

2019 SENATE APPROPRIATIONS

SB 2017

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2017
1/10/2019
JOB # 30666

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Alice Delzer / Florence Mayer

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department.

Minutes:

1. 2019-21 Appropriation Request from Game & Fish Dept.
2. Testimony of Michael McEnroe, ND Wildlife Federation (submitted after hearing)
3. Testimony from Wayne Beyer Letter: Hunting is a key cog in North Dakota's Economy (submitted after hearing)

Chairman Holmberg: Called the Committee to order on SB 2017 at 2:00 pm in the Harvest Room. All committee members were present. Renae Bloms, OMB and Chris Kadrmas, Legislative Council were also present. We have a couple members meeting in another hearing and those folks will be down. We do have a subcommittee on this bill: Senator Oehlke, Chair; Senator Wanzek and Senator Grabinger.

Terry Steinwand, Director of State Game & Fish Department: I just want to make a couple of statements. I provided a presentation to the House Energy and Natural Resources this morning and I want to tell you a few things about the Game and Fish Department. We are the 3rd smallest Game & Fish agency in the nation, only behind Vermont, which is about the size of McLean County and Hawaii. So we are pretty proud of what we get done. Economically, we just had a study out at NDSU Agriculture Economics Department in 2017, we had one similar in 2012, and in 2012 the gross business volume in how many were fishing in ND was \$1.4B. In 2017 that had raised to \$2.1B with direct expenditures, excluding license costs, about \$975M and indirect gross business volume of \$1.1B. We're pretty proud of what we give to the economy of ND. I would like to turn this meeting over to Kim Kary, our Chief of Administrative Services and the author of most of this budget.

Kim Kary, Chief of Administrative Services (2:53): I would like to go through the items that were what the committee requested. I will start at Attachment #A (Senate Requested Information for 2017-19) found in Attachment # 1, page 14. which includes the Estimated 2017-19 spending and One-time Funding. **(6:59)** She continued on with Attachment # B (Senate Requested Information for 2019-21) in Attachment # 1, on page 15 which states the Department is a special fund agency receiving only licensing revenue (hunting, fishing, and

boat registrations) and federal funds. The Department receives no general fund dollars. The Department's base budget limit for FTE's is 155, which is a reduction of 8 FTE. Also the information on page 15 states that losing special fund appropriation will result in the Department not being able to leverage federal funds especially from the USFWS which require a 25% match. The 10% special fund reduction resulted in over \$4M of federal funds that ND will not receive. See pages 15 – 18 for explanation where the decreases will be in the Department.

Senator Oehlke: (8:33) The reduction of FTE's, there were 8, is it specific to a particular area?

Kim Kary: Per talking to OMB we did not earmark specific positions. We took an average salary of certain types of positions. It's a mixture of different jobs, we weren't required to list them specifically.

Chairman Holmberg: Weren't some of them just IT transfers?

Kim Kary: That would be in addition to those 8. There were 3 IT positions that were transferred and approved to the new service.

Senator Oehlke: Are we saying there were just salary reductions without cutting any FTE's. Or that 4 are coming from game wardens and 4 are coming from somewhere else?

Kim Kary: When we testified in front of the OMB committee, we left it broad. This is the salary amount that we would need to reduce for approx. 8 FTEs. Knowing that if they wouldn't of given us those back, we would have had to be more specific.

(10:47) Senator Mathern: What is the specific loss is in terms of the \$4M we will not get from the federal government?

Kim Kary: In Attachment #A it spells out some of the programs that we would lose. Not detailed because we got the money funded back. Attachment # B asked what we had to reduce, Attachment # C, asked us to compare what we wanted back and what we actually received. Attachment #D, is what changes would we ask. The majority of what we had to cut, we got back. So Attachment #B will show you the details. When we go to Attachment #C you will see what we got back.

If you go to Attachment # C, OMB did not restrict us on federal funds. We couldn't spend federal funds, because we didn't have the special fund match. If you look at Attachment #C, you can see all the money back, except to restore the FTE's and their operating funds. In number 2, we had to cut \$5.4M, and we got all that back from what the Governor funded. Number 3 was base budget reductions, the difference to make it equal was \$224,043, we did not get that back. That was \$100,000 in capital assets, and \$124,000 in operating. We can live with that.

The main street initiative, we had asked for \$300,000 to spend special funds for the pollinator plots program. That was 100% special funds, and that was not funded. In the difference column there is approx. \$900,000 not funded from our request.

In addition, we reduced the wildlife service's budget. But is now back up to \$500,000.

Number 6, is compensation packets for state IT services and the health insurance.

(15:44) Chairman Holmberg: One of the sections in the governor's recommendation, Section 4. Has to do with the transfer of authority. We won't chase the shiny object, we will decide what the Senate Appropriations wants to do. You don't have to testify on that.

Kim Kary: Some examples of where it would be beneficial. I'll go to Attachment #D of Attachment #1, it asks the agency to list any changes the agency is requesting in comparison to the Executive budget. We are not asking for any changes to the governor's recommendation. Attachment #E of Attachment #1, transfer authority between lines, allowing an agency to transfer up to 10%. Gets challenging to anticipate changes and field work. We might not know the boiler is going to go down. Sometimes we have to pick and choose what to fix, what not to, and how much to fix it. It would be nice to have that ability to transfer the money from different divisions.

That was all I had on those topics, I can get into the regular testimony?

(21:30) Beginning on page 1-4 of Testimony Attachment #1.

(29:34) Senator Oehlke: I hear a lot from local fishermen in my area, and the state fishing congress, about aquatic nuisance species (ANS) and prevention. You have \$50,000 for ANS, is that just for advertising or what gets done with it?

Kim Kary: I do know that we have ANS money for research students through Valley City. Also an outreach contract for getting media out, but I'll have Terry explain that.

Director Steinwand: Kim is right, our budget is larger than \$50,000 for ANS. We contact VCS for some students to go sit at a boat ramp. A large part of the AMS work is done by our in house staff. We only have one person. We did not request it; this is more than just a Game & Fish problem.

Senator Oehlke: You are carrying the charge. Are you informing the local entities that they may have a problem if zebra mussels take over? I am mainly referring to our 2 largest cities on the Red River, Grand Forks and Fargo.

Director Steinwand: We have had recent outbreaks of Zebra mussels. I know the city of Fargo did an inspection on their water intake and they didn't have any of that.

Senator Oehlke: So is it not as big a deal?

Director Steinwand: Yes it is. We've done a lot to prevent it from going outside of the Red River. We issued emergency regulations. It's no less of an issue.

(33:16) Senator Grabinger: Is there any federal funding for expanding that research?

Director Steinwand: They have cut that back quite a bit. On a nationwide issue it's certainly no less of a challenge.

Kim Kary: Continuing on page 5 of Attachment #1, Fund Balances.
On Attachment #E, Section 5, OMB version. Allowing department to invest under supervision.

Continuing on page 6-8 – details of budget by division.

(41:41) Director Steinwand: Talking in reference to Garrison Dam, we have a really neat arrangement with our fish production in ND. We are the only state without a fish hatchery. There are two federal fish hatcheries, one near Bald Hill Dam and one at Valley city. We work with the U.S. Fish and Wildlife Services. We are about 4 times cheaper than other states, being very efficient with our money. We set a record for the number of walleye stocked in any state. Our goal is to reduce our costs and serve the public.

(43:50) Kim Kary: Continued with Fisheries Division capital asset line on page #7.

Director Steinwand: Explained pond liners and the process of how it allows fish to grow faster.

Kim Kary: Continued on page #7 of Attachment #1.

(45:59) Senator Grabinger: Back up one second for these holders. This is a federal fish hatchery. Is it part of the agreement that we have to provide 25% of the cost?

Director Steinwand: The state of ND actually owns the cold water production at the Garrison Dam hatchery and 40 ponds an acre and a half a piece. So they are state owned ponds that we put the liners in.

Kim Kary: We own the ponds. With the liners it's 75% to 25%. Most projects are eligible for 75% federal funding.

Continuing page #8- Save Our Lakes Program.
Point #3 page #8- Enforcement Division.

Senator Robinson: Is this area where the confiscated property effort is located?

Kim Kary: They are anticipating a sale this year. That money goes to and is monitored by RAP.

(50:03) Senator Robinson: How many dollars on an annual basis. He was told it's about \$40,000.

Kim Kary: Continuing on page #8 with Enforcement Division.
Point #4 page #8-9- Conservation and Communication Division.

Senator Oehlke: Do the gun clubs own the property?

Kim Kary: Yes, they own it. Because there are certain things that the fed government won't pay for. It has to be a public, provide hunters safety and certain other things to earn them more points.

V. Chairman Wanzek: Putting up those shooting ranges, was there a pushback from the community? There's been resistance in the location of the Jamestown one.

Kim Kary: The Velva club came to us and they got local support. When they had their public hearing, there was only 1 that protested due to noise. The same with Watford City.

V. Chairman Wanzek: I am not sure where it's at in Jamestown, but I think it's been shot down.

Director Steinwand: It is not a closed issue yet. I told them to meet with the county commission. There needs to be public support.

(56:29) Kim Kary: There's s money up for grabs in the 2019 budget.
Page #9-10 - Safety Grants.
Increase in clay target shooting in school's clubs.
Page #9 section #5- Wildlife Division.
Chart on page 11 shows the PLOTS.

Senator Erbele: On your PLOTS program, is the payment to land owners the same across the state? Or different rates for different places?

(1:05:16) Kim Kary: Yes, there are different rates, even based on the type of program. We can get you that information if you would like for the different rates for the different programs.

Senator Erbele: Is there a greater usage of the program in one area of the state versus another? Fairly equal in all quadrants of the state?

Kim Kary: I would have to check on that. There are 9 districts that the biologists monitor.

Senator Erbele: The higher use around the cities and southwest part of the state?

V. Chairman Wanzek: On the deer depredation, are you saving more money? The past few winters, does that money just not get used or can you use it for PLOTS?

Kim Kary: What happens to that money by law, it is set aside for that purpose. Any unexpended funds, up to \$2M, can be carried forward to be used in future. It sets there if we don't use it.

Senator Erbele: I am familiar with the PLOTS signs. Are there other ways you can access what land is open and enrolled in the PLOTS? Such as a phone app?

Kim Kary: We have that information on our website. We also have books distributed all around the state. There is also a new PLOTS app.

(1:09:28) She finished with her testimony, pages #12-13 of Attachment #1.

Chairman Holmberg: I had a request regarding the hunters allowed to enter from an enclosed structure, such as blinds or stands. If they are outside they are required to wear orange, some want something orange to be required on the camouflaged huts/blinds to alert other hunters that they are present. Could you answer why?

Director Steinwand: You found out very quickly how emotional hunting can be. It's not mandatory to wear orange in a blind, but we recommend it. Whereas for big game it is mandatory.

Senator Grabinger: You have this chart on the PLOTS program, could you explain what the difference is between the types of acres listed?

(1:12:57) Director Steinwand: Page #11, the PLOTS chart. there are times we sign up certain acres of land due to the habitat values. We have a worksheet that asks what is the habitat? There are many times many landowners will throw in acres that we don't pay for but the landowner wants us to use that.

Chairman Holmberg: Are there any members in the audience that would like to give us info.

(1:15:46) Lance Gaebe, Sport Fishing Congress President: Here to address Aquatic Nuisance Species. Our neighboring states have gotten more aggressive inspections then we have to look out for these things. Asking for enhanced efforts with 4 Fte's and 9 seasonal FTE's for enforcement and education on ANS. Possibility of a small charge for fishing licenses. Changing boat gas tax, to be used to for ANS.

Chairman Holmberg: I do know our large movie theatre in Grand Forks have their aquatic species stuff.

Lance Gaebe: We've been lucky to avoid most of this now, but the more we can do. People mention we don't inspect, while all our surrounding states do. The sportsmen recognize some of the funds should come from their areas. Hopefully we can work together.

(1.21.51) Mike McEnrue, ND Wildlife Federation: In North Dakota the Wildlife Federation has approximately 15 chapters across the state with 1500 members in it, mostly in the eastern and northern parts of the states, primarily sportsmen, anglers and fishermen. We reiterate Kim and Director Steinwand's comments that North Dakota is a special fund agency, largely on hunting and fishing revenue and on federal dollars. Generally speaking, they've received no general fund monies and have a very adequate balance of \$29M to \$30M in that account right now, well above their \$15M required limit. So we would like to suggest discussion at least on 2 additional funding increases. 1. Perhaps \$500,000 to cover the cost and expenses of two additional law enforcement people in the state. Almost every other law enforcement agency in the state of ND at the county, state or city level has received a 3 to 5 increase in law enforcement staffing over the last ten years with our population increased. Game & Fish has not. Game & Fish has recorded a three to four-fold increase in Game & Fish incidents and violations in the state over the same period. We've got more people; more bad things are happening out there. Even without more wardens to catch them. We would support discussion on that possibility. We would also support discussion on the possibility to increase the PLOTS program with an additional \$2M for the biennium. This could potentially increase the PLOTS acreage by \$25,000 a year. It could be used to further better habitat development on these PLOTS acres and make the offers and habitat more attractive to land owners as well as to the sportsmen. Mr. Gaebe's presentation on behalf of the Sport Fishing Congress, the first I heard the numbers on it we would certainly support discussion

on increasing the state and the game and fish departments ANS efforts and we'll be working with the Sports Fishing Congress to help support that bill. I would stand for any questions the committee might have. Mr. McEnroe submitted testimony # 2 after the hearing was closed.

Chairman Holmberg: Anyone else? No one else testified.

Chairman Holmberg closed the hearing on SB 2017.

(See Attachment #3 for testimony provided by Wayne Beyer after hearing.)

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2017
1/22/2019
Job # 31232

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Rose Laning / Marne Johnson

Explanation or reason for introduction of bill/resolution:

AN ACT to provide an appropriation for defraying the expenses of the game and fish department; and to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the game and fish fund.

Minutes:

No Attachments

Legislative Council: Alex Cronquist
OMB: Larry Martin

The Senate Appropriations Committee met to discuss the agency bills and others that have been presented thus far and wanted to get input from the whole committee on what should be the focus of each sub-committee.

Chairman Holmberg said that we're not going thru salaries at this time.

SB 2001 – Governor (sub-committee: Hogue, Lee, Mathern)

- The 10% movement of moving money between line items. Have a standard response for them.
- Discuss the governor's salary - this reduces salary just short of \$200,000 & what happens to the rest of it. They took their 5% cut. (Language needs to be revisited)
- Council said by putting it in a line item, then it couldn't get spent in other areas.
- Transfer language - limited it to 10% before going to emergency commission

SB 2002 – Secretary of State (sub-committee: Hogue, Oehlke, Grabinger)

- Voting equipment – replacing voting machines (matching requirement by state)
- Emergency clause should be there.
- 10% line item transfers

SB 2003 – Attorney General (sub-committee: Sorvaag, Bekkedahl, Mathern)

- Litigation authority
- Amount of money for Litigation

- Joining in with other states suing the federal government
- New line in OMB to tap into litigation pool
- Human trafficking grants added to AG bill

SB 2004 – State Auditor (sub-committee: Oehlke, Dever, Mathern)

- Looking at number of FTE requests
- FTEs between University system and Auditor's office
- ITD FTEs.

SB 2005 – State Treasurer (sub-committee: Bekkedahl, Dever, Robinson)

- Investments of the Veterans Post War Trust Fund (low interest)
- Treasurer's salary

SB 2006 – Tax Commissioner (sub-committee: Wanzek, Bekkedahl, Mathern)

- Discovery of compliance of businesses with no physical sales tax.
- Concern about staffing – many retirees and loss of senior staff.
- Authority for line item transfers between the Homestead Tax Credit and Disabled Veteran's Credit programs.
- Litigation funds – or funds in litigation pool.

SB 2007 – Labor & Human Rights (sub-committee: Poolman, Sorvaag, Robinson)

- Salary of Commissioner as she will be in charge of Dept of Labor and Human Rights as well as the Dept. of Commerce.

SB 2008 – Public Service Commissioner (sub-committee: Lee, Wanzek, Grabinger)

- Wanting additional staff for indemnity issues
- Additional staff
- \$100,000 increase in budget

JOB # 31232 -

SB 2009 – Agriculture Commissioner (sub-committee: Wanzek, Erbele, Grabinger)

- Want to move APUC and Trade Office to his office.
- 2 less FTEs
- Ag bio-science program – an appropriation bill. Should it be added to the budget or let it a stand-alone bill.

SB 2010 – Insurance Commissioner (sub-committee: Oehlke, Erbele, Grabinger)

- Moving the Fire & Tornado fund over to the ND Insurance Reserve Fund
- Boiler inspection program
- Fire Departments & Sheriff's tax on insurance

SB 2011 – Securities Commission (sub-committee: Krebsbach)

- Money for a FINTECH position
- Section 3 appropriation of any income from federal funds (14:17)

Larry Martin: Like the transfer language, we added a lot of the language to spend additional federal or other funds to the cabinet agencies. Again, some of them receive money from outside sources, so we wanted them to have the ability to pay out. Job Service has similar language currently because they do get additional federal money so they have to be able to spend it out. We added that language to all the cabinet bills.

SB 2012 – Human Services (sub-committee: Dever, Erbele, Mathern)

- Provider rates. Governor 1-1. They want 3-3-3.
- Medicaid – reauthorization of the expansion. Do we reimburse?
- Behavioral Health
- State Hospital – support the move from New England for the women? Justification for the state hospital – a study?
- Policy and how its structured – for whole department. \$182M
- Nursing Homes
- Study the 36 Critical Access Hospitals - Commercial rates vs. traditional rates
- Study resolution of medical care in the future for the state
- 1915(i) needs support.
- Commercial vs. traditional rates

SB 2013 – Public Instruction; Library, Blind & Deaf (sub-committee: Holmberg, Poolman, Robinson)

- Will have some meetings but need to wait for Education Committee to complete policy. Governor's school information is confusing.
- 1 FTE reinstated.
- Adult education.
- FTEs at school at Devils' Lake
- Governor moved pre-school money from Commerce to DPI (where is the money?)
- Transportation grants

SB 2014 – Protection & Advocacy (sub-committee: Sorvaag, Krebsbach, Grabinger)

- Adding of one employee
- Additional operating expenses
- Transferring guardianship programs to P & A.

SB 2015 – Office of Management & Budget (sub-committee: Holmberg, Bekkedahl, Robinson)

- Transferring money – \$1B of oil revenue to general funds.
If we put \$1B in and oil prices go down and we have less money in the general fund, we might have a risk with allotments.
Do we want to expose ourselves more in the general fund by putting \$1B in the general fund from direct oil revenue?
- Fees or dues for several organizations. Last session we reduced dues by 10%.
- WICHE (Western Interstate Commission for Higher Ed) dues were in OMB and Commission was placed under Higher Ed. Did the \$15,000 get transferred?

SB 2016 – Office of Adjutant General (sub-committee: Hogue, Holmberg, Grabinger)

- Land Acquisition - Proposed 6,000 acres of land in south Camp Grafton. Want to ask the adjutant, you have \$15M set aside to acquire 6000 continuous acres and will not exercise the power of eminent domain. How much will they pay an acre?
How did they come up with \$15M?
- \$15M set aside to gain land - long term leases. Be wary of setting precedent for cost/acre.
- Locals are not on board?

SB 2017 – Game & Fish (sub-committee: Oehlke, Wanzek, Grabinger)

- Section 5 on green sheet – additional amounts appropriated to Game & Fish Dept. There is appropriated additional income from the feds from other funds to that agency. Would the federal funds go to their agency first?
- If they're receiving monies from federal, they can spend them out.
- Section 6 - Require them to hang onto \$15M unless we have a budget section meeting and have an exception for some emergency. They have to invest it and its not making money where its being invested. They'd like it to be invested by the state investment board.
- Sportsman's clubs – raise the fishing licenses; boat tax/gas tax.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2017
1/24/2019
Job # 31421

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature: Rose Laning / Florence Mayer

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department.

Minutes:

Attached # 1 - ND G & F 2019-21 Land Acquisitions Attached # 2 – Base Level Funding Changes
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Legislative Council: Chris Kadrmas
OMB: Larry Martin

Chairman Oehlke: Called the sub-committee to order on SB 2017. Senators Wanzek and Grabinger were present and also Terry Steinwand, Kim Kary and Angie Morrison.

*** Microphones were turned off until 1:43. ***

Senator Oehlke: It will be awhile before decisions are made on the salaries and health insurance, but there's a bill (SB 2293) that's having a hearing tomorrow, not in appropriations, but it would affect some Game & Fish activities. It's relative to aquatic nuisance species and if it fails, it's not an issue, but if any of it passes in some way shape or form, it could affect FTEs.

Kim Kary, Chief of Administrative Services, North Dakota Game & Fish: It would also affect our Game and Fish fund interest and investment.

Senator Oehlke: I think that's Section 5.

Kim Kary: Correct. It will cause some diversion of federal funds for us because it says "must". It really should say "may".

Senator Oehlke: There are a couple other pieces of that will need some work. I found out that taking ½% sales tax on watercraft, doesn't work out easily either because they're not separated out in the reporting.

Section 6 on green sheet is talking about the \$15M, but there's \$29M in that fund. What about the balance of the interest on the other portion? Or is it all federal funds?

Terry Steinwand, Director, North Dakota State Game & Fish: We understand that if you invest money, it's not necessarily all that liquid. We need liquidity almost on a day to day basis so that we have available funds to pay to match federal funds, pay bills. If it's tied up in some sort of investment, it's not all that liquid.

Kim Kary: That's why OMB recommended just investing \$15M reserve balance. Not the full \$29M because we need that cash to pay bills. We're only looking at investing the fund floor that we have to maintain a \$15M. The other amounts would be invested in 6 month CDs and 1 year CDs at the Bank of North Dakota.

Senator Grabinger: Is this state or federal money we're talking about. Is it all federal?

Kim Kary: This fund is Game & Fish license revenue. It's not federal funds as we can't invest the federal funds. That is just on a reimbursement basis. When we say we're in a diversion, it doesn't mean it has to be because we're using federal funds incorrectly. It means in order to get \$30M of Fish & Wildlife Service federal funds, it requires state funds to be spent only on state programs with the control retaining with the agency. They come every 5 years for an audit. We want to clean up some language from "must" to "may".

Senator Wanzek: None of the funds in the game and fish funds are federal funds? (Answer – correct.) That balance is all generated by licensing revenue?

Kim Kary: Yes, license revenue, boat registration, interest, donations.

Senator Wanzek: You have to maintain the \$15M anyway due to the law. Why not invest it?

Kim Kary: With the federal funds, we pay the bill. Say if we're buying a tractor for \$100,000, we pay for that full tractor out of our cash balance of \$100,000. So we have to have \$100,000 cash to pay that bill. Then we send in a claim to the Feds to ask for reimbursement for \$75,000 of federal. It only reimburses us back the federal share, but we have to have the cash for the full amount to pay that bill right away.

Senator Wanzek: One of the more significant issues was the \$15M. I'm trying to recall what other major issues were presented.

Kim Kary: I have the land acquisition papers list. (Testimony Attached #1 North Dakota Game & Fish 2019-21 Land Acquisitions). We did get back the majority of what we had to cut from the governor. On our list, the main thing to ask for was the funds.

Senator Grabinger: Any one of these land acquisitions has to be approved through the legislative management and the county commission.

Terry Steinwand: There's a process we go through. We have to contact everyone. We're not required to go through the county commission, but we always do. The land packet that Kim is handing out to you is a priority of all the people, willing sellers that have contacted us and we prioritize and put on the list.

Senator Wanzek: I know we'll have to deal with that. What is the process with the impact dollars? What budget does it show up under?

(11:42) Terry Steinwand: It really depends. If it's on a wildlife management and it refers to oil energy impacts, we have to go under the federal rules and whatever is determined to be the cost, it has to go back into the wildlife management area. With the Foxtail wind energy, for \$500,000, they voluntarily gave us that. There's a rumor that Game and Fish and Ducks Unlimited are in bed together. That's not necessarily true because what occurred is the project manager and I negotiated and it started out at \$3M and went down to \$1M and ultimately \$500,000. I did not want that money to come through Game and Fish at all. We went to North Dakota Natural Resource Trust and asked what they would charge to administer this. They said 35%. We thought that was pretty high so we shopped around and talked to Ducks Unlimited. They said 10% or less. We both agreed on that. We weren't going directly to Ducks unlimited, we were shopping around trying to find the best deal.

Kim Kary: That goes to them, not us. Didn't go through us at all. It did not get deposited or anything.

Senator Wanzek: Rep. Brandenburg about burned my ear off over the last year. To be able to address that bill, I'm going to need to understand where it's going. What I'm hearing from some landowners is this concern that the property owner isn't included in those mitigation plans as much as they feel they should be.

Terry Steinwand: We can meet later and give you more of a history.

Senator Wanzek: I was trying to understand where its recorded? Going directly to Ducks Unlimited? Or whoever? (answer – Yes)

Senator Oehlke: A lot of land acquisition goes to PLOTS, but not all. When it doesn't go to that where does it go?

Terry Steinwand: Our policy is, unless it has a unique value to ND, we attempt at all costs to get it next to an existing area where hunting access or habitats exist. Walsh County which you referred to, this would be adjacent to an existing PLOTS which has a habitat component, has hunting access. PLOTS are still private lands, but the length of terms depend on the agreement.

Kim Kary: These we pay taxes on because we would own them and they'd be part of a WMA area. (Wildlife Management Area). WMA are state. Waterfowl production is federal.

Senator Oehlke: You do pay in lieu of taxes? (answer – yes)

Senator Wanzek: So you try to add on to existing WMA?

(17:13) Terry Steinwand: It could be a WPA, PLOTS, WRP, but it's rarely a refuge.

Senator Oehlke: We have a lot of space in ND available for hunting. It's not that necessary to go knock on landowner's doors to shoot a duck.

Senator Wanzek: 91% of the land is still privately owned. I hunt too and I'm a property owner, so I see both sides here.

Senator Grabinger: I see in Stark County, 1,200 acres. I don't know if that's a well head or not in there. Do we have land that Game and Fish owns with active well heads on it? Where does that money go?

Kim Kary: In the Killdeer mountains - that WMA is kind of what Terry was talking about was purchased with Federal funds. If there's mitigation to the road or the area where the well pad is, the oil company has to make a payment to us, and then that payment goes into the grants, gifts and donations line. Currently we are funding an FTE with that to help keep up with all the oil activity, and biology and we also a funded a 5-year mule deer survey on the effects of energy on mule deer. But the feds require us that if there's energy activity that does damage to an area that was funded with it, we have to put the money back onto that particular WMA. We keep a list and put that money back to that WMA.

Senator Grabinger: You're talking about mitigation for property. Do we own any mineral rights that we get income off of an active wellhead?

Kim Kary: We have one. We have leased it out and we get revenue. It's sporadic and it's an older well and declining. At one point it was about \$9000/month, but that money goes to pay for that one FTE.

Senator Grabinger: I see the grants, gifts and donations. You don't have the exacts on that? (answer – correct.) Is that amount enough to cover that FTE?

Kim Kary: Yes, it's about 100 some thousand dollars and covers the FTE salary for the biennium. The other \$400,000 is donation money from people for specific things.

Senator Wanzek: Fill me in again on the land habitat and deer depredation. How much of that line item goes to deer depredation? I'm imagining it's not much of a problem this year. Do we save money there or do we spend most of it?

(22:34) Kim Kary: The \$17M in that, the legislation set up \$1.1M for depredation. Of that \$1.1M, this biennium we aren't spending much of it. Last biennium, we carried forward about a million dollars into this biennium. That same law says we can carry forward up to \$2M each biennium. It's our cash and you're carrying forward the appropriation authority. You are appropriating \$1.1M for deer depredation and if we don't spend it, we can carry forward \$2M to the next biennium. We're dealing with spending authority.

Senator Wanzek: If we left the law the way it is, and the landowner had to post his land if he wanted, why can't we bring the act of posting into the 21st century? Why not do it digitally or on an app? The proponents of the bill are proposing an app for farmers to post when land is open. Why can't we do that in reverse? Leave everything the same, but bring the posting into the 21st century.

Terry Steinwand: We are going to testify, but in a neutral position. Six out of the seven sessions I've been here, this bill has come in, but we're still at the same place we were. Why can't we figure out how to meet both sides' need?

Senator Wanzek: I feel forced to vote for that. Have a lot of farmers who feel passionately about their property rights. It is important to the budget and if we ever get there, there will be a need for some appropriation to fund that program. My nephew is an avid sportsman besides farming with us. He can tell me real up to date info on who owns what.

Terry Steinwand: It's a little more complicated than that. There's a lot of work to verify PLOTS land. It's a trust and getting all the signatures is work. The IT budget has \$1.1M dollars in it to create that base layer GIS partial data layer that would be absolutely mandatory before we could put on top of that what you're talking about.

Senator Grabinger: GIS, we already have that app through the counties. Not everyone who is deer hunting can look an app. People used to have smaller farms, nowadays people are farming 20,000 acers. That's a lot of posting to do. It used to be different. I'm a hunter. My point is I like it the way it is. You're coming up with a solution to fix a problem we don't have in my opinion.

Senator Wanzek: That issue will fill the Brynhild Haugland room up.

Senator Oehlke: With the exception of salary issue and health care insurance and then making sure we get section 6 correct; Are we ok?

Kim Kary: We're ok if you're ok.

Senator Oehlke: Could a county say, do the opposite of what we're doing right now? Say, we expect hunters to go onto our parcel viewer and you can consider everything posted in Ramsey county.

Terry Steinwand: They can, but there's privacy issues. Our biggest issue with that is you have the land owner, but not necessarily get the person managing the land and how to get ahold of them.

