency measure.

Continuing Appropriations

There are no continuing appropriations for the Legislative Assembly.

Deficiency Appropriation

There are no deficiency appropriations for the Legislative Assembly.

Significant Audit Findings

There are no significant audit findings for the Legislative Assembly.

Major Related Legislation

House Concurrent Resolution No. 3006 - This resolution is for a constitutional amendment that, if approved by the Legislative Assembly and voters, would require the legislative assembly to reconvene in special session for the sole purpose of considering an item or bill vetoed after adjournment of a regular or special legislative session, and provide any day spent in such a special session would not count toward the 80-day session limitation.

Legislative Assembly - Budget No. 150
House Bill No. 1001
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	0.00	\$14,159,170	\$0	\$14,159,170
2019-21 Ongoing Funding Changes				
Health insurance increase		\$616,599		\$616,599
Adds funding for 2 percent annual increase in session pay		140,857		140,857
Adds funding for 2 percent annual increase in monthly compensation		56,001		56,001
Increases funding for temporary salaries		24,000		24,000
Restores funding for 2 legislative days removed in 2017		160,000		160,000
Adjusts funding for operating expenses		64,217		64,217
Adds funding for increase in monthly lodging		40,670		40,670
Increases funding for NCSL dues		38,278		38,278
Total ongoing funding changes	0.00	\$1,140,622	\$0	\$1,140,622
One-time funding items				
Adds one-time funding for digital signage replacement		\$40,000		\$40,000
Adds one-time funding for voting system upgrade		100,000		100,000
Adds one-time funding for computer and iPad replacement		517,760		517,760
Total one-time funding changes	0.00	\$657,760	\$0	\$657,760
Total Changes to Base Level Funding	0.00	\$1,798,382	\$0	\$1,798,382
2019-21 Total Funding	0.00	\$15,957,552	\$0	\$15,957,552

Other Sections for Legislative Assembly - Budget No. 150

	Executive Budget Recommendation
Transfers	Section 4 would allow 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 would provide that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2017-19 biennium be continued and that unexpended appropriations enacted prior to the 2017-19 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

Other Sections for Legislative Assembly - Budget No. 150

Executive Budget Recommendation

Compensation

Sections 6 and 7 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 8 and 9 of the bill would increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.

Effective date

Section 10 would provide the effective dates of legislative compensation increases.

Emergency

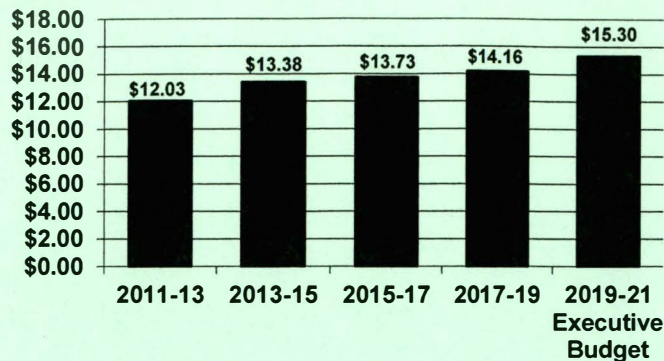
Section 11 would declare the Act is an emergency measure.

Department 150 - Legislative Assembly

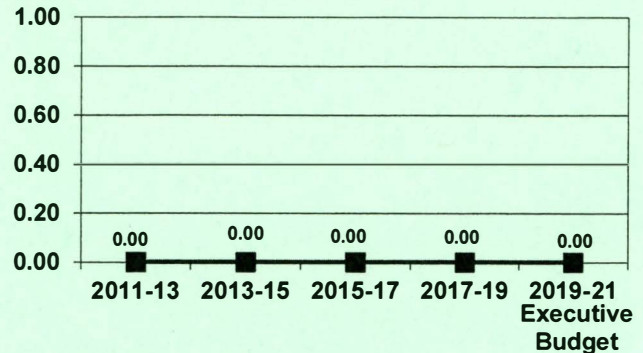
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$12,025,211	\$13,379,971	\$13,730,065	\$14,159,170	\$15,299,792
Increase (decrease) from previous biennium	\$1,013,984	\$1,354,760	\$350,094	\$429,105	\$1,140,622
Percentage increase (decrease) from previous biennium	N/A	11.3%	2.6%	3.1%	8.1%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	11.3%	14.2%	17.7%	27.2%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

- Increased funding for information technology data processing, including LEGEND maintenance and support. \$485,640
- 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

- Adjusted funding for operating expenses, capital assets, and NCSL dues. (This item was affected by the August 2016 budget reductions.) (\$95,548)

2017-19 Biennium

- Reduced funding for the 2019 legislative session to provide funding for an estimated 75 legislative days rather than 77 legislative days, including reductions to per diem (\$112,000) and travel expenses (\$48,000). (\$160,000)
- Added funding to increase the maximum monthly lodging expense reimbursement to \$1,720 anticipated for the 2019 legislative session. The maximum monthly lodging reimbursement was \$1,682 for the 2017 legislative session. \$20,320
- Reduced funding for NCSL dues to provide 90 percent of the estimated 2017-19 biennium billing, a total of \$225,155. (\$16,108)
- Restored a portion of the funding for information technology and other operating expenses, reduced as part of the August 2016 budget reductions. \$254,642

2019-21 Biennium (Executive Budget Recommendation)

- Restores legislative compensation and travel for 2 legislative days removed in 2017. To provide for a total of 77 legislative days. \$160,000
- Adds funding for proposed increase in daily lodging and maximum monthly lodging expense reimbursement allowed during legislative sessions from \$1,720 to \$1,796 anticipated for the 2021 legislative session. \$40,670

3. Increases funding for NCSL dues, including funding to restore the 10 percent reduction made in the 2017-19 biennium.

\$38,278

**LEGISLATIVE BRANCH REQUEST WITH THE GOVERNOR'S RECOMMENDATION
FOR STATE EMPLOYEE COMPENSATION CHANGES**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from the insurance regulatory trust fund, not otherwise appropriated, to the legislative branch of state government for the purpose of defraying the expenses of the legislative branch of state government, for the fiscal period beginning with the effective date of this Act and ending June 30, 2021, as follows:

Subdivision 1.

SIXTY-SIXTH AND SIXTY-SEVENTH LEGISLATIVE ASSEMBLIES AND BIENNIUM

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$949,457	\$11,182,881
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>38,278</u>	<u>263,433</u>
Total general fund	\$14,159,170	\$1,798,382	\$15,957,552

Subdivision 2.

LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$832,616	\$9,882,146
Operating expenses	2,911,608	309,249	3,220,857
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,147,865	\$13,109,003
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,147,865	\$13,039,003
Full-time equivalent positions	36.00	0.00	36.00

Subdivision 3.

BILL TOTAL

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$2,946,247	\$28,996,555

Sixty-sixth
Legislative Assembly

Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$26,120,308	\$2,946,247	\$29,066,555

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Digital signage replacement	\$0	\$40,000
Voting system upgrade	0	100,000
Computer and iPad replacement	<u>0</u>	<u>517,760</u>
Total general fund	\$0	\$657,760

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative assembly shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Redistricting equipment	\$0	\$22,400
Computer replacement	<u>0</u>	<u>124,856</u>
Total general fund	\$0	\$147,256

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. TRANSFERS. Notwithstanding section 54-16-05, the director of the office of management and budget shall transfer appropriation authority between line items of the legislative management and legislative council as may be requested by the chairman of the

legislative management or the director of the legislative council upon the finding by the chairman or the director that the nature of studies and duties assigned to the legislative management or legislative council requires the transfers in properly carrying on the legislative management's and legislative council's functions and duties. The director of the office of management and budget shall similarly make transfers of appropriation authority between the line items for the sixty-sixth and sixty-seventh legislative assemblies, upon request by the chairman of the legislative management or the director of the legislative council upon the finding by the chairman or director that the transfers are required for the legislative assembly to carry on its functions and duties.

SECTION 5. APPLICATION, TRANSFER AUTHORITY, AND CANCELLATION OF UNEXPENDED APPROPRIATIONS. Sections 54-16-04 and 54-44.1-11 do not apply to chapter 26 of the 2017 Session Laws. The director of the office of management and budget shall make transfers of appropriation authority between the line items and the agencies of the legislative branch within section 1 of that chapter as requested by the chairman of the legislative management or the director of the legislative council. The office of management and budget shall cancel unexpended appropriations for the legislative assembly and legislative council enacted prior to the 2017-19 biennium as directed by the chairman of the legislative management or the director of the legislative council.

SECTION 6. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~seventy-seven~~eighty-one dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04

for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not

claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.

4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~four~~five hundred ~~ninety-five~~five dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~fifty-five~~sixty-two dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross

income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 7. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~eighty-one~~eighty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.

- (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of five hundred ~~five~~fifteen dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~sixty-two~~sixty-nine dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 8. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate

of one hundred ~~seventy-seven~~eighty-one dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.

2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 9. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~eighty-one~~eighty-five dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 10. EFFECTIVE DATE. Sections 6 and 8 of this Act become effective on July 1, 2019, and sections 7 and 9 of this Act become effective on July 1, 2020.

SECTION 11. EMERGENCY. This Act is declared to be an emergency measure.

Department 160 - Legislative Council
House Bill No. 1001

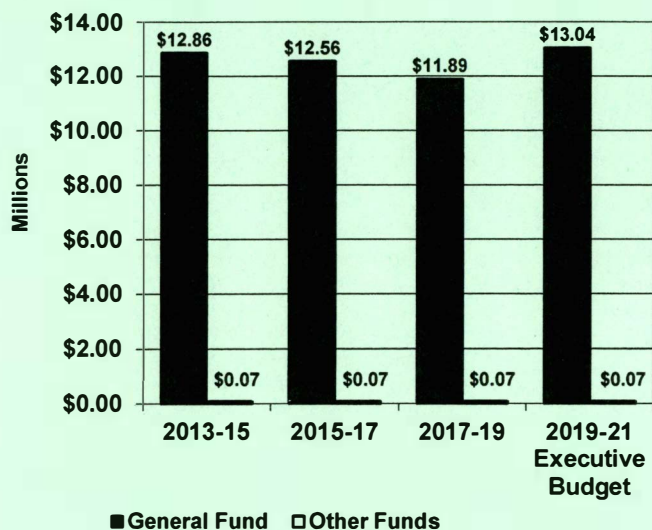
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	36.00	\$13,039,003	\$70,000	\$13,109,003
2017-19 Legislative Appropriations	36.00	11,891,138	70,000	11,961,138
Increase (Decrease)	0.00	\$1,147,865	\$0	\$1,147,865

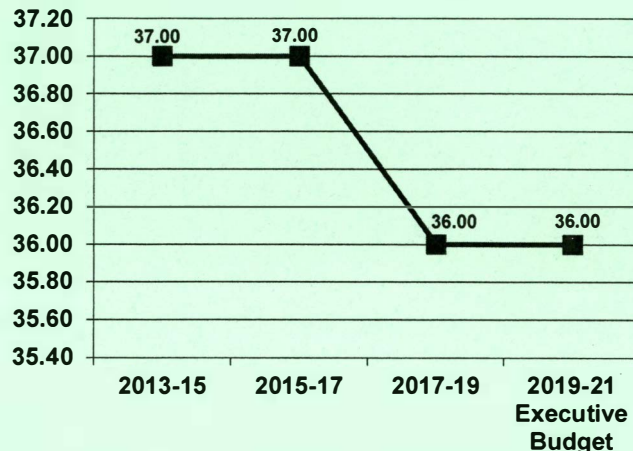
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$12,891,747	\$147,256	\$13,039,003
2017-19 Legislative Appropriations	11,891,138	0	11,891,138
Increase (Decrease)	\$1,000,609	\$147,256	\$1,147,865

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$13,039,003	\$70,000	\$13,109,003
2019-21 Base Level	11,891,138	70,000	11,961,138
Increase (Decrease)	\$1,147,865	\$0	\$1,147,865

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$346,827 is for salary increases, \$132,272 is for health insurance increases, and \$46,729 is for retirement contribution increases.	\$525,828	\$0	\$525,828
2. Adjusts base payroll.	\$39,069	\$0	\$39,069
3. Restores funding for one of two unfunded administrative positions.	\$125,579	\$0	\$125,579
4. Decreases funding for overtime salaries.	(\$5,091)	\$0	(\$5,091)
5. Adds funding for a session retention program.	\$117,512	\$0	\$117,512

6. Provides funding for proposed legislator per diem compensation adjustments of 2 percent for each year of the biennium, from \$177 per day to \$181 per day effective July 2019 and to \$185 per day effective July 2020.	\$19,731	\$0	\$19,731
7. Decreases funding to continue reduced committee sizes during the 2019-21 biennium, including per diem (\$20,200) and travel (\$39,257).	(\$59,457)	\$0	(\$59,457)
8. Increases funding for other meetings and out-of-state travel to restore 2017-19 biennium 10 percent reductions, including per diem \$30,188 and travel \$81,860.	\$112,048	\$0	\$112,048
9. Adds funding for estimated increases in the lodging rate.	\$11,600	\$0	\$11,600
10. Increases funding for professional services from \$140,000 to \$215,000.	\$75,000	\$0	\$75,000
11. Increases funding for operating expenses.	\$32,790	\$0	\$32,790
12. Adds ongoing funding for capital assets for emergency equipment replacement.	\$6,000	\$0	\$6,000
13. Adds one-time funding for information technology (IT) equipment less than \$5,000 for computer replacement.	\$124,856	\$0	\$124,856
14. Adds one-time funding for IT equipment less than \$5,000 for redistricting.	\$22,400	\$0	\$22,400

**Other Sections Recommended to be Added
(As Detailed in the Attached Appendix)**

Transfers - Section 4 would allow transfer 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 would provide the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2017-19 biennium be continued and unexpended appropriations enacted prior to the 2017-19 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

Compensation - Sections 6 and 7 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 8 and 9 of the bill would increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.