Senator Grabinger: They could pass an ordinance in their county that is more stringent than state law. They'd have the ability to pass something to that affect.

Terry Steinwand: All we could enforce is the state law.

Kim Kary: Our accounting IT person has lots of input on how the GIS layer and how things go together. The two just don't match.

Tomorrow when SB2293 talks about our \$15M investment and then the appropriation, would you not go back and make a recommendation to the committee? How does that work

Senator Oehlke: Not going to pass this out tomorrow because there may be other things yet that pop up that you're concerned about too. We don't want to get everything over to the House too quickly.

Senator Wanzek: Are there other bills that affect this budget? They are usually listed on the green sheet.

Chris Kadrmas: Typically, there are, but when green sheets were done, that was all that pertained to the agency. The work sheet (attachment # 2) is the worksheet that subcommittees had gone through before showing the items they'd like to carry over from the governor's recommendations or new items that the committees come up with through the top section and then also to include the sections within the bill. There is going to be a correction on there just because of how two items are represented on there. One is "Reduces funding for motor vehicles" and the "Increases rentals and leases funding" – which is incorrect. It has to do with capital assets and motor vehicles so it's going to be netted with that number, the \$250,000. It will show a total reduction of \$179,859. There is going to be a description change for the "In lieu of taxes". That will be listed as other capital payments. There are other items included. It's not all strictly in lieu of taxes.
I will have updates for next subcommittee meeting.

Senator Oehlke: We will have another meeting when the dust settles from SB 2293.

Senator Wanzek: Say the "post it" bill does pass. I have a friend who loves to fish, a lot of our "glacial sloughs" that have been stocked the last couple years. If there's a public road, they would still have access even if that passes?

Terry Steinwand: That's required. If that passes, there will be a retribution bill in the next session – or a referred measure.

Meeting adjourned.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2017
2/6/2019
Job # 32266

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Rose Laning / Florence Mayer
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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 game and fish department.

Minutes:

Testimony Attached # 1 – 4.

Legislative Council: Chris Kadrmas
OMB: Renae Bloms

Senator Oehlke: Called the sub-committee to order on SB 2017. Senator Wanzek and Senator Grabinger were also present.

Kim Kary, Chief of Administrative Services, North Dakota Game & Fish:

Green Sheet – Attached # 1.
OMB Version – Attached # 2.
SB 2293 Version – Attached # 3.

Chris Kadrmas: The green sheet is the governor's recommendation. It should match OMB's version. It is just a summary of it.

Senator Oehlke: Last time we met we talked about the idea that Shall and May wording that needs to be changed?

Kim Kary: Correct. We changed the "must" with the "may" in OMB's version, we forgot to correct the other "Must". The SB 2293 version is correct. That also says "the investment may be deposited into the aquatic nuisance species program fund for use in aquatic nuisance species education, inspection and monitoring programs". This is in that bill also and will be worked on that committee.

Senator Oehlke: There is a bill to supplement the fight on Aquatic nuisance and provides extra funding to game and fish. That bill would garner a few more dollars. What about FTEs if you get this money. They can use temporary employees with that help with that effort until the next session and by then they'll hopefully accumulate some dollars and can go ahead with aquatic species fighting. They only have 1 person right now.

Senator Grabinger: The numbers are skewed on this sheet you sent compared to the green sheet. Your #8 is funding for motor vehicles. On the other it is #7?

Kris Kary: I was only copying it for the section on section #6.

Senator Wanzek: Trying to understand the “must to may” because of federal funds. Even interest derived would be considered federal money.

Kim Kary: It would be considered a loss of control, by telling us we must spend it, or we must invest it.

Senator Oehlke: Are there other areas in the green sheet you want addressed?

Kim Kary: I don't think so. Everything in the green sheet is what the Governor's budget put in for us. This 10% transfer of lines will be decided agency to agency. You as group are deciding that.

Senator Wanzek: I'll admit I'm a little sour on the idea.

Senator Grabinger: Where are we at with the optional requests?

Kim Kary: The executive recommendation put back almost everything. We would concur that the executive recommendation numbers be add amended in.

Senator Grabinger: So we are talking about salaries and benefits and the one line of 10%, are the things we need to decide.

(11:50) Kim Kary: Didn't think we talked about Section 5 about additional income? Would appropriate any additional federal or other funds available to the Game and Fish, is that an agency wide statement? (That was confirmed.)

Senator Grabinger: Regarding the line item transfers, will we take that up in full committee or our subcommittee? (Subcommittee was confirmed.)

I would motion to remove it from the budget.

Senator Wanzek: Seconded. I thought we as total appropriations committee made the decision to remove those 10% adjustments? (No confirmation.)

Chris Kadrmas: (handed out the Base Level Funding Changes – Attached # 4):
The governor recommended those sections be included in the bill, but they do not exist in the bill. So if the committee does not want them in the bill, they just don't have to add it.

Senator Wanzek: If we're going to approve the executive budget as it's shown, With the changes to the wages, salaries and benefits. We then have to take that out of the executive budget to do it.

Chris Kadrmas: No, the current bill for SB 2017 includes only the agencies base budget, low appropriations. And Section 3, for grants, gifts and donations for \$400,000. If the

committee were to not make any changes, the to the base would have to be added to the bill or subtracted from the agencies base budget. The governor's recommendations, are only that, recommendations. To be added or subtracted from the agencies base budget. So if the committee takes no action on the governor's recommendation, then you essentially just have the base level.

Kim Kary: We, as an agency, would request that the executives budget for \$998,000 be added, so that we get that correct appropriation. Then those other little sections about the line item transfer and what you're saying, they wouldn't have to act on that because they're not in there?

Chris Kadrmas: Correct. If you look at the worksheet I just handed out, everything on the left side are things the committee wanted to include in the bill, would have to be moved over by the committee. Other than the salaries and wages, that is approved by appropriations as a whole.

(16:58) Senator Oehlke: We had a different sub-hearing on a different committee, they talked about the retirement increase. That number didn't change; it was explained it would be figured out of the salary increase.

Chris Kadrmas: The Senate appropriations committee did not approve any retirement increase. That has not been brought over as recommended by the governor. That had been approved to remain at their base level, which is no increase for the biennium. The only salaries and wages items that were approved were the salary increase, 2% for the first year 3% for the second year, and then the health insurance increase.

Senator Wanzek: So these are all the changes that are being made? On the left is the executive budget changes to the base budget that had been recommended?

Chris Kadrmas: Correct, those are only the recommended changes.

Senator Wanzek: The Senate version, these are the only changes recommended in the base budget?

Chris Kadrmas: Those currently are changes that the subcommittee has approved or the Senate Appropriation with the salaries and wages.

Senator Wanzek: So only salary & insurance has been decided? (Correct.)

Kim Kary: Starting at "Transfers 3 FTEs for IT unification.", that line and everything down would technically have to be moved to the Senate version to equal what the governor had? (Correct.)

With the salary increase and the health insurance, those got brought over to the Senate version based on what the Senate said, not the governor. You said that retirement contribution increase, isn't supposed to come over? The \$165,000?

Chris Kadrmas: The senate sub-committee could opt to do that, but Senate Appropriations as a whole had only approved those 2. The salary increase and the 2-3% and the retirement increase. It has not been brought over in other budgets that I am anywhere of.

Kim Kary: How is the transfer of the IT unification position? Has that been brought over by the other appropriation committee? So the transfer of 3 FTEs and you'll have to check on that.

Senator Oehlke: So assuming doing that, then section 3 on the bottom, the Senate version, has \$400,000 in it. And not move section 4 over, but move section 5.

(21:32) Senator Wanzek: What about section 6?

Senator Oehlke: We want to move section 6 over with the idea to move that \$15M into investment with investment board and make sure wording is accurate.

Senator Grabinger: So, we're not moving section 4 over? (Correct.)

Chris Kadrmas: Are you going to have a motion to move those and then move section 6 with the game and fish departments amendments to it?

Senator Wanzek: The only thing the senate has done is address the salary increases. These numbers are reflective of that change? (That was confirmed.) Does that reflect that those 3 will be moved out of there?

Chris Kadrmas: That is correct. It currently reflects an FTE level of 160 positions.

Senator Wanzek: Would our motion include making all the changes on the left side? Going from transferring 3 FTEs; underfunds salaries and wages for \$342,000; reduce temporary employees \$73,000. Our motion would include making all these changes. They were comfortable with that executive recommendation.

Kim Kary: Correct.

Chris Kadrmas: If the committee was comfortable, the motion could be made to accept the governor's recommendations with the exception of the salaries and wages; with the exception of the retirement contribution increase; with the exception of section 4 and section 3 because the Senate's version is different; and also include the recommended amendments of the Game & Fish.

Senator Grabinger: Moved to accept the Governor's recommendation with the discussed changes.

Senator Wanzek: Seconded the motion.

**A Roll Call Vote was taken: 3 yeas, 0 nays, 0 absent.
Motion Carried.**

Senator Wanzek: This doesn't pertain to the budget but last time, we visited a little bit about the impacts of windfarms. I know that Game & Fish were asked to help in the process of determining impacts. There was no money flowing through your agency. You were just involved in the assessment of those impacts. Initially, I misunderstood that the money was offered for impacts were going through the Game & Fish.

Terry Steinwand: None whatsoever.

Senator Wanzek: And I know the bills are trying to address who can be involved in the discussion of the mitigation of those impacts. There are a couple different bills out there.

Adjourned the hearing of SB 2017.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2017
2/8/2019
Job # 32476

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department.

Minutes:

Amendment 19.0230.01001 - Attached # 1.

Legislative Council: Levi Kinnischtzke
OMB: Becky Deichert

Senator Oehlke: Moved amendment 19.0230.01001 – Attached # 1.
Senator Wanzek: Seconded the motion.
Voice vote carried.

Senator Oehlke: Explained the amendment with the changes.

Senator Grabinger: Moved Do Pass As Amended on SB 2017.
Senator Wanzek: Seconded the motion.

A Roll Call Vote was taken: Yes: 13 No: 0 Absent: 1.

Senator Oehlke will carry the bill.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2017
2/12/2019
Job # 32563

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department.

Minutes:

Amendment 19.0230.01002

Legislative Council: Brady Larson
OMB: Stephanie Gullickson

The committee reconsidered their action taken on February 8, 2019 because section 4 of the amendment was changed to state that additional funds and federal funds are not directly appropriated to the Game & Fish Dept.

Senator Oehlke: Moved to reconsider their last action on SB 2017.

Senator Wanzek: Seconded the motion.

Voice vote carried.

(Audio starts)

Senator Oehlke: Moved amendment 19.0230.01002.

Senator Wanzek: Seconded the motion.

Voice vote carried.

Senator Oehlke explained the amendment.

Senator Oehlke: Moved Do Pass as Amended on SB 2017.

Senator Grabinger: Seconded the motion.

A Roll Call Vote was taken: Yes: 14 No: 0 Absent: 0.

Senator Oehlke will carry the bill.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2017

Page 1, line 2, after "department" insert "; and to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the game and fish fund"

Page 1, remove lines 10 through 23

Page 2, replace lines 1 and 2 with:

"

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$29,854,874	\$1,071,380	\$30,926,254
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(165,196)	17,658,981
Noxious weed control	725,000	0	725,000
Missouri River enforcement	283,857	4,143	288,000
Grants, gifts, and donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000	0	500,000
Shooting sports grant program	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$83,227,498	\$558,637	\$83,786,135
Full-time equivalent positions	163.00	(3.00)	160.00"

Page 2, after line 13, insert:

"SECTION 4. ADDITIONAL INCOME - APPROPRIATION. In addition to the amounts included in the total special funds line item in section 1 of this Act, any additional federal funds or other funds which become available are appropriated to the game and fish department for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 5. AMENDMENT. Section 20.1-02-16.1 of the North Dakota Century Code is amended and reenacted as follows:

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of up to fifteen million dollars of the balance of the game and fish fund may be made under the supervision of the state investment board and the moneys must be invested by the investing authority

according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Game and Fish Department - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$29,854,874	\$1,071,380	\$30,926,254
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(165,196)	17,658,981
Noxious weed control	725,000		725,000
Missouri River enforcement	283,857	4,143	288,000
Grants - Gifts - Donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000		500,000
Shooting sports grant program	250,000		250,000
Total all funds	\$83,227,498	\$558,637	\$83,786,135
Less estimated income	83,227,498	558,637	83,786,135
General fund	\$0	\$0	\$0
FTE	163.00	(3.00)	160.00

Department 720 - Game and Fish Department - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Transfers 3 FTE Positions for IT Unification ³	Underfunds Salaries and Wages ⁴	Reduces Funding for Temporary Employees ⁵	Reduces Funding for Grants ⁶
Salaries and wages	\$478,818	\$1,463,409	(\$519,904)	(\$302,943)	(\$48,000)	
Operating expenses			555,688			
Capital assets						
Grants - Game and fish						(\$1,603,019)
Land habitat and deer depredation	(561,331)	73,937		(39,134)		(530)
Noxious weed control	(111,678)					
Missouri River enforcement	10,603	4,145				
Grants - Gifts - Donations	33,508	8,620			(25,000)	(80,000)
Nongame wildlife conservation						(20,000)
Lonetree reservoir	717	36,248				
Wildlife services						
Shooting sports grant program						
Total all funds	(\$149,363)	\$1,586,359	\$35,784	(\$342,077)	(\$73,000)	(\$1,703,549)
Less estimated income	(149,363)	1,586,359	35,784	(342,077)	(73,000)	(1,703,549)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(3.00)	0.00	0.00	0.00

	Increases Funding for Federal Shooting Range Grants ⁷	Adjusts Base Level Funding ⁸	Adds Funding for Microsoft Office 365 ⁹	Total Senate Changes
Salaries and wages				\$1,071,380
Operating expenses		\$488,405	\$122,634	1,166,727
Capital assets		(163,065)		(163,065)
Grants - Game and fish	\$500,000			(1,103,019)
Land habitat and deer depredation		361,862		(165,196)
Noxious weed control		111,678		
Missouri River enforcement		(10,605)		4,143
Grants - Gifts - Donations		(205,709)		(268,581)
Nongame wildlife conservation				(20,000)
Lonetree reservoir		(717)		36,248
Wildlife services				
Shooting sports grant program				
Total all funds	\$500,000	\$581,849	\$122,634	\$558,637
Less estimated income	500,000	581,849	122,634	558,637
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	(3.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

Other Funds

Salary increase	\$890,275
Health insurance increase	<u>696,084</u>
Total	\$1,586,359

³ Three FTE positions are transferred to the Information Technology Department for the IT unification project, resulting in reduced salaries and wages of \$519,904 and increased operating expenses of \$555,688.

⁴ The salaries and wages (\$302,943) and the land habitat and deer depredation (\$39,134) line items are underfunded in anticipation of savings resulting from vacant positions and employee turnover.

⁵ Funding for temporary employees is reduced.

⁶ Funding for grants is reduced.

⁷ Federal fund spending authority is increased for federal shooting range grants.

⁸ Base level funding is adjusted as follows:

Other Funds

Increase funding for operating expenses	\$1,074,294
Reduce funding for motor vehicles	(179,859)
Reduce capital asset funding	(246,685)
Reduce other information technology funding	(207,000)
Increase funding for equipment over \$5,000	108,344
Increase building, grounds, and equipment repairs funding	80,627
Reduce extraordinary repairs funding	(27,665)
Reduce land and buildings funding	<u>(20,207)</u>
Total	\$581,849

⁹ Funding is added for Microsoft Office 365 licensing.

This amendment also adds sections to:

- Provide an appropriation of any additional federal funds or other funds which become available to the Game and Fish Department for the 2019-21 biennium.

- Amend Section 20.1-02-16.1 relating to the game and fish fund to authorize the investment of up to \$15 million of the balance of the game and fish fund.

SK
103

PROPOSED AMENDMENTS TO SENATE BILL NO. 2017

Page 1, line 2, after "department" insert "; and to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the game and fish fund"

Page 1, remove lines 10 through 23

Page 2, replace lines 1 and 2 with:

"

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Grants, gifts, and donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000	0	500,000
Shooting sports grant program	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$83,227,498	\$558,637	\$83,786,135
Full-time equivalent positions	163.00	(3.00)	160.00"

Page 2, after line 13, insert:

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Renumber accordingly

203

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2017 - Game and Fish Department - Senate Action**

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Less estimated income	83,227,498	558,637	83,786,135
General fund	\$0	\$0	\$0
FTE	163.00	(3.00)	160.00

Department 720 - Game and Fish Department - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Transfers 3 FTE Positions for IT Unification ³	Underfunds Salaries and Wages ⁴	Reduces Funding for Temporary Employees ⁵	Reduces Funding for Grants ⁶
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Capital assets						
Grants - Game and fish						(\$1,603,019)
Land habitat and deer depredation	(561,331)	73,937		(39,134)		(530)
Noxious weed control	(111,678)					
Missouri River enforcement	10,603	4,145				
Grants - Gifts - Donations	33,508	8,620			(25,000)	(80,000)
Nongame wildlife conservation						(20,000)
Lonetree reservoir	717	36,248				
Wildlife services						
Shooting sports grant program						
Total all funds	(\$149,363)	\$1,586,359	\$35,784	(\$342,077)	(\$73,000)	(\$1,703,549)
Less estimated income	(149,363)	1,586,359	35,784	(342,077)	(73,000)	(1,703,549)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(3.00)	0.00	0.00	0.00

3003

	Increases Funding for Federal Shooting Range Grants ²	Adjusts Base Level Funding ³	Adds Funding for Microsoft Office 365 ⁴	Total Senate Changes
Salaries and wages				\$1,071,380
Operating expenses		\$488,405	\$122,634	1,166,727
Capital assets		(163,065)		(163,065)
Grants - Game and fish	\$500,000			(1,103,019)
Land habitat and deer depredation		361,862		(165,196)
Noxious weed control		111,678		
Missouri River enforcement		(10,605)		4,143
Grants - Gifts - Donations		(205,709)		(268,581)
Nongame wildlife conservation				(20,000)
Lonetree reservoir		(717)		36,248
Wildlife services				
Shooting sports grant program				
Total all funds	\$500,000	\$581,849	\$122,634	\$558,637
Less estimated income	500,000	581,849	122,634	558,637
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	(3.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

<u>Other Funds</u>	
Salary increase	\$890,275
Health insurance increase	696,084
Total	\$1,586,359

³ Three FTE positions are transferred to the Information Technology Department for the IT unification project, resulting in reduced salaries and wages of \$519,904 and increased operating expenses of \$555,688.

⁴ The salaries and wages (\$302,943) and the land habitat and deer depredation (\$39,134) line items are underfunded in anticipation of savings resulting from vacant positions and employee turnover.

⁵ Funding for temporary employees is reduced.

⁶ Funding for grants is reduced.

⁷ Federal fund spending authority is increased for federal shooting range grants.

⁸ Base level funding is adjusted as follows:

<u>Other Funds</u>	
Increase funding for operating expenses	\$1,074,294
Reduce funding for motor vehicles	(179,859)
Reduce capital asset funding	(246,685)
Reduce other information technology funding	(207,000)
Increase funding for equipment over \$5,000	108,344
Increase building, grounds, and equipment repairs funding	80,627
Reduce extraordinary repairs funding	(27,665)
Reduce land and buildings funding	(20,207)
Total	\$581,849

⁹ Funding is added for Microsoft Office 365 licensing.

Amends Section 20.1-02-16.1 relating to the game and fish fund to authorize the investment of up to \$15 million of the balance of the game and fish fund.

Date: 2-6-2019
Roll Call Vote #: 1

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2017

Senate Appropriations

Committee

☒ Subcommittee

Amendment LC# or Description:

accept the governor's recommendation
with discussed charges &
present to the full committee.

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

Grabinger

Seconded By

Wanzek

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger	<input checked="" type="checkbox"/>	
Senator Wanzek	<input checked="" type="checkbox"/>		Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl					
Senator G. Lee					
Senator Dever					
Senator Sorvaag					
Senator Oehlke	<input checked="" type="checkbox"/>				
Senator Hogue					

Total

(Yes)

3

No

0

Absent

0

Floor Assignment

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

Date: 2-8-2019Roll Call Vote #: 1

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2017**

Senate Appropriations

Committee

☐ SubcommitteeAmendment LC# or Description: 19.0230.01001

Recommendation:

☒ Adopt Amendment☐ Do Pass☐ Do Not Pass☐ Without Committee Recommendation☐ As Amended☐ Rerefer to Appropriations☐ Place on Consent Calendar

Other Actions:

☐ Reconsider☐Motion Made By OehlkeSeconded By Wanzek

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	A				
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) _____ No _____

Absent 1

Floor Assignment _____

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

*Voice Vote
Carried*

Date: 2-8-19
Roll Call Vote #: 2

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2017

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 Grabinger Seconded By Wanzek

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) 13 No 0

Absent 1

Floor Assignment Oehlke

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

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

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2017**

Senate Appropriations

Committee

☐ Subcommittee

Amendment LC# or Description:

reconsider action from 2/8/19

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

Oehlke

Seconded By

Wanzek

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: 2-12-2019Roll Call Vote #: 2

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2017**

Senate Appropriations

Committee

☐ SubcommitteeAmendment LC# or Description: 19.0230.01002

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

Oehlke

Seconded By

Wanzek

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: 2-12-2019Roll Call Vote #: 3

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES**
BILL/RESOLUTION NO. 2017

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 Oehlke Seconded By Grabinger

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 0Absent 0Floor Assignment Oehlke

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

REPORT OF STANDING COMMITTEE

SB 2017: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2017 was placed on the Sixth order on the calendar.

Page 1, line 2, after "department" insert "; and to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the game and fish fund"

Page 1, remove lines 10 through 23

Page 2, replace lines 1 and 2 with:

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$29,854,874	\$1,071,380	\$30,926,254
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(165,196)	17,658,981
Noxious weed control	725,000	0	725,000
Missouri River enforcement	283,857	4,143	288,000
Grants, gifts, and donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000	0	500,000
Shooting sports grant program	250,000	0	250,000
Total special funds	\$83,227,498	\$558,637	\$83,786,135
Full-time equivalent positions	163.00	(3.00)	160.00"

Page 2, after line 13, insert:

SECTION 4. AMENDMENT. Section 20.1-02-16.1 of the North Dakota Century Code is amended and reenacted as follows:

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of up to fifteen million dollars of the balance of the game and fish fund may be made under the supervision of the state investment board and the moneys must be invested by the investing authority according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Game and Fish Department - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$29,854,874	\$1,071,380	\$30,926,254
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891

Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(165,196)	17,658,981
Noxious weed control	725,000		725,000
Missouri River enforcement	283,857	4,143	288,000
Grants - Gifts - Donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000		500,000
Shooting sports grant program	250,000		250,000
Total all funds	\$83,227,498	\$558,637	\$83,786,135
Less estimated income	83,227,498	558,637	83,786,135
General fund	\$0	\$0	\$0
FTE	163.00	(3.00)	160.00

Department 720 - Game and Fish Department - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Transfers 3 FTE Positions for IT Unification ³	Underfunds Salaries and Wages ⁴	Reduces Funding for Temporary Employees ⁵	Reduces Funding for Grants ⁶
Salaries and wages	\$478,818	\$1,463,409	(\$519,904)	(\$302,943)	(\$48,000)	
Operating expenses			555,688			
Capital assets						
Grants - Game and fish						(\$1,603,019)
Land habitat and deer depredation	(561,331)	73,937		(39,134)		(530)
Noxious weed control	(111,678)					
Missouri River enforcement	10,603	4,145				
Grants - Gifts - Donations	33,508	8,620			(25,000)	(80,000)
Nongame wildlife conservation						(20,000)
Lonetree reservoir	717	36,248				
Wildlife services						
Shooting sports grant program						
Total all funds	(\$149,363)	\$1,586,359	\$35,784	(\$342,077)	(\$73,000)	(\$1,703,549)
Less estimated income	(149,363)	1,586,359	35,784	(342,077)	(73,000)	(1,703,549)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(3.00)	0.00	0.00	0.00

	Increases Funding for Federal Shooting Range Grants ²	Adjusts Base Level Funding ³	Adds Funding for Microsoft Office 365 ²	Total Senate Changes
Salaries and wages				\$1,071,380
Operating expenses		\$488,405	\$122,634	1,166,727
Capital assets		(163,065)		(163,065)
Grants - Game and fish	\$500,000			(1,103,019)
Land habitat and deer depredation		361,862		(165,196)
Noxious weed control		111,678		
Missouri River enforcement		(10,605)		4,143
Grants - Gifts - Donations		(205,709)		(268,581)
Nongame wildlife conservation				(20,000)
Lonetree reservoir		(717)		36,248
Wildlife services				
Shooting sports grant program				
Total all funds	\$500,000	\$581,849	\$122,634	\$558,637
Less estimated income	500,000	581,849	122,634	558,637
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	(3.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	<u>Other Funds</u>
Salary increase	\$890,275
Health insurance increase	696,084
Total	\$1,586,359

³ Three FTE positions are transferred to the Information Technology Department for the IT unification project, resulting in reduced salaries and wages of \$519,904 and increased operating expenses of \$555,688.

⁴ The salaries and wages (\$302,943) and the land habitat and deer depredation (\$39,134) line items are underfunded in anticipation of savings resulting from vacant positions and employee turnover.

⁵ Funding for temporary employees is reduced.

⁶ Funding for grants is reduced.

⁷ Federal fund spending authority is increased for federal shooting range grants.

⁸ Base level funding is adjusted as follows:

	<u>Other Funds</u>
Increase funding for operating expenses	\$1,074,294
Reduce funding for motor vehicles	(179,859)
Reduce capital asset funding	(246,685)
Reduce other information technology funding	(207,000)
Increase funding for equipment over \$5,000	108,344
Increase building, grounds, and equipment repairs funding	80,627
Reduce extraordinary repairs funding	(27,665)
Reduce land and buildings funding	(20,207)
Total	\$581,849

⁹ Funding is added for Microsoft Office 365 licensing.

Amends Section 20.1-02-16.1 relating to the game and fish fund to authorize the investment of up to \$15 million of the balance of the game and fish fund.

2019 HOUSE APPROPRIATIONS

SB 2017

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2017
3/13/2019
Recording # 33615

- ☐ 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 game and fish department.

Minutes:

Attachments A and B

Chairman Vigesaa: Opened the hearing on SB2017.

Roll Call taken.

Terry Steinwand, Director, ND Game and Fish Department: Made introductions.

Kim Kary, Division Chief, ND Game Fish Department: See testimony attachment A.

Chairman Vigesaa: How consistent are the funding levels in those two funds from the federal government?

Kim Kary: For DJ funds we had a high in 2011 of about \$4 million. That has stayed around that \$4 million. We projected for 2019-2021 to still be at that \$4 million level. The PR funds have had significant ups and downs. In 2013 it was \$7 million and we're up to \$11 million.

Kim Kary continued with her testimony.

Representative Howe: That two year window, does it run concurrent with our biennium?

Kim Kary: It does not; it's on a federal fiscal year.

Representative Howe: If we're getting the money in 2020 and not 2019, are there any funds like that that we're not getting those funds in the first part?

Kim Kary: No. We've had a consistent flow of these federal funds; so we always have a two year window in our budget that we project. The money we're projecting now, is already money we have in the bank in Denver.

Chairman Vigesaa: I assume you're restricted on what you can use the funds for? Is there reporting back to them before they'll approve?

Kim Kary: Yes. In the federal regulations there is a long list of what we can and can't use the money for. That's why we have to write a grant to Denver, which is our oversight for our region, and they will tell us which projects are allowed and not allowed.

Chairman Vigesaa: You said sometimes you will have extra money that you need to spend within a fairly short amount of time. Do you have a waiting list of projects that are on the board?

Kim Kary: Yes. We have projects that we can fund them towards. Sometimes they are research projects that we can extend out for another year.

Kim Kary continued with her testimony.

Representative Bellew: You stated that the governor's executive recommendation is \$84 million? You said the total is \$81 million. Where does the extra \$3 million come from?

Kim Kary: That will come from our fund balance.

Representative Bellew: Carry over funds?

Kim Kary: Yes.

Kim Kary continued with her testimony.

Chairman Vigesaa: Last session you raised the fees for hunting and fishing; did that have any adverse effect on amount of licenses?

Kim Kary: No. That was in 2014 effect license year 2014 and that didn't have an effect on our sales.

Kim Kary continued with her testimony.

Representative Howe: That \$665,000.00 grant, what did you spend that on?

Terry Steinwand: We have received two grants, most in the southwest part of the state for pheasant habitat. The \$665,000.00 is for a conservation reserve enhancement program that we've been working on for three years and last year we received approval to move forward on it.

Kim Kary continued with her testimony.

Chairman Vigesaa: When do you determine how many deer licenses you're going to issue?

Kim Kary: We fly surveys throughout the winter and we count the deer.

Terry Steinwand: This year we've been able to fly aerial surveys, we go on previous year hunter success, on what the land owners are seeing, what the depredation complaints are that we're receiving, and what the wardens and staff are seeing. Within the next month, we'll be setting those numbers.

Kim Kary continued with her testimony.

Representative Bellew: When you go through these can you give us an exact number of employees also?

Kim Kary: Sure. In my division, there's 24.

Kim Kary continued with her testimony.

Representative Bellew: Do you have a list of what you're going to repair?

Kim Kary: That is for ongoing maintenance; it's not a project, it's ongoing maintenance for existing facilities.

Representative Bellew: You should still have that broken out. Is it just an estimate?

Kim Kary: It's an estimate; it's a formula that OMB does for every agency that have facilities. It's based on past history and the number of buildings.

Representative Bellew: You don't submit an estimate?

Kim Kary: We do. We know what we need and it usually matches with OMB; and that's the number that we usually use, what OMB gives us.

Kim Kary continued with her testimony.

Representative Bellew: Who do you pay tax to?

Kim Kary: We pay it to the county.

Representative Bellew: To the county that it's located in?

Kim Kary: Yes.

Kim Kary continued with her testimony.

Representative Bellew: Do you have a list of the counties you pay those taxes to and the amounts?

Kim Kary: Yes, we will get that to you.

Kim Kary continued with her testimony.

Representative Bellew: On our income tax form there's a line, do you get any of that money?

Kim Kary: Yes. That's the nongame check off and that will go into our nongame fund for those species that aren't huntable.

Representative Bellew: Do you have an amount that the people get back?

Kim Kary: Yes. It's about \$48,000.00 per biennium.

Kim Kary continued with her testimony.

Terry Steinwand continued with his testimony.

Kim Kary continued with her testimony.

Chairman Vigesaa: Is the number of wardens pretty consistent over the years?

Kim Kary: Yes. We received two more wardens two biennium ago.

Chairman Vigesaa: How is it retirement wise for the wardens you have on staff now? Do you have several that are nearing that stage?

Kim Kary: We have a couple of wardens that have reached the rule of 85 already.

Chairman Vigesaa: Is it difficult to recruit or hire wardens?

Kim Kary: When we do advertise for a warden, we have plenty of applicants; so we do have a good pool. We keep one temp warden on the books; because when we hire a warden, it takes a year to get out in the field.

Representative Mock: Do the wardens have dedicated vehicles?

Kim Kary: Correct. We don't own any of our vehicles, we have to go through state fleet. Anything we equip our vehicles with; that's extra. When state fleet takes the vehicle back, it costs about \$24,000.00 to do a vehicle change over.

Representative Mock: How often do you change out vehicles?

Kim Kary: Every three years.

Representative Mock: Where are you with the rates?

Kim Kary: We used to be in group nine; and now we're in group eight, we're in our own group.

Representative Bellew: This is the division that makes sure the fish houses are gone?

Kim Kary: That's correct.

Representative Bellew: That's March 15th, correct?

Kim Kary: Correct.

Representative Mock: Do you have any per diem allowances with your wardens?

Kim Kary: Highway patrol does their per diem a little differently. We purchase the uniforms, they're our property and when they leave, they turn everything back in to us. We purchase all the gear they need. If they are out and about, we have worked with the state auditor's office on what would be considered when they can request meals and overnight stays; you generally don't stay overnight.

Representative Mock: Do the wardens have any equipment such as AED's in their trucks?

Kim Kary: Yes, they do.

Representative Mock: What is the age and status of those?

Kim Kary: Our AED's are pretty current.

Representative Mock: Do the wardens have Taser's and what's the status of any other equipment?

Kim Kary: They do have Taser's; I'm not aware of how and what needs to be replaced with Taser's. They do have their handguns. We just did the Glock replacements for their pistols.

Representative Mock: You're not shooting or using the same fire arms as highway patrol? Is everyone issued the same style?

Kim Kary: Right now they have Glock 40 mm.

Representative Mock: When was the last time you've done a reissue of fire arms?

Kim Kary: We are just replacing them, the chief warden would have those details.

Representative Mock: You're sticking with Glock 40mm?

Kim Kary: Yes.

Representative Bellew: Is Lake Darling federal? You have nothing to do with the operations?

Kim Kary: Yes, it's federal.

Kim Kary continued with her testimony.

Representative Bellew: Do you have a list of the shooting ranges?

Kim Kary: Yes.

Kim Kary continued with her testimony.

Representative Bellew: You say \$500,000.00 is for Watford City.

Kim Kary: When there's a brand new range, we will go out and see if there's a need; and build that into the budget with a name. In 2017-2019, when I talked about ranges, I mentioned that there was going to be a range in Jamestown and Minot. We met with the surrounding communities in Minot and that didn't happen; but Velva happened.

Kim Kary continued with her testimony.

Representative Bellew: When the state gives money to build these do we get to use them or do we have to pay a fee to the operators?

Kim Kary: The feds say it has to be open to the public; it can't be a private range. They could charge a fee for members and non-members; but it has to be open to the public.

Kim Kary continued with her testimony.

Representative Bellew: The number of employees in this division?

Kim Kary: There are 22.

Kim Kary continued with her testimony.

Representative Mock: Does your department track the number of participants and the number of clubs and how that's changed since the creation of that grant program?

Terry Steinwand: There's 1,500 participants and 53 schools.

Representative Mock: Has the \$250,000.00 been sufficient?

Kim Kary: As of right now. We're going to see what happens and 2019-2021, if it's still going to get used right away, maybe we'll see and come in for 2021-2023 with something a little different.

Chairman Vigesaa: In our small community, the archery is unbelievable.

Terry Steinwand: It started out of Kentucky about 10 years ago.

Kim Kary continued with her testimony.

Terry Steinwand continued with his testimony.

Kim Kary continued with her testimony. See attachment B.

Chairman Vigesaa: Those have to be approved by the budget section. Correct?

Terry Steinwand: Explained the process.

Kim Kary continued with her testimony.

Chairman Vigesaa: Is that determined annually as to what's going to be considered PLOTS?

Kim Kary: I believe it's annually. It can be different number of years of agreements depending on the program.

Chairman Vigesaa: What would be the main reason for it dropping to 768,000 from one million?

Terry Steinwand: When CRP started to really reduce about four years ago, we saw a dramatic reduction. At its peak we 3.3 million acres of CRP in North Dakota; we're down to about 1.1 million now; and 500,000 acres of CRP was in our PLOTS program. As that reduced, so did our PLOTS.

Kim Kary continued with her testimony.

Chairman Vigesaa: You haven't had that authority in the past?

Kim Kary: Correct. There are some state agencies that do have it in their budget.

Representative Mock: There's a sizeable uptick in the late 90's and early 2000's of non-resident game licenses. Do those trends align with any policy changes that we had regarding non-resident? If there are any policy changes that align with those trends; could you respond back to that?

Kim Kary: We can look at that.

Representative Mock: Do you have one plane or two?

Kim Kary: We have two planes. In our current budget we had put to replace our American Champion; which we're picking up next. Then we have a Scout.

Representative Mock: What is the current maintenance status of the Scout?

Kim Kary: There is no maintenance. Every however many hours you have to have a prop and the engine overhauled; that's about \$80,000.00 to \$90,000.00. That didn't happen in 2017-2019 and it's not happening in 2019-2021.

Chairman Vigesaa: Recessed the hearing.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2017
3/13/2019
Recording Job# 33636

- ☐ 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 game and fish department.

Minutes:

Attachment C

Chairman Vigesaa: Brought the hearing to order.

Kim Kary, Division Chief, ND Game and Fish Department: Went through the worksheet. See attachment C.

Representative Bellew: If you stick all of your money in the investment board and you need the money, how would you get it?

Kim Kary: We would not put all \$30 million in there; we would only put the reserve \$15 million in there.

Representative Kempenich: You would invest it in the insurance fund? You're looking at a longer term?

Kim Kary: It was a long term conservative. We wouldn't put it all in one pot; we'd probably put in two sets of money so that it would come out at different times. This would be longer term; but we don't plan on touching the \$15 million.

Kim Kary continued with her testimony.

Chairman Vigesaa: Were those part of the governor's recommendation for the 90%?

Kim Kary: Yes. We did have to cut a lot of things and there were things we asked for back. We did get the majority of everything we asked for back; but we did trim a few things, not asking for everything back.

Chairman Vigesaa: Then the other programs, maybe because of usage or demand, you could get by with a lower number?

Kim Kary: Correct.

Representative Kempenich: With the aquatic nuisance species, do you work with Minnesota?

Kim Kary: We do have a small budget for aquatic nuisance species; it's \$500,000.00 and funds one biologist. A lot of it is for education. We have some temporary grants that we give to Valley City State University for an inspection team to go out and do some aquatic nuisance boat inspections. SB2293 will ask for a further appropriation request to get some more money into the ANS and to create an ANS fund.

Terry Steinwand, Director, ND Game and Fish: We don't work with them, we share information. We have conducted surveys of resident and nonresident traffic.

Representative Beadle: You do random spot checks, will they be at a launch site to see if nuisance species are attached on the boats?

Terry Steinwand: Our wardens do the spot checks; they do not have enforcement authority.

Kim Kary continued with the worksheet.

Representative Kempenich: Do you go through fleet?

Kim Kary: All our vehicles are through fleet.

Representative Kempenich: Even the tractors?

Kim Kary: The tractors are our own.

Representative Kempenich: Are you going to try and use it longer?

Kim Kary: We use almost 2 million of miles for our wardens.

Kim Kary continued with the worksheet.

Chairman Vigesaa: How do you see the unification working? It would it be beneficial or would you rather have them under your control?

Kim Kary: We do have three FTE's. Having our desk support person at our office, working with us we feel is a time saver. We would hope if unification goes forward, that that same type of efficiency and effectiveness stays with it. Our main concern is the cost.

Chairman Vigesaa: They indicated that they should be cost neutral and the FTE's would probably still be housed in your department.

Kim Kary: Right.

Representative Beadle: From just the programmer standpoint, are you fully utilizing their time right now? To break up their day into billable hours, are they equating out to eight hours of billable time every day? Do you have down time based on programming needs?

Kim Kary: We have a wait list of projects that need to get done on IT work. They are 100% busy.

Representative Beadle: If we were to increase FTE allocation or allow you to have more people dedicated towards IT, would they be able to be sufficiently busy as well?

Kim Kary: I'm not sure. When we have additional programming to do, we utilize ITD.

Representative Beadle: How has that relationship been and how has the service been back from ITD from that standpoint versus your own programmer?

Kim Kary: As long as we get the IT programmers that know our business and things don't break, it would be fine. But, we've had some issues where things have gone down and broke during deadlines. Our website went down and it was ITD?

Representative Beadle: It was a server issue?

Kim Kary: It was an update that they did that took our side down. We had a meeting about a year ago with ITD and give them our critical deadlines that we had to extend one of our application deadlines because our system was down.

Representative Beadle: So it was overloaded?

Kim Kary: Yes. So we had a meeting with them and we have a crew at ITD that's monitoring our system.

Representative Beadle: Since the meeting that you had after the issues a year ago, has it substantially improved or is it operating a lot better?

Kim Kary: It was the current staff that we have now at ITD. They moved us to a dedicated server. This has helped.

Representative Howe: With SB2315 will that be something that ITD will run or will it go through game and fish?

Kim Kary: That's not capable of being done; it's relying on the GIS land parcel thing that was in ITD's budget that didn't get funded. Without that piece, there's nothing for us to lay this other piece on top of. We have to be careful of the diversion of funds also because what we're building should only be used for hunting, etc.

Representative Howe: The increase in rentals and leases funding, it's an increase of \$250,000.00 and on page 3 it's zeroed out.

Chris Kadrmas: Essentially it was just a capital assets adjustment.

Kim Kary continued with the worksheet.

Chairman Vigesaa: Section 3 is that something that's in your budget every session?

Kim Kary: Yes.

Chairman Vigesaa: That was increased to \$400,000.00 over what the executive recommendation was?

Kim Kary: No, it's the same.

Representative Bellew: Is section 5 standard language?

Kim Kary: That was one that the governor's office put in most of the state agencies budgets and the Senate took that out of the budgets.

Chairman Vigesaa: Closed the hearing.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

SB2017
3/13/2019
Recording Job# 33681

☐ 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 game and fish department.

Minutes:

Chairman Vigesaa: Opened the discussion on SB2017.

Chairman Vigesaa: Discussed the worksheet.

Representative Bellew: If they ever needed that money, how would they get it?

Vice Chairman Brandenburg: There are certain levels they have to maintain.

Chairman Vigesaa continued with the worksheet.

Vice Chairman Brandenburg: Are they looking at putting this \$15 million in the funds out of the federal money or is it state money from license sales?

Chairman Vigesaa: Is all of the \$15 million general funds? It's special funds, but is it state money?

Vice Chairman Brandenburg: We should ask them how they figure out the mitigation process by the acres and how they figure out the dollars.

Representative Howe: I asked the question and page 2 of the testimony talks about the transfer from the outdoor heritage fund.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

SB2017
3/21/2019
Recording Job# 34113

☐ Subcommittee
☐ Conference Committee

Committee Clerk:

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department.

Minutes:

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Chairman Vigesaa: Opened the discussion on SB2017.

Representative Howe: Discussed the green sheet.

Representative Bellew: Inaudible.

Representative Howe: That's correct.

Representative Bellew: Is that necessary?

Alex Cronquist, Fiscal Analyst, ND Legislative Council: That could probably be reduced to whatever the compensation package is determined to go with.

Representative Howe continued discussing the green sheet.

Representative Bellew: How much do they have in that line item for grant funding?

Representative Howe: If you look at the next line a lot of that was going into operating expenses.

Representative Howe continued with his discussion.

Chairman Vigesaa: That did increase from the previous? Was there any explanation on why they needed more this time?

Representative Howe: They did say it was from royalty payments.

Chairman Vigesaa: How much do they have in here for land purchases? I think it's \$800,000.00.

Representative Howe: Yes. I think it's been \$800,000.00 for the last several bienniums.

Representative Howe continued with his explanation.

Alex Cronquist: On section 3 for that \$400,000.00 for their grants, gifts and donations. The \$400,000.00 is the base budget amount. The governor's budget had reduced it by \$175,000.00.

Chairman Vigesaa: Has the \$400,000.00 been the traditional amount in that section?

Alex Cronquist: It was in the current biennium.

Vice Chairman Brandenburg: The total funding is \$84 million; they have state money and federal money. Are there any general fund dollars in this budget?

Alex Cronquist: No.

Vice Chairman Brandenburg: Where are they at with the state special funding and the federal special funding?

Alex Cronquist: About \$39 million is estimated to come from the game and fish department fund.

Vice Chairman Brandenburg: That's state special fund?

Alex Cronquist: Yes.

Vice Chairman Brandenburg: The money coming from ammunition and guns must be \$45 million?

Alex Cronquist: That game and fish department fund was estimated to have about \$28.5 million ending balance.

Chairman Vigesaa: When they receive all of the funding from the different sources, do funds that end up in the reserve; are those comingled funds with all of the funds that they get or is there only specific funds that can end up in the reserve fund?

Alex Cronquist: I'm not sure on that.

Representative Howe continued with his explanation.

Chairman Vigesaa: Does any of the federal funds end up in the reserve?

Vice Chairman Brandenburg: I think that federal money has to be designated to federal projects.

Representative Howe: That \$15 million would be state special funds.

Alex Cronquist: With that \$400,000.00 in the grants, gifts and donations; it's been \$400,000.00 since 2011.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2017
4/1/2019
Recording Job# 34411

☐ 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 game and fish department.

Minutes:

Attachment A

Chairman Vigesaa: Opened the discussion on SB2017.

Chairman Vigesaa: Discussed the green sheet.

Representative Beadle: I think we should have pressure washing stations at each of those public access spots up and down the Red River. If we have those at the site, you're going to have boat operators much more willing to use them. As long as that's currently a part of their plan, I think we're good.

Representative Howe: See attachment A.

Representative Howe: There was a question of a zebra mussel being attached to a bird or duck.

Representative Beadle: They don't attach on to your leg or anything. If you had a bird that was carrying a stick or shell, that's one thing; but they don't affix to the animal itself.

Representative Mock: The question was to assess the boat stamp or raise the fishing licenses fees?

Chairman Vigesaa: Those were the two issues.

Representative Mock: Do we need to make the recommendation on that?

Chairman Vigesaa: We might just amend that bill to lower down the numbers to where it's revenue neutral.

Representative Beadle: Building up some revenue and having the funds set aside might not be a bad idea.

Chairman Vigesaa: Everyone received the message that they couldn't use the dollars out of the reserve fund?

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2017
4/2/2019
Recording Job# 34429

- ☐ 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 game and fish department.

Minutes:

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Chairman Vigesaa: Opened the discussion on SB2017.

Chairman Vigesaa: SB2293 is in front of full appropriations. That has funding in it as well but that they would need to add FTE's, etc. If it's in the bill, we don't have to do anything with the appropriation bill?

Sheila Sandness, Fiscal Analyst, ND Legislative Council: SB2293 does have two FTE's in it. Section 7 has an appropriation of \$467,100.00 and further down it says that the game and fish has authorized two FTE's.

Chairman Vigesaa: The discussion we had was that there was a \$3.00 fishing license increase for residents and \$6.00 for non-resident. There was also a \$15.00 boat sticker. Is the boat sticker for everyone or just for out of state?

Representative Howe: It's for everyone.

Chairman Vigesaa: Mr. Steinwand wasn't excited about having the boat stamp.

Representative Mock: At all or reducing it?

Chairman Vigesaa: At all.

Representative Howe: He had been hearing complaints and pressures from the tourism industry. They were not big proponents of the sticker; especially in the Devil's Lake area.

Chairman Vigesaa: Was that just because the out of state fishermen would look at that as just another obstacle to overcome?

Representative Mock: They can purchase that sticker wherever they purchase their fishing license. Is that correct?

Chairman Vigesaa: I would assume that they can do it online. He seemed to indicate that that was a little more of a hassle to implement because of the cycle of when those boat stickers are issued.

Representative Mock: The fishing license is the most convenient; but it's not just fishermen that is the problem; it's any watercraft.

Representative Howe: Terry did indicate that also.

Chairman Vigesaa: Representative Beadle you were doing some calculating yesterday based on how many licenses are issued and how much it would raise.

Representative Beadle: The fishing licenses; 60% of them are in-state at the \$3.00 rate and 40% are out of state at the \$6.00 rate. Of the \$1.694 million, \$1.016 million comes from in-state and \$677,000.00 comes from out of state. If we were to lower the fee, to \$2.00 and \$4.00, we'd be looking at \$677,600.00 for in-state and \$451,000.00 from the out of state; bringing us to about \$1.16 million.

Chairman Vigesaa: If we didn't do the stickers and people come from in-state or out of state, and we have the pressure washing stations; are they going to be educated to know that they're supposed to do that? Does the sticker give them the education background that they need to do that?

Representative Beadle: A sign at the ramps would be the best way to educate them.

Representative Mock: A sticker won't do anything but the process of getting a sticker and knowing why you had to get the sticker; that's where the education is going to occur.

Chairman Vigesaa: Did we have alone what the sticker would raise?

Representative Beadle: They estimated that to be \$992,000.00 per biennium.

Chairman Vigesaa: He mentioned a cycle with these boat stickers or the renewal dates.

Representative Howe: I do know that that sticker would not be ready for this upcoming boat season; it would be 2020 at the earliest.

Representative Beadle: The fiscal note does say that game and fish estimates one-time IT programming costs for 2017-2019 at \$10,000.00 and 2019-2021 at \$30,000.00; part of that is hiring temps and contracting for one ANS inspection team, purchasing the stickers, etc.

Chairman Vigesaa: On the fiscal note did it say what revenue would be expected from stickers this biennium?

Representative Beadle: It just says \$992,000.00 per biennium; it doesn't specifically say for this biennium what that would be. It tells me that the expenditures would be \$386,000.00 this biennium and \$882,000.00 going forward; but that includes their expenditures for other stuff as well.

Chairman Vigesaa: Does everyone buy their stickers between January 1, 2020 and when the water is available?

Representative Beadle: I think they buy them when the water is open and they're going to launch their boat.

Chairman Vigesaa: There'd be no revenue off stickers this particular year; but in 2020 it would come in.

Representative Beadle: It depends on when we require them to have it. If we would require them to have them this year, then we'd get some people this year; but we'd have plenty of people operating without knowing that they needed it.

Chairman Vigesaa: There would still be two full seasons in the next biennium; because it'd be in the spring of 2020 and the spring of 2021, which would be in the biennium. There would be full funding of the sticker revenue in the biennium.

Representative Beadle: Yes.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2017
4/3/2019
Recording Job# 34467

- ☐ 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 game and fish department.

Minutes:

Attachment A

Chairman Vigesaa: Opened the discussion on SB2017.

Roll Call taken.

Chairman Vigesaa: See attachment A.

Representative Beadle: The revenue for the 2019-2021 biennium is projected at \$2,686,000.00; expenditures are \$773,870.00.00.

Chairman Vigesaa continued with his explanation.

Terry Steinwand, Director, ND Game and Fish Department: We've identified \$1.3 million on nuisance aquatic species. We would go to portable wash stations before we go to permanent stations to see if they work.

Chairman Vigesaa: One of the comments that I had from an appropriations member is the fear that most of the transportation would be from out of state; those would be the people that we should get the majority of the revenue from. Would that be a statement you would agree with?

Terry Steinwand: I would agree that the highest risk would be from out of state boaters. About 70% to 75% of our non-resident fishing and boating traffic comes from Minnesota. One option you could possibly look at is if the ANS stickers would remain in the bill, we wouldn't do it until January 2020; because that's when the new three cycle for resident boats comes in; or you could delay and not put it effect until sometime in 2020.

Chairman Vigesaa: If we just had the sticker on out of state boats, would that raise a significant amount of revenue?

Terry Steinwand: For resident and non-resident, I believe it would have been \$900,000.00. This isn't a prevention, it's a reduction of risk.

Chairman Vigesaa: The other day when we met we talked about reducing the numbers to \$2.00 and \$4.00 instead of \$3.00 and \$6.00.

Terry Steinwand: Some of you received emails from the tourism alliance; they are opposed to the fee.

Chairman Vigesaa: Is the fear of the alliance that by adding another fee on to an out of state boat that it's going to somehow hinder tourism?

Terry Steinwand: Yes, that's their fear. As the bill currently states, it would be \$6.00 for every non-resident fishing and water fowl license and \$15.00 for every boat annually; that would amount to \$68.00 if you bought a fishing license and that ANS sticker for non-resident. On a regional level, the only one that would be cheaper; and only by \$1.00, would be Iowa.

Representative Howe: When people buy their fishing licenses, that's when you buy your boat sticker?

Terry Steinwand: Yes.

Representative Howe: Could you buy a fishing license and not have to buy a sticker?

Terry Steinwand: Everything is electronic. We would have a question of whether you plan on bringing a boat into North Dakota; if yes, you'd have to purchase a sticker, if no you'd check out normally. I think it's 25% to 30% of the non-resident anglers that buy a license in North Dakota, bring their boat into North Dakota.

Chairman Vigesaa: For those that are just dishonest and say they're not going to bring a boat and then do, will there be people at these ramps and stations that would see these boats coming out of the water that don't have a sticker? Would that be part of the enforcement?

Terry Steinwand: That would be the challenge because we don't have enough people to cover every ramp in North Dakota; we have 13 ramps on Devils Lake alone. Our vision would be a sticker that they'd have to put on the back of their boat. If they didn't have it on, they'd get stopped.

Vice Chairman Brandenburg: Looking at different states like Minnesota and South Dakota, are you looking at a multi-state solution?

Terry Steinwand: Regionally, we've been looking at it for years. Montana is looking for a \$6 million budget.

Vice Chairman Brandenburg: What are the other states around us doing for their programs?

Terry Steinwand: Prevention is always the best.

Representative Beadle: For the 25% of non-resident fishers who claim to bring a boat, are we able to identify what states the boats come from?

Terry Steinwand: Yes, about 60% to 70% come from Minnesota.

Representative Beadle: The states that we have reciprocity with, how difficult would it be to identify states that are significant threats for aquatic nuisance species and have residents and registered boats from those states pay for a sticker; and ones that aren't high level threats not?

Terry Steinwand: We've basically done that already. Ninety-nine percent of our non-resident fishing and boating traffic come from three areas; Wisconsin, Minnesota and Iowa.

Chairman Vigesaa: The numbers outside of those three states are very small?

Terry Steinwand: Yes, they're very small.

Chairman Vigesaa: In the bill in section 2, subsection 2; Representative Porter indicated that that should come out?

Terry Steinwand: Yes.

Chairman Vigesaa: So that subsection can come out?

Terry Steinwand: Yes, subsection 2 of section 2 is redundant.

Vice Chairman Brandenburg: I did have a chance to visit with Kim Kary. You're looking at taking that \$15 million and not putting all of it in long term?

Terry Steinwand: We would want to maintain some liquidity there. We don't want to tie it all up.

Chairman Vigesaa: Whatever we decide on the funding amount, we could pass the game and fish budget; because this would be integrated into their next biennium's operating?

Terry Steinwand: We're a little confused there's appropriated \$467,000.00; but it talks about going to the budget section for further approval. We don't understand that; and that's in section 2.

Chairman Vigesaa: That would be current language in section 2 of SB2293.

Terry Steinwand: It's in section 1 line 14.

Adam Mathiak, Fiscal Analyst, ND Legislative Council: This language does seem to be a little bit unique. I don't know if this is intended to mirror the language for the state disaster relief fund. I'm not entirely sure about the intent behind the bill as far as section 1 and section 7. Section 1 seems to be intended to provide a continuing appropriation authority out of this newly created fund; although it doesn't specifically say continuing appropriation authority. It

also requires the budget section approval. Section 7 is taking it out of the game and fish fund; so it really is separate and independent appropriations. There are really two separate appropriations provided here. It may be better to clarify in section 1 if there really is a continuing appropriation; even if it is subject to budget section authority. It seems that the language in there is not consistent with our language that we use for continuing appropriation authority. One could say it's still subject to legislative appropriation. If it's a continuing appropriation, it wouldn't need to be part of their budget bill. We would probably need to add an additional appropriation section in this bill to appropriate what they anticipate would be in that fund. Section 7 would get added to their budget at the end of this session. The only questions would be about the funding in section 1; whether it's really available without an appropriation.

Chairman Vigesaa: The way it is right now in section one, if they wanted to expend any money out of the ANS fund, they have to come before budget section for approval?

Adam Mathiak: Yes. There would also be the question, if this particular legislative assembly didn't appropriate any funds, it doesn't say that there's a continuing appropriation. You'd be basically delegating full appropriation authority to the budget section or that they could come to budget section but there was not original appropriation to spend it. Right now it is a little bit confusing with the way the language currently sits.

Chairman Vigesaa: The budget section only meets once a quarter. Nothing that's going to happen in SB2293 would have to be added into the budget? We can pass the budget out the way it is before us and whatever happens in this bill would be added to their appropriation.

Adam Mathiak: Yes.

Chairman Vigesaa: Discussed the budget bill.

Adam Mathiak: It could depend on the specifics of the agency. Generally speaking, it could require a little bit of additional funding.

Chairman Vigesaa continued with the bill.

Chairman Vigesaa: Could you identify over the last few biennium what's been in that number?

Adam Mathiak: It looks like that section was added in 2011 and going forward it's been a standard section that's been included at that \$400,000.00 level.

Chairman Vigesaa: For some reason the governor just lowered it to \$225,000.00?

Adam Mathiak: I'm not sure what the rationale was.

Chairman Vigesaa: In section 4 is where that amendment is about the investment of the \$15 million. Does that mirror the language in SB2293?

Adam Mathiak: That does mirror that language. The previous one divided into two subsections. The main difference is that in SB2293 it's having that money transferred into the aquatic nuisance species fund; where this is retaining it in the fund.

Chairman Vigesaa continued with the bill.

Renae Bloms, Budget Specialist, ND Office of Management and Budget: I think those three FTE's were related to some IT unification. I'm not sure if you're going to do that for game and fish.

Vice Chairman Brandenburg: The three FTE's will come back in?

Renae Bloms: I don't believe that game and fish was one of the pilot agencies that was agreed on; so we would want to add those FTE's back in.

Chairman Vigesaa: Do we have to make a motion to amend those three FTE's back in?

Adam Mathiak: Based on your discussion we would include that as part of your amendment.

Representative Howe: Made a motion to adopt the changes.

Representative Mock: Seconded the motion.

Voice Vote made.

Motion Carried.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

SB2017
4/4/2019
Recording Job# 34505

☐ 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 game and fish department.

Minutes:

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Chairman Vigesaa: Opened the discussion on SB2017.

Vice Chairman Brandenburg: Wasn't there some questions on that language for the budget section?

Chairman Vigesaa: That was in that policy bill that we talked about.

Representative Howe: Made a motion to adopt amendment 19.107304000.

Representative Beadle: Seconded the motion.

Voice Vote made.

Motion Carried.

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

Representative Beadle: Seconded the motion.

Roll Call taken: 7 Yeas 0 Nays 0 Absent.

Motion Carried.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2017
4/4/2019
34532

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Risa Bergquist

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department; and to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the game and fish fund.

Minutes:

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Chairman Delzer: Called the meeting to order for SB 2017, this is the game and fish budget.

1:30 Representative Howe: This is a quiet game and fish budget compared to previous biennia. The house didn't make many changes from the senate version, the statement of purpose first is the compensation package, number 2 is the unification project, senate went ahead with that so that is the removal of 3 FTEs. The senate put in the investment of 15 million dollars for the game and fish investment board. That is up to 15 million.

Chairman Delzer: They want to use 15 out of their 30 that they are hording to be invested by state board to get a bigger return. One time we talked about putting an upper limit on that, was there any talk about that? If the deer population comes back up or anything with the prices of the licenses that we have right now we really explode that fund.

Representative Howe: There wasn't any conversation about that.

Chairman Delzer: That is something that we might want to have a discussion about, you could even through a study on there.

Representative Boe: Did you visit with the Bank of North Dakota about not depositing the 15 million? Did they have any comments on not having these deposited?

Representative Howe: The Bank did not come in to testify in front of our committee.

Chairman Delzer: How much are we giving them to buy land?

Representative Howe: 800 thousand.

Chairman Delzer: They game and fish seem to pay some absorbent prices for land. I know they say it goes by appraisal but it seems like we pay a lot. I think if some of these people want to sell to game and fish they should have some skin in the game and not get better prices then other farmers would. Where does that 800 thousand reside in the bill?