The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$185
Monthly compensation	\$495	\$505	\$515
Leaders' additional monthly compensation	\$355	\$362	\$369
Interim meeting pay	\$177	\$181	\$185

Effective date - Section 10 would provide the effective dates of legislative compensation increases.

Emergency - Section 11 would declare 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.

Deficiency Appropriation

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for the Legislative Council.

Major Related Legislation

House Bill No. 1225 - Appropriates \$500,000 from the general fund to contract for assistance with a study of future energy innovations.

Senate Bill No. 2033 - Allows the Legislative Council to provide drafting assistance to measure sponsoring committees pursuant to Legislative Management guidelines.

Senate Bill No. 2055 - Relates to the powers and duties of the Budget Section.

Senate Bill No. 2176 - Appropriates \$200,000 from the general fund to contract for consulting services to assist the Legislative Management in conducting a study of the feasibility and desirability of creating a road train pilot program.

Legislative Council - Budget No. 160
House Bill No. 1001
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	36.00	\$11,891,138	\$70,000	\$11,961,138
2019-21 Ongoing Funding Changes				
Base payroll changes		\$39,069		\$39,069
Salary increase		346,827		346,827
Health insurance increase		132,272		132,272
Retirement contribution increase		46,729		46,729
Restores funding for one of two unfunded administrative positions		125,579		125,579
Decreases funding for overtime salaries		(5,091)		(5,091)
Adds funding for a session retention program		117,512		117,512
Increases per diem 2 percent per year		19,731		19,731
Decreases funding to continue reduced committee sizes during the 2019-21 biennium, including per diem and travel		(59,457)		(59,457)
Increases funding for other meetings and out-of-state travel to restore 2017-19 biennium 10 percent reductions, including per diem and travel		112,048		112,048
Adds funding for estimated increases in the lodging rate		11,600		11,600
Increases funding for professional services from \$140,000 to \$215,000		75,000		75,000
Increases funding for other operating expenses		32,790		32,790
Adds funding for capital assets for emergency equipment replacement		6,000		6,000
Total ongoing funding changes	0.00	\$1,000,609	\$0	\$1,000,609
One-time funding items				
Adds one-time funding for IT equipment less than \$5,000 for computer replacement		\$124,856		\$124,856
Adds one-time funding for IT equipment less than \$5,000 for redistricting		22,400		22,400
Total one-time funding changes	0.00	\$147,256	\$0	\$147,256
Total Changes to Base Level Funding	0.00	\$1,147,865	\$0	\$1,147,865
2019-21 Total Funding	36.00	\$13,039,003	\$70,000	\$13,109,003

Other Sections for Legislative Council - Budget No. 160

Executive Budget Recommendation

Transfers

Section 4 would allow transfer 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 would provide the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2017-19 biennium be continued and unexpended appropriations enacted prior to the 2017-19 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

Compensation

Sections 6 and 7 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 8 and 9 of the bill would increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.

Effective date

Section 10 would provide the effective dates of legislative compensation increases.

Emergency

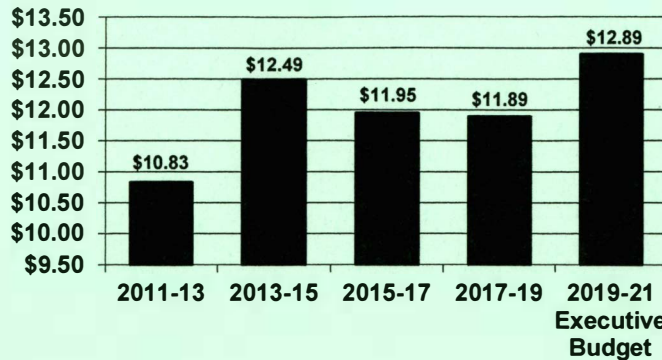
Section 11 would declare the Act is an emergency measure.

Department 160 - Legislative Council

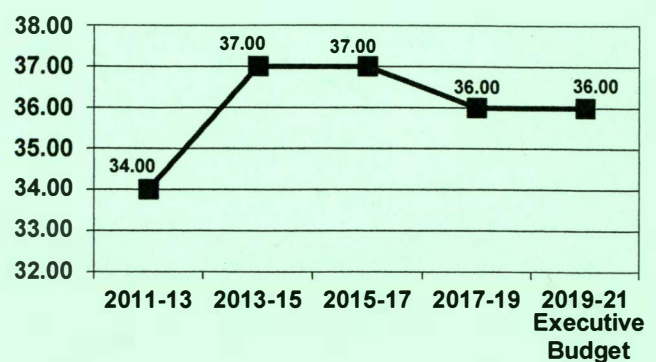
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations

	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$10,826,351	\$12,487,475	\$11,948,410	\$11,891,138	\$12,891,747
Increase (decrease) from previous biennium	\$556,848	\$1,661,124	(\$539,065)	(\$57,272)	\$1,000,609
Percentage increase (decrease) from previous biennium	N/A	15.3%	(4.3%)	(0.5%)	8.4%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	15.3%	10.4%	9.8%	19.1%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

1. Increased funding for IT consulting \$384,855
2. Added funding for 3 FTE fiscal analyst positions and related operating expenses, including IT and equipment \$525,000

2015-17 Biennium

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

2017-19 Biennium

1. Removed 1 vacant FTE fiscal analyst position. The related funding for salaries and wages was removed as part of the August 2016 budget reductions. \$0
2. Reduced funding for base level salaries and wages due to staff turnover. (\$126,558)
3. Removed funding for 1 FTE office assistant position (\$147,071)
4. Reduced funding for per diem (\$92,251) and travel expenses (\$15,140) related to smaller committee sizes anticipated for the 2017-18 interim. (\$107,391)
5. Reduced funding for out-of-state travel 5 percent, including reductions to per diem salaries (\$14,299) and travel expenses (\$44,865). The base budget for out-of-state travel was reduced by an additional 5 percent for a total reduction of 10 percent. (\$59,164)
6. Reduced funding for professional fees to provide a total of \$140,000 for audit fees (\$15,000) and interim committee consulting services (\$125,000) during the 2017-18 interim. (\$75,000)
7. Restored a portion of the funding for IT and other operating expenses, reduced as part of the August 2016 budget reductions. \$210,385

2019-21 Biennium (Executive Budget Recommendation)

1. Restores funding for one of two unfunded administrative positions \$125,579
2. Adds funding for a session retention program. \$117,512

3. Decreases funding to continue reduced committee sizes during the 2019-21 biennium, including per diem (\$20,200) and travel (\$39,257).	(\$59,457)
4. Increases funding for other meetings and out-of-state travel to restore 2017-19 biennium 10 percent reduction, including per diem \$30,188 and travel \$81,860.	\$112,048
5. Increases funding for professional services from \$140,000 to \$215,000.	\$75,000

**LEGISLATIVE BRANCH REQUEST WITH THE GOVERNOR'S RECOMMENDATION
FOR STATE EMPLOYEE COMPENSATION CHANGES**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from the insurance regulatory trust fund, not otherwise appropriated, to the legislative branch of state government for the purpose of defraying the expenses of the legislative branch of state government, for the fiscal period beginning with the effective date of this Act and ending June 30, 2021, as follows:

Subdivision 1.

SIXTY-SIXTH AND SIXTY-SEVENTH LEGISLATIVE ASSEMBLIES AND BIENNIUM

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$949,457	\$11,182,881
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>38,278</u>	<u>263,433</u>
Total general fund	\$14,159,170	\$1,798,382	\$15,957,552

Subdivision 2.

LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$832,616	\$9,882,146
Operating expenses	2,911,608	309,249	3,220,857
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,147,865	\$13,109,003
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,147,865	\$13,039,003
Full-time equivalent positions	36.00	0.00	36.00

Subdivision 3.

BILL TOTAL

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$2,946,247	\$28,996,555

Sixty-sixth
Legislative Assembly

Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$26,120,308	\$2,946,247	\$29,066,555

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE

BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Digital signage replacement	\$0	\$40,000
Voting system upgrade	0	100,000
Computer and iPad replacement	<u>0</u>	<u>517,760</u>
Total general fund	\$0	\$657,760

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative assembly shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE

ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Redistricting equipment	\$0	\$22,400
Computer replacement	<u>0</u>	<u>124,856</u>
Total general fund	\$0	\$147,256

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. TRANSFERS. Notwithstanding section 54-16-05, the director of the office of management and budget shall transfer appropriation authority between line items of the legislative management and legislative council as may be requested by the chairman of the

legislative management or the director of the legislative council upon the finding by the chairman or the director that the nature of studies and duties assigned to the legislative management or legislative council requires the transfers in properly carrying on the legislative management's and legislative council's functions and duties. The director of the office of management and budget shall similarly make transfers of appropriation authority between the line items for the sixty-sixth and sixty-seventh legislative assemblies, upon request by the chairman of the legislative management or the director of the legislative council upon the finding by the chairman or director that the transfers are required for the legislative assembly to carry on its functions and duties.

SECTION 5. APPLICATION, TRANSFER AUTHORITY, AND CANCELLATION OF UNEXPENDED APPROPRIATIONS. Sections 54-16-04 and 54-44.1-11 do not apply to chapter 26 of the 2017 Session Laws. The director of the office of management and budget shall make transfers of appropriation authority between the line items and the agencies of the legislative branch within section 1 of that chapter as requested by the chairman of the legislative management or the director of the legislative council. The office of management and budget shall cancel unexpended appropriations for the legislative assembly and legislative council enacted prior to the 2017-19 biennium as directed by the chairman of the legislative management or the director of the legislative council.

SECTION 6. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~seventy-seven~~eighty-one dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04

for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not

claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.

4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~four~~five hundred ~~ninety-five~~five dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~fifty-five~~sixty-two dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross

income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 7. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~eighty-one~~eighty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.

- (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

Sixty-sixth
Legislative Assembly

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of five hundred ~~five~~fifteen dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~sixty-two~~sixty-nine dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 8. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate

of one hundred ~~seventy-seven~~eighty-one dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.

2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 9. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~eighty-one~~eighty-five dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 10. EFFECTIVE DATE. Sections 6 and 8 of this Act become effective on July 1, 2019, and sections 7 and 9 of this Act become effective on July 1, 2020.

SECTION 11. EMERGENCY. This Act is declared to be an emergency measure.

January 14, 2019

HB 1001

Attachment A

Prepared by the Legislative Council staff
January 14, 2019

**STATEMENT OF JOHN BJORNSON, DIRECTOR,
NORTH DAKOTA LEGISLATIVE COUNCIL,
REGARDING HOUSE BILL NO. 1001,
JANUARY 14, 2019**

Mr. Chairman and members of the House Appropriations Committee:

I am here this morning appearing on House Bill No. 1001 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 2019-21 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. The financial statements for the fiscal years ending June 30, 2017, and 2016, for the Legislative Assembly and Legislative Council had unqualified opinions and no audit findings.