Representative Howe: That's under the capital assets. **Motion to adopt amendment 19.0230.03001**

Representative Vigesaa: Second

Chairman Delzer: We have a motion to adopt amendment .03001 to SB 2017, discussion on the motion? **Voice vote, All in Favor, Motion Carries.** Any other amendments for SB 2017?

Representative Howe: I will make a Motion for a Do Pass as Amended.

Representative Beadle: Second

Chairman Delzer: We have a motion for a Do Pass as Amended, any further discussion? Seeing none we will call the roll.

A Roll Call vote was taken. Yea: 14 Nay: 3 Absent: 4

Motion Carries, Representative Howe will carry the bill.

Chairman Delzer: We will close this meeting.

19.0230.03001
Title.04000

Fiscal No. 1

Prepared by the Legislative Council staff for
the House Appropriations - Government
Operations Division Committee
April 3, 2019

DE 4/3/19
182

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2017

Page 1, remove lines 13 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	\$29,854,874	\$1,642,862	\$31,497,736
Operating expenses	15,338,130	611,039	15,949,169
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(164,168)	17,660,009
Noxious weed control	725,000	0	725,000
Missouri River enforcement	283,857	4,211	288,068
Grants, gifts, and donations	802,201	(268,469)	533,732
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,743	1,834,862
Wildlife services	500,000	0	500,000
Shooting sports grant program	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$83,227,498	\$576,134	\$83,803,632
Full-time equivalent positions	163.00	0.00	163.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Game and Fish Department - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$29,854,874	\$30,926,254	\$571,482	\$31,497,736
Operating expenses	15,338,130	16,504,857	(555,688)	15,949,169
Capital assets	6,080,956	5,917,891		5,917,891
Grants - Game and fish	9,650,184	8,547,165		8,547,165
Land habitat and deer depredation	17,824,177	17,658,981	1,028	17,660,009
Noxious weed control	725,000	725,000		725,000
Missouri River enforcement	283,857	288,000	68	288,068
Grants - Gifts - Donations	802,201	533,620	112	533,732
Nongame wildlife conservation	120,000	100,000		100,000
Lonetree reservoir	1,798,119	1,834,367	495	1,834,862
Wildlife services	500,000	500,000		500,000
Shooting sports grant program	<u>250,000</u>	<u>250,000</u>		<u>250,000</u>
Total all funds	\$83,227,498	\$83,786,135	\$17,497	\$83,803,632
Less estimated income	<u>83,227,498</u>	<u>83,786,135</u>	<u>17,497</u>	<u>83,803,632</u>
General fund	\$0	\$0	\$0	\$0
FTE	163.00	160.00	3.00	163.00

DE-13/19
Z.f.2

Department 720 - Game and Fish Department - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Removes IT Unification ²	Total House Changes
Salaries and wages	\$22,222	\$549,260	\$571,482
Operating expenses		(555,688)	(555,688)
Capital assets			
Grants - Game and fish			
Land habitat and deer depredation	1,028		1,028
Noxious weed control			
Missouri River enforcement	68		68
Grants - Gifts - Donations	112		112
Nongame wildlife conservation			
Lonetree reservoir	495		495
Wildlife services			
Shooting sports grant program			
Total all funds	\$23,925	(\$6,428)	\$17,497
Less estimated income	23,925	(6,428)	17,497
General fund	\$0	\$0	\$0
FTE	0.00	3.00	3.00

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 Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020.

² Three FTE positions transferred to the Information Technology Department by the Senate for the IT unification project are restored, resulting in an increase to salaries and wages of \$549,260 and a decrease to operating expenses of \$555,688.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2017**

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 Howe Seconded By Representative Mock

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:
A motion to adopt the changes.
Motion Carried.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2017**

House Appropriations - Government Operations Division Committee

☐ Subcommittee

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☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation

☐ As Amended ☐ Rerefer to Appropriations

☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐

Motion Made By Representative Howe Seconded By Representative Beadle

[illegible]

Total	(Yes)	No
100	50	50

Absent

Floor Assignment

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

A Motion to adopt the changes.

Motion Carried.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2017**

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 Howe Seconded By Representative Beadle

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

Total (Yes) 7 No 0

Absent 0

Floor Assignment Representative Howe

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

Date: 4/4/2019
Roll Call Vote #: /

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2017**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 19.0230.03001

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 Howe Seconded By Representative Vigesaa

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: 4/4/2019
Roll Call Vote #: 2

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2017**

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 Howe Seconded By Representative Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X			
Representative Kempenich	A				
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	A	
Representative Meier	A				
Representative Monson	X				
Representative Nathe	A				
Representative J. Nelson	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt		X			

Total (Yes) 14 No 3

Absent 4

Floor Assignment Representative Howe

Motion Carries

REPORT OF STANDING COMMITTEE

SB 2017, as engrossed: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 3 NAYS, 4 ABSENT AND NOT VOTING). Engrossed SB 2017 was placed on the Sixth order on the calendar.

Page 1, remove lines 13 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	\$29,854,874	\$1,642,862	\$31,497,736
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Renumber accordingly

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Less estimated income	83,227,498	83,786,135	17,497	83,803,632
General fund	\$0	\$0	\$0	\$0
FTE	163.00	160.00	3.00	163.00

Department 720 - Game and Fish Department - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Removes IT Unification ²	Total House Changes
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Operating expenses		(555,688)	(555,688)
Capital assets			
Grants - Game and fish			
Land habitat and deer depredation	1,028		1,028
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2019 CONFERENCE COMMITTEE

SB 2017

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2017
4/18/2019
JOB # 34846

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Alice Delzer / Pam Dever

Explanation or reason for introduction of bill/resolution:

A Conference Committee for the Game and Fish Department

Minutes:

1, Base Level Funding Changes

SENATORS: Oehlke, Wanzek, Grabinger
REPRESENTATIVES: Howe, Brandenburg, Mock

Chris Kadrmas, Legislative Council
Becky J. Keller, OMB

Chris Kadrmas, Legislative Council: Submitted Attachment # 1, Base Level Funding Changes.

Senator Oehlke: Called the Conference Committee to order at 2:30 pm in the Harvest Room. Roll call was taken. All committee members were present.

Senator Oehlke: I think we can save a little bit of time. Mr. Porter from the BND and Terry Steinwand, Director of Game & Fish Department are here.

Tim Porter, CFO, BND: Now that we worked through it, keeping a deposit and attaching a little bit different interest rate structure to it. The wording in this bill is fine. We will just work through the market interest rates that we pay on those deposits. (1.40)

Representative Brandenburg: Sounds good.

Representative Howe: I don't know if Terry is going to going to take the podium and talk about the rate. You sent the committee an email the other night. You had concerns about the precedent it would set if you go as is. Are there any concerns of this precedent for one specific agency?

Mr. Porter: There is still a concern about the precedent set by removing any money of captive deposits from the bank. That is what we use for our loans and investments and that generates our profits. So yes, going forward, there is still that concern. This is something

that's been floating around the entire session, and we did not see. It probably could have been averted. The e-mail was responsive. We don't want other funds and people coming and saying we want a special deal, too. Those are all the captive funds. There are certain trust funds that are kept at the BND that are captive funds.

Representative Howe: Are there any other examples of this where you are giving different rates to different agencies?

Mr. Porter: Yes, there are a lot of examples. State land has the ability to invest some of their funds privately. We try to compete with some of their short term deposits. The state investment board has some short term money with us. When we need deposits we reach out to the agencies and tract those deposits by paying a higher rate. (4.25)

(0.04.32) Senator Wanzek: If we leave the language the way it is, that doesn't exclude them from looking at other investments?

Mr. Porter: They really need the language as it is, in order to get a special rate. They have to have the authority that they could invest it outside of Code. All state deposits have to be kept at BND unless they have some kind of exemption. This gives them that exemption and allows them to negotiate a different rate structure or move the money if they see fit. (5.24)

Senator Wanzek: I would move that we accede to the House amendments.

Representative Mock: I second.

Terry Steinwand, Game and Fish Director: Mr. Porter and I did discuss this. We just want more return on our investment. We work to keep our money invested in N.D. This is a tremendous compromise. (6.45)

Senator Oehlke: We have the question before us on the Senate acceding to the House amendment. Call the roll.

A Roll Call vote was taken. Yea: 6; Nay: 0; Absent: 0. It carried.

Senator Oehlke: Closed the hearing on SB 2017.

**2019 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. 2017 as (re) engrossed

Senate Appropriations Committee

- Action Taken** ☒ **SENATE accede to House Amendments**
☐ **SENATE accede to House Amendments and further amend**
☐ **HOUSE recede from House amendments**
☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Wanzek Seconded by: Representative Mock

Senators	4/18			Yes	No		Representatives	4/18			Yes	No
Senator Oehlke	x			X			Representative Howe	x			X	
Senator Wanzek	x			X			Representative Brandenburg	x			X	
Senator Grabinger	x			X			Representative Mock	x			X	
Total Senate Vote				3	0		Total Rep. Vote				3	0

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Senator Oehlke House Carrier Representative Howe

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

SB 2017, as engrossed: Your conference committee (Sens. Oehlke, Wanzek, Grabinger and Reps. Howe, Brandenburg, Mock) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 595-596 and place SB 2017 on the Seventh order.

Engrossed SB 2017 was placed on the Seventh order of business on the calendar.

2019 TESTIMONY

SB 2017

Department 720 - Game and Fish Department
Senate Bill No. 2017

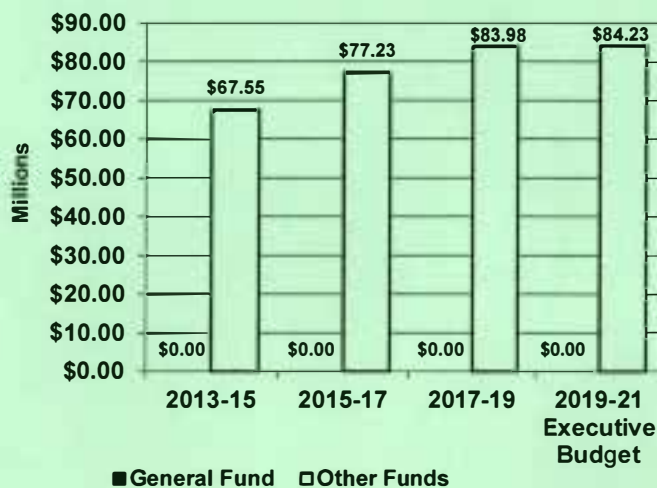
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	160.00	\$0	\$84,226,170	\$84,226,170
2017-19 Legislative Appropriations	163.00	0	83,976,222	83,976,222
Increase (Decrease)	(3.00)	\$0	\$249,948	\$249,948

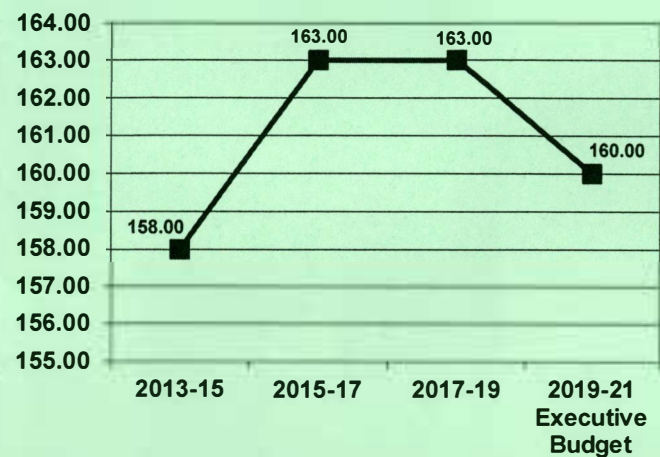
Ongoing and One-Time Other Funds Appropriations

	Ongoing Other Funds Appropriation	One-Time Other Funds Appropriation	Total Other Funds Appropriation
2019-21 Executive Budget	\$84,226,170	\$0	\$84,226,170
2017-19 Legislative Appropriations	83,227,498	748,724	83,976,222
Increase (Decrease)	\$998,672	(\$748,724)	\$249,948

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$0	\$84,226,170	\$84,226,170
2019-21 Base Level	0	83,227,498	83,227,498
Increase (Decrease)	\$0	\$998,672	\$998,672

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 \$1,271,084 is for salary increases, \$589,523 is for health insurance increases, and \$165,787 is for retirement contribution increases	\$0	\$2,026,394	\$2,026,394
2. Transfers 3 FTE information technology positions and related funding to the Information Technology Department (\$519,904) and adds funding of \$555,688 for payments to the Information Technology Department for the information technology unification initiative	\$0	\$35,784	\$35,784
3. Underfunds salaries and wages	\$0	(\$342,077)	(\$342,077)
4. Reduces funding for temporary employees	\$0	(\$73,000)	(\$73,000)
5. Reduces grant funding	\$0	(\$1,703,549)	(\$1,703,549)
6. Increases funding for operating expenses	\$0	\$1,074,294	\$1,074,294
7. Increases federal shooting range grants	\$0	\$500,000	\$500,000

January 10, 2019

8. Reduces funding for motor vehicles	\$0	(\$429,859)	(\$429,859)
9. Increases rentals and leases funding	\$0	\$250,000	\$250,000
10. Reduces funding for in lieu of property taxes	\$0	(\$246,685)	(\$246,685)
11. Reduces other information technology funding	\$0	(\$207,000)	(\$207,000)
12. Adds funding for Microsoft Office 365 licensing	\$0	\$122,634	\$122,634
13. Increases funding for equipment over \$5,000	\$0	\$108,344	\$108,344

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

Grants, gifts, and donations - Section 3 would include in the grants, gifts, and donations line item \$225,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.

Line item transfers - Section 4 would authorize the Game and Fish Department to transfer up to 10 percent of the total agency's appropriation between line items during the 2019-21 biennium. The department must report transfers to the Office of Management and Budget.

Additional income - Section 5 would appropriate any additional federal or other funds available to the Game and Fish Department during the 2019-21 biennium.

Game and fish fund - Investment - Section 6 would amend North Dakota Century Code Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

Continuing Appropriations

No continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

There is no major related legislation for this agency at this time.

Game and Fish Department - Budget No. 720
Senate Bill No. 2017
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	163.00	\$0	\$83,227,498	\$83,227,498
2019-21 Ongoing Funding Changes				
Base payroll changes			(\$149,363)	(\$149,363)
Salary increase			1,271,084	1,271,084
Health insurance increase			589,523	589,523
Retirement contribution increase			165,787	165,787
Transfers 3 FTE for IT unification	(3.00)		35,784	35,784
Underfunds salaries and wages			(342,077)	(342,077)
Reduces temporary employees			(73,000)	(73,000)
Reduces grant funding			(1,703,549)	(1,703,549)
Increases operating expenses			1,074,294	1,074,294
Increases federal shooting range grants			500,000	500,000
Reduces funding for motor vehicles			(429,859)	(429,859)
Increases rentals and leases funding			250,000	250,000
Reduces in lieu of property taxes funding			(246,685)	(246,685)
Reduces other information technology funding			(207,000)	(207,000)
Adds Microsoft Office 365 funding			122,634	122,634
Increases funding for equipment over \$5,000			108,344	108,344
Increases building, grounds, and equipment repairs funding			80,627	80,627
Reduces extraordinary repairs funding			(27,665)	(27,665)
Reduces land and buildings funding			(20,207)	(20,207)
Total ongoing funding changes	(3.00)	\$0	\$998,672	\$998,672
One-time funding items				
No one-time funding items				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.00)	\$0	\$998,672	\$998,672
2019-21 Total Funding	160.00	\$0	\$84,226,170	\$84,226,170

Other Sections for Game and Fish Department - Budget No. 720

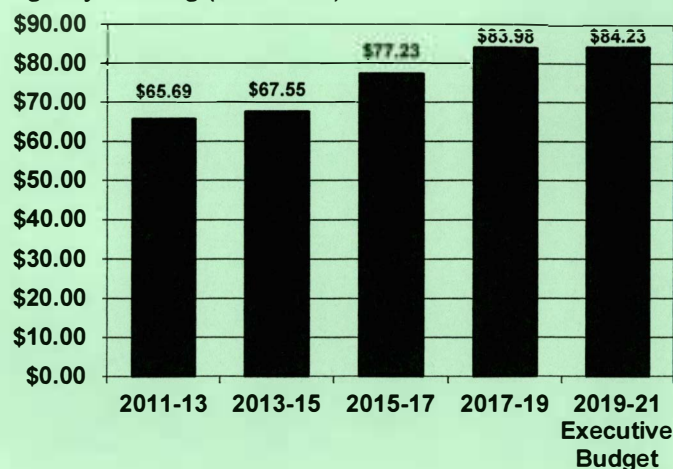
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Department 720 - Game and Fish Department

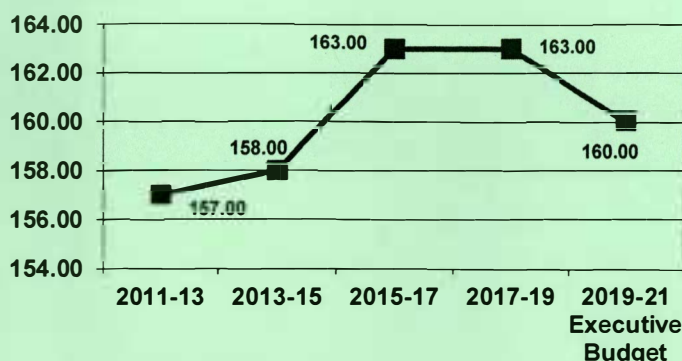
Historical Appropriations Information

Total Other Funds Appropriations Since 2011-13

Agency Funding (in Millions)



FTE Positions



Total Other Funds Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Other funds appropriations	\$65,687,742 ¹	\$67,553,639	\$77,231,739	\$83,976,222	\$84,226,170
Increase (decrease) from previous biennium	N/A	\$1,865,897	\$9,678,100	\$6,744,483	\$249,948
Percentage increase (decrease) from previous biennium	N/A	2.8%	14.3%	8.7%	0.3%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	2.8%	17.6%	27.8%	28.2%

¹Amount excludes \$300,000 from the general fund for a transfer to the Department of Agriculture for expenses related to the State Board of Animal Health (\$199,461) and for the Wildlife Services program (\$100,539) in the 2011-13 biennium.

Major Increases (Decreases) in Other Funds Appropriations

2013-15 Biennium

1. Added funding for 1 FTE game warden position and related operating expenses	\$206,763
2. Increased funding for shooting ranges	\$300,000
3. Reduced funding provided to the Department of Agriculture for the Wildlife Services program	(\$100,000)
4. Reduced funding for capital projects to provide a total of \$4,237,261	(\$298,109)
5. Reduced funding for grants	(\$3,296,000)
6. Increased funding for salaries and wages	\$1,976,240

2015-17 Biennium

1. Added funding to change 3 part-time employees to FTE positions, including 2 administrative assistant I positions and 1 biologist position	\$322,615
2. Added funding for 1 FTE administrative officer II position	\$139,475
3. Added funding for 1 FTE licensing specialist II position	\$117,973
4. Increased funding for capital projects to provide a total of \$5,712,996	\$847,935
5. Increased funding for grants	\$211,912
6. Increased funding for operating expenses	\$634,114
7. Increased funding for land habitat and deer depredation	\$2,758,157
8. Adjusted funding for the Wildlife Division	\$200,161

9. Added funding for Devils Lake storage building (\$200,000) and State Fair shooting skills building (\$200,000)	\$400,000
10. Increased funding for the wildlife private land initiative	\$2,000,000
2017-19 Biennium	
1. Increased funding for credit card fee charges on the purchase of hunting and fishing licenses	\$180,000
2. Reduced funding for rent allowance for oil-impacted areas	(\$100,000)
3. Added funding for replacement of pond liners	\$572,000
4. Added funding for replacement of lighting in the salmon building	\$130,000
5. Increased funding for capital assets	\$200,000
6. Added funding for equipment replacement	\$747,000
7. Increased funding for grants from Pittman-Robertson federal funds	\$1,590,000
8. Increased funding for operating expenses	\$839,186
9. Reduced funding for capital assets	(\$1,063,040)
10. Provided funding for the Parks and Recreation Department for operation of boating access at state parks	\$122,000
11. Increased funding for grants	\$1,353,772
12. Increased funding for land habitat and deer depredation	\$1,153,880
13. Increased funding for noxious weed control operating expenses	\$120,135
14. Added increased funding for a grant to the Agriculture Commissioner for wildlife services	\$115,600
2019-21 Biennium (Executive Budget Recommendation)	
1. Transfers 3 FTE information technology positions and related funding to the Information Technology Department (\$519,904) and adds funding of \$555,688 for payments to the Information Technology Department for the information technology unification initiative	\$35,784
2. Underfunds salaries and wages	(\$342,077)
3. Reduces funding for temporary employees	(\$73,000)
4. Reduces grant funding	(\$1,703,549)
5. Increases funding for operating expenses	\$1,074,294
6. Increases federal shooting range grants	\$500,000
7. Reduces funding for motor vehicles	(\$429,859)
8. Increases rentals and leases funding	\$250,000
9. Reduces funding for in lieu of property taxes	(\$246,685)
10. Reduces other information technology funding	(\$207,000)
11. Adds funding for Microsoft Office 365 licensing	\$122,634
12. Increases funding for equipment over \$5,000	\$108,344

GOVERNOR'S RECOMMENDATION FOR THE GAME AND FISH DEPARTMENT AS SUBMITTED BY THE OFFICE OF MANAGEMENT AND BUDGET

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 game and fish fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the game and fish department for the purpose of defraying the expenses of the game and fish department, for the biennium beginning July 1, 2019 and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$ 29,854,874	\$ 1,481,659	\$ 31,336,533
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants – Game and Fish	9,650,184	(1,103,019)	8,547,165
Shooting Sports Grant Program	250,000	-	250,000
Land Habitat and Deer Depredation	17,824,177	(147,185)	17,676,992
Noxious Weed Control	725,000	-	725,000
Missouri River Enforcement	283,857	5,456	289,313
Grant-Gift-Donation	802,201	(266,711)	535,490
Nongame Wildlife Conservation	120,000	(20,000)	100,000
Lonetree Reservoir	1,798,119	44,810	1,842,929
Wildlife Services	500,000	-	500,000
Total special funds	\$83,227,498	\$998,672	\$84,226,170
Full-time equivalent positions	163.00	(3.00)	160.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Airplane	\$250,000	\$0
Dakota Access Pipeline Protest	423,724	0
Electronic Payment Processing System	75,000	0
Total special funds	\$748,724	\$0

SECTION 3. GRANTS, GIFTS, AND DONATIONS LINE. The grants, gifts, and donations line item in section 1 of this Act includes up to \$225,000 received by the game and fish department for surface damage, easements, or reclamation on department owned or managed properties as a result of mineral exploration and extraction activities.

SECTION 4. TRANSFER AUTHORITY BETWEEN LINES. Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019 and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

SECTION 5. APPROPRIATION - In addition to the amounts appropriated to the game and fish department in section 1 of this Act, there is appropriated any additional income from federal or other

funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 6. AMENDMENT. Section 20.1-02-16.1 of the North Dakota Century Code is amended and enacted as follows:

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of the fifteen million dollar balance in this section may be made under the supervision of the state investment board and the moneys must be invested by the investing authority according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment.



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The Game and Fish Department is a special fund agency using only licensing revenue (hunting, fishing, and boat registrations) and federal funding. We receive no general fund dollars.

The 2019-21 Governor's executive budget recommendation is \$84,226,170. This is an increase of \$998,672 from the 2017-2019 base level appropriation. I will explain the details of the increase later when we go through the Green Sheet.

Revenue Projections:

Federal revenue is projected to be as follows:

Federal Aid in Wildlife Restoration Act (PR funds)*	\$23,800,000
Federal Aid in Sport Fish Restoration Act (DJ funds)**	\$8,400,000
Recreational Boating Safety Program	\$1,400,000
State Wildlife Grants	\$1,200,000
Misc. Federal Grants	\$86,000
Bureau of Reclamation (Lonetree)	<u>\$1,800,000</u>

Total Federal Revenue \$36,686,000 45%

State Revenue by Fund:

Game and Fish Fund (Licenses + Misc.)	\$38,100,000
Private Land Habitat Fund	\$6,600,000
Nongame Wildlife Fund (Donations)	\$48,000

Total State Revenue \$44,748,000 55%

Total All Revenue \$81,434,000

* **Wildlife Restoration Act** – funds are from excise taxes on the sale of guns, ammo and archery equipment which is allocated to the states by a formula based 50% on the amount of land area of the state relative to the rest of the states, and 50% based on the number of hunting license holders in a state relative to other states. These funds are referred to as Pittman-Robertson (PR) funds.

****Sport Fish Restoration Act** – funds are from excise taxes on fishing equipment and motorboat fuel which is allocated to the states by the same formula above with the exception of using the number of fishing license holders vs hunting licenses. These funds are referred to as Dingell-Johnson (DJ) funds.

Federal Revenue Levels

- USFWS Sport Fish Restoration Act funds (DJ) – In 2011 funds fell below \$4M, thus in 2013 we changed the funding source from federal to state for one of our fisheries projects. Since then DJ funds have fluctuated from \$3.6M in 2014 back up to \$4.2M in 2016. Funds remain at \$4.1M in 2018. We project the funds to remain around the \$4M level annually for 2019-21.
- USFWS Wildlife Restoration Act funds (PR) – In 2013 funds were \$7.7M and have steadily increased to \$11.9M in 2015. Funds remain at \$11.4M in 2018. We project the funds to remain at the increased level for 2019-21. These funds are apportioned to States from USFWS by law and are not dependent on Congress approval. The PR funds have a 2-year window to be obligated by the department; otherwise, we will lose the funds and they will revert back to the USFWS to be allocated to other states.
- USFWS State Wildlife Grant funds – have remained the same the last few years, but it is dependent on Congress. These funds pay for 2 biologist positions and projects involving nongame and endangered species. We project the funds to remain the same for 2019-21.
- U.S. Coast Guard – We project the funds to remain the same for 2019-21.
- USFWS Aquatic Nuisance Species funds – We project the funds to have a slight increase and will be approximately \$50K for 2019-21.
- Bureau of Reclamation - have remained the same the last few years.

USFWS DJ & PR funds equate to 88% of our federal funds. These funds are not dependent on congress. They are apportioned to states each year based on the formula explained on the previous page. If these federal funds decrease, we would have to cut programs or use licensing revenue.

License & Special Revenue

Per NDCC 20.1-02-17, Hunting and fishing license fees and application fees may only be used for departmental programs and administration. Noncompliance will result in a diversion of federal funds.

- Deer license revenue took a significant decrease in 2012. It has started to increase since 2016 with the ability to issue more licenses.
- Interest – est. \$135K
(07-09 \$1.5M, 09-11 \$500K, 11-13 \$185K, 13-15 \$115K, 15-17 \$132K)
- Transfer from the Outdoor Heritage Fund - \$665K. A grant was approved in a prior biennium and budgeted for five years to spend.

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Licenses Issued

- Resident Deer Gun license sales are slowly increasing
2009-125,583; 2010-101,216; 2011-94,130; 2012-48,605; 2013-43,625; 2014-34,640; 2015-29,559; 2016 34,970; 2017 40,438
- General Game from 2016 to 2017 license sales for residents has had a slight decrease of 754 and nonresidents has decreased 8,659.
- Fishing license sales had all-time highs in 2013 for resident and 2015 for nonresident sales. They have had a slight decrease in the past couple years.

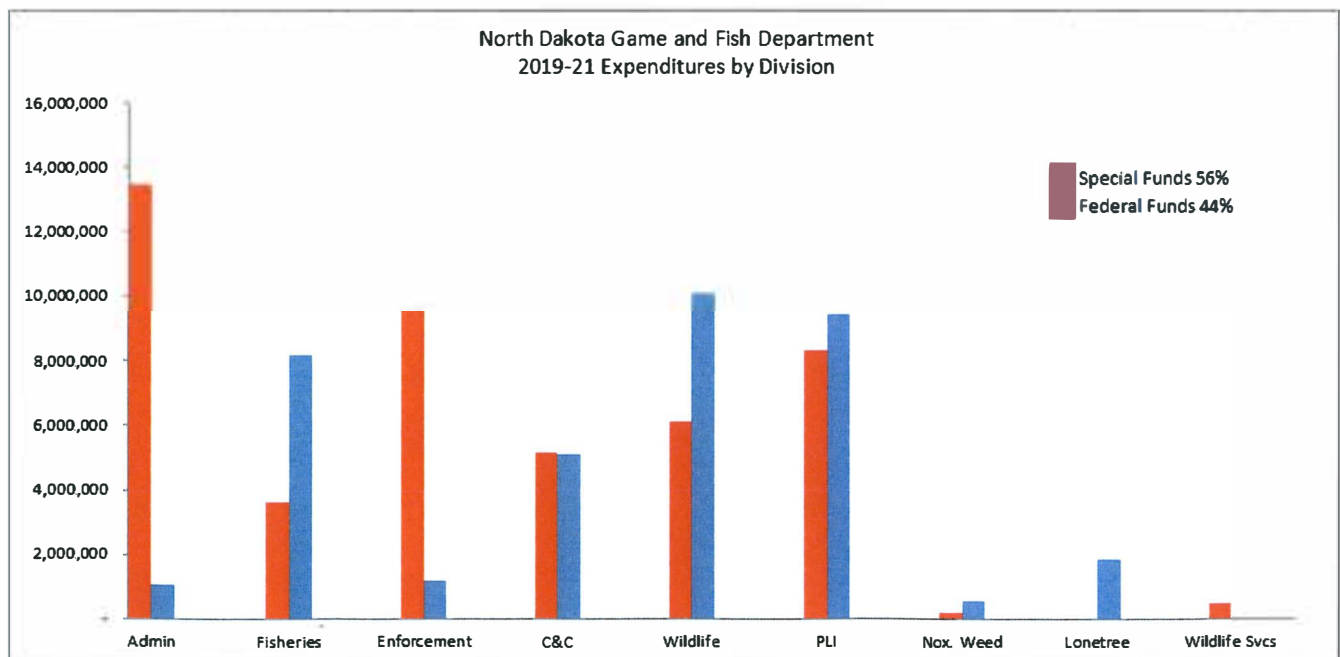
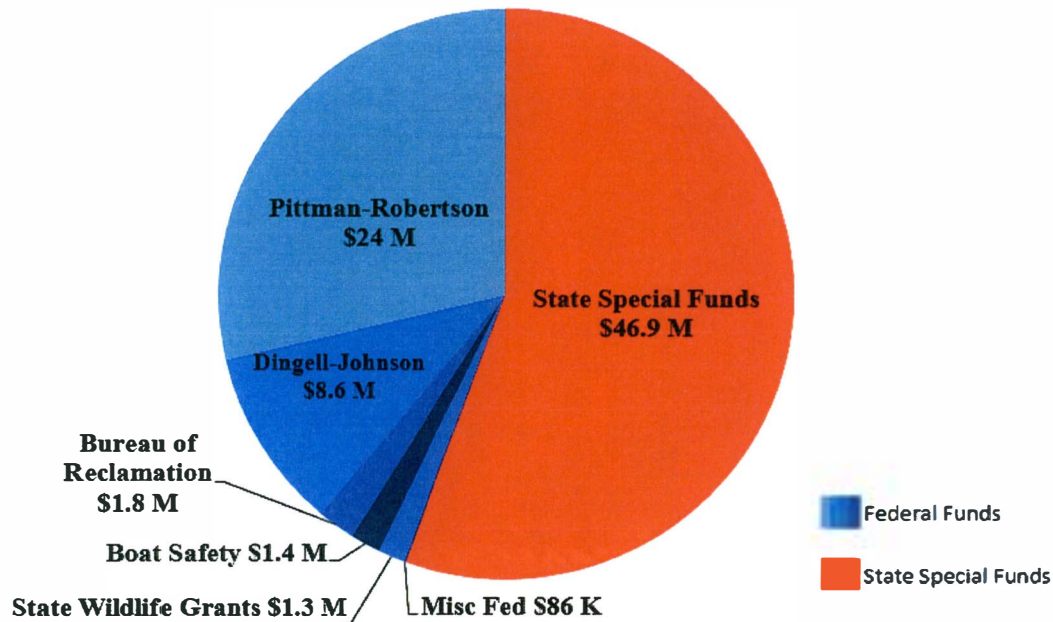
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ND Game and Fish Department 2019-21 Expenditures by Funding Source



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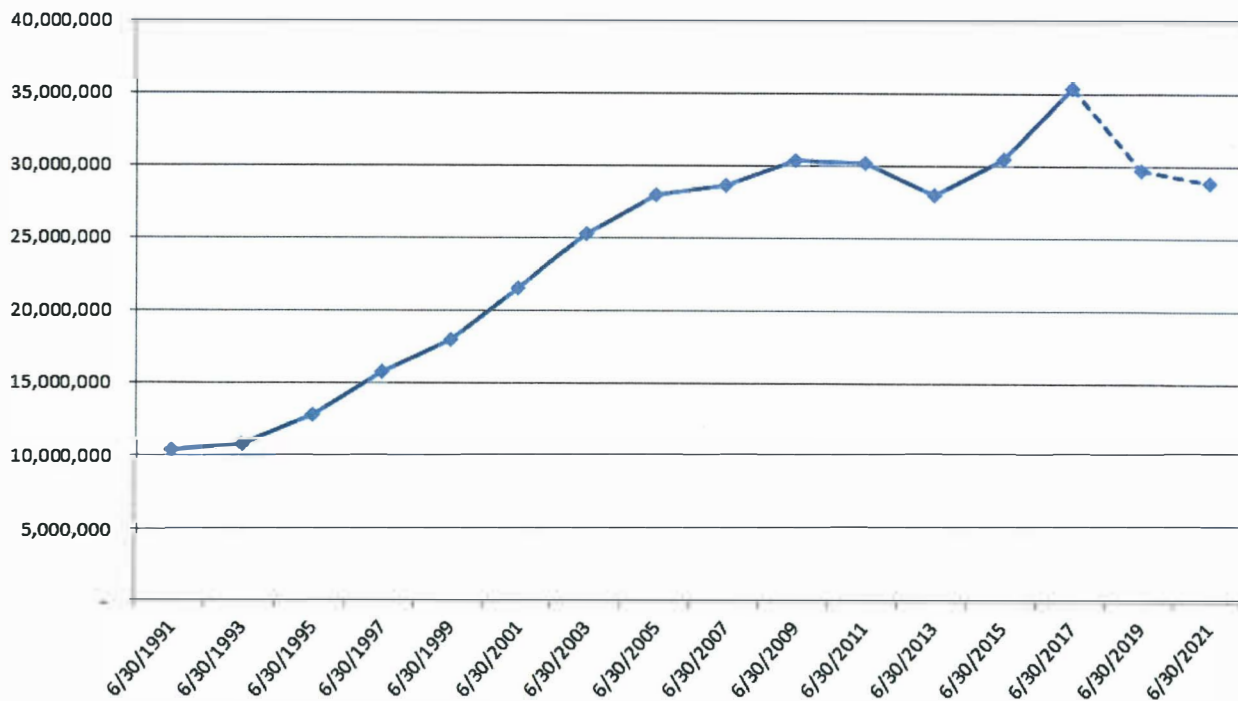
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Fund Balances - Fund balance projections are as follows:

	<u>6/30/19</u>	<u>6/30/21</u>
Game and Fish Fund	\$29,392,566	\$28,556,439
Private Land Habitat Fund	\$250,202	\$299,943
Non-Game Wildlife Fund	\$57,092	\$5,092
Total	\$29,699,860	\$28,861,474

Per NDCC 20.1-02-16.1, the fund balance shall not be reduced below \$15M unless authorized by the budget section.

**ND Game and Fish Department
Fund Balance**



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DEPARTMENT BUDGET BY DIVISION

The Department included in its budget request the following funds appropriated for grants to other state agencies:

- \$122,000 to ND Parks & Recreation Department. This is the same amount included as revenue in the Parks and Recreation Department 2019-21 budget.
- \$115,481 to Board of Animal Health, Ag Dept.; the Ag Dept. is requesting the same amount.
- \$500,000 to Wildlife Services, Ag Dept. This is the same amount as 2017-19.

DIVISIONAL BUDGETS

Brief details on the budgets for the Department's five (5) divisions are presented below:

1. **ADMINISTRATIVE SERVICES DIVISION** - Costs in this division include:

- Secretarial support for all Divisions
- Licensing section costs including lotteries
- Accounting costs
- Information Technology costs
- All Department utility, telephone, office rental, janitorial, office supplies, insurance, postage, air craft costs, office machine rental, and other similar costs
- Credit card transaction fees
- Legal services from Attorney General's office
- Costs for the Game and Fish Advisory Board
- Statewide Cost Allocation payment to OMB
- North Dakota Risk Management fund
- Buildings, Grounds, Vehicle Maintenance Supplies
- Travel costs for the Director, Deputy Director, Administrative Services Division Chief, Business Manager and IT staff.
- Capital Assets –
 - \$1,029,721 for extraordinary repairs to Department facilities statewide
 - \$1,383,000 for In Lieu of Tax payments for all Department lands WMAs (\$20K increase from 17-19)
- Grants – \$295,000 for cooperative grants to local groups and organizations for game and fish related projects, funding for Tribal access agreements, ND Natural Resources Trust, other Director's grants and sponsorship grants (e.g. ND Landowners Sportsman Council, ND Stockmen's Assoc., etc.).

The department's Grant-Gift-Donation line is \$535,490 (Admin \$300,000; Wildlife \$235,490) is used as follows:

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- Grants and gifts received for special projects are used as desired by the donor. The department has money from an estate for fishing access work. Also a major grant for bighorn sheep work is expected to continue.
- Revenue received for surface damage, easements, and reclamation on department owned or department managed properties as a result of mineral exploration and extraction activities. The department manages Corps of Engineers (COE) and department lands along Lake Sakakawea, the Missouri River and the Killdeer Mountain WMA. There is significant oil activity on these lands. The COE and other applicable federal agencies require that this money be spent by the department on these areas that are affected. This line allows the department to receive revenue and turn around and spend the funds on the appropriate areas. This funding is often used for road repairs, fencing, habitat development and similar work.
- Royalty payments received for the department's 160 acre mineral lease in the Killdeer Mountains WMA. These funds are used to employ one full-time biologist to assist the significant increase in work load due to oil activity on our WMA's. We have also used these funds on a grant to conduct a comprehensive assessment of the impact of oil and gas development on mule deer populations in western North Dakota. Also, a grant for big horn sheep work is expected to continue.

2. FISHERIES DIVISION - This program includes fish production and distribution, fishery research and surveys, fishing area and boating facility development and maintenance and a Save Our Lakes program.

Grants – Total \$2,489,000:

- \$1,093,000 for boating access and development. These grants are used for cost sharing with local governments on fishing and boating facilities; 75% is federal funds.
- \$570,000 in grants is to pay the Department's share of costs for the Garrison Dam National Fish Hatchery; 75% is federal funds.
- \$205,000 in grants used for creel surveys and Aquatic Nuisance Species.
- \$122,000 is included for boating access related costs to ND Parks and Recreation Department for state parks.
- Misc. other grants.

Capital Assets line – Total \$1,590,000:

- \$1,385,000 in extra ordinary repairs which includes dam repairs, hatchery repairs (\$700K for 4 to 5 pond liners at Garrison Dam National Fish Hatchery), and fishing and boating facility construction on lands owned by the Department which includes development work on our WMA's such as toilets, fish cleaning stations, etc. High and low water conditions at Devils Lake, Lake Sakakawea and the Missouri River have been major challenges for the boating access program. The

Department receives 75% federal funding for most of the work in this division. In some cases, the 25% match comes from local partners such as park boards.

- \$205,000 for equipment – boat motor replacements, replace 1 boat, replace fish transport tank and trailer and box blade grader attachment, replace CAT compact track loader, etc.; 75% is federal funds.

Save Our Lakes Program – To renovate prioritized lakes statewide to provide sustainable quality fisheries. These projects include sediment dams, shoreline enhancements and building of earthen piers, establishment of buffer zones, building of rock weirs, building of wetlands, waste management systems, active hypolimnetic pumping systems, passive low water draw downs, fencing projects, alternate water sources (well), planting of trees and grasses in riparian areas, sediment removal, gravel spawning substrates, establishment of wave breaks and underwater boulder habitats.

Total \$400,000 is budgeted from the private lands line item for this type of work on private land. A significant portion of our watershed work will be on private land.

3. ENFORCEMENT DIVISION - This budget supports a staff of thirty-eight (38) law enforcement employees. The budget includes operating expenses mainly for State Fleet and travel costs. Game wardens are very dependent on vehicles to do their work. Over 1.9M miles per biennium are driven using State Fleet vehicles. There is \$175,000 for replacement of equipment included are: three boat replacements, one UTV replacement, two snowmobile replacements, and one ATV with tracks replacement. The division has a replacement cycle for equipment.

Missouri River Enforcement line – Expenditures for this special line include salaries, operating, and equipment related to enforcement activities on and along the Missouri River in the Burleigh and Morton county area. Grants are also given to local law enforcement agencies to help with the Missouri River enforcement. This line is funded 50% from federal boat safety funds.

4. CONSERVATION AND COMMUNICATION DIVISION – The division includes the communication section, education section and conservation section. Some programs include aquatic and hunter education, boating education, youth mentoring program, national archery in the schools program, nongame wildlife program, ND Outdoors magazine, ND Outdoors weekly television program, web page management, supplying general information to the public, environmental reviews, work involving the Endangered Species Act, etc. Also, natural resource related reviews and recommendations are provided to private and government entities.

Grants – Total \$2,992,500:

- \$1,762,500 for shooting range grants throughout the state. (An increase of \$500,000 federal PR funds.) The entire amount is federal PR funds which is passed on to local clubs/groups that provide the matching funds for shooting

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facilities for public use and for hunter education. (\$500K of the total is for McKenzie County Sportsmens Wildlife Club for a shooting range near Watford City).

- \$80,000 for boat safety grants to counties funded by 50% federal funds.
- \$350,000 is included for youth programs, archery in schools, Hooked on Fishing, clay target league in the schools, etc.
- \$800,000 is included in grants for the State Wildlife Grant Program. This federally funded program works primarily with wildlife species that are not hunted. The match is normally provided by the grant recipient.

Capital Assets line – Total \$20,000:

- \$20K for extra ordinary repairs for the department's Conservation and Outdoor Skills Park area located on the State Fair grounds.

Nongame Wildlife line - \$100,000 is budgeted for this special line which is supported by the income tax check off.

5. WILDLIFE DIVISION - This budget includes operating costs for Department managed lands, wildlife surveys and investigations, grants to organizations on cooperative projects. It also includes the following Special Lines: Noxious Weed Control, Wildlife Services, Lonetree, and Private Land Habitat and Deer Depredation.

Grants – Total \$2,770,665:

- \$2,155,184 Includes work for grants with wildlife groups and organizations on cooperative projects and wildlife research projects conducted through universities. These include chronic wasting disease work, North American Wetland Conservation Act, Central Flyway studies, waterfowl habitat projects, salt cedar work, studies/research on various species such as pronghorn, grouse, deer, moose, mountain lions, etc. (All funded 75% federal PR funds).
- \$115,481 to reimburse the State Veterinarian for costs related to oversight of farmed wildlife producers and the administration of wildlife propagation permits. (The amount in 2017-19 biennium was \$100K.)

Capital Assets line – Total \$1,720,170:

- \$653,170 for extra ordinary repairs (e.g. fences, roads, water control structures) and similar work on department wildlife management areas (WMA) statewide. 75% federal PR funds.
- \$267,000 for equipment – tractor and ATV replacements, replace 2 heavy equipment trailers, 2 batwing mowers. 75% federal PR funds
- \$800,000 is included for land acquisitions of small tracts near wildlife management areas, possibly in-holding or round-outs that may come up during the biennium. (This amount is the same as the 2017-19 biennium.)

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Noxious Weed Control line - \$725,000 is requested for the work on department lands. This line is the same as 2017-19.

Wildlife Services line - \$500,000 is to support Wildlife Service's animal damage control work in the Ag Department. This is the same amount as the 2017-19 biennium.

Lonetree line – Approx. \$1.8M. The Lonetree area consists of over 30,000 acres of land managed for wildlife purposes. The North Dakota Game and Fish Department manages and provides technical services for this area for the State of North Dakota as laid out in the Garrison Diversion Reformulation Act. The budget for this line stayed about the same as 2017-19. The budget continues to include funding for 5 staff, operating, equipment, maintenance and development for this area. It is funded 100% by federal funds from the Bureau of Reclamation.

Private Land Habitat and Deer Depredation line – A \$17.7M appropriation is requested to operate this special line. This is a slight decrease (approx. \$150K) from the 17-19 appropriation.

This line is commonly called the Private Land Initiative (PLI) line. This line is not just for our PLOTS program, it also includes deer depredation and administrative costs for the PLI line. The base budget includes Outdoor Heritage Fund Grants (\$665K) approved in the prior biennium and budgeted for five years to spend. Approximately 26% of this program is funded with interest earned on game and fish funds and from habitat stamp sales. Cash from the regular game and fish fund along with U.S. Fish and Wildlife Services Pittman Robertson (PR) federal funds are used to fund the other 74%.

Of the total line, the budget for the PLOTS Program is \$13.8 million of which approx. \$11.9 million is landowner payments (the same as in 17-19). We had a goal to reach 1 million acres of public hunting access on private land by the year 2009. We reached that goal two years early in September 2007. The number of PLOTS acres for the 2018 hunting season was approximately 768,000 acres. A chart of PLOTS acres by program is attached to this testimony.

The line includes \$1,100,000 mandated in the 2010 session by SB2227 to be budgeted to provide wildlife feeding and other winter management practices on lands impacted by big game depredation. Per NDCC 20.1-02-05(17h) - Any unexpended funds, up to two million dollars, may be carried forward for these types of expenditures in future bienniums.



North Dakota Game and Fish Department Private Land Initiative 2018 PLOTS Program Acreage

12/27/2018

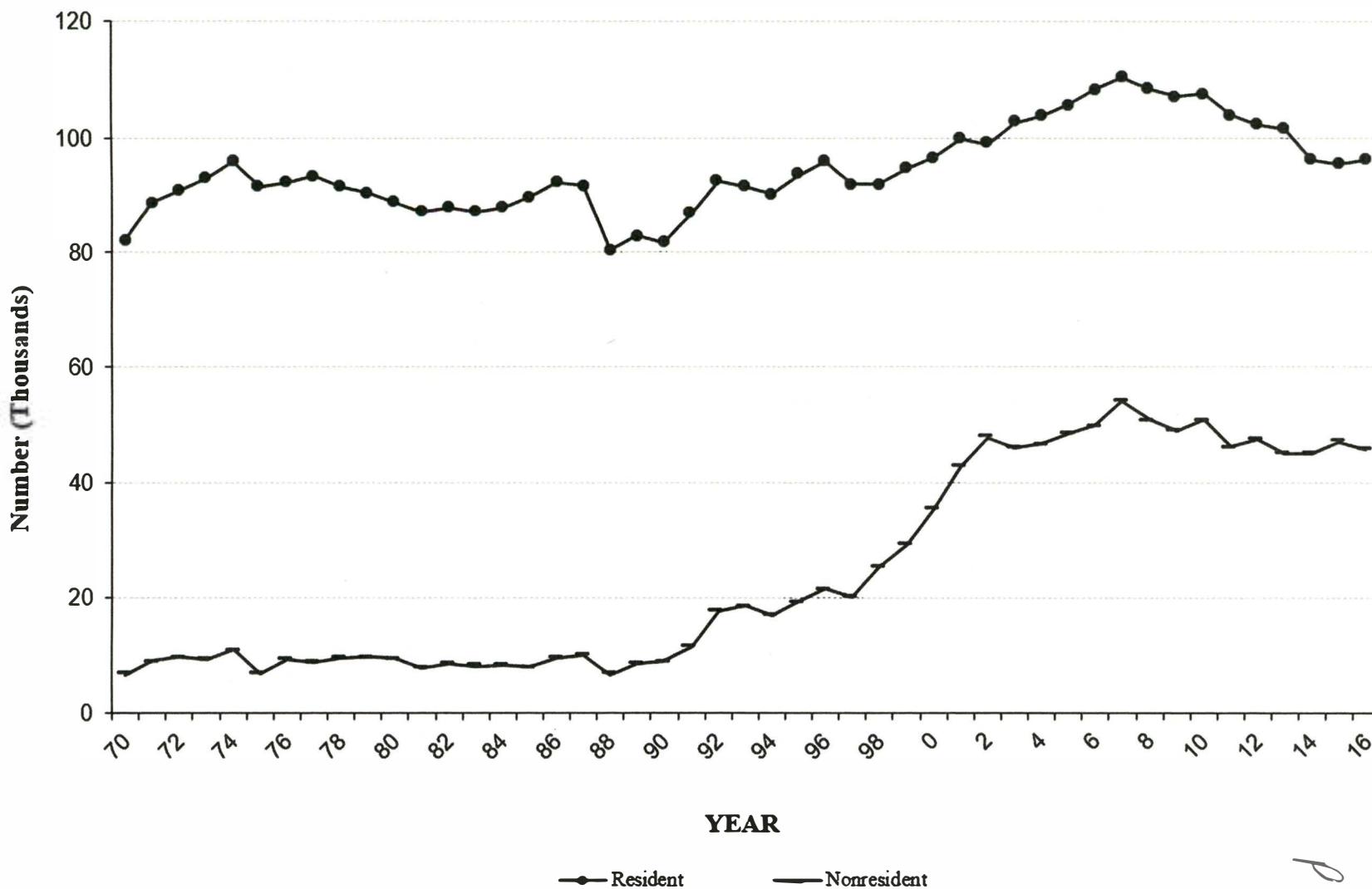
<u>Program Type</u>	<u>Total Acres</u>	<u>Program Acres</u>	<u>Access Acres</u>
Beginning Farmer Program	2,520	2,520	0
CREP II	646	381	265
CREP/Coverlocks	12,935	1,703	11,231
CRP Access Program	239,865	215,945	23,920
Habitat Plots	106,329	89,081	17,285
Other	7,217	7,123	95
Private Forest Conservation Program	10,293	7,374	2,919
Tree Planting Cost Share Program	238	16	223
Working Lands Program	363,874	363,767	107
WRP Incentive Program	24,462	22,792	1,670
Totals	768,379	710,701	57,714



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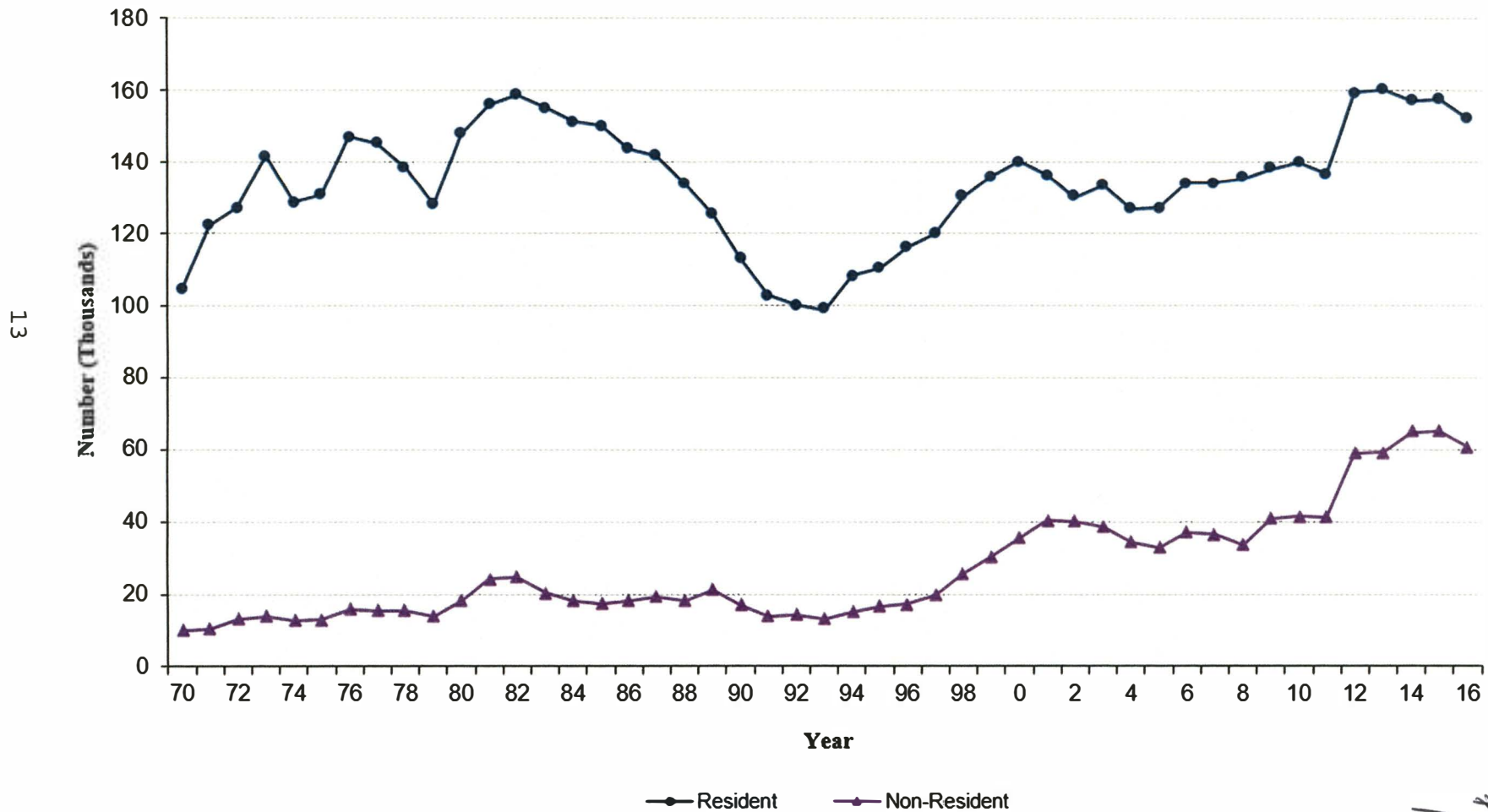
NORTH DAKOTA GENERAL GAME LICENSE SALES



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North Dakota Fishing License Sales



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Senate Requested Information for 2017-19

Attachment A

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Estimated 2017-19 spending and the status of one-time funding items

Estimated 2017-19 spending:

Overall, our 2017-19 appropriation is on track and within budget.

- We will be able to obligate all available federal USFWS Pittman-Robertson (PR) funds, which would revert back to the feds if not used.
- Our budget included 2 large shooting range projects – Velva (\$400K) and Watford City Phase I (\$600K). Both are projected to be completed by 6/30/19.
- Our budget included \$250K for the purchase of an American Champion Aircraft to include trade-in. Delivery is expected within a month.
- Our fund balance is projected to be approx. \$30M at the end of the 2017-19 biennium. By law our fund balance can't go below \$15M.

One-time Funding – The 2017 Legislative Session approved \$250,000 for the replacement of the department American Champion Scout airplane. Delivery is scheduled for this month (Jan. 2019).

Other Funding Identified as One-time Funding:

- Adjutant General loan proceeds (HB1024) - The Department was required to assist with the DAPL protest. Expenditures were incurred in the Salaries and Operating lines. The following amounts were provided to OMB: Salaries and Wages \$221,795; Operating expenses \$201,929 for a total of \$423,724.
- Electronic Payment System (SB2021) - \$75,000.



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North Dakota Game and Fish Department
Senate Requested Information for 2019-21

Listing of the proposed 2019-21 budget reductions identified by the North Dakota Game and Fish Department to meet Governor's 90 percent budget request guideline:

The Department is a special fund agency receiving only licensing revenue (hunting, fishing, and boat registrations) and federal funds. The Department receives no general fund dollars.

The Department's 2019-21 base budget reduction amount of 10% special funds is **\$4,500,503** and the special fund budget request limit is **\$40,504,528**. The Department's base budget limit for FTE's is 155, which is a reduction of **8 FTE**.

Losing special fund appropriation will result in the Department not being able to leverage federal funds especially from the USFWS which require a 25% match. The 10% special fund reduction resulted in over \$4M of federal funds that ND will not receive.

See listing of items on pages B1-B3.

AA 100 - 10% Fund Reduction

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The Department's 2019-21 base budget reduction of 10% special funds is **\$4,500,503** and the budget request limit is **\$40,504,528**. The Department's base budget limit for FTE's is 155, which is a reduction of **8 FTE**.

Losing special fund appropriation will result in the Department not being able to leverage federal funds especially from the USFWS which require a 25% match. The 10% special fund reduction resulted in over \$4M of federal funds that ND will not receive.

ADMINISTRATIVE SERVICES

1. **Salaries, line 10** – Decrease Admin Temporary Salaries Base \$48k (100% Special) for licensing temps no longer needed due to online licensing vs paper.
2. **Operating, line 30** – Decrease \$333,810: Postage \$12k (100% Special) and Printing \$20k (100% Special) for cost savings from going to online licensing. Decrease Oper Fees & Services (DISC Survey) \$100k (100% Special) and Oper. Fees & Services \$201,810 (100% Special).
3. **Grants, line 60** – Decrease Admin Services Cooperative Grants \$50k (100% Special).

FISHERIES

1. **Salaries, Line 10** – Decrease Temporary Creel Clerk Salaries Base \$69,000 (\$51,750 Federal; \$17,250 Special).
2. **Operating, Line 30** – Decrease Creel Surveys \$100k (75k Federal, 25k Special), Reduce Oper Fees & Services \$59,066 (100% Special).
3. **Grants, Line 60** – Decrease \$495k total (\$296,250 Federal; \$198,750 Special): Boat Access & Development \$200k, Hatchery \$36k, VCSU Stream Survey \$109k, Save Our Lakes \$100k, Fish Management \$50k.
4. **PLI, Line 70** – Decrease Grants in PLI Line \$530 (100% Special) no longer needed.

ENFORCEMENT

1. **Operating, Line 30** – Decrease Operating Fees \$63,989 (100% Special).

COMMUNICATIONS & CONSERVATION

1. **Operating, Line 30** – Decrease Supply/Material-Professional \$58k (\$43,500 Federal; \$14,500 Special); Reduce Oper. Fees & Services \$54,144 (100% Special).
2. **Grants, Line 60** – Decrease Grants \$340k (\$26k Federal; \$314k Special).
3. **Nongame Fund, Line 75** – Decrease Nongame Grants \$20k. (Line 75 is 100% Special).