LEGISLATIVE ASSEMBLY

The Legislative Assembly budget request for the 2019-21 biennium totals \$15,957,552 from the general fund. This amount includes \$657,760 of one-time funding requests. The Legislative Assembly "ongoing" request is \$1,140,622, or 8.1 percent more than the 2017-19 "ongoing" appropriation. The amount requested is considered necessary for the organizational session and a 77-legislative-day (111-calendar-day) regular 2021 legislative session. The following schedule presents the number of legislative days for previous sessions:

Legislative Session	Legislative Days
2017	77
2015	79
2013	80
2011	78
2009	79
2007	78
2005	76
2003	76*
2001	77
1999	71
1997	66

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

The Legislative Assembly in 2017 provided funding for an estimated 75-legislative-day 2019 legislative session. The estimated cost per day is approximately \$80,000.

Salaries and Wages

The salaries and wages line item of approximately \$11.2 million includes funding for:

- Legislative employees' pay for the 2021 legislative session based on the number of employees anticipated to be employed for the

2019 legislative session of 83 and 2 percent annual salary adjustments.

- Legislators' salary of \$185 per day for a 77-legislative-day regular session (111 calendar days). This includes a 2 percent 1st year and 2 percent 2nd year increase. The statutory changes would need to be added to House Bill No. 1001 to provide for this increase. See Sections 6 and 7 of the draft bill attached to the green sheet (an estimated cost of \$140,857).
- 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 \$505 per month for the 1st year of the biennium, a \$10, or 2 percent per month increase and \$515 per month for the 2nd year of the biennium, a \$10, or 2 percent per month increase (an estimated cost of \$54,643). These increases also are included in Sections 6 and 7 of the draft bill attached to the green sheet.
- Additional monthly compensation for House and Senate majority and minority leaders of \$362 per month for the 1st year of the biennium, a \$7, or 2 percent per month increase and \$369 per month for the 2nd year of the biennium, a \$7, or 2 percent per month increase (estimated cost of \$1,358). These increases also are provided for in Sections 6 and 7 of the draft bill attached to the green sheet.
- Health insurance coverage for 133 legislators, the same number budgeted for the 2017-19 biennium. Current information indicates 127 legislators have requested health insurance.

Operating Expenses

The operating expenses line item of approximately \$4.4 million includes funding for:

- Legislators' travel costs for 16 trips at 55 cents per mile during the 2021 regular session and one trip for the 2020 organizational session. The mileage rate is currently 58 cents per mile.
- Lodging costs for 126 legislators for 4 months during the 2021 legislative session at an estimated reimbursement rate of \$1,796 per month. The reimbursement rate for the 2019

legislative session is \$1,758. The budget includes an additional \$40,670 relating to lodging.

- Contribution of \$10,000 annually to the International Legislator's Forum (Manitoba, Minnesota, North Dakota, and South Dakota).
- Ongoing information technology data processing of \$1,081,456, a decrease of \$13,382 compared to the 2017-19 biennium.
- Professional services of \$77,000, the same as the 2017-19 biennium budget. The amount includes \$60,000 for the continued privatization of legislative secretarial, bill and journal, and telephone operations.
- Replacement of legislator's computers and iPads prior to the 2021 session using one-time funding of \$517,760.
- Replacement of the digital signs for committee rooms using one-time funding of \$40,000.

Capital Assets

The capital assets line item of \$106,000 includes funding of \$100,000 of one-time funding for upgrading the chamber voting systems and \$6,000 for unexpected equipment replacement needs during the 2019-21 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 \$263,433 is an increase of \$38,278, or 17.0 percent from the 2017-19 budget of \$225,155. 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 2020 and 2021. For the 2017-19 biennium, North Dakota paid only 90 percent (\$225,155) of the billed NCSL dues (\$250,172).

LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

The Legislative Management and Legislative Council budget request for the 2019-21 biennium totals \$13,109,003, of which \$13,039,003 is from the general fund and \$70,000 is from the insurance regulatory trust fund. This amount includes \$147,256 of one-time funding requests. Ongoing funding from the general fund is \$1,000,609, or 8.4 percent more than the 2017-19 biennium general fund appropriation.

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, the same number authorized for the 2017-19 biennium. The organizational chart reflecting the current staff

structure is attached as an Appendix. As indicated, we currently have 4 vacant FTE positions.

Salaries and Wages

The salaries and wages line item of approximately \$9.9 million includes funding for:

- Thirty-six authorized FTE positions (35 FTE funded).
- The Governor's recommended 4 percent 1st year and 2 percent 2nd year state employee salary increase of \$346,827.
- The Governor's recommended health insurance premium increase of \$132,272.
- The Governor's recommended 1 percent retirement contribution increase effective January 1, 2020, of \$46,729.
- Temporary employees' pay for the 2021 legislative session.
- Legislators' per diem for interim meetings of \$946,812, \$27,609 more than the 2017-19 budgeted amount. This request is based on the same number of committees (26) budgeted for the 2017-18 interim, assumes an 87 percent attendance rate at committee meetings, and continues the 2017-18 smaller committee membership size of an average of 14 members. The request includes \$30,188 to restore the 10 percent reduction made to other meetings and out-of-state travel for the 2017-19 biennium. The budgeted amount includes a proposed increase for legislators' interim meeting pay of 2 percent each year from the current level of \$177 per day to \$181 per day effective July 1, 2019, and \$185 per day effective July 1, 2020 (an estimated cost of \$19,731). These increases are provided for in Sections 8 and 9 of the draft bill attached to the green sheet and would need to be added to House Bill No. 1001.
- A session retention program of \$117,512 to retain key staff members for legislative sessions. The Legislative Council employee annual turnover rate averaged 14 percent for 2010 to 2016, was 3 percent in 2017 and 15 percent in 2018. Five employees left within just a few months of the 2019 session. We have only 8 employees that have been with us for more than 10 years. More than one-third of the staff has under 5 years of experience with the Legislative Council. We have some very talented young employees. We need to have a way to retain these employees.

Operating Expenses

The operating expenses line item of approximately \$3.2 million includes funding for:

- Travel expenses relating to meetings during the interim of \$1,682,832, which is \$54,203 more than the 2017-19 budget. The funding request is based on the same number of

committees (26) budgeted for the 2017-18 interim, assumes an 87 percent attendance rate at committee meetings, and continues the 2017-18 smaller committee membership size of an average of 14 members. The request includes \$81,860 to restore the 10 percent reduction made to other meetings and out-of-state travel for the 2017-19 biennium. Funding for mileage reimbursement is included at a 55 cent-per-mile rate; however, the current per-mile rate is 58 cents.

- Dues of \$38,400 annually to the Energy Council, the same as the 2017-19 biennium.
- Professional services of \$215,000 is \$75,000 more than the 2017-19 biennium budget, but \$100,000 less than the original 2015-17 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.
- Replacement of Legislative Council staff computers prior to the 2021 session using one-time funding of \$124,856.
- Legislative redistricting computer equipment of \$22,400 (one-time funding).
- 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 \$6,000 includes funding for unanticipated equipment replacement needs during the 2019-21 biennium.

OTHER AREAS

Sections 4 and 5 of House Bill No. 1001 relate to authorizing line item transfers as necessary and the cancelation of previous unspent appropriations.

RELATED BILLS

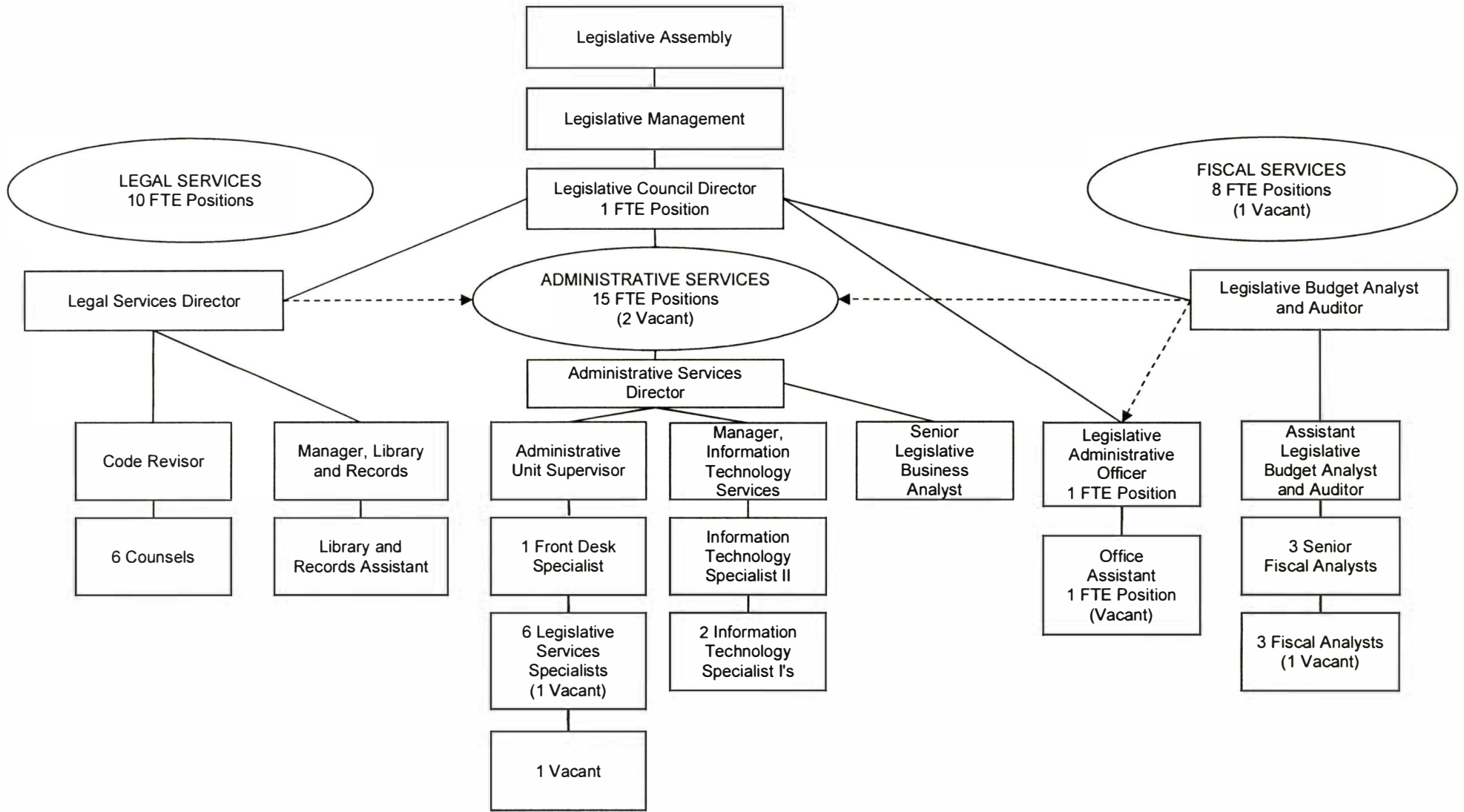
Other bills under consideration which may affect the budget of the legislative branch include:

- **House Bill No. 1225** appropriates \$500,000 from the general fund to the Legislative Council to contract for assistance with a study of future energy innovations.
- **Senate Bill No. 2176** appropriates \$200,000 from the general fund to the Legislative Council to contract for assistance with a study of a road train pilot project.
- **Senate Bill No. 2033** provides the Legislative Council may provide drafting services for an initiated measure sponsoring committee under guidelines established by the Legislative Management.