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WILDLIFE

1. **Operating, Line 30 – Decrease \$863,211. Cutting \$300,711 Special results in losing \$562,500**

Federal:

- a) Bldg, Ground, Maint - \$150k (\$112,500 Federal; \$37,500 Special)
- b) Operating Fees & Services - \$613,211 (\$375,000 Federal; \$238,211 Special)
- c) Fees-Professional Services - \$100k (\$75k Federal; \$25k Special)

2. **Grants, Line 60 – Decrease \$1,513,019 (\$934,677 Federal; \$578,342 Special). Cutting \$578k in Special funds results in losing \$934k Federal.**

3. **PLI, Line 70 – Decrease Private Land Open To Sportsmen Program (PLOTS) Landowner Payments by \$1,000,000 (\$750k Federal; \$250k Special). Cutting \$250K Special results in losing \$750K Federal.**

4. **Grant-Gift-Donation, Line 74 – Decrease: Temporary Salaries \$25k; Travel \$8,508; Oper. Fees & Services \$97,201; Wildlife Grant \$80k. (Line 74 is 100% Special)**

5. **Wildlife Services, Line 78 – Decrease Grants \$115,600. (Line 78 is 100% Special).**

FTE Reduction

The Department's base budget limit is 155 FTE, which is a reduction of **8 FTE**. To more easily show the reduction amount, we recorded the reduction of all 8 in the Pay Plan under the Wildlife division even though they will not all come out of this division.

SALARIES

Salaries, Line 10 – decrease \$1,211,774 (\$180,890 Federal; \$1,030,884 Special)

Salaries, Line 70 – decrease \$156,534 (\$87,708 Federal; \$68,826 Special)

TOTAL Decrease \$1,368,308 (\$268, 599 Federal; \$1,099,709 Special)

OPERATING LINE 30

Operating Fees & Services – decrease \$46,760 (\$13,267 Federal; \$33,493 Special) operating expenses for the 8 FTE (i.e. Travel and Motorpool, IT, etc.)

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AF 100 – Remove Capital Assets and count toward 10% cut

ADMINISTRATIVE SERVICES

1. Capital Assets, Line 50 - Remove Land and Buildings \$20,207 (100% Special)
2. Capital Assets, Line 50 - Remove Extraordinary Repairs \$140,858 (100% Special)

FISHERIES

1. Capital Assets, Line 50 – Remove Capital Assets \$130k (\$97,500 Federal; \$32,500 Special) for lighting replacement in the salmon building at the hatchery.
2. Capital Assets, Line 50 – Remove Extraordinary Repairs \$572k (\$429k Federal; \$143k Special) for pondliners at the hatchery.
3. Capital Assets, Line 50 – Remove Equipment>5,000 \$13,463 and Remove Motor Vehicles \$31,537 (\$33,750 Federal; \$11,250 Special)

ENFORCEMENT

1. Capital Assets, Line 50 – Remove Motor Vehicles \$95,000 (\$15,000 Federal; \$80,000 Special)

COMMUNICATIONS & CONSERVATION

1. Capital Assets, Line 50 – Remove Extraordinary Repairs \$34,807 for Lewis & Clark WMA shooting range (100% Special) and Remove Equipment>5,000 \$5,193 (100% Special).

WILDLIFE

1. Capital Assets, Line 50 – Remove Extraordinary Repairs \$450k (\$337,500 Federal; \$112,500 Special)
2. Capital Assets, Line 50 – Remove Equipment>5000 \$130k (\$97,500 Federal; \$32,500 Special) – tractor replacement.

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**2019-21 Appropriation Request
North Dakota Game and Fish Department**

Senate Requested Information for 2019-21

Attachment C

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Comparison of the optional adjustment requests made by the North Dakota Game and Fish Department to those included in the executive recommendation:

	Department Request	Executive Recommendation	Difference
Ongoing Optional Changes			
1 Restore FTEs and Operating	\$1,415,068	\$1,072,991	(\$342,077)
2 Restore some 10% Reduction	\$5,446,220	\$5,446,220	\$0
3 Request Base Budget Reduction Back	\$224,043	\$0	(\$224,043)
4 Main Street Initiative	\$800,000	\$500,000	(\$300,000)
Additional Adjustments			
5 Restore Dept of Ag Grants-Wildlife Services		\$115,600	\$115,600
6 Microsoft 365		\$122,634	\$122,634
7 IT Unification		\$35,784	\$35,784
8 Compensation/Health		\$2,026,394	\$2,026,394

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2019-21 Appropriation Request
North Dakota Game and Fish Department

Senate Requested Information for 2019-21

Attachment D
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Itemized listing of any changes the North Dakota Game and Fish Department is asking the committee to make to the executive recommendation:

The Department is not asking for any changes to the executive recommendation.

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North Dakota Game and Fish Department

Attachment E
SB 2017

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Attached is the OMB Bill draft for SB2017.

- **Section 4 - Transfer Authority Between Lines.** This allows the department to transfer between line items, within Section 1 of the appropriation bill, up to ten percent of the total appropriation during the biennium. The department shall notify OMB and legislative council of any transfer made.

This limited transfer authority will benefit the department by allowing it to be responsive to changing circumstances and be able to operate in a more efficient and effective manner.

- We have a wide range of expenditures (e.g. construction, building maintenance, boat ramps/docks, food plots, weed spraying, contract pilots, law enforcement, research grants, surveys, shooting ranges, etc.) that can be challenging to project a budget 3 years in advance.
 - When maintaining buildings/facilities, things happen and based on the type of repair and the cost, it will determine whether it should be paid from the Operating line or the Capital Asset line.
 - It is hard to project new boat ramp/dock projects. We have appropriation in the Grants line but if we are doing boat ramp maintenance on our WMA, it needs to come out of the Capital Asset line. If it is not on our WMA, it can come out of the Grants line.
 - There are O&M situations that depending on the circumstances will determine if the cost should be coded to Operating line or Grants line. For example, paying a club or political sub for O&M of fish cleaning stations or docks and boat ramps on our WMA or leased area is a service contract paid from the Operating line. We can give a grant (Grants line) to do the same if the O&M is on their land and not our land. In addition, wet years versus dry years can dictate the types and locations of maintenance required on boat ramps and facilities. The location (our WMA or leased area versus club land) dictates the line from which the funding comes
 - It is hard to budget for unplanned situations and try to make the appropriation and accounting rules match. An unplanned situation could arise where a ramp is compromised or access road is washed out on our WMA and we need to repair but only have budget available in the Grants line.
- **Section 6 – Game and Fish fund use – Required balance – Budget section approval:** Amendment to allow the department to invest the \$15M reserve balance under the supervision of the state investment board. The department's fund balance can not go below \$15M without the budget section approval. The department's 6/30/19 projected fund balance is \$29.7M.

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- Currently, the department by law must invest its funds with BND. The majority of the department's existing CD's make less than 1% interest (.3% to 1%). In 2017 and 2018, our interest income was \$66,318 and \$71,595, respectively on \$24M.
- Based on preliminary estimates using ultra conservative and highly liquid assumptions, the Retirement Investment Office (RIO) suggested a potential estimated annual earnings of \$210,000 on \$15M. This is a significant increase from current earnings.

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SENATE BILL NO. 2017
(Governor's Recommendation)

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the game and fish department and to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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 game and fish fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the game and fish department for the purpose of defraying the expenses of the game and fish department, for the biennium beginning July 1, 2019 and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$ 29,854,874	\$ 1,481,659	\$ 31,336,533
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants – Game and Fish	9,650,184	(1,103,019)	8,547,165
Shooting Sports Grant Program	250,000	-	250,000
Land Habitat and Deer Depredation	17,824,177	(147,185)	17,676,992
Noxious Weed Control	725,000	-	725,000
Missouri River Enforcement	283,857	5,456	289,313
Grant-Gift-Donation	802,201	(266,711)	535,490
Nongame Wildlife Conservation	120,000	(20,000)	100,000
Lonetree Reservoir	1,798,119	44,810	1,842,929
Wildlife Services	500,000	-	500,000
Total special funds	\$83,227,498	\$998,672	\$84,226,170
Full-time equivalent positions	163.00	(3.00)	160.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Airplane	\$250,000	\$0
Dakota Access Pipeline Protest	423,724	0
Electronic Payment Processing System	75,000	0
Total special funds	\$748,724	\$0

SECTION 3. GRANTS, GIFTS, AND DONATIONS LINE. The grants, gifts, and donations line item in section 1 of this Act includes up to \$225,000 received by the game and fish department for surface damage, easements, or reclamation on department owned or managed properties as a result of mineral exploration and extraction activities.

SECTION 4. TRANSFER AUTHORITY BETWEEN LINES. Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019 and ending June 30, 2021. The agency shall

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notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

SECTION 5. APPROPRIATION - In addition to the amounts appropriated to the game and fish department in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 6. AMENDMENT. Section 20.1-02-16.1 of the North Dakota Century Code is amended and enacted as follows:

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of the fifteen million dollar balance in this section may be made under the supervision of the state investment board and the moneys must be invested by the investing authority according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment.

North Dakota Wildlife Federation

Ensuring abundant wildlife, wildlife habitat, and access to wildlife recreational opportunities



TESTIMONY OF MICHAEL McENROE NORTH DAKOTA WILDLIFE FEDERATION SENATE BILL 2017 SENATE APPROPRIATIONS COMMITTEE JANUARY 10, 2019

Chairman Holmberg and members of the Senate Appropriations Committee:

For the record, I am Mike McEnroe representing 1,500 members in 15 affiliated wildlife and sportsmen's clubs across North Dakota that make up the North Dakota Wildlife Federation. I apologize for not having written comments this afternoon as I did not know if there would be time to allow additional testimony.

We stand in support of the budget as presented by Director Steinwand but would like to suggest increases in several areas. As the Director said, the Game and Fish Department is a special fund agency, deriving all its income from the sale of hunting, fishing, and boating licenses and various federal excise taxes and other federal funding sources. In addition, the balance in the Department's reserve fund is \$29-30 million, well above the required \$ 15 million balance.

The Federation would ask for consideration of two additional game warden positions. North Dakota's increasing population has been followed by an increase in game and fish violations. All other law enforcement agencies at the city or town, county, and state level have



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increased their enforcement staff 3-to 5-fold over the last decade. The Game and Fish Department has added only one warden to an LE staff of 30-some people. Game and fish violations and reported incidents have increased 3-to 4-fold over this same time period. We believe additional wardens are needed to protect our fish and wildlife resources.

We also ask for consideration of an additional \$ 2 million in the very popular Private Lands Open to Sportsmen (PLOTS) program. \$ 2 million would provide for an additional 25,000 acres of land to be enrolled in the program, popular with landowners and hunters alike. In addition, the increase in funds would allow for more habitat development on PLOTS acres. There may be additional revenue sources provided by license fee increases in legislation yet to be heard this session.

In addition, we support the concept presented by Mr. Gaebe on behalf of the North Dakota Sport Fishing Congress, to provide more funding and FTE's for Aquatic Nuisance Species (ANS) surveys, management and public information. We will work with the Sport Fishing Congress to support the levels of staffing and funding needed for the ANS program.

In concluding my testimony, I include a letter to the editor from the President of the ND Petroleum Marketer's and the ND Retailer's Association on the importance of hunting (and fishing) to North Dakota's economy, especially in rural towns and cities,.

Hunting and fishing are important to North Dakota's economy and to its citizens. The Game and Fish Department deserves the robust funding in order to perform its job and fulfill its responsibility to our citizens, especially when adequate funding is available and already in hand.

Thank you for the opportunity to speak this afternoon and I will stand for any questions the Committee may have.

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#3
P1

From: Wayne Beyer <woppark@702com.net>
Sent: Tuesday, October 30, 2018 9:52 AM
To: Wayne Beyer
Subject: Editorial

Letter: Hunting is a key cog in North Dakota's economy

It's that time of the year again. With the changing of the leaves, comes the gathering of hunters for a national pastime. Hunting is more than just a time-honored tradition in North Dakota, it's part of our heritage. Hunting also provides an econ...

Written By
Mike Rud
Share

It's that time of the year again. With the changing of the leaves, comes the gathering of hunters for a national pastime. Hunting is more than just a time-honored tradition in North Dakota, it's part of our heritage. Hunting also provides an economic boom to the entire state of North Dakota, which often goes unnoticed.

As president of the North Dakota Petroleum Marketers and North Dakota Retailers Associations, I hear and see firsthand the economic benefits hunting brings to every corner of our state. Each fall, North Dakota gas stations, retail stores, restaurants, hotels and other small businesses see a boost in sales throughout North Dakota thanks to the hunting season. Some of our small towns rely heavily on this increased traffic each year. Call it their Christmas shopping season, if you will. Hunters purchase gas, meals, and equipment on their trips. Each of these purchases means a great deal to the retailer's bottom line.

Altogether, hunting has a \$199 million ripple effect on our state's economy. Increased commerce means that small businesses can afford to hire additional help, which further spurs economic growth. The money that hunters funnel into our economy, in addition to \$18.8 million in state and local taxes they provide, makes the hunting industry invaluable to all North Dakota residents.

As you see hunters heading into the fields this fall, remember that hunting isn't just a fun pastime, it's a key cog in North Dakota's economy. That's why retailers across the state roll out the red carpet for our friends from across the state and nation. We are proving hunting does work for North Dakota.

Be safe and enjoy North Dakota's great outdoors.

Rud lives in Bismarck.

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#/ SB 2017 Sub
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(Cover)



SB 2017
2019-21 Land Acquisitions
North Dakota Game and Fish
Department

NDGFD Potential Land Acquisitions as of December 31, 2018

#1

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The Department has been contacted by individuals with the following tracts. They are interesting in selling these tracts to the Department to be maintained as Wildlife Management Areas (WMA). Some opportunities may arise throughout the biennium that will get higher priority. The following list is in no particular order.




- 1) Williams County—115 acres—Next to WPA near Trenton WMA (floodplain and cattails).
- 2) Walsh County—80—Addition to Joliet Ferry WMA.
- 3) Sheridan County – 20 acres – Addition to Lonetree WMA.
- 4) Pierce County –580 acres – Tract borders shore of Buffalo Lake and only $\frac{3}{4}$ mile from WMA.
- 5) Pembina County – 360 – Dunklee WMA addition. EWP on this piece with no Ag. use allowed.
- 6) Adams County – 480 acres – Land is currently in CRP
- 7) Hettinger County – 80 acres – Land is currently in CRP
- 8) Walsh County—140 acre—Along Red River
- 9) Stark/Dunn County—1200 acres —Over half the acres in WRP
- 10) Pembina County—160 acres — $\frac{1}{2}$ mile from J.V. Wessels WMA (wooded pasture).
- 11) Rolette County – 95 acres – Wakopa WMA Addition
- 12) Mercer—80 acres—Addition to North Beulah Mine WMA
- 13) Nelson County – 87 acres – Addition to Hoghaug WMA
- 14) Richland County—115 acres—Hankinson Public Shooting Range Development


A map for each potential acquisition is included.

Williams County
115 acres

1

Map Features


-  Potential Acquisition
-  NDGFD WMA
-  USFWS WPA


W E
S

2014 Photo used.
Anderson 2016

Walsh County
80 acres

Map Features

 Potential Acquisition

 NDGFD WMA



2014 Photo used.

Anderson 2016

Lonetree Addition
20 acres



Map Features



Offer



NDGFD WMA



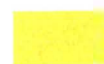
2012 Photo used.

Pierce County (Buffalo Lake)
580 acres

Map Features



Offer



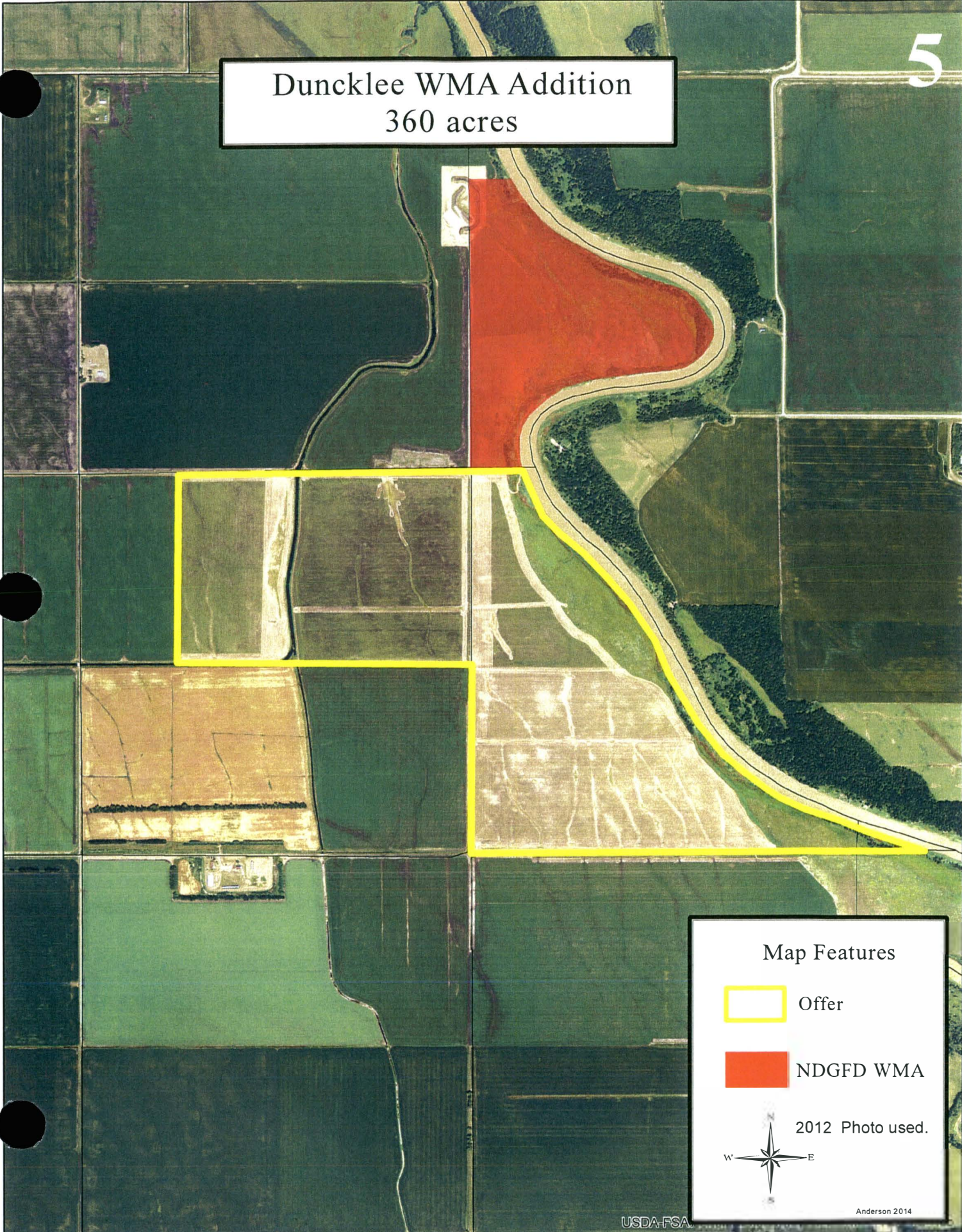
NDGD PLOTS



2012 Photo used.

Anderson 2014

Duncklee WMA Addition
360 acres



Map Features



Offer



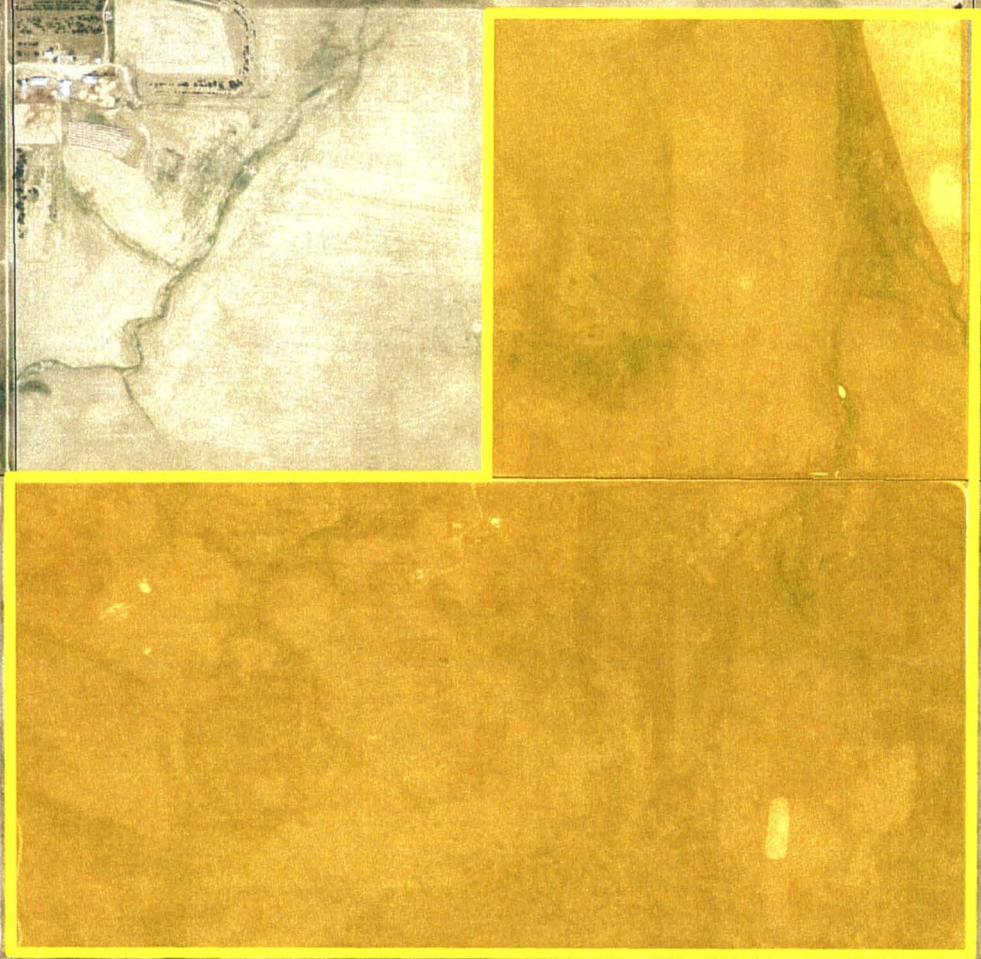
NDGFD WMA



2012 Photo used.

Anderson 2014

Adams County
480 acres



Map Features

 Offer

 NDGD PLOTS

 2012 Photo used.

USDA-FSA National Wetlands Inventory
Anderson 2014

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Hettinger County
80 acres

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Map Features



Offer



NDGD PLOTS



2012 Photo used.

Anderson 2014

Walsh County
140 acre

Red River

Map Features



Offer



NDGD PLOTS



2012 Photo used.

Stark County
1200 acres

Map Features



Offer



NDGD PLOTS



2012 Photo used.

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Pembina County (Lorraine Wessels)
160 acres

Jay V. Wessels

Map Features



Offer



NDGD PLOTS



NDGFD WMA



2012 Photo used.

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Wakopa WMA Addition 95 acres



Map Features



Offer



NDGFD WMA



2012 Photo used.

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North Beulah Mine Addition
80 acres

Map Features

 Offer

 NDGFD WMA

 2012 Photo used.


Anderson 2014

Nelson County
87 acres

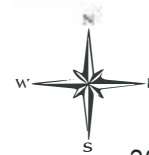
13

Stump Lake

Map Features

 Potential Acquisition

 NDGFD WMA



2014 Photo used.

Anderson 2016

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Richland County 115 acres

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Hankinson

Map Features

-  Potential Acquisition
-  ND Trust Land
-  USFWS WPA
-  NDGFD WMA



2014 Photo used.

Anderson 2016

Correct sheet #2
Coming

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1-24-2019 pg 1

Game and Fish Department - Budget No. 720
Senate Bill No. 2017
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	163.00	\$0	\$83,227,498	\$83,227,498	163.00	\$0	\$83,227,498	\$83,227,498
2019-21 Ongoing Funding Changes								
Base payroll changes			(\$149,363)	(\$149,363)				\$0
Salary increase			1,271,084	1,271,084				0
Health insurance increase			589,523	589,523				0
Retirement contribution increase			165,787	165,787				0
Transfers 3 FTE for IT unification	(3.00)		35,784	35,784				0
Underfunds salaries and wages			(342,077)	(342,077)				0
Reduces temporary employees			(73,000)	(73,000)				0
Reduces grant funding			(1,703,549)	(1,703,549)				0
Increases operating expenses			1,074,294	1,074,294				0
Increases federal shooting range grants			500,000	500,000				0
Reduces funding for motor vehicles			(429,859)	(429,859)				0
Increases rentals and leases funding			250,000	250,000				0
Reduces in lieu of property taxes funding			(246,685)	(246,685)				0
Reduces other information technology funding			(207,000)	(207,000)				0
Adds Microsoft Office 365 funding			122,634	122,634				0
Increases funding for equipment over \$5,000			108,344	108,344				0
Increases building, grounds, and equipment repairs funding			80,627	80,627				0
Reduces extraordinary repairs funding			(27,665)	(27,665)				0
Reduces land and buildings funding			(20,207)	(20,207)				0
Total ongoing funding changes	(3.00)	\$0	\$998,672	\$998,672	0.00	\$0	\$0	\$0
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.00)	\$0	\$998,672	\$998,672	0.00	\$0	\$0	\$0
2019-21 Total Funding	160.00	\$0	\$84,226,170	\$84,226,170	163.00	\$0	\$83,227,498	\$83,227,498

Other Sections for Game and Fish Department - Budget No. 720

	Executive Budget Recommendation	Senate Version
Grants, gifts, and donations	Section 3 would include in the grants, gifts, and donations line item \$225,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.	Section 3 would include in the grants, gifts, and donations line item \$400,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.
Line item transfers	Section 4 would authorize the Game and Fish Department to transfer up to 10 percent of the agency's total appropriation between line items during the 2019-21 biennium. The department must report transfers to the Office of Management and Budget.	
Additional income	Section 5 would appropriate any additional federal or other funds available to the Game and Fish Department during the 2019-21 biennium.	

Other Sections for Game and Fish Department - Budget No. 720

Game and fish fund - Investment

Executive Budget Recommendation

Section 6 would amend North Dakota Century Code Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

Senate Version

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pg 1

8. Reduces funding for motor vehicles	\$0	(\$429,859)	(\$429,859)
9. Increases rentals and leases funding	\$0	\$250,000	\$250,000
10. Reduces funding for in lieu of property taxes	\$0	(\$246,685)	(\$246,685)
11. Reduces other information technology funding	\$0	(\$207,000)	(\$207,000)
12. Adds funding for Microsoft Office 365 licensing	\$0	\$122,634	\$122,634
13. Increases funding for equipment over \$5,000	\$0	\$108,344	\$108,344

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

✓ **Grants, gifts, and donations** - Section 3 would include in the grants, gifts, and donations line item \$225,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.

Line item transfers - Section 4 would authorize the Game and Fish Department to transfer up to 10 percent of the total agency's appropriation between line items during the 2019-21 biennium. The department must report transfers to the Office of Management and Budget.

Additional income - Section 5 would appropriate any additional federal or other funds available to the Game and Fish Department during the 2019-21 biennium.

✓ **Game and fish fund - Investment** - Section 6 would amend North Dakota Century Code Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

Continuing Appropriations

No continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

There is no major related legislation for this agency at this time.

notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

SECTION 5. APPROPRIATION - In addition to the amounts appropriated to the game and fish department in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 6. AMENDMENT. Section 20.1-02-16.1 of the North Dakota Century Code is amended and enacted as follows:

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of the fifteen million dollar balance in this section may be made under the supervision of the state investment board and the moneys must be invested by the investing authority according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment.

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

1. All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund ~~must~~ ^{MAY} be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section.

2. Investment of the fifteen million dollar balance in this section may be made under the supervision of the state investment board. The moneys must be invested by the investing authority according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment. The investment is exempt from section 6-09-07. The investment income ~~must~~ ^{MAY} be deposited into the aquatic nuisance species program fund for use in aquatic nuisance species education, inspection, and monitoring programs.

Game and Fish Department - Budget No. 720
Senate Bill No. 2017
Base Level Funding Changes

#4 SB 2017 sub
2-6-2019
Pg 1

	Executive Budget Recommendation				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2019-21 Biennium Base Level	163.00	\$0	\$83,227,498	\$83,227,498	163.00	\$0	\$83,227,498	\$83,227,498	0.00	\$0	\$0	\$0
2019-21 Ongoing Funding Changes												
Base payroll changes			(\$149,363)	(\$149,363)				\$0			\$149,363	\$149,363
Salary increase			1,271,084	1,271,084			890,275	890,275			(380,809)	(380,809)
Health insurance increase			589,523	589,523			696,084	696,084			106,561	106,561
Retirement contribution increase			165,787	165,787				0			(165,787)	(165,787)
Transfers 3 FTE for IT unification	(3.00)		35,784	35,784				0	3.00		(35,784)	(35,784)
Underfunds salaries and wages			(342,077)	(342,077)				0			342,077	342,077
Reduces temporary employees			(73,000)	(73,000)				0			73,000	73,000
Reduces grant funding			(1,703,549)	(1,703,549)				0			1,703,549	1,703,549
Increases operating expenses			1,074,294	1,074,294				0			(1,074,294)	(1,074,294)
Increases federal shooting range grants			500,000	500,000				0			(500,000)	(500,000)
Reduces funding for motor vehicles			(179,859)	(179,859)				0			179,859	179,859
Reduces capital asset funding			(246,685)	(246,685)				0			246,685	246,685
Reduces other information technology funding			(207,000)	(207,000)				0			207,000	207,000
Adds Microsoft Office 365 funding			122,634	122,634				0			(122,634)	(122,634)
Increases funding for equipment over \$5,000			108,344	108,344				0			(108,344)	(108,344)
Increases building, grounds, and equipment repairs funding			80,627	80,627				0			(80,627)	(80,627)
Reduces extraordinary repairs funding			(27,665)	(27,665)				0			27,665	27,665
Reduces land and buildings funding			(20,207)	(20,207)				0			20,207	20,207
Total ongoing funding changes	(3.00)	\$0	\$998,672	\$998,672	0.00	\$0	\$1,586,359	\$1,586,359	3.00	\$0	\$587,687	\$587,687
One-time funding items												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.00)	\$0	\$998,672	\$998,672	0.00	\$0	\$1,586,359	\$1,586,359	3.00	\$0	\$587,687	\$587,687
2019-21 Total Funding	160.00	\$0	\$84,226,170	\$84,226,170	163.00	\$0	\$84,813,857	\$84,813,857	3.00	\$0	\$587,687	\$587,687

Other Sections for Game and Fish Department - Budget No. 720

	Executive Budget Recommendation	Senate Version
Grants, gifts, and donations	Section 3 would include in the grants, gifts, and donations line item \$225,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.	Section 3 would include in the grants, gifts, and donations line item \$400,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.
Line item transfers	Section 4 would authorize the Game and Fish Department to transfer up to 10 percent of the agency's total appropriation between line items during the 2019-21 biennium. The department must report transfers to the Office of Management and Budget.	
Additional income	Section 5 would appropriate any additional federal or other funds available to the Game and Fish Department during the 2019-21 biennium.	

Executive Budget Recommendation

Senate Version

Game and fish fund - Investment

Section 6 would amend North Dakota Century Code Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

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2-6-2019
Pg 2

February 8, 2019

1

SB 2017
2-8-2019

A1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2017

Page 1, line 2, after "department" insert "; and to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the game and fish fund"

Page 1, remove lines 10 through 23

Page 2, replace lines 1 and 2 with:

"

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$29,854,874	\$1,071,380	\$30,926,254
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(165,196)	17,658,981
Noxious weed control	725,000	0	725,000
Missouri River enforcement	283,857	4,143	288,000
Grants, gifts, and donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000	0	500,000
Shooting sports grant program	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$83,227,498	\$558,637	\$83,786,135
Full-time equivalent positions	163.00	(3.00)	160.00"

Page 2, after line 13, insert:

"SECTION 4. ADDITIONAL INCOME - APPROPRIATION. In addition to the amounts included in the total special funds line item in section 1 of this Act, any additional federal funds or other funds which become available are appropriated to the game and fish department for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 5. AMENDMENT. Section 20.1-02-16.1 of the North Dakota Century Code is amended and reenacted as follows:

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of up to fifteen million dollars of the balance of the game and fish fund may be made under the supervision of the state investment board and the moneys must be invested by the investing authority

according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Game and Fish Department - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$29,854,874	\$1,071,380	\$30,926,254
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(165,196)	17,658,981
Noxious weed control	725,000		725,000
Missouri River enforcement	283,857	4,143	288,000
Grants - Gifts - Donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000		500,000
Shooting sports grant program	250,000		250,000
Total all funds	\$83,227,498	\$558,637	\$83,786,135
Less estimated income	83,227,498	558,637	83,786,135
General fund	\$0	\$0	\$0
FTE	163.00	(3.00)	160.00

Department 720 - Game and Fish Department - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Transfers 3 FTE Positions for IT Unification ³	Underfunds Salaries and Wages ⁴	Reduces Funding for Temporary Employees ⁵	Reduces Funding for Grants ⁶
Salaries and wages	\$478,818	\$1,463,409	(\$519,904)	(\$302,943)	(\$48,000)	
Operating expenses			555,688			
Capital assets						
Grants - Game and fish						(\$1,603,019)
Land habitat and deer depredation	(561,331)	73,937		(39,134)		(530)
Noxious weed control	(111,678)					
Missouri River enforcement	10,603	4,145				
Grants - Gifts - Donations	33,508	8,620			(25,000)	(80,000)
Nongame wildlife conservation						(20,000)
Lonetree reservoir	717	36,248				
Wildlife services						
Shooting sports grant program						
Total all funds	(\$149,363)	\$1,586,359	\$35,784	(\$342,077)	(\$73,000)	(\$1,703,549)
Less estimated income	(149,363)	1,586,359	35,784	(342,077)	(73,000)	(1,703,549)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(3.00)	0.00	0.00	0.00

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2-8-2019
Pg 3

	Increases Funding for Federal Shooting Range Grants ⁷	Adjusts Base Level Funding ⁸	Adds Funding for Microsoft Office 365 ⁹	Total Senate Changes
Salaries and wages				\$1,071,380
Operating expenses		\$488,405	\$122,634	1,166,727
Capital assets		(163,065)		(163,065)
Grants - Game and fish	\$500,000			(1,103,019)
Land habitat and deer depredation		361,862		(165,196)
Noxious weed control		111,678		
Missouri River enforcement		(10,605)		4,143
Grants - Gifts - Donations		(205,709)		(268,581)
Nongame wildlife conservation				(20,000)
Lonetree reservoir		(717)		36,248
Wildlife services				
Shooting sports grant program				
Total all funds	\$500,000	\$581,849	\$122,634	\$558,637
Less estimated income	500,000	581,849	122,634	558,637
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	(3.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

Other Funds

Salary increase	\$890,275
Health insurance increase	696,084
Total	\$1,586,359

³ Three FTE positions are transferred to the Information Technology Department for the IT unification project, resulting in reduced salaries and wages of \$519,904 and increased operating expenses of \$555,688.

⁴ The salaries and wages (\$302,943) and the land habitat and deer depredation (\$39,134) line items are underfunded in anticipation of savings resulting from vacant positions and employee turnover.

⁵ Funding for temporary employees is reduced.

⁶ Funding for grants is reduced.

⁷ Federal fund spending authority is increased for federal shooting range grants.

⁸ Base level funding is adjusted as follows:

Other Funds

Increase funding for operating expenses	\$1,074,294
Reduce funding for motor vehicles	(179,859)
Reduce capital asset funding	(246,685)
Reduce other information technology funding	(207,000)
Increase funding for equipment over \$5,000	108,344
Increase building, grounds, and equipment repairs funding	80,627
Reduce extraordinary repairs funding	(27,665)
Reduce land and buildings funding	(20,207)
Total	\$581,849

⁹ Funding is added for Microsoft Office 365 licensing.

This amendment also adds sections to:

- Provide an appropriation of any additional federal funds or other funds which become available to the Game and Fish Department for the 2019-21 biennium.

/ SB 2017
2-8-2019
Pg 4

- Amend Section 20.1-02-16.1 relating to the game and fish fund to authorize the investment of up to \$15 million of the balance of the game and fish fund.

19.0230.01002
Title.
Fiscal No. 2

Prepared by the Legislative Council staff for
the Senate Appropriations Committee
February 11, 2019

/ SB 2017
2-12-2019

AG

PROPOSED AMENDMENTS TO SENATE BILL NO. 2017

Page 1, line 2, after "department" insert "; and to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the game and fish fund"

Page 1, remove lines 10 through 23

Page 2, replace lines 1 and 2 with:

"

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$29,854,874	\$1,071,380	\$30,926,254
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(165,196)	17,658,981
Noxious weed control	725,000	0	725,000
Missouri River enforcement	283,857	4,143	288,000
Grants, gifts, and donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000	0	500,000
Shooting sports grant program	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$83,227,498	\$558,637	\$83,786,135
Full-time equivalent positions	163.00	(3.00)	160.00"

Page 2, after line 13, insert:

SECTION 4. AMENDMENT. Section 20.1-02-16.1 of the North Dakota Century Code is amended and reenacted as follows:

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of up to fifteen million dollars of the balance of the game and fish fund may be made under the supervision of the state investment board and the moneys must be invested by the investing authority according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Game and Fish Department - Senate Action

1 SB 2017
2-12-2019
pg 2

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$29,854,874	\$1,071,380	\$30,926,254
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and fish	9,650,184	(1,103,019)	8,547,165
Land habitat and deer depredation	17,824,177	(165,196)	17,658,981
Noxious weed control	725,000		725,000
Missouri River enforcement	283,857	4,143	288,000
Grants - Gifts - Donations	802,201	(268,581)	533,620
Nongame wildlife conservation	120,000	(20,000)	100,000
Lonetree reservoir	1,798,119	36,248	1,834,367
Wildlife services	500,000		500,000
Shooting sports grant program	250,000		250,000
Total all funds	\$83,227,498	\$558,637	\$83,786,135
Less estimated income	83,227,498	558,637	83,786,135
General fund	\$0	\$0	\$0
FTE	163.00	(3.00)	160.00

Department 720 - Game and Fish Department - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Transfers 3 FTE Positions for IT Unification ³	Underfunds Salaries and Wages ⁴	Reduces Funding for Temporary Employees ⁵	Reduces Funding for Grants ⁶
Salaries and wages	\$478,818	\$1,463,409	(\$519,904)	(\$302,943)	(\$48,000)	
Operating expenses			555,688			
Capital assets						
Grants - Game and fish						(\$1,603,019)
Land habitat and deer depredation	(561,331)	73,937		(39,134)		(530)
Noxious weed control	(111,678)					
Missouri River enforcement	10,603	4,145				
Grants - Gifts - Donations	33,508	8,620			(25,000)	(80,000)
Nongame wildlife conservation						(20,000)
Lonetree reservoir	717	36,248				
Wildlife services						
Shooting sports grant program						
Total all funds	(\$149,363)	\$1,586,359	\$35,784	(\$342,077)	(\$73,000)	(\$1,703,549)
Less estimated income	(149,363)	1,586,359	35,784	(342,077)	(73,000)	(1,703,549)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(3.00)	0.00	0.00	0.00

#1

SB 2017
2-12-2019
Pg 3

	Increases Funding for Federal Shooting Range Grants ⁷	Adjusts Base Level Funding ⁸	Adds Funding for Microsoft Office 365 ⁹	Total Senate Changes
Salaries and wages				\$1,071,380
Operating expenses		\$488,405	\$122,634	1,166,727
Capital assets		(163,065)		(163,065)
Grants - Game and fish	\$500,000			(1,103,019)
Land habitat and deer depredation		361,862		(165,196)
Noxious weed control		111,678		4,143
Missouri River enforcement		(10,605)		(268,581)
Grants - Gifts - Donations		(205,709)		(20,000)
Nongame wildlife conservation				36,248
Lonetree reservoir		(717)		
Wildlife services				
Shooting sports grant program				
Total all funds	\$500,000	\$581,849	\$122,634	\$558,637
Less estimated income	500,000	581,849	122,634	558,637
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	(3.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

<u>Other Funds</u>	
Salary increase	\$890,275
Health insurance increase	696,084
Total	\$1,586,359

³ Three FTE positions are transferred to the Information Technology Department for the IT unification project, resulting in reduced salaries and wages of \$519,904 and increased operating expenses of \$555,688.

⁴ The salaries and wages (\$302,943) and the land habitat and deer depredation (\$39,134) line items are underfunded in anticipation of savings resulting from vacant positions and employee turnover.

⁵ Funding for temporary employees is reduced.

⁶ Funding for grants is reduced.

⁷ Federal fund spending authority is increased for federal shooting range grants.

⁸ Base level funding is adjusted as follows:

<u>Other Funds</u>	
Increase funding for operating expenses	\$1,074,294
Reduce funding for motor vehicles	(179,859)
Reduce capital asset funding	(246,685)
Reduce other information technology funding	(207,000)
Increase funding for equipment over \$5,000	108,344
Increase building, grounds, and equipment repairs funding	80,627
Reduce extraordinary repairs funding	(27,665)
Reduce land and buildings funding	(20,207)
Total	\$581,849

⁹ Funding is added for Microsoft Office 365 licensing.

Amends Section 20.1-02-16.1 relating to the game and fish fund to authorize the investment of up to \$15 million of the balance of the game and fish fund.

Department 720 - Game and Fish Department
Senate Bill No. 2017

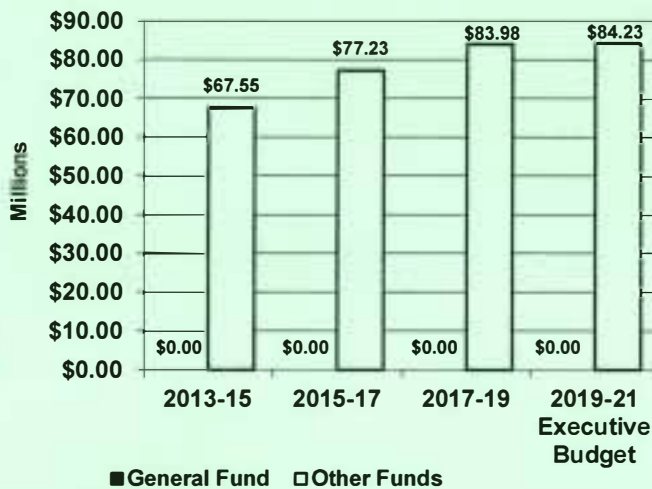
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	160.00	\$0	\$84,226,170	\$84,226,170
2017-19 Legislative Appropriations	163.00	0	83,976,222	83,976,222
Increase (Decrease)	(3.00)	\$0	\$249,948	\$249,948

Ongoing and One-Time Other Funds Appropriations

	Ongoing Other Funds Appropriation	One-Time Other Funds Appropriation	Total Other Funds Appropriation
2019-21 Executive Budget	\$84,226,170	\$0	\$84,226,170
2017-19 Legislative Appropriations	83,227,498	748,724	83,976,222
Increase (Decrease)	\$998,672	(\$748,724)	\$249,948

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$0	\$84,226,170	\$84,226,170
2019-21 Base Level	0	83,227,498	83,227,498
Increase (Decrease)	\$0	\$998,672	\$998,672

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. Adds funding for state employee salary and benefit increases, of which \$1,271,084 is for salary increases, \$589,523 is for health insurance increases, and \$165,787 is for retirement contribution increases. The Senate added funding for salary adjustments of 2 percent for the 1st year and 3 percent in the 2nd year and increases in health insurance premiums from \$1,241 to \$1,427 per month. The Senate did not add funding for retirement contribution increases.	\$0	\$2,026,394	\$2,026,394
2. Transfers 3 FTE information technology positions and related funding to the Information Technology Department (\$519,904) and adds funding of \$555,688 for payments to the Information Technology Department for the information technology unification initiative	\$0	\$35,784	\$35,784

3. Underfunds salaries and wages	\$0	(\$342,077)	(\$342,077)
4. Reduces funding for temporary employees	\$0	(\$73,000)	(\$73,000)
5. Reduces grant funding	\$0	(\$1,703,549)	(\$1,703,549)
6. Increases funding for operating expenses	\$0	\$1,074,294	\$1,074,294
7. Increases federal shooting range grants	\$0	\$500,000	\$500,000
8. Reduces funding for motor vehicles	\$0	(\$429,859)	(\$429,859)
9. Increases rentals and leases funding	\$0	\$250,000	\$250,000
10. Reduces funding for in lieu of property taxes	\$0	(\$246,685)	(\$246,685)
11. Reduces other information technology funding	\$0	(\$207,000)	(\$207,000)
12. Adds funding for Microsoft Office 365 licensing	\$0	\$122,634	\$122,634
13. Increases funding for equipment over \$5,000	\$0	\$108,344	\$108,344

Other Sections in Senate Bill No. 2017

Grants, gifts, and donations - Section 3 includes in the grants, gifts, and donations line item \$400,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.

Game and fish fund - Investment - Section 4 amends North Dakota Century Code Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

Continuing Appropriations

No continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1209 - Authorizes dogs and artificial light to be used in the recovery of big game animals.

Senate Bill No. 2201 - Authorizes additional days for nonresident waterfowl hunting and increases the fees for nonresident hunting licenses.

Senate Bill No. 2260 - Authorizes nonresident landowners to purchase trapping licenses.

Senate Bill No. 2293 - Establishes a surcharge on fishing and hunting licenses to provide funding for an aquatic nuisance species program fund.

Senate Bill No. 2315 - Requires the development of a public database to designate whether private land is open for hunting.

Game and Fish Department - Budget No. 720
Senate Bill No. 2017
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	163.00	\$0	\$83,227,498	\$83,227,498	163.00	\$0	\$83,227,498	\$83,227,498
2019-21 Ongoing Funding Changes								
Base payroll changes			(\$149,363)	(\$149,363)			(\$149,363)	(\$149,363)
Salary increase			1,271,084	1,271,084			890,275	890,275
Health insurance increase			589,523	589,523			696,084	696,084
Retirement contribution increase			165,787	165,787			0	0
Transfers 3 FTE for IT unification	(3.00)		35,784	35,784	(3.00)		35,784	35,784
Underfunds salaries and wages			(342,077)	(342,077)			(342,077)	(342,077)
Reduces temporary employees			(73,000)	(73,000)			(73,000)	(73,000)
Reduces grant funding			(1,703,549)	(1,703,549)			(1,703,549)	(1,703,549)
Increases operating expenses			1,074,294	1,074,294			1,074,294	1,074,294
Increases federal shooting range grants			500,000	500,000			500,000	500,000
Reduces funding for motor vehicles			(179,859)	(179,859)			(179,859)	(179,859)
Increases rentals and leases funding			0	0			0	0
Reduces capital asset funding			(246,685)	(246,685)			(246,685)	(246,685)
Reduces other information technology funding			(207,000)	(207,000)			(207,000)	(207,000)
Adds Microsoft Office 365 funding			122,634	122,634			122,634	122,634
Increases funding for equipment over \$5,000			108,344	108,344			108,344	108,344
Increases building, grounds, and equipment repairs funding			80,627	80,627			80,627	80,627
Reduces extraordinary repairs funding			(27,665)	(27,665)			(27,665)	(27,665)
Reduces land and buildings funding			(20,207)	(20,207)			(20,207)	(20,207)
Total ongoing funding changes	(3.00)	\$0	\$998,672	\$998,672	(3.00)	\$0	\$558,637	\$558,637
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.00)	\$0	\$998,672	\$998,672	(3.00)	\$0	\$558,637	\$558,637
2019-21 Total Funding	160.00	\$0	\$84,226,170	\$84,226,170	160.00	\$0	\$83,786,135	\$83,786,135

Other Sections for Game and Fish Department - Budget No. 720

	Executive Budget Recommendation		Senate Version	
Grants, gifts, and donations	Section 3 would include in the grants, gifts, and donations line item \$225,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.		Section 3 would include in the grants, gifts, and donations line item \$400,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.	
Line item transfers	Section 4 would authorize the Game and Fish Department to transfer up to 10 percent of the agency's total appropriation between line items during the 2019-21 biennium. The department must report transfers to the Office of Management and Budget.			
Additional income	Section 5 would appropriate any additional federal or other funds available to the Game and Fish Department during the 2019-21 biennium.			

Other Sections for Game and Fish Department - Budget No. 720

Game and fish fund - Investment

Executive Budget Recommendation

Section 6 would amend North Dakota Century Code Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

Senate Version

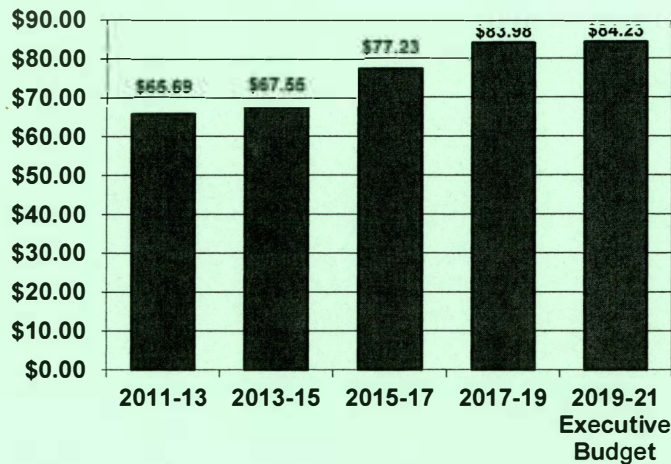
Section 4 amends Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

Department 720 - Game and Fish Department

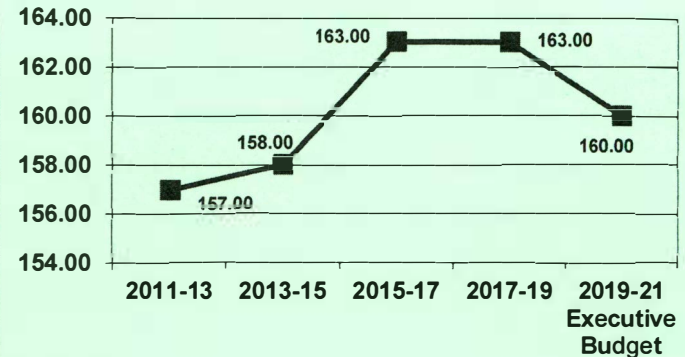
Historical Appropriations Information

Total Other Funds Appropriations Since 2011-13

Agency Funding (in Millions)



FTE Positions



Total Other Funds Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Other funds appropriations	\$65,687,742 ¹	\$67,553,639	\$77,231,739	\$83,976,222	\$84,226,170
Increase (decrease) from previous biennium	N/A	\$1,865,897	\$9,678,100	\$6,744,483	\$249,948
Percentage increase (decrease) from previous biennium	N/A	2.8%	14.3%	8.7%	0.3%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	2.8%	17.6%	27.8%	28.2%

¹Amount excludes \$300,000 from the general fund for a transfer to the Department of Agriculture for expenses related to the State Board of Animal Health (\$199,461) and for the Wildlife Services program (\$100,539) in the 2011-13 biennium.

Major Increases (Decreases) in Other Funds Appropriations

2013-15 Biennium

- | | |
|--|---------------|
| 1. Added funding for 1 FTE game warden position and related operating expenses | \$206,763 |
| 2. Increased funding for shooting ranges | \$300,000 |
| 3. Reduced funding provided to the Department of Agriculture for the Wildlife Services program | (\$100,000) |
| 4. Reduced funding for capital projects to provide a total of \$4,237,261 | (\$298,109) |
| 5. Reduced funding for grants | (\$3,296,000) |
| 6. Increased funding for salaries and wages | \$1,976,240 |

2015-17 Biennium

- | | |
|--|-------------|
| 1. Added funding to change 3 part-time employees to FTE positions, including 2 administrative assistant I positions and 1 biologist position | \$322,615 |
| 2. Added funding for 1 FTE administrative officer II position | \$139,475 |
| 3. Added funding for 1 FTE licensing specialist II position | \$117,973 |
| 4. Increased funding for capital projects to provide a total of \$5,712,996 | \$847,935 |
| 5. Increased funding for grants | \$211,912 |
| 6. Increased funding for operating expenses | \$634,114 |
| 7. Increased funding for land habitat and deer depredation | \$2,758,157 |
| 8. Adjusted funding for the Wildlife Division | \$200,161 |

9. Added funding for Devils Lake storage building (\$200,000) and State Fair shooting skills building (\$200,000)	\$400,000
10. Increased funding for the wildlife private land initiative	\$2,000,000
2017-19 Biennium	
1. Increased funding for credit card fee charges on the purchase of hunting and fishing licenses	\$180,000
2. Reduced funding for rent allowance for oil-impacted areas	(\$100,000)
3. Added funding for replacement of pond liners	\$572,000
4. Added funding for replacement of lighting in the salmon building	\$130,000
5. Increased funding for capital assets	\$200,000
6. Added funding for equipment replacement	\$747,000
7. Increased funding for grants from Pittman-Robertson federal funds	\$1,590,000
8. Increased funding for operating expenses	\$839,186
9. Reduced funding for capital assets	(\$1,063,040)
10. Provided funding for the Parks and Recreation Department for operation of boating access at state parks	\$122,000
11. Increased funding for grants	\$1,353,772
12. Increased funding for land habitat and deer depredation	\$1,153,880
13. Increased funding for noxious weed control operating expenses	\$120,135
14. Added increased funding for a grant to the Agriculture Commissioner for wildlife services	\$115,600
2019-21 Biennium (Executive Budget Recommendation)	
1. Transfers 3 FTE information technology positions and related funding to the Information Technology Department (\$519,904) and adds funding of \$555,688 for payments to the Information Technology Department for the information technology unification initiative	\$35,784
2. Underfunds salaries and wages	(\$342,077)
3. Reduces funding for temporary employees	(\$73,000)
4. Reduces grant funding	(\$1,703,549)
5. Increases funding for operating expenses	\$1,074,294
6. Increases federal shooting range grants	\$500,000
7. Reduces funding for motor vehicles	(\$429,859)
8. Increases rentals and leases funding	\$250,000
9. Reduces funding for in lieu of property taxes	(\$246,685)
10. Reduces other information technology funding	(\$207,000)
11. Adds funding for Microsoft Office 365 licensing	\$122,634
12. Increases funding for equipment over \$5,000	\$108,344

GOVERNOR'S RECOMMENDATION FOR THE GAME AND FISH DEPARTMENT AS SUBMITTED BY THE OFFICE OF MANAGEMENT AND BUDGET

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 game and fish fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the game and fish department for the purpose of defraying the expenses of the game and fish department, for the biennium beginning July 1, 2019 and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$ 29,854,874	\$ 1,481,659	\$ 31,336,533
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants – Game and Fish	9,650,184	(1,103,019)	8,547,165
Shooting Sports Grant Program	250,000	-	250,000
Land Habitat and Deer Depredation	17,824,177	(147,185)	17,676,992
Noxious Weed Control	725,000	-	725,000
Missouri River Enforcement	283,857	5,456	289,313
Grant-Gift-Donation	802,201	(266,711)	535,490
Nongame Wildlife Conservation	120,000	(20,000)	100,000
Lonetree Reservoir	1,798,119	44,810	1,842,929
Wildlife Services	500,000	-	500,000
Total special funds	\$83,227,498	\$998,672	\$84,226,170
Full-time equivalent positions	163.00	(3.00)	160.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Airplane	\$250,000	\$0
Dakota Access Pipeline Protest	423,724	0
Electronic Payment Processing System	75,000	0
Total special funds	\$748,724	\$0

SECTION 3. GRANTS, GIFTS, AND DONATIONS LINE. The grants, gifts, and donations line item in section 1 of this Act includes up to \$225,000 received by the game and fish department for surface damage, easements, or reclamation on department owned or managed properties as a result of mineral exploration and extraction activities.

SECTION 4. TRANSFER AUTHORITY BETWEEN LINES. Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019 and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

SECTION 5. APPROPRIATION - In addition to the amounts appropriated to the game and fish department in section 1 of this Act, there is appropriated any additional income from federal or other

funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 6. AMENDMENT. Section 20.1-02-16.1 of the North Dakota Century Code is amended and enacted as follows:

20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of the fifteen million dollar balance in this section may be made under the supervision of the state investment board and the moneys must be invested by the investing authority according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment.



March 13, 2019

SB 2017
2019-21 Appropriation Request
North Dakota Game and Fish Department

The Game and Fish Department is a special fund agency using only licensing revenue (hunting, fishing, and boat registrations) and federal funding. We receive no general fund dollars.

The 2019-21 Governor's executive budget recommendation is \$84,226,170. This is an increase of \$998,672 from the 2017-19 base level appropriation. I will explain the differences from the Senate version later when we go through the Green Sheet.

Revenue Projections:

Federal revenue is projected to be as follows:

Federal Aid in Wildlife Restoration Act (PR funds)*	\$23,800,000
Federal Aid in Sport Fish Restoration Act (DJ funds)**	\$8,400,000
Recreational Boating Safety Program	\$1,400,000
State Wildlife Grants	\$1,200,000
Misc. Federal Grants	\$86,000
Bureau of Reclamation (Lonetree)	<u>\$1,800,000</u>

Total Federal Revenue \$36,686,000 45%

State Revenue by Fund:

Game and Fish Fund (Licenses + Misc.)	\$38,100,000
Private Land Habitat Fund	\$6,600,000
Nongame Wildlife Fund (Donations)	\$48,000

Total State Revenue \$44,748,000 55%

Total All Revenue \$81,434,000

* **Wildlife Restoration Act** – funds are from excise taxes on the sale of guns, ammo and archery equipment which is allocated to the states by a formula based 50% on the amount of land area of the state relative to the rest of the states, and 50% based on the number of hunting license holders in a state relative to other states. These funds are referred to as Pittman-Robertson (PR) funds.

****Sport Fish Restoration Act** – funds are from excise taxes on fishing equipment and motorboat fuel which is allocated to the states by the same formula above with the exception of using the number of fishing license holders vs hunting licenses. These funds are referred to as Dingell-Johnson (DJ) funds.

Federal Revenue Levels

- USFWS Sport Fish Restoration Act funds (DJ) – In 2011 funds fell below \$4M, thus in 2013 we changed the funding source from federal to state for one of our fisheries projects. Since then DJ funds have fluctuated from \$3.6M in 2014 back up to \$4.2M in 2016. Funds remain at \$4.1M in 2018. We project the funds to remain around the \$4M level annually for 2019-21.
- USFWS Wildlife Restoration Act funds (PR) – In 2013 funds were \$7.7M and have steadily increased to \$11.9M in 2015. Funds remain at \$11.4M in 2018. We project the funds to remain at the increased level for 2019-21. These funds are apportioned to States from USFWS by law and are not dependent on Congress approval. The PR funds have a 2-year window to be obligated by the department; otherwise, we will lose the funds and they will revert back to the USFWS to be allocated to other states.
- USFWS State Wildlife Grant funds – have remained the same the last few years, but it is dependent on Congress. These funds pay for 2 biologist positions and projects involving nongame and endangered species. We project the funds to remain the same for 2019-21.
- U.S. Coast Guard – We project the funds to remain the same for 2019-21.
- USFWS Aquatic Nuisance Species funds – We project the funds to have a slight increase and will be approximately \$50K for 2019-21.
- Bureau of Reclamation - have remained the same the last few years.

USFWS DJ & PR funds equate to 88% of our federal funds. These funds are not dependent on congress. They are apportioned to states each year based on the formula explained on the previous page. If these federal funds decrease, we would have to cut programs or use licensing revenue.