ATTACH:1

LEGISLATIVE COUNCIL ORGANIZATIONAL CHART

AH. A AB 1001
1-14-19



36 FTE Positions Authorized
(4 Vacant) one (1) of which is unfunded

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

4

January 28, 2019

HB1001

Mark A

**Legislative Assembly - Budget No. 150
House Bill No. 1001
Base Level Funding Changes**

	Executive Budget Recommendation				House Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	0.00	\$14,159,170	\$0	\$14,159,170	0.00	\$14,159,170	\$0	\$14,159,170
2019-21 Ongoing Funding Changes								
Health insurance increase		\$616,599		\$616,599		616,599		616,599
Adds funding for 2 percent annual increase in session pay		140,857		140,857		140,857		140,857
Adds funding for 2 percent annual increase in monthly compensation		56,001		56,001		56,001		56,001
Increases funding for temporary salaries		24,000		24,000				0
Restores funding for 2 legislative days removed in 2017		160,000		160,000				0
Adjusts funding for operating expenses		64,217		64,217				0
Adds funding for increase in monthly lodging		40,670		40,670				0
Increases funding for NCSL dues		38,278		38,278				0
Total ongoing funding changes	0.00	\$1,140,622	\$0	\$1,140,622	0.00	\$813,457	\$0	\$813,457
One-time funding items								
No one-time funding items				\$0				\$0
Adds one-time funding for digital signage replacement		\$40,000		\$40,000				0
Adds one-time funding for voting system upgrade		100,000		100,000				0
Adds one-time funding for computer and iPad replacement		517,760		517,760				0
Total one-time funding changes	0.00	\$657,760	\$0	\$657,760	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$1,798,382	\$0	\$1,798,382	0.00	\$813,457	\$0	\$813,457
2019-21 Total Funding	0.00	\$15,957,552	\$0	\$15,957,552	0.00	\$14,972,627	\$0	\$14,972,627

Att. A. HB1001
1-28-19

Other Sections for Legislative Assembly - Budget No. 150

	<u>Executive Budget Recommendation</u>	<u>House Version</u>
Transfers	Section 4 would allow 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 would provide that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2017-19 biennium be continued and that unexpended appropriations enacted prior to the 2017-19 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.	
Compensation	Sections 6 and 7 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 8 and 9 of the bill would increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.	
Effective date	Section 10 would provide the effective dates of legislative compensation increases.	
Emergency	Section 11 would declare the Act is an emergency measure.	

January 28, 2019

HB 1001

Attachment B

**Legislative Council - Budget No. 160
House Bill No. 1001
Base Level Funding Changes**

	Executive Budget Recommendation				House Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	36.00	\$11,891,138	\$70,000	\$11,961,138	36.00	\$11,891,138	\$70,000	\$11,961,138
2019-21 Ongoing Funding Changes								
Base payroll changes		\$39,069		\$39,069		\$39,069		\$39,069
Salary increase		346,827		346,827		207,899		207,899
Health insurance increase		132,272		132,272		156,172		156,172
Retirement contribution increase		46,729		46,729				0
Restores funding for one of two unfunded administrative positions		125,579		125,579				0
Decreases funding for overtime salaries		(5,091)		(5,091)				0
Adds funding for a session retention program		117,512		117,512				0
Increases per diem 2 percent per year		19,731		19,731		19,731		19,731
Decreases funding to continue reduced committee sizes during the 2019-21 biennium, including per diem and travel		(59,457)		(59,457)				0
Increases funding for other meetings and out-of-state travel to restore 2017-19 biennium 10 percent reductions, including per diem and travel		112,048		112,048				0
Adds funding for estimated increases in the lodging rate		11,600		11,600				0
Increases funding for professional services from \$140,000 to \$215,000		75,000		75,000				0
Increases funding for other operating expenses		32,790		32,790				0
Adds funding for capital assets for emergency equipment replacement		6,000		6,000				0
Total ongoing funding changes	0.00	\$1,000,609	\$0	\$1,000,609	0.00	\$422,871	\$0	\$422,871

Att. B
HB1001

1-28-19

One-time funding items

No one-time funding items				\$0				\$0
Adds one-time funding for IT equipment less than \$5,000 for computer replacement	\$124,856			\$124,856				0
Adds one-time funding for IT equipment less than \$5,000 for redistricting	22,400			22,400				0
Total one-time funding changes	0.00	\$147,256	\$0	\$147,256	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$1,147,865	\$0	\$1,147,865	0.00	\$422,871	\$0	\$422,871
2019-21 Total Funding	36.00	\$13,039,003	\$70,000	\$13,109,003	36.00	\$12,314,009	\$70,000	\$12,384,009

Other Sections for Legislative Council - Budget No. 160

	<u>Executive Budget Recommendation</u>	<u>House Version</u>
Transfers	Section 4 would allow transfer 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 would provide the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2017-19 biennium be continued and unexpended appropriations enacted prior to the 2017-19 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.	
Compensation	Sections 6 and 7 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 8 and 9 of the bill would increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.	
Effective date	Section 10 would provide the effective dates of legislative compensation increases.	
Emergency	Section 11 would declare the Act is an emergency measure.	

19.0189.01001
Title.

Prepared by the Legislative Council staff for
the House Appropriations - Government
Operations Division Committee
January 25, 2019

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1001

Page 1, replace lines 13 through 19 with:

"		<u>Adjustments or</u>	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$0	\$10,233,424
Operating expenses	3,694,591	0	3,694,591
Capital assets	6,000	0	6,000
National conference of state legislatures	<u>225,155</u>	<u>0</u>	<u>225,155</u>
Total general fund	\$14,159,170	\$0	\$14,159,170"

Page 1, remove lines line 22 through 24

Page 2, replace lines 1 through 6 with:

"		<u>Adjustments or</u>	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$0	\$9,049,530
Operating expenses	2,911,608	7,500	2,919,108
Capital assets	<u>0</u>	<u>0</u>	<u>0</u>
Total all funds	\$11,961,138	\$7,500	\$11,968,638
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$7,500	\$11,898,638
Full-time equivalent positions	36.00	36.00	36.00"

Page 2, replace lines 9 through 13 with:

"		<u>Adjustments or</u>	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$7,500	\$26,057,808
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$26,120,308	\$7,500	\$26,127,808"

"SECTION 2. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

	<u>2017-19</u>	<u>2019-21</u>
<u>One-Time Funding Description</u>		
Council of State Governments conference	\$0	\$7,500
Total general fund	\$0	\$7,500

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of House Action

	Base Budget	House Changes	House Version
Legislative Assembly			
Total all funds	\$14,159,170	\$0	\$14,159,170
Less estimated income	0	0	0
General fund	\$14,159,170	\$0	\$14,159,170
FTE	0.00	0.00	0.00
Legislative Council			
Total all funds	\$11,961,138	\$7,500	\$11,968,638
Less estimated income	70,000	0	70,000
General fund	\$11,891,138	\$7,500	\$11,898,638
FTE	36.00	0.00	36.00
Bill total			
Total all funds	\$26,120,308	\$7,500	\$26,127,808
Less estimated income	70,000	0	70,000
General fund	\$26,050,308	\$7,500	\$26,057,808
FTE	36.00	0.00	36.00

House Bill No. 1001 - Legislative Council - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,049,530		\$9,049,530
Operating expenses	2,911,608	\$7,500	2,919,108
Total all funds	\$11,961,138	\$7,500	\$11,968,638
Less estimated income	70,000	0	70,000
General fund	\$11,891,138	\$7,500	\$11,898,638
FTE	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of House Changes

	Adds Funding for Conference Dues¹	Total House Changes
Salaries and wages		
Operating expenses	\$7,500	\$7,500
Total all funds	\$7,500	\$7,500
Less estimated income	0	0
General fund	\$7,500	\$7,500
FTE	0.00	0.00

¹ One-time funding of \$7,500 from the general fund is added for conference dues relating to the Council of State Governments Midwest Canada Relations Energy Subcommittee.

February 4, 2019

HB 1001

Attachment A

Prepared by the Legislative Council staff
for Representative Vigesaa
February 1, 2019

HOUSE BILL NO. 1001
LISTING OF PROPOSED CHANGES TO EXECUTIVE BUDGET AMOUNTS

Department - Legislative Assembly

Proposed funding changes:

Description	FTE	General Fund	Special Funds	Total
1 NCSL dues at 90 percent (\$237,090 rather than \$263,433)		(\$26,343)		(\$26,343)
2 Provide funding for voting system upgrade and digital signs from capitol building fund		(\$140,000)	\$140,000	\$0
3 Adjust health insurance premium to \$1427 per month		(\$22,344)		(\$22,344)
4				
Total proposed funding changes	0.00	(\$188,687)	\$140,000	(\$48,687)

Other proposed changes:

- 1
- 2
- 3
- 4

AH. A HB 1001
2-4-19

Prepared by the Legislative Council staff
for Representative Vigesaa
February 1, 2019

HOUSE BILL NO. 1001
LISTING OF PROPOSED CHANGES TO EXECUTIVE BUDGET AMOUNTS

Department - Legislative Council

Proposed funding changes:

Description	FTE	General Fund	Special Funds	Total
1 Continue funding for professional services at the 2017-19 level of \$140,000		(\$75,000)		(\$75,000)
2 Continue out-of-state travel at 2017-19 levels		(\$112,048)		(\$112,048)
3 Continue funding for printing at the 2017-19 level		(\$10,589)		(\$10,589)
4 Reduce funding for other operating expenses		(\$60,000)		(\$60,000)
5 Remove funding for capital assets		(\$6,000)		(\$6,000)
Total proposed funding changes	<u>0.00</u>	<u>(\$263,637)</u>	<u>\$0</u>	<u>(\$263,637)</u>

Other proposed changes:

- 1
- 2
- 3
- 4

February 5, 2019

HB 1001

Attachment A

Prepared by the Legislative Council staff
for Representative Vigesaa
February 1, 2019

HOUSE BILL NO. 1001
LISTING OF PROPOSED CHANGES TO EXECUTIVE BUDGET AMOUNTS

Department - Legislative Assembly

Proposed funding changes:

Description	FTE	General Fund	Special Funds	Total
1 NCSL dues at 90 percent (\$237,090 rather than \$263,433)		(\$26,343)		(\$26,343)
2 Provide funding for voting system upgrade and digital signs from capitol building fund		(\$140,000)	\$140,000	\$0
3 Adjust health insurance premium to \$1427 per month		(\$22,344)		(\$22,344)
4				
Total proposed funding changes	0.00	(\$188,687)	\$140,000	(\$48,687)

Other proposed changes:

- 1
- 2
- 3
- 4

✓

AH. A HB1001
2-5-19

Prepared by the Legislative Council staff
for Representative Vigesaa
February 1, 2019

HOUSE BILL NO. 1001
LISTING OF PROPOSED CHANGES TO EXECUTIVE BUDGET AMOUNTS

Department - Legislative Council

Proposed funding changes:

Description	FTE	General Fund	Special Funds	Total
1 Continue funding for professional services at the 2017-19 level of \$140,000		(\$75,000)		(\$75,000)
2 Continue out-of-state travel at 2017-19 levels		(\$112,048)		(\$112,048)
3 Continue funding for printing at the 2017-19 level		(\$10,589)		(\$10,589)
4 Reduce funding for other operating expenses		(\$60,000)		(\$60,000)
5 Remove funding for capital assets		(\$6,000)		(\$6,000)
Total proposed funding changes	<u>0.00</u>	<u>(\$263,637)</u>	<u>\$0</u>	<u>(\$263,637)</u>

Other proposed changes:

- 1
- 2
- 3
- 4

19.0189.01002
Title.

Prepared by the Legislative Council staff for
the House Appropriations - Government
Operations Division Committee
February 6, 2019

Fiscal No. 2

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1001

Page 1, line 3, after the semicolon insert "to amend and reenact sections 54-03-20 and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide an effective date;"

Page 1, line 8, after "fund" insert "and the capitol building fund"

Page 1, replace lines 13 through 19 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$927,113	\$11,160,537
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>11,935</u>	<u>237,090</u>
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total general fund	\$14,159,170	\$1,609,695	\$15,768,865"

Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 6 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$886,859	\$9,936,389
Operating expenses	2,911,608	171,749	3,083,357
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,064,608	\$12,955,746
Full-time equivalent positions	36.00	0.00	36.00"

Page 2, replace lines 9 through 13 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$2,674,303	\$28,724,611
Grand total special funds	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
Grand total all funds	\$26,120,308	\$2,814,303	\$28,934,611

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Digital signage replacement	\$0	\$40,000
Voting system upgrades	0	100,000
Computer and iPad replacement	<u>0</u>	<u>517,760</u>

Total all funds	\$0	\$657,760
Less estimated income	<u>0</u>	<u>140,000</u>
Total general fund	\$0	\$517,760

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative assembly shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Redistricting equipment	\$0	\$22,400
Computer replacement	0	124,856
Council of State Governments conference	<u>0</u>	<u>7,500</u>
Total general fund	\$0	\$154,756

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes \$140,000 from the capitol building fund for digital signage replacement and voting system upgrades for the biennium beginning July 1, 2019, and ending June 30, 2021.

Page 3, after line 3, insert:

"SECTION 7. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~seventy-seventy-one~~ seventy-one dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.

2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount

equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
- (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

- 6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
- 7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~four~~five hundred ~~ninety-five~~five dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~fifty-five~~sixty-two dollars per month during the biennium for their execution of public duties.
- 8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
- 9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 8. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

- 1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~eighty-one~~eighty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
- 2.
 - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of

the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
- (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

Att. A. HB1001
2-7-19

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of five hundred ~~five~~fifteen dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~sixty-two~~sixty-nine dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 9. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~seventy-seven~~eighty-one dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 10. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~eighty-one~~eighty-five dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.

2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 11. EFFECTIVE DATE. Sections 7 and 9 of this Act become effective on July 1, 2019, and sections 8 and 10 of this Act become effective on July 1, 2020."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of House Action

	Base Budget	House Changes	House Version
Legislative Assembly			
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
General fund	\$14,159,170	\$1,609,695	\$15,768,865
FTE	0.00	0.00	0.00
Legislative Council			
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$11,891,138	\$1,064,608	\$12,955,746
FTE	36.00	0.00	36.00
Bill total			
Total all funds	\$26,120,308	\$2,814,303	\$28,934,611
Less estimated income	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
General fund	\$26,050,308	\$2,674,303	\$28,724,611
FTE	36.00	0.00	36.00

A.H. A. HB1001
2-7-19

House Bill No. 1001 - Legislative Assembly - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$10,233,424	\$927,113	\$11,160,537
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National Conf. of State Legislatures	225,155	11,935	237,090
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	0	140,000	140,000
General fund	\$14,159,170	\$1,609,695	\$15,768,865
FTE	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of House Changes

	Adds Funding for Legislative Pay Increases¹	Adjusts Funding for Health Insurance Increases²	Increases Funding for Temporary Salaries³	Restores Funding for Two Legislative Days⁴	Increases Funding for Monthly Lodging Reimbursement⁵	Adjusts Funding for Operating Expenses⁶
Salaries and wages	\$196,858	\$594,255	\$24,000	\$112,000		
Operating expenses				48,000	\$40,670	\$64,217
Capital assets						
National Conf. of State Legislatures						
Total all funds	\$196,858	\$594,255	\$24,000	\$160,000	\$40,670	\$64,217
Less estimated income	0	0	0	0	0	0
General fund	\$196,858	\$594,255	\$24,000	\$160,000	\$40,670	\$64,217
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Funding for National Conference of State Legislatures Dues⁷	Adds One-Time Funding for Digital Signage Replacement⁸	Adds One-Time Funding for Computer and iPad Replacement⁹	Adds One-Time Funding for Voting System Upgrades¹⁰	Total House Changes
Salaries and wages					\$927,113
Operating expenses		\$40,000	\$517,760		710,647
Capital assets				\$100,000	100,000
National Conf. of State Legislatures	\$11,935				11,935
Total all funds	\$11,935	\$40,000	\$517,760	\$100,000	\$1,749,695
Less estimated income	0	40,000	0	100,000	140,000
General fund	\$11,935	\$0	\$517,760	\$0	\$1,609,695
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is added for legislator compensation adjustments of 2 percent per year for regular and organizational sessions, legislators' monthly compensation, and additional monthly compensation for legislative leaders.

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$185
Monthly compensation	\$495	\$505	\$515
Leaders' additional monthly compensation	\$355	\$362	\$369

² Funding is added for increases in health insurance premiums from \$1,241 to \$1,427 per month.

³ Funding is added for compensation adjustments of 2 percent per year for temporary session staff.

⁴ Funding is added to restore legislative compensation and travel for 2 legislative days removed in 2017 to provide

funding for 77 legislative days.

⁵ Funding is added to increase the maximum monthly lodging expense reimbursement to \$1,796 anticipated for the 2021 legislative session. The maximum monthly lodging expense reimbursement is \$1,758 for the 2019 session.

⁶ Funding for operating expenses is increased, including increases in funding for service contracts and repairs, telecommunications, and information technology software and decreases in information technology data processing, information technology equipment over \$5,000, and other operating expenses.

⁷ Funding is added for increases in National Conference of State Legislatures dues, to provide for 90 percent of the dues assessment, for a total of \$237,090 for the 2019-21 biennium.

⁸ One-time funding is added from the capitol building fund for digital signage replacement.

⁹ One-time funding is provided for information technology equipment under \$5,000 for laptop and iPad replacement.

¹⁰ One-time funding for capital assets is added from the capitol building fund for voting system upgrades.

This amendment also adds sections to:

- Adjust 2019-21 biennium compensation rates to provide 2 percent per year increases for regular and organizational session pay, legislators' monthly compensation, and additional monthly compensation for legislative leaders; and
- Provide effective dates of the legislative compensation increases.

House Bill No. 1001 - Legislative Council - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,049,530	\$886,859	\$9,936,389
Operating expenses	2,911,608	171,749	3,083,357
Capital assets	6,000	6,000	6,000
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	70,000	0	70,000
General fund	\$11,891,138	\$1,064,608	\$12,955,746
FTE	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of House Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Restores Funding for an Administrative Position ³	Reduces Funding for Overtime Salaries ⁴	Adds Funding for a Session Retention Program ⁵	Increases Funding for Legislator Per Diem ⁶
Salaries and wages	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
Operating expenses						
Capital assets						
Total all funds	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
Less estimated income	0	0	0	0	0	0
General fund	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Decreases Funding for Reduced Interim Committee Sizes ⁷	Restores Funding for Out-of-State Travel ⁸	Adds Funding for Increased Lodging Rates ⁹	Decreases Funding for Operating Expenses ¹⁰	Adds Funding for Capital Assets ¹¹	Adds One-Time Funding for Computer Replacement ¹²
Salaries and wages	(\$20,200)	\$30,188				
Operating expenses	(39,257)	81,860	\$11,600	(\$37,210)		\$124,856
Capital assets					\$6,000	
Total all funds	(\$59,457)	\$112,048	\$11,600	(\$37,210)	\$6,000	\$124,856
Less estimated income	0	0	0	0	0	0
General fund	(\$59,457)	\$112,048	\$11,600	(\$37,210)	\$6,000	\$124,856
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Redistricting Equipment ¹³	Adds One-Time Funding for Council of State Governments Conference ¹⁴	Total House Changes
Salaries and wages			\$886,859
Operating expenses	\$22,400	\$7,500	171,749
Capital assets			6,000
Total all funds	\$22,400	\$7,500	\$1,064,608
Less estimated income	0	0	0
General fund	\$22,400	\$7,500	\$1,064,608
FTE	0.00	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent per year and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$207,899	\$0	\$207,899
Health insurance increase	156,172	0	156,172
Total	\$364,071	\$0	\$364,071

³ Funding is restored for one of two unfunded administrative positions.

⁴ Funding for overtime salaries is reduced.

⁵ Funding is added for a session retention program.

⁶ Funding is added for 2019-21 biennium compensation adjustments of 2 percent per year for legislators' attendance at interim meetings. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Interim meeting pay	\$177	\$181	\$185

⁷ Funding is decreased to continue reduced committee sizes during the 2019-21 biennium, including per diem (\$20,200) and travel (\$39,257).

⁸ Funding is added for other meetings and out-of-state travel to restore 2017-19 biennium 10 percent reductions, including per diem \$30,188 and travel \$81,860.

⁹ Funding is added for estimated increases in the lodging rate.

¹⁰ Funding is reduced for operating expenses.

¹¹ Funding is added for capital assets for emergency equipment replacement.

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¹² One-time funding is added for information technology equipment less than \$5,000 for computer replacement.

¹³ One-time funding is added for information technology equipment less than \$5,000 for redistricting.

¹⁴ One-time funding is added for a Council of State Governments conference.

Sections are also added to:

- Adjust 2019-21 biennium compensation rates to provide a 2 percent per year increase for interim meeting pay; and
- Provide effective dates of the legislative compensation increases.

**Department 150 - Legislative Assembly
House Bill No. 1001**

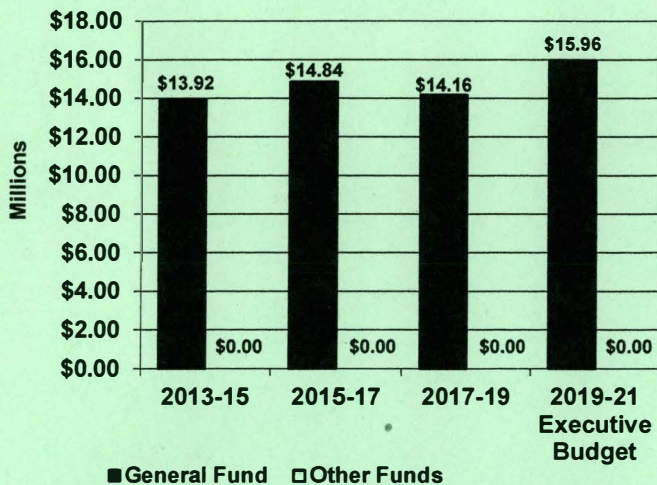
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	0.00	\$15,957,552	\$0	\$15,957,552
2017-19 Legislative Appropriations	0.00	14,159,170	0	14,159,170
Increase (Decrease)	0.00	\$1,798,382	\$0	\$1,798,382

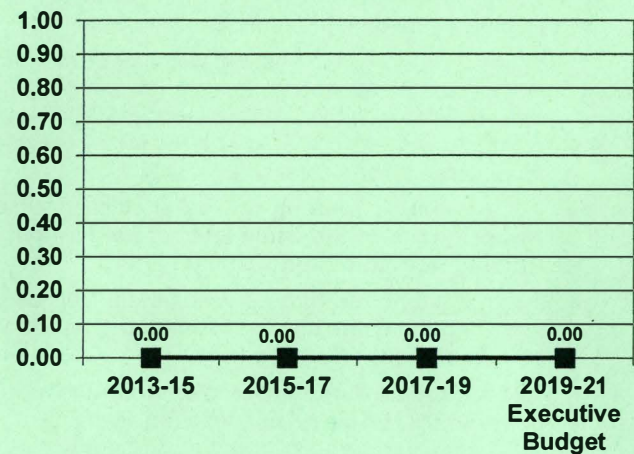
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$15,299,792	\$657,760	\$15,957,552
2017-19 Legislative Appropriations	14,159,170	0	14,159,170
Increase (Decrease)	\$1,140,622	\$657,760	\$1,798,382

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$15,957,552	\$0	\$15,957,552
2019-21 Base Level	14,159,170	0	14,159,170
Increase (Decrease)	\$1,798,382	\$0	\$1,798,382

First House Action

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

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

	General Fund	Other Funds	Total
1. Provides funding for proposed legislators' monthly compensation adjustments of 2 percent each year of the biennium, increasing from \$495 to \$505 effective July 2019 and to \$515 effective July 2020.	\$54,643	\$0	\$54,643
2. Provides funding for proposed adjustments to additional monthly compensation for legislative leaders of 2 percent each year of the biennium, increasing from \$355 to \$362 effective July 2019 and to \$369 effective July 2020.	\$1,358	\$0	\$1,358
3. Provides funding for proposed adjustments to legislative compensation for regular and organizational session compensation of 2 percent each year of the biennium, increasing	\$140,857	\$0	\$140,857

from \$177 per day to \$181 per day effective July 2019 and to \$185 per day effective July 2020.

4. Provides funding to increase temporary salaries, including legislative employees and interns, 2 percent each year of the 2019-21 biennium.	\$24,000	\$0	\$24,000
5. Adds funding for the health insurance premium increase for legislators. The House increased funding by \$594,255 for increases in health insurance premiums from \$1,241 to \$1,427 per month.	\$616,599	\$0	\$616,599
6. Adds funding for proposed increase in daily lodging and maximum monthly lodging expense reimbursement allowed during legislative sessions from \$1,720 to \$1,796.	\$40,670	\$0	\$40,670
7. Adds funding to restore legislative compensation and travel for 2 legislative days removed in 2017 to provide for a total of 77 legislative days.	\$160,000	\$0	\$160,000
8. Decreases funding for information technology data processing.	(\$13,382)	\$0	(\$13,382)
9. Increases funding for service contracts and repairs, telecommunications, and information technology software.	\$92,914	\$0	\$92,914
10. Decreases funding for information technology equipment over \$5,000.	(\$9,300)	\$0	(\$9,300)
11. Decreases funding for other operating expenses.	(\$6,015)	\$0	(\$6,015)
12. Increases funding for National Conference of State Legislatures (NCSL) dues, including funding to restore the 10 percent reduction made in the 2017-19 biennium. The House increased NCSL dues by \$11,935, to provide for 90 percent of the dues assessment, for a total of \$237,090.	\$38,278	\$0	\$38,278
13. Adds one-time funding for digital signage replacement. The House provided the same level of funding but provided the funding from the Capitol building fund.	\$40,000	\$0	\$40,000
14. Adds one-time funding for voting system upgrade. The House provided the same level of funding but provided the funding from the Capitol building fund.	\$100,000	\$0	\$100,000
15. Adds one-time funding for information technology equipment under \$5,000 for laptop and Ipad replacement.	\$517,760	\$0	\$517,760

Other Sections in House Bill No. 1001

Capitol building fund - Section 4 identifies \$140,000 from the Capitol building fund to the Legislative Assembly for digital signage replacement and voting system upgrades.