License & Special Revenue

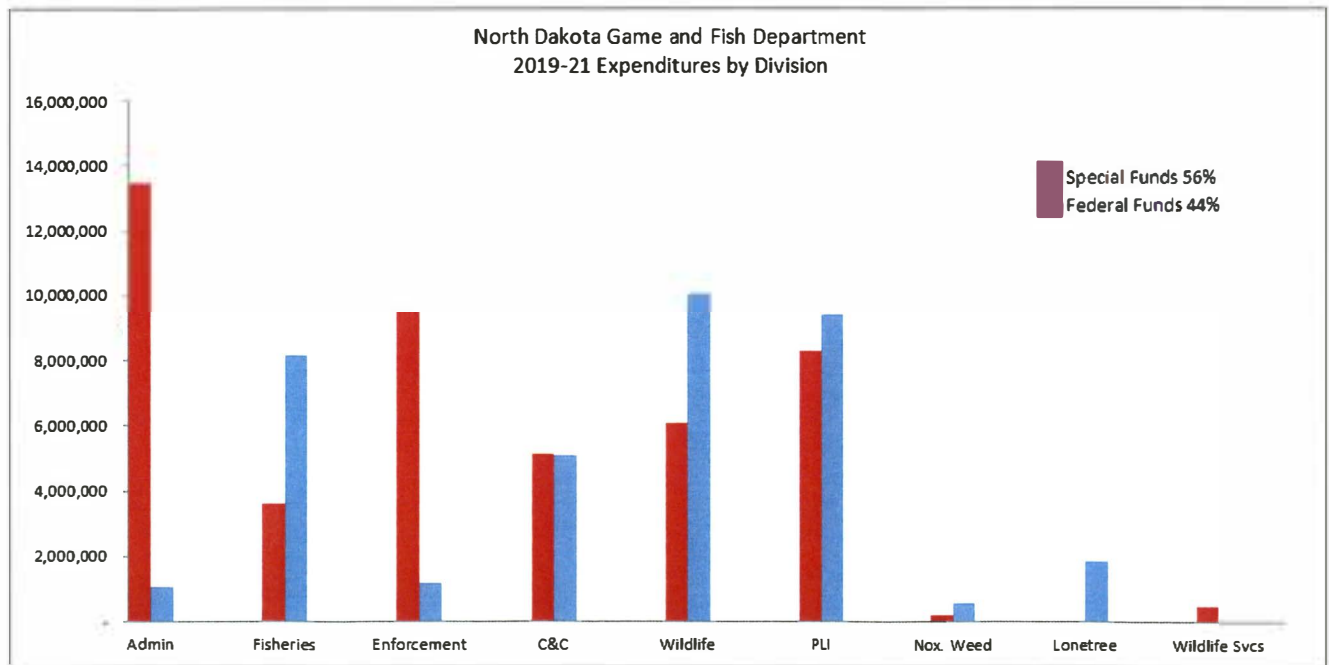
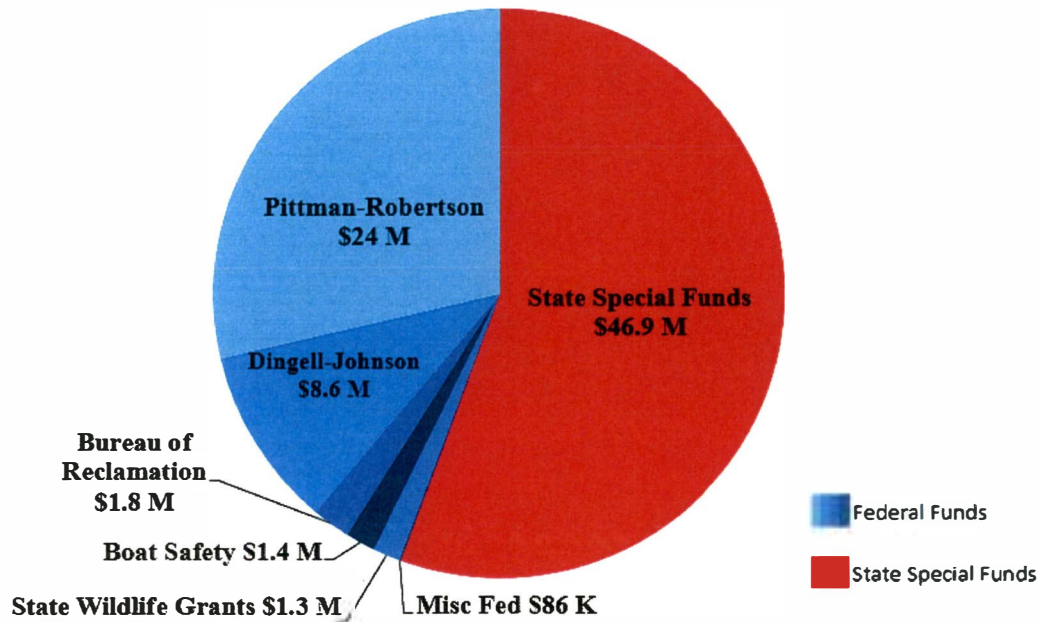
Per NDCC 20.1-02-17, Hunting and fishing license fees and application fees may only be used for departmental programs and administration. Noncompliance will result in a diversion of federal funds. A diversion would result in the Department not being able to receive *any* Federal funds from the USFWS (approx. \$32M).

- Deer license revenue took a significant decrease in 2012. It has started to increase since 2016 with the ability to issue more licenses.
- Interest at BND – est. \$135K
(07-09 \$1.5M, 09-11 \$500K, 11-13 \$185K, 13-15 \$115K, 15-17 \$132K)
- Transfer from the Outdoor Heritage Fund - \$665K. A grant was approved in a prior biennium and budgeted for five years to spend.

Licenses Issued

- **Resident Deer Gun** license sales are slowing increasing
2009-125,583; 2010-101,216; 2011-94,130; 2012-48,605; 2013-43,625; 2014-34,640; 2015-29,559; 2016 34,970; 2017 40,438
- General Game from 2016 to 2017 license sales for residents has had a slight decrease of 754 and nonresidents has decreased 8,659.
- Fishing license sales had all-time highs in 2013 for resident and 2015 for nonresident sales. They have had a slight decrease in the past couple years.

ND Game and Fish Department 2019-21 Expenditures by Funding Source



Fund Balances - Fund balance projections are as follows:

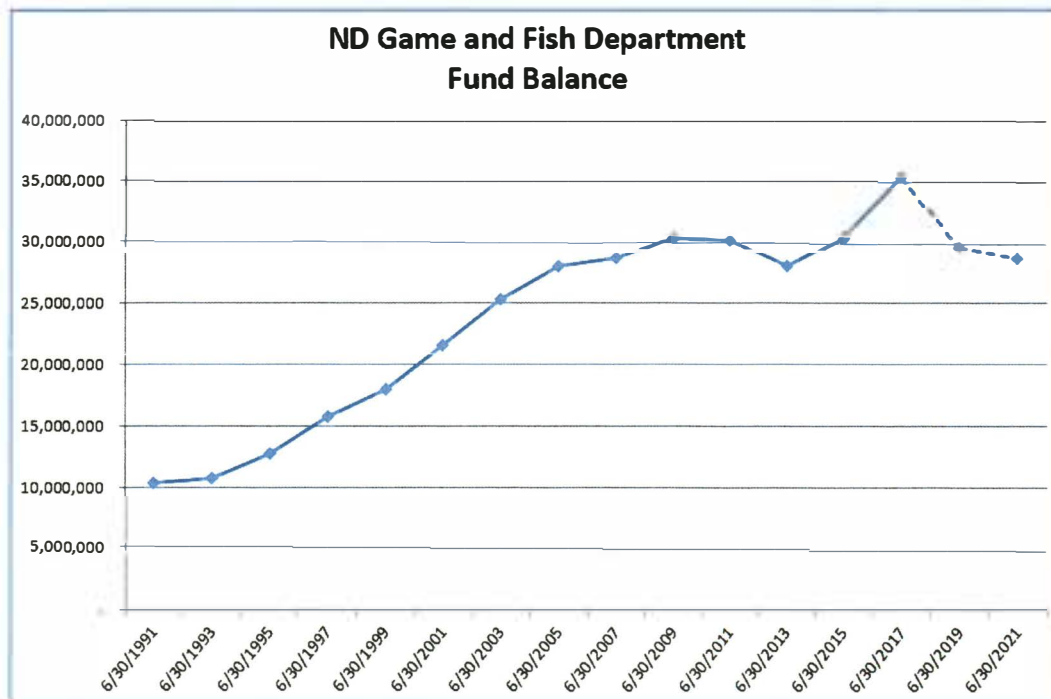
	6/30/19	6/30/21
Game and Fish Fund	\$29,392,566	\$28,556,439
Private Land Habitat Fund	\$250,202	\$299,943
Non-Game Wildlife Fund	\$57,092	\$5,092
Total *	\$29,699,860	\$28,861,474

* Salary compensation and health insurance adjustments by the Senate are not included.

Per NDCC 20.1-02-16.1, the fund balance shall not be reduced below \$15M unless authorized by the budget section.

The Gov. Executive Recommendation and the Senate version of SB2017 authorizes in Section 4 – investment of up to \$15M of the balance of the game and fish fund may be made under the supervision of the state investment board. The department shall notify the state investment board of the amount available for investment.

- Currently, the department by law must invest its funds with BND. The majority of the department's existing CD's make less than 1% interest (.3% to 1%). In 2017 and 2018, our interest income was \$66,318 and \$71,595, respectively on \$24M.
- Based on preliminary estimates using ultra conservative and highly liquid assumptions, the Retirement Investment Office (RIO) suggested a potential estimated annual earnings of \$210,000 on \$15M. This is a significant increase from current earnings.



DEPARTMENT BUDGET BY DIVISION

The Department included in its budget request the following funds appropriated for grants to other state agencies:

- \$122,000 to ND Parks & Recreation Department. This is the same amount included as revenue in the Parks and Recreation Department 2019-21 budget.
- \$115,481 to Board of Animal Health, Ag Dept.; the Ag Dept. is requesting the same amount.
- \$500,000 to Wildlife Services, Ag Dept. This is the same amount as 2017-19.

DIVISIONAL BUDGETS

Brief details on the budgets for the Department's five (5) divisions are presented below:

1. **ADMINISTRATIVE SERVICES DIVISION** - Costs in this division include:

- Secretarial support for all Divisions
- Licensing section costs including lotteries
- Accounting costs
- Information Technology costs
- All Department utility, telephone, office rental, janitorial, office supplies, insurance, postage, air craft costs, office machine rental, and other similar costs
- Credit card transaction fees
- Legal services from Attorney General's office
- Costs for the Game and Fish Advisory Board
- Statewide Cost Allocation payment to OMB
- North Dakota Risk Management fund
- Buildings, Grounds, Vehicle Maintenance Supplies
- Travel costs for the Director, Deputy Director, Administrative Services Division Chief, Business Manager and IT staff.
- Capital Assets –
 - \$1,029,721 for extraordinary repairs to Department facilities statewide
 - \$1,383,000 for In Lieu of Tax payments for all Department lands WMAs (\$20K increase from 2017-19)
- Grants – \$295,000 for cooperative grants to local groups and organizations for game and fish related projects, funding for Tribal access agreements, ND Natural Resources Trust, other Director's grants and sponsorship grants (e.g. ND Landowners Sportsman Council, ND Stockmen's Assoc., etc.).

The department's Grant-Gift-Donation line is \$535,490 (Admin \$300,000; Wildlife \$235,490) is used as follows:

- Grants and gifts received for special projects are used as desired by the donor. The department has money from an estate for fishing access work. Also a major grant for bighorn sheep work is expected to continue.
- Revenue received for surface damage, easements, and reclamation on department owned or department managed properties as a result of mineral exploration and extraction activities. The department manages Corps of Engineers (COE) and department lands along Lake Sakakawea, the Missouri River and the Killdeer Mountain WMA. There is significant oil activity on these lands. The COE and other applicable federal agencies require that this money be spent by the department on these areas that are affected. This line allows the department to receive revenue and turn around and spend the funds on the appropriate areas. This funding is often used for road repairs, fencing, habitat development and similar work.
- Royalty payments received for the department's 160 acre mineral lease in the Killdeer Mountains WMA. These funds are used to employ one full-time biologist to assist the significant increase in work load due to oil activity on our WMA's. We have also used these funds on a grant to conduct a comprehensive assessment of the impact of oil and gas development on mule deer populations in western North Dakota. Also, a grant for big horn sheep work is expected to continue.

2. FISHERIES DIVISION - This program includes fish production and distribution, fishery research and surveys, fishing area and boating facility development and maintenance and a Save Our Lakes program.

Grants – Total \$2,489,000:

- \$1,093,000 for boating access and development. These grants are used for cost sharing with local governments on fishing and boating facilities; 75% is federal funds.
- \$570,000 in grants is to pay the Department's share of costs for the Garrison Dam National Fish Hatchery; 75% is federal funds.
- \$205,000 in grants used for creel surveys and Aquatic Nuisance Species.
- \$122,000 is included for boating access related costs to ND Parks and Recreation Department for state parks.
- Misc. other grants.

Capital Assets line – Total \$1,590,000:

- \$1,385,000 in extra ordinary repairs which includes dam repairs, hatchery repairs (\$700K for 4 to 5 pond liners at Garrison Dam National Fish Hatchery), and fishing and boating facility construction on lands owned by the Department which includes development work on our WMA's such as toilets, fish cleaning stations, etc. High and low water conditions at Devils Lake, Lake Sakakawea and the Missouri River have been major challenges for the boating access program. The

Department receives 75% federal funding for most of the work in this division. In some cases, the 25% match comes from local partners such as park boards.

- \$205,000 for equipment – boat motor replacements, replace 1 boat, replace fish transport tank and trailer and box blade grader attachment, replace CAT compact track loader, etc.; 75% is federal funds.

Save Our Lakes Program – To renovate prioritized lakes statewide to provide sustainable quality fisheries. These projects include sediment dams, shoreline enhancements and building of earthen piers, establishment of buffer zones, building of rock weirs, building of wetlands, waste management systems, active hypolimnetic pumping systems, passive low water draw downs, fencing projects, alternate water sources (well), planting of trees and grasses in riparian areas, sediment removal, gravel spawning substrates, establishment of wave breaks and underwater boulder habitats.

Total \$400,000 is budgeted from the private lands line item for this type of work on private land. A significant portion of our watershed work will be on private land.

3. ENFORCEMENT DIVISION - This budget supports a staff of thirty-eight (38) law enforcement employees. The budget includes operating expenses mainly for State Fleet and travel costs. Game wardens are very dependent on vehicles to do their work. Over 1.9M miles per biennium are driven using State Fleet vehicles. There is \$175,000 for replacement of equipment included are: three boat replacements, one UTV replacement, two snowmobile replacements, and one ATV with tracks replacement. The division has a replacement cycle for equipment.

Missouri River Enforcement line – Expenditures for this special line include salaries, operating, and equipment related to enforcement activities on and along the Missouri River in the Burleigh and Morton county area. Grants are also given to local law enforcement agencies to help with the Missouri River enforcement. This line is funded 50% from federal boat safety funds.

4. CONSERVATION AND COMMUNICATION DIVISION – The division includes the communication section, education section and conservation section. Some programs include aquatic and hunter education, boating education, youth mentoring program, national archery in the schools program, nongame wildlife program, ND Outdoors magazine, ND Outdoors weekly television program, web page management, supplying general information to the public, environmental reviews, work involving the Endangered Species Act, etc. Also, natural resource related reviews and recommendations are provided to private and government entities.

Grants – Total \$2,992,500:

- \$1,762,500 for shooting range grants throughout the state. (An increase of \$500,000 federal PR funds.) The entire amount is federal PR funds which is passed on to local clubs/groups that provide the matching funds for shooting

facilities for public use and for hunter education. (\$500K of the total is for McKenzie County Sportsmens Wildlife Club for a shooting range near Watford City).

- \$80,000 for boat safety grants to counties funded by 50% federal funds.
- \$350,000 is included for youth programs, archery in schools, Hooked on Fishing, clay target league in the schools, etc.
- \$800,000 is included in grants for the State Wildlife Grant Program. This federally funded program works primarily with wildlife species that are not hunted. The match is normally provided by the grant recipient.

Capital Assets line – Total \$20,000:

- \$20K for extra ordinary repairs for the department's Conservation and Outdoor Skills Park area located on the State Fair grounds.

Nongame Wildlife line - \$100,000 is budgeted for this special line which is supported by the income tax check off.

5. WILDLIFE DIVISION - This budget includes operating costs for Department managed lands, wildlife surveys and investigations, grants to organizations on cooperative projects. It also includes the following Special Lines: Noxious Weed Control, Wildlife Services, Lonetree, and Private Land Habitat and Deer Depredation.

Grants – Total \$2,770,665:

- \$2,155,184 Includes work for grants with wildlife groups and organizations on cooperative projects and wildlife research projects conducted through universities. These include chronic wasting disease work, North American Wetland Conservation Act, Central Flyway studies, waterfowl habitat projects, salt cedar work, studies/research on various species such as pronghorn, grouse, deer, moose, mountain lions, etc. (All funded 75% federal PR funds).
- \$115,481 to reimburse the State Veterinarian for costs related to oversight of farmed wildlife producers and the administration of wildlife propagation permits. (The amount in 2017-19 biennium was \$100K.)

Capital Assets line – Total \$1,720,170:

- \$653,170 for extra ordinary repairs (e.g. fences, roads, water control structures) and similar work on department wildlife management areas (WMA) statewide. 75% federal PR funds.
- \$267,000 for equipment – tractor and ATV replacements, replace 2 heavy equipment trailers, 2 batwing mowers. 75% federal PR funds
- \$800,000 is included for land acquisitions of small tracts near wildlife management areas, possibly in-holding or round-outs that may come up during the biennium. (This amount is the same as the 2017-19 biennium.)

Noxious Weed Control line - \$725,000 is requested for the work on department lands. This line is the same as 2017-19.

Wildlife Services line - \$500,000 is to support Wildlife Service's animal damage control work in the Ag Department. This is the same amount as the 2017-19 biennium.

Lonetree line – Approx. \$1.8M. The Lonetree area consists of over 30,000 acres of land managed for wildlife purposes. The North Dakota Game and Fish Department manages and provides technical services for this area for the State of North Dakota as laid out in the Garrison Diversion Reformulation Act. The budget for this line stayed about the same as 2017-19. The budget continues to include funding for 5 staff, operating, equipment, maintenance and development for this area. It is funded 100% by federal funds from the Bureau of Reclamation.

Private Land Habitat and Deer Depredation line – A \$17.7M appropriation is requested to operate this special line. This is a slight decrease (approx. \$150K) from the 2017-19 appropriation.

This line is commonly called the Private Land Initiative (PLI) line. This line is not just for our PLOTS program, it also includes deer depredation and administrative costs for the PLI line. The base budget includes Outdoor Heritage Fund Grants (\$665K) approved in the prior biennium and budgeted for five years to spend. Approximately 26% of this program is funded with interest earned on game and fish funds and from habitat stamp sales. Cash from the regular game and fish fund along with U.S. Fish and Wildlife Services Pittman Robertson (PR) federal funds are used to fund the other 74%.

Of the total line, the budget for the PLOTS Program is \$13.8 million of which approx. \$11.9 million is landowner payments (the same as in 2017-19). We had a goal to reach 1 million acres of public hunting access on private land by the year 2009. We reached that goal two years early in September 2007. The number of PLOTS acres for the 2018 hunting season was approximately 768,000 acres. A chart of PLOTS acres by program is attached to this testimony.

The line includes \$1,100,000 mandated in the 2010 session by SB2227 to be budgeted to provide wildlife feeding and other winter management practices on lands impacted by big game depredation. Per NDCC 20.1-02-05(17h) - Any unexpended funds, up to two million dollars, may be carried forward for these types of expenditures in future bienniums.

March 13, 2019

SB2017

ctta



North Dakota Game and Fish Department

Private Land Initiative

2018 PLOTS Program Acreage

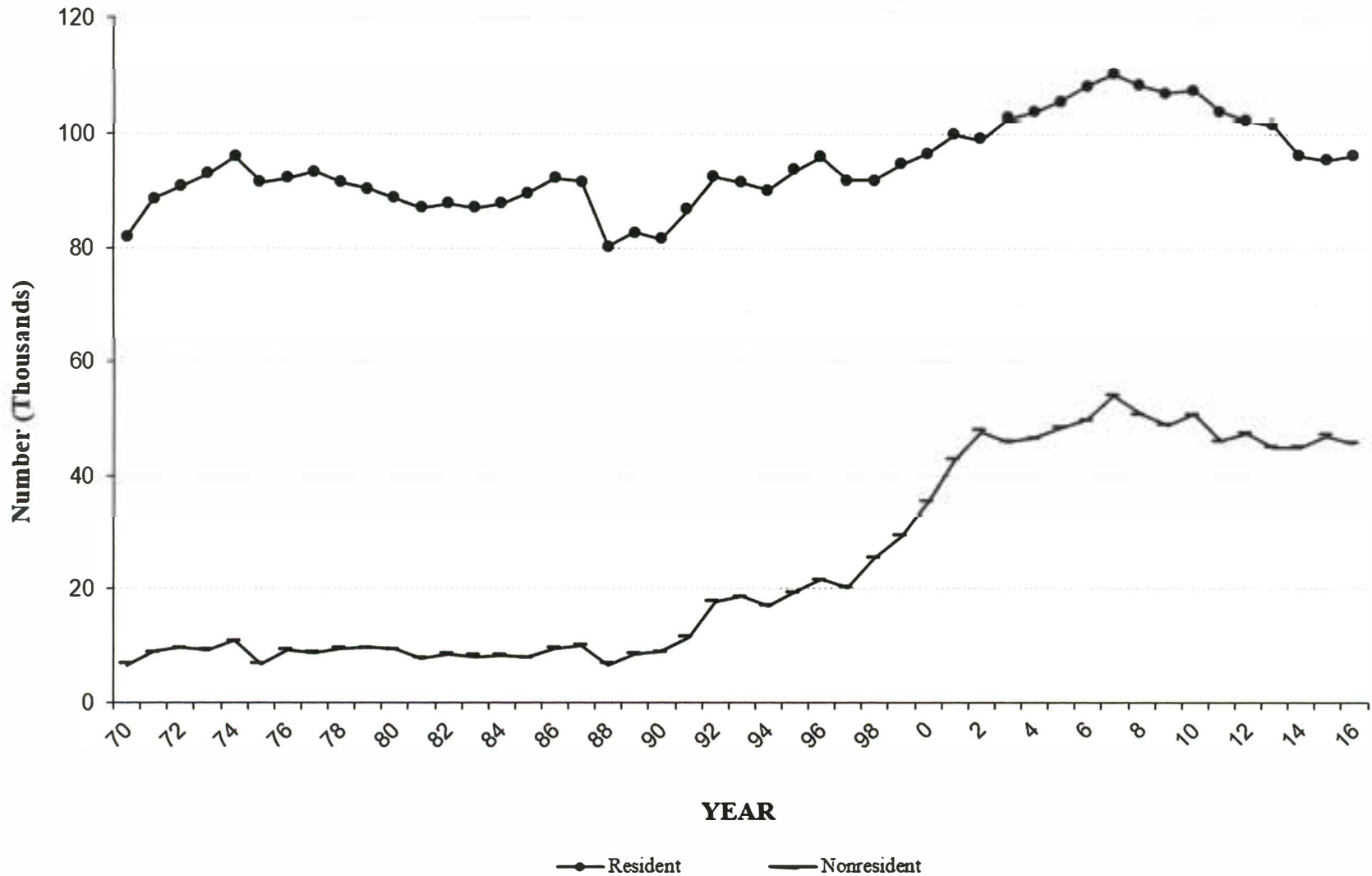
12/27/2018

11

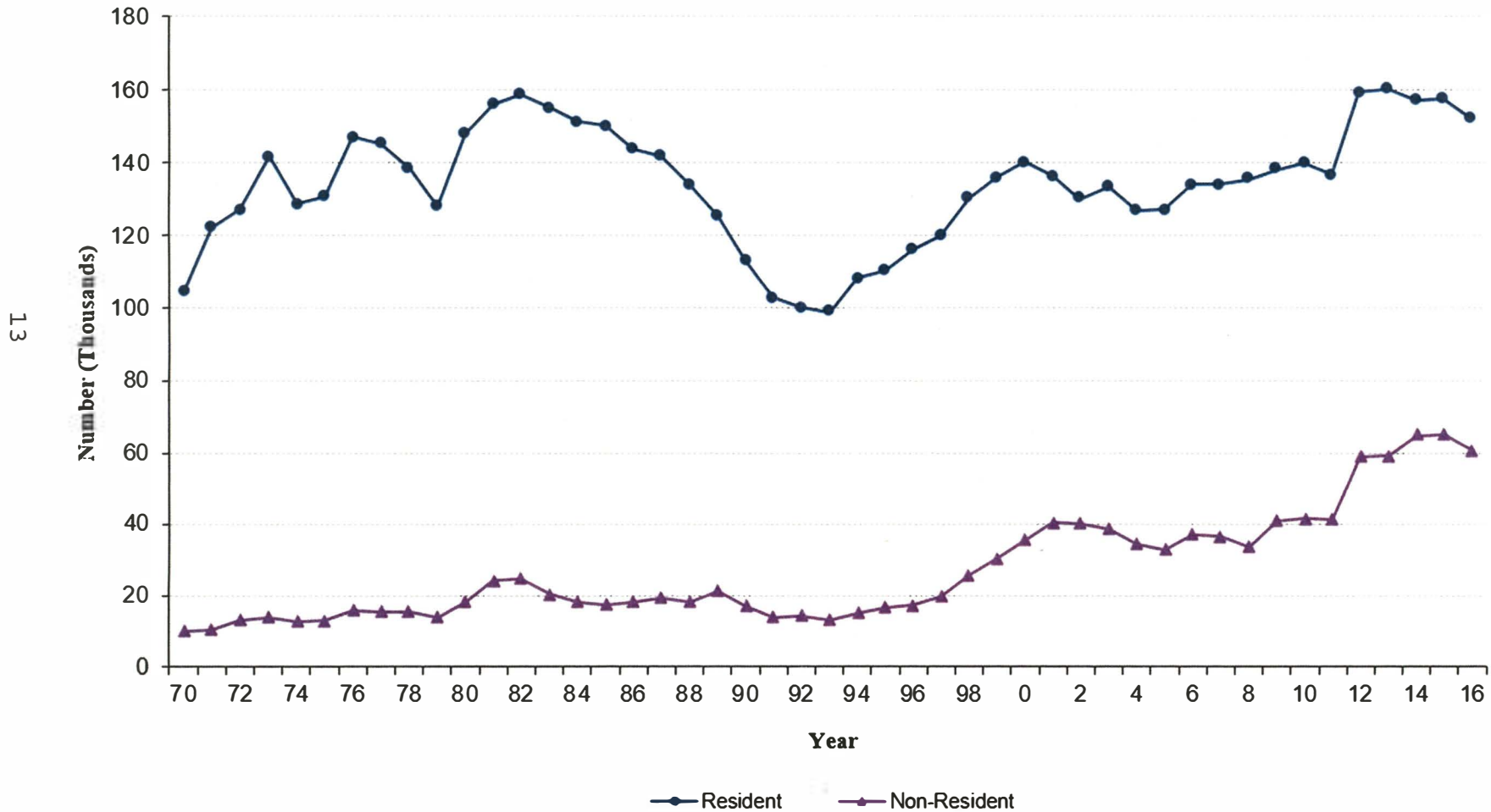
<u>Program Type</u>	<u>Total Acres</u>	<u>Program Acres</u>	<u>Access Acres</u>
Beginning Farmer Program	2,520	2,520	0
CREP II	646	381	265
CREP/Coverlocks	12,935	1,703	11,231
CRP Access Program	239,865	215,945	23,920
Habitat Plots	106,329	89,081	17,285
Other	7,217	7,123	95
Private Forest Conservation Program	10,293	7,374	2,919
Tree Planting Cost Share Program	238	16	223
Working Lands Program	363,874	383,767	107
WRP Incentive Program	24,462	22,792	1,670
Totals	768,379	710,701	57,714



NORTH DAKOTA GENERAL GAME LICENSE SALES



North Dakota Fishing License Sales



March 13, 2019

SSB 2017

atta

Included in the Executive Budget Recommendation for SB2017:

Transfer Authority Between Lines. This allows the department to transfer between line items, within Section 1 of the appropriation bill, up to ten percent of the total appropriation during the biennium. The department shall notify OMB and legislative council of any transfer made.

This limited transfer authority will benefit the department by allowing it to be responsive to changing circumstances and be able to operate in a more efficient and effective manner.

- We have a wide range of expenditures (e.g. construction, building maintenance, boat ramps/docks, food plots, weed spraying, contract pilots, law enforcement, research grants, surveys, shooting ranges, etc.) that can be challenging to project a budget 3 years in advance.
- When maintaining buildings/facilities, things happen and based on the type of repair and the cost, it will determine whether it should be paid from the Operating line or the Capital Asset line.
- It is hard to project new boat ramp/dock projects. We have appropriation in the Grants line but if we are doing boat ramp maintenance on our WMA, it needs to come out of the Capital Asset line. If it is not on our WMA, it can come out of the Grants line.
- There are O&M situations that depending on the circumstances will determine if the cost should be coded to Operating line or Grants line. For example, paying a club or political sub for O&M of fish cleaning stations or docks and boat ramps on our WMA or leased area is a service contract paid from the Operating line. We can give a grant (Grants line) to do the same if the O&M is on their land and not our land. In addition