Transfers - 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 6 provides the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2017-19 biennium be continued and unexpended appropriations enacted prior to the 2017-19 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

Compensation - Sections 7 and 8 increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 9 and 10 of the bill increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.

The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$185
Monthly compensation	\$495	\$505	\$515
Leaders' additional monthly compensation	\$355	\$362	\$369
Interim meeting pay	\$177	\$181	\$185

Effective date - Section 11 provides the effective dates of legislative compensation increases.

Emergency - Section 12 declares the Act is an emergency measure.

Continuing Appropriations

There are no continuing appropriations for the Legislative Assembly.

Deficiency Appropriation

There are no deficiency appropriations for the Legislative Assembly.

Significant Audit Findings

There are no significant audit findings for the Legislative Assembly.

Major Related Legislation

House Bill No. 1145 - Relates to limitations on the introduction of legislative bills prepared by executive branch agencies and the judicial branch.

House Bill No. 1401 - Provides for a Legislative Management study of the use of technology to enable remote attendance at interim legislative committee meetings.

House Bill No. 1521 - Relates to reporting campaign contributions and expenditures, restrictions on public officials and lobbyists, and the North Dakota Ethics Commission. The bill appropriates \$300,000 from the general fund and authorizes 1.5 FTE positions to the Ethics Commission to provide for the operations of the commission.

Senate Bill No. 2148 - Relates to disclosures of expenditures, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of Article XIV of the Constitution of North Dakota. The bill appropriates \$517,155 from the general fund and authorizes 2.0 FTE positions to the North Dakota Ethics Commission for purposes of defraying the expenses of the commission.

Senate Bill No. 2221 - Relates to exempting records of communications between legislators and public employees from open records laws.

House Concurrent Resolution No. 3006 - This resolution is for a constitutional amendment that, if approved by the Legislative Assembly and voters, would require the legislative assembly to reconvene in special session for the sole purpose of considering an item or bill vetoed after adjournment of a regular or special legislative session, and provide any day spent in such a special session would not count toward the 80-day session limitation.

House Concurrent Resolution No. 3049 - This resolution is for a constitutional amendment that, if approved by the Legislative Assembly and voters, would allow the Legislative Assembly to convene in special session, not to exceed 5 natural days each biennium, to amend state laws to comply with federal laws and to adjust budgets as necessary. The resolution also provides days spent in this special session would not count toward the 80-day session limitation.

**Legislative Assembly - Budget No. 150
House Bill No. 1001
Base Level Funding Changes**

	Executive Budget Recommendation				House Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	0.00	\$14,159,170	\$0	\$14,159,170	0.00	\$14,159,170	\$0	\$14,159,170
2019-21 Ongoing Funding Changes								
Health insurance increase		\$616,599		\$616,599		\$594,255		\$594,255
Adds funding for 2 percent annual increase in session pay		140,857		140,857		140,857		140,857
Adds funding for 2 percent annual increase in monthly compensation		56,001		56,001		56,001		56,001
Increases funding for temporary salaries		24,000		24,000		24,000		24,000
Restores funding for 2 legislative days removed in 2017		160,000		160,000		160,000		160,000
Adjusts funding for operating expenses		64,217		64,217		64,217		64,217
Adds funding for increase in monthly lodging		40,670		40,670		40,670		40,670
Increases funding for NCSL dues		38,278		38,278		11,935		11,935
Total ongoing funding changes	0.00	\$1,140,622	\$0	\$1,140,622	0.00	\$1,091,935	\$0	\$1,091,935
One-time funding items								
Adds one-time funding for digital signage replacement		\$40,000		\$40,000			\$40,000	\$40,000
Adds one-time funding for voting system upgrade		100,000		100,000			100,000	100,000
Adds one-time funding for computer and iPad replacement		517,760		517,760		\$517,760		517,760
Total one-time funding changes	0.00	\$657,760	\$0	\$657,760	0.00	\$517,760	\$140,000	\$657,760
Total Changes to Base Level Funding	0.00	\$1,798,382	\$0	\$1,798,382	0.00	\$1,609,695	\$140,000	\$1,749,695
2019-21 Total Funding	0.00	\$15,957,552	\$0	\$15,957,552	0.00	\$15,768,865	\$140,000	\$15,908,865

Other Sections for Legislative Assembly - Budget No. 150

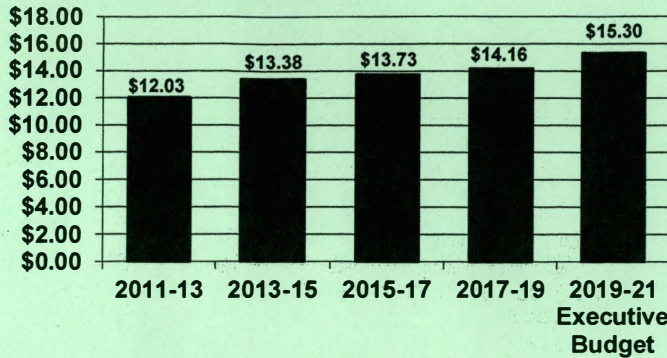
	<u>Executive Budget Recommendation</u>	<u>House Version</u>
Capitol building fund		Section 4 provides \$140,000 from the Capitol building fund to the Legislative Assembly for digital signage replacement and voting system upgrades.
Transfers	Section 4 would allow transfers of funds between line items 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 would provide that the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2017-19 biennium be continued and that unexpended appropriations enacted prior to the 2017-19 biennium may be canceled 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 2017-19 biennium be continued and that unexpended appropriations enacted prior to the 2017-19 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.
Compensation	Sections 6 and 7 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 8 and 9 of the bill would increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.	Sections 7 and 8 increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent each year of the 2019-21 biennium. Sections 9 and 10 of the bill increase legislators' interim meeting pay by 2 percent each year of the 2019-21 biennium.
Effective date	Section 10 would provide the effective dates of legislative compensation increases.	Section 11 provides the effective dates of legislative compensation increases.
Emergency	Section 11 would declare the Act is an emergency measure.	Section 12 declares the Act is an emergency measure.

Department 150 - Legislative Assembly

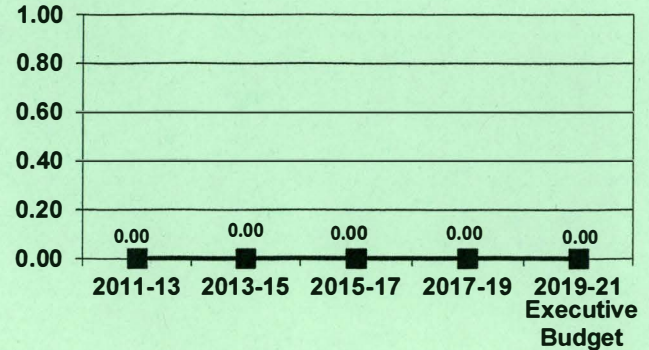
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$12,025,211	\$13,379,971	\$13,730,065	\$14,159,170	\$15,299,792
Increase (decrease) from previous biennium	\$1,013,984	\$1,354,760	\$350,094	\$429,105	\$1,140,622
Percentage increase (decrease) from previous biennium	N/A	11.3%	2.6%	3.1%	8.1%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	11.3%	14.2%	17.7%	27.2%

Major Increases (Decreases) in Ongoing General Fund Appropriations

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

1. Adjusted funding for operating expenses, capital assets, and NCSL dues. (This item was affected by the August 2016 budget reductions.) (\$95,548)

2017-19 Biennium

1. Reduced funding for the 2019 legislative session to provide funding for an estimated 75 legislative days rather than 77 legislative days, including reductions to per diem (\$112,000) and travel expenses (\$48,000). (\$160,000)
2. Added funding to increase the maximum monthly lodging expense reimbursement to \$1,720 anticipated for the 2019 legislative session. The maximum monthly lodging reimbursement was \$1,682 for the 2017 legislative session. \$20,320
3. Reduced funding for NCSL dues to provide 90 percent of the estimated 2017-19 biennium billing, a total of \$225,155. (\$16,108)
4. Restored a portion of the funding for information technology and other operating expenses, reduced as part of the August 2016 budget reductions. \$254,642

2019-21 Biennium (Executive Budget Recommendation)

1. Restores legislative compensation and travel for 2 legislative days removed in 2017. To provide for a total of 77 legislative days. \$160,000
2. Adds funding for proposed increase in daily lodging and maximum monthly lodging expense reimbursement allowed during legislative sessions from \$1,720 to \$1,796 anticipated for the 2021 legislative session. \$40,670

3. Increases funding for NCSL dues, including funding to restore the 10 percent reduction made in the 2017-19 biennium. The House increased NCSL dues by \$11,935, to provide for 90 percent of the dues assessment, for a total of \$237,090. \$38,278

**LEGISLATIVE BRANCH REQUEST WITH THE GOVERNOR'S RECOMMENDATION
FOR STATE EMPLOYEE COMPENSATION CHANGES**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from the insurance regulatory trust fund, not otherwise appropriated, to the legislative branch of state government for the purpose of defraying the expenses of the legislative branch of state government, for the fiscal period beginning with the effective date of this Act and ending June 30, 2021, as follows:

Subdivision 1.

SIXTY-SIXTH AND SIXTY-SEVENTH LEGISLATIVE ASSEMBLIES AND BIENNIUM

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$949,457	\$11,182,881
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>38,278</u>	<u>263,433</u>
Total general fund	\$14,159,170	\$1,798,382	\$15,957,552

Subdivision 2.

LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$832,616	\$9,882,146
Operating expenses	2,911,608	309,249	3,220,857
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,147,865	\$13,109,003
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,147,865	\$13,039,003
Full-time equivalent positions	36.00	0.00	36.00

Subdivision 3.

BILL TOTAL

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$2,946,247	\$28,996,555

Sixty-sixth
Legislative Assembly

Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$26,120,308	\$2,946,247	\$29,066,555

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE

BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Digital signage replacement	\$0	\$40,000
Voting system upgrade	0	100,000
Computer and iPad replacement	<u>0</u>	<u>517,760</u>
Total general fund	\$0	\$657,760

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative assembly shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE

ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Redistricting equipment	\$0	\$22,400
Computer replacement	<u>0</u>	<u>124,856</u>
Total general fund	\$0	\$147,256

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. TRANSFERS. Notwithstanding section 54-16-05, the director of the office of management and budget shall transfer appropriation authority between line items of the legislative management and legislative council as may be requested by the chairman of the

legislative management or the director of the legislative council upon the finding by the chairman or the director that the nature of studies and duties assigned to the legislative management or legislative council requires the transfers in properly carrying on the legislative management's and legislative council's functions and duties. The director of the office of management and budget shall similarly make transfers of appropriation authority between the line items for the sixty-sixth and sixty-seventh legislative assemblies, upon request by the chairman of the legislative management or the director of the legislative council upon the finding by the chairman or director that the transfers are required for the legislative assembly to carry on its functions and duties.

SECTION 5. APPLICATION, TRANSFER AUTHORITY, AND CANCELLATION OF UNEXPENDED APPROPRIATIONS. Sections 54-16-04 and 54-44.1-11 do not apply to chapter 26 of the 2017 Session Laws. The director of the office of management and budget shall make transfers of appropriation authority between the line items and the agencies of the legislative branch within section 1 of that chapter as requested by the chairman of the legislative management or the director of the legislative council. The office of management and budget shall cancel unexpended appropriations for the legislative assembly and legislative council enacted prior to the 2017-19 biennium as directed by the chairman of the legislative management or the director of the legislative council.

SECTION 6. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~seventy-seven~~eighty-one dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04

for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
- 3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not

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claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.

4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~four~~five hundred ~~ninety-five~~five dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~fifty-five~~sixty-two dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross

income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 7. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~eighty-one~~eighty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.

- (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

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6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of five hundred ~~five~~fifteen dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~sixty-two~~sixty-nine dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 8. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate

of one hundred ~~seventy-seven~~eighty-one dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.

2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 9. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~eighty-one~~eighty-five dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 10. EFFECTIVE DATE. Sections 6 and 8 of this Act become effective on July 1, 2019, and sections 7 and 9 of this Act become effective on July 1, 2020.

SECTION 11. EMERGENCY. This Act is declared to be an emergency measure.

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**STATEMENT OF JOHN BJORNSON, DIRECTOR,
NORTH DAKOTA LEGISLATIVE COUNCIL,
REGARDING ENGROSSED HOUSE BILL NO. 1001,
FEBRUARY 28, 2019**

Mr. Chairman and members of the Senate Appropriations Committee:

I am here this morning appearing on Engrossed House Bill No. 1001 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 2019-21 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. The financial statements for the fiscal years ending June 30, 2017, and 2016, for the Legislative Assembly and Legislative Council had unqualified opinions and no audit findings.

LEGISLATIVE ASSEMBLY

Subdivision 1 of Section 1 of the bill contains the appropriation for the Legislative Assembly for the 2019-21 biennium which totals \$15,768,865 from the general fund. This amount includes \$517,760 of one-time funding requests from the general fund. The Legislative Assembly "ongoing" general fund request is \$1,091,935, or 7.7 percent more than the 2017-19 biennium "ongoing" appropriation. The amount requested is considered necessary for the organizational session and a 77-legislative-day (111-calendar-day) regular 2021 legislative session. The following schedule presents the number of legislative days for previous sessions:

Legislative Session	Legislative Days
2017	77
2015	79
2013	80
2011	78
2009	79
2007	78
2005	76
2003	76*
2001	77
1999	71
1997	66

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

The Legislative Assembly in 2017 provided funding for an estimated 75-legislative-day 2019 legislative session. The estimated cost per day is approximately \$80,000. In addition to the general fund appropriation, the bill includes \$140,000 from the Capitol building fund for other one-time funding requests.

Salaries and Wages

The salaries and wages line item of approximately \$11.2 million includes funding for:

- Legislative employees' pay for the 2021 legislative session based on the number of employees anticipated to be employed for the 2019 legislative session of 83 and 2 percent annual salary adjustments.
- Legislators' salary of \$185 per day for a 77-legislative-day (111-calendar-day) regular session. This includes a 2 percent 1st year and 2 percent 2nd year increase. The statutory changes to provide for this increase are included in Sections 7 and 8 of the engrossed bill (an estimated cost of \$140,857).
- 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 \$505 per month for the 1st year of the biennium, a \$10, or 2 percent per month increase and \$515 per month for the 2nd year of the biennium, a \$10, or 2 percent per month increase (an estimated cost of \$54,643). The statutory changes for these increases are included in Sections 7 and 8 of the engrossed bill.
- Additional monthly compensation for House and Senate Majority and Minority Leaders of \$362 per month for the 1st year of the biennium, a \$7, or 2 percent per month increase and \$369 per month for the 2nd year of the biennium, a \$7, or 2 percent per month increase (an estimated cost of \$1,358). The statutory changes for these increases are provided for in Sections 7 and 8 of the engrossed bill.
- Health insurance coverage for 133 legislators, the same number budgeted for the 2017-19 biennium. Current information indicates 127 legislators have requested health insurance.

Operating Expenses

The operating expenses line item of approximately \$4.4 million includes funding for:

- Legislators' travel costs for 16 trips at 55 cents per mile during the 2021 regular session and one trip for the 2020 organizational session. The mileage rate currently is 58 cents per mile.

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- Lodging costs for 126 legislators for 4 months during the 2021 legislative session at an estimated reimbursement rate of \$1,796 per month. The reimbursement rate for the 2019 legislative session is \$1,758. The budget includes an additional \$40,670 relating to lodging.
- Contribution of \$10,000 annually to the International Legislator's Forum (Manitoba, Minnesota, North Dakota, and South Dakota).
- Ongoing information technology data processing of \$1,081,456, a decrease of \$13,382 compared to the 2017-19 biennium.
- Professional services of \$77,000, the same as the 2017-19 biennium budget. The amount includes \$60,000 for the continued privatization of legislative secretarial, bill and journal, and telephone operations.
- Replacement of legislator's computers and iPads prior to the 2021 session using one-time funding of \$517,760 from the general fund.
- Replacement of the digital signs for committee rooms using one-time funding of \$40,000 from the Capitol building fund.

Capital Assets

The capital assets line item of \$106,000 includes funding of \$100,000 of one-time funding from the Capitol building fund for upgrading the chamber voting systems and \$6,000 from the general fund for unexpected equipment replacement needs during the 2019-21 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 \$237,090 is an increase of \$11,935, or 5.3 percent from the 2017-19 biennium budget of \$225,155. This represents North Dakota's contribution to NCSL. The amount approved by the House is 90 percent of NCSL's estimate of North Dakota's share of the NCSL budget for fiscal years 2020 and 2021. The total billed charges from NCSL for the 2019-21 biennium will be \$263,433. For the 2017-19 biennium, North Dakota paid 90 percent (\$225,155) of the billed NCSL dues (\$250,172).

LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

Subdivision 2 of Section 1 of the bill contains the appropriation for the Legislative Management and Legislative Council for the 2019-21 biennium which totals \$13,025,746, of which \$12,955,746 is from the general fund and \$70,000 is from the insurance regulatory trust fund. This amount includes \$147,256 of one-time funding requests. Ongoing funding from the general fund is \$917,352, or 7.7 percent more than the 2017-19 biennium general fund appropriation.

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, the same number authorized for the 2017-19 biennium. The organizational chart reflecting the current staff structure is attached as an appendix. As indicated, we currently have 4 vacant FTE positions.

Salaries and Wages

The salaries and wages line item of approximately \$9.9 million includes funding for:

- 36 authorized FTE positions (35 FTE funded).
- The 2 percent 1st year and 2 percent 2nd year state employee salary increase of \$207,899 as approved by the House.
- Health insurance premiums based on a monthly premium of \$1,427 (an increase of \$156,172).
- Temporary employees' pay for the 2021 legislative session.
- Legislators' per diem for interim meetings of \$946,812, \$27,609 more than the 2017-19 budgeted amount. This request is based on the same number of committees (26) budgeted for the 2017-18 interim, assumes an 87 percent attendance rate at committee meetings, and continues the 2017-18 smaller committee membership size of an average of 14 members. The request includes \$30,188 to restore the 10 percent reduction made to legislators' other meetings and out-of-state travel for the 2017-19 biennium. The budgeted amount includes a proposed increase for legislators' interim meeting pay of 2 percent each year from the current level of \$177 per day to \$181 per day effective July 1, 2019, and \$185 per day effective July 1, 2020 (an estimated cost of \$19,731). These increases are provided for in Sections 9 and 10 of the engrossed bill.
- A session retention program of \$333,512. The House added \$216,000 to the original request of \$117,512. The program is intended to retain key staff members for legislative sessions. The Legislative Council employee annual turnover rate averaged 14 percent for 2010 to 2016, was 3 percent in 2017, and 15 percent in 2018. Five employees left within just a few months of the 2019 session. We have only eight employees that have been with us for more than 10 years. More than one-third of the staff has under 5 years of experience with the Legislative Council. We have some very talented young employees. We need to have a way to retain these employees.

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Operating Expenses

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

- Travel expenses relating to meetings during the interim of \$1,682,832, which is \$54,203 more than the 2017-19 budget. The funding request is based on the same number of committees (26) budgeted for the 2017-18 interim, assumes an 87 percent attendance rate at committee meetings, and continues the 2017-18 smaller committee membership size of an average of 14 members. The request includes \$81,860 to restore the 10 percent reduction made to other meetings and out-of-state travel for the 2017-19 biennium. Funding for mileage reimbursement is included at a rate of 55 cents per mile; however, the current rate is 58 cents per mile.
- Dues of \$38,400 annually to the Energy Council, the same as the 2017-19 biennium.
- Professional services of \$140,000, the same as the 2017-19 budget. The \$140,000 includes \$125,000 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. The budget request included an increase of \$75,000, but the House removed the increase.
- Replacement of Legislative Council staff computers prior to the 2021 session using one-time funding of \$124,856.

- Legislative redistricting computer equipment of \$22,400 (one-time funding).
- 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. The House reduced the budget request for operating expenses by \$70,000.

Capital Assets

The capital assets line item of \$6,000 includes funding for unanticipated equipment replacement needs during the 2019-21 biennium.

OTHER AREAS

Sections 5 and 6 of Engrossed House Bill No. 1001 relate to authorizing line item transfers as necessary and the cancellation of previous unspent appropriations.

RELATED BILLS

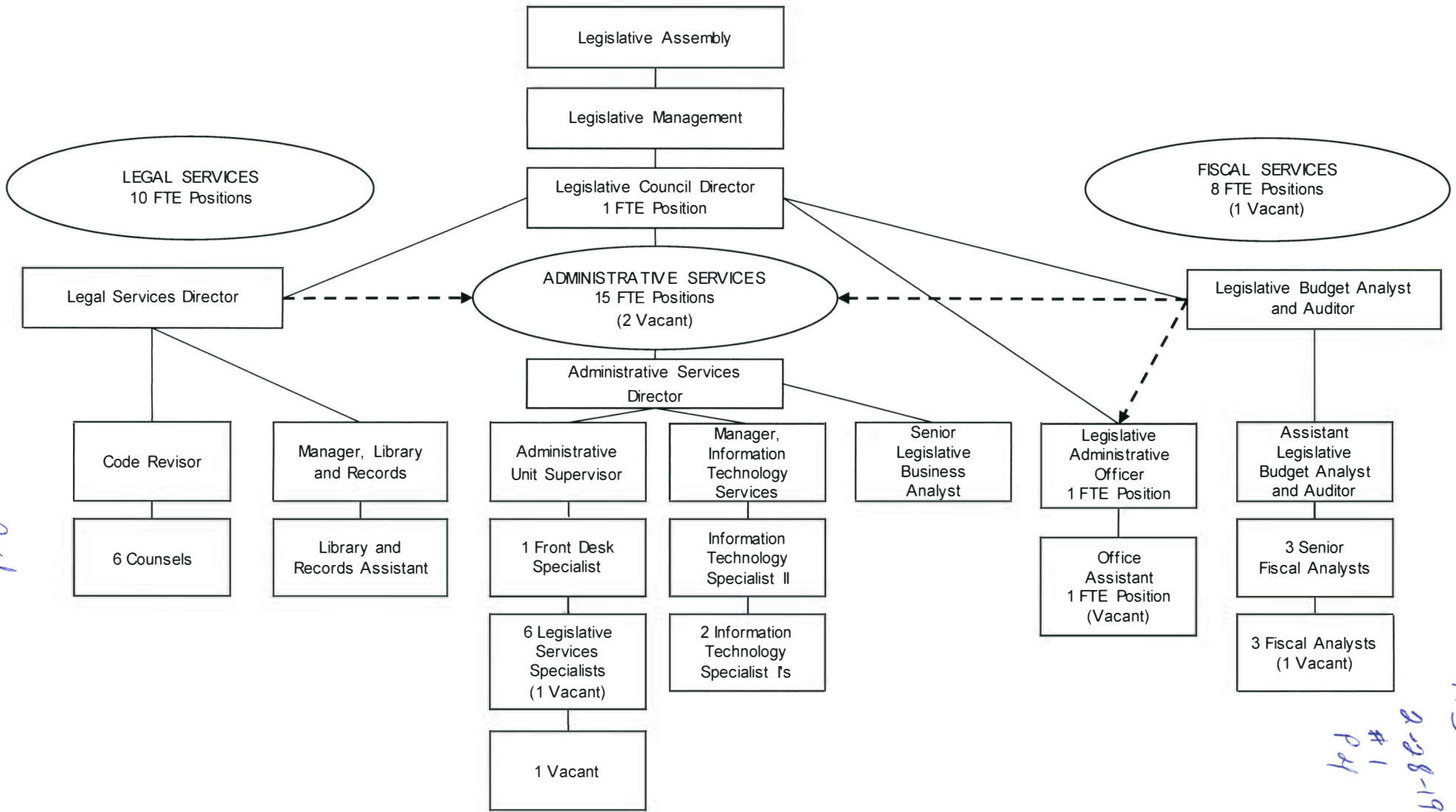
Other bills under consideration which may affect the budget of the legislative branch include:

- **Senate Bill No. 2033** provides the Legislative Council may provide drafting services for an initiated measure sponsoring committee under guidelines established by the Legislative Management.

ATTACH:1

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LEGISLATIVE COUNCIL ORGANIZATIONAL CHART



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36 FTE Positions Authorized
(4 Vacant) one (1) of which is unfunded

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

APPENDIX

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PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

Page 1, line 2, after "government" insert "; to provide an appropriation to Dickinson state university"

Page 1, line 3, after "appropriations" insert "; to provide a continuing appropriation; to create and enact a new section to chapter 15-03 of the North Dakota Century Code, relating to a presidential library operating and maintenance endowment fund"

Page 3, after line 16, insert:

"SECTION 4. APPROPRIATION - 2017-19 BIENNIUM - DICKINSON STATE UNIVERSITY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$9,500,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of the digitization of documents relating to Theodore Roosevelt, including providing grants to or contracting with an educational institution foundation to provide digitization services, for the period beginning with the effective date of this Act and ending June 30, 2019. The funds appropriated in this section are from unexpended funds previously appropriated by the legislative assembly for grants related to the Theodore Roosevelt presidential library. In accordance with section 54-44.1-11, any unspent funds remaining at the end of the biennium from the appropriation in this section must be continued into the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 5. CONTINGENT APPROPRIATION - TRANSFER. If the actual legacy fund earnings transferred to the general fund at the end of the 2019-21 biennium in accordance with section 26 of article X of the Constitution of North Dakota exceed the estimate made by the sixty-sixth legislative assembly by at least \$114,370,000, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000,000, which the state treasurer shall immediately transfer to the presidential library operating and maintenance endowment fund, for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 4, after line 11, insert:

"SECTION 9. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential library operating and maintenance endowment fund - Continuing appropriation.

1. There is created in the state treasury the presidential library operating and maintenance endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund.
2. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide grants for the operating and maintenance costs of presidential libraries located in North Dakota."

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Page 10, line 18, replace "7 and 9" with "10 and 12"

Page 10, line 19, replace "8 and 10" with "11 and 13"

Page 10, after line 19, insert:

"SECTION 15. EFFECTIVE DATE. Subsection 2 of the new section to chapter 15-03 of the North Dakota Century Code, as created in section 9 of this Act, becomes effective when a presidential library foundation certifies to the commissioner of university and school lands that:

1. The presidential library foundation has raised through donations, pledged donations, or in-kind donations the sum of \$100,000,000 for the construction of a presidential library and for grants to affected entities; and
2. The foundation has donated \$300,000 to a city in North Dakota for prior costs incurred related to planning for a presidential library."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Sections are added:

- Providing a 2017-19 biennium general fund appropriation of \$9.5 million from unexpended funds previously appropriated for the Theodore Roosevelt Presidential Library, to Dickinson State University for the digitization of documents relating to Theodore Roosevelt;
- Creating a presidential library operating and maintenance endowment fund to be invested and managed by the Board of University and School Lands;
- Providing a \$50 million general fund transfer to the endowment fund during the 2019-21 biennium contingent on 2019-21 biennium legacy fund earnings exceeding legislative estimates by at least \$114,370,000;
- Appropriating on a continuing basis the interest and earnings of the fund to the Board of University and School Lands to provide grants for the operations and maintenance of the presidential library; and
- Providing that the continuing appropriation for the grants does not become effective until the presidential library foundation certifies that:
 - It has raised \$100 million through donations, pledged donations, and in-kind donations for the construction of a presidential library; and
 - It has donated \$300,000 to the City of Dickinson for prior costs incurred relating to the presidential library.

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PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

Page 1, replace lines 18 through 24 with:

"Salaries and wages	\$10,233,424	\$957,420	\$11,190,844
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>38,278</u>	<u>263,433</u>
Total all funds	\$14,159,170	\$1,806,345	\$15,965,515
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total general fund	\$14,159,170	\$1,666,345	\$15,825,515"

Page 2, replace lines 5 through 10 with:

"Salaries and wages	\$9,049,530	\$916,187	\$9,965,717
Operating expenses	2,911,608	231,749	3,143,357
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,153,936	\$13,115,074
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,153,936	\$13,045,074"

Page 2, replace lines 16 through 18 with:

"Grand total general fund	\$26,050,308	\$2,820,281	\$28,870,589
Grand total special funds	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
Grand total all funds	\$26,120,308	\$2,960,281	\$29,080,589"

Page 7, line 6, replace "eighty-five" with "eighty-six"

Page 8, line 31, replace "fifteen" with "eighteen"

Page 9, line 8, replace "sixty-nine" with "seventy-one"

Page 10, line 9, replace "eighty-five" with "eighty-six"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Legislative Assembly				
Total all funds	\$14,159,170	\$15,908,865	\$56,650	\$15,965,515
Less estimated income	<u>0</u>	<u>140,000</u>	<u>0</u>	<u>140,000</u>
General fund	\$14,159,170	\$15,768,865	\$56,650	\$15,825,515
FTE	0.00	0.00	0.00	0.00
Legislative Council				
Total all funds	\$11,961,138	\$13,025,746	\$89,328	\$13,115,074
Less estimated income	<u>70,000</u>	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$11,891,138	\$12,955,746	\$89,328	\$13,045,074
FTE	36.00	36.00	0.00	36.00
Bill total				

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Total all funds	\$26,120,308	\$28,934,611	\$145,978	\$29,080,589
Less estimated income	70,000	210,000	0	210,000
General fund	\$26,050,308	\$28,724,611	\$145,978	\$28,870,589
FTE	36.00	36.00	0.00	36.00

House Bill No. 1001 - Legislative Assembly - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$10,233,424	\$11,160,537	\$30,307	\$11,190,844
Operating expenses	3,694,591	4,405,238		4,405,238
Capital assets	6,000	106,000		106,000
National Conf. of State Legislatures	225,155	237,090	26,343	263,433
Total all funds	\$14,159,170	\$15,908,865	\$56,650	\$15,965,515
Less estimated income	0	140,000	0	140,000
General fund	\$14,159,170	\$15,768,865	\$56,650	\$15,825,515
FTE	0.00	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of Senate Changes

	Adjusts Funding for Legislative Pay Increases ¹	Adjusts Funding for Salary Increases for Temporary Session Staff ²	Increases Funding for National Conference of State Legislatures Dues ³	Total Senate Changes
Salaries and wages	\$23,201	\$7,106		\$30,307
Operating expenses				
Capital assets				
National Conf. of State Legislatures			\$26,343	26,343
Total all funds	\$23,201	\$7,106	\$26,343	\$56,650
Less estimated income	0	0	0	0
General fund	\$23,201	\$7,106	\$26,343	\$56,650
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide legislative compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for regular and organizational sessions, legislators' monthly compensation, and additional monthly compensation for legislative leaders. The House provided funding for legislative compensation adjustments of 2 percent on July 1, 2019, and 2 percent on July 1, 2020. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$186
Monthly compensation	\$495	\$505	\$518
Leaders' additional monthly compensation	\$355	\$362	\$371

² Funding is added for compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for temporary session staff.

³ Funding is added for National Conference of State Legislatures dues to provide for 100 percent of the estimated assessment, or \$263,433, for the 2019-21 biennium. The House provided funding for 90 percent of the dues assessment, or \$237,090.

This amendment also amends statutory sections related to legislative compensation to provide an increase of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for organizational and regular session pay, legislators' monthly compensation, and additional monthly compensation for legislative leaders.

House Bill No. 1001 - Legislative Council - Senate Action

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	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,049,530	\$9,936,389	\$29,328	\$9,965,717
Operating expenses	2,911,608	3,083,357	60,000	3,143,357
Capital assets		6,000		6,000
Total all funds	\$11,961,138	\$13,025,746	\$89,328	\$13,115,074
Less estimated income	70,000	70,000	0	70,000
General fund	\$11,891,138	\$12,955,746	\$89,328	\$13,045,074
FTE	36.00	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of Senate Changes

	Adjusts Funding for Salary Increases ¹	Adjusts Funding for Legislator Per Diem ²	Increases Funding for Professional Services ³	Total Senate Changes
Salaries and wages	\$27,242	\$2,086		\$29,328
Operating expenses			\$60,000	60,000
Capital assets				
Total all funds	\$27,242	\$2,086	\$60,000	\$89,328
Less estimated income	0	0	0	0
General fund	\$27,242	\$2,086	\$60,000	\$89,328
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The House provided funding for salary increases of 2 percent on July 1, 2019, and 2 percent on July 1, 2020.

² Funding is added to provide for compensation adjustments of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020, for legislators' attendance at interim meetings. The House provided funding for compensation adjustments of 2 percent on July 1, 2019, and 2 percent on July 1, 2020. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Interim meeting pay	\$177	\$181	\$186

³ Funding for professional services is increased to provide a total of \$200,000. The House did not increase funding for professional services.

This amendment also amends statutory sections related to interim committee pay to provide an increase of 2 percent on July 1, 2019, and 2.5 percent on July 1, 2020.

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PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1001

Page 1, line 3, after "appropriations" insert "; to provide continuing appropriations; to create and enact two new sections to chapter 15-03 of the North Dakota Century Code, relating to a presidential library operating and maintenance endowment fund and a presidential documents digitization endowment fund"

Page 3, after line 16, insert:

"SECTION 4. CONTINGENT APPROPRIATION - TRANSFERS. If the actual legacy fund earnings transferred to the general fund at the end of the 2019-21 biennium in accordance with section 26 of article X of the Constitution of North Dakota exceed the estimate made by the sixty-sixth legislative assembly by at least \$124,370,000, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$60,000,000, of which the state treasurer shall immediately transfer \$50,000,000 of the sum to the presidential library operating and maintenance endowment fund and shall immediately transfer \$10,000,000 of the sum to the presidential documents digitization endowment fund, for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 4, after line 11, insert:

"SECTION 8. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential library operating and maintenance endowment fund - Continuing appropriation.

1. There is created in the state treasury the presidential library operating and maintenance endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund.
2. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide annual grants for the operating and maintenance costs of presidential libraries located in North Dakota.

SECTION 9. A new section to chapter 15-03 of the North Dakota Century Code is created and enacted as follows:

Presidential documents digitization endowment fund - Continuing appropriation.

There is created in the state treasury the presidential documents digitization endowment fund. The board of university and school lands shall manage the fund and shall supervise the investment of moneys in the fund. The interest and earnings of the fund are appropriated on a continuing basis to the board of university and school lands to provide annual grants to educational institutions and educational institution foundations for the digitization of documents related to Theodore Roosevelt."

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Page 10, line 18, replace "7 and 9" with "10 and 12"

Page 10, line 19, replace "8 and 10" with "11 and 13"

Page 10, after line 19, insert:

"SECTION 15. EFFECTIVE DATE. Subsection 2 of the new section to chapter 15-03 of the North Dakota Century Code, as created in section 8 of this Act, becomes effective when a presidential library foundation certifies to the commissioner of university and school lands that:

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1. The presidential library foundation has received the sum of \$100,000,000 in cash donations and binding pledged donations for the construction of a presidential library and for grants to affected entities; and
2. The foundation has donated \$300,000 to a city in North Dakota for prior costs incurred related to planning for a presidential library."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Sections are added:

- Creating a presidential library operating and maintenance endowment fund to be invested and managed by the Board of University and School Lands;
- Creating a presidential documents digitization endowment fund to be invested and managed by the Board of University and School Lands;
- Providing a \$50 million general fund transfer to the presidential library operating and maintenance endowment fund and a \$10 million general fund transfer to the presidential documents digitization endowment fund during the 2019-21 biennium contingent on 2019-21 biennium legacy fund earnings exceeding legislative estimates by at least \$124,370,000;
- Appropriating on a continuing basis the interest and earnings of the presidential library operating and maintenance endowment fund to the Board of University and School Lands to provide grants for the operations and maintenance of the presidential library with the continuing appropriation not becoming effective until the presidential library foundation certifies that:

It has raised \$100 million through cash donations and binding pledge donations for the construction of a presidential library; and

It has donated \$300,000 to the City of Dickinson for prior costs incurred relating to the presidential library; and

- Appropriating on a continuing basis the interest and earnings of the presidential documents digitization endowment fund to the Board of University and School Lands to provide grants for the digitization of documents relating to Theodore Roosevelt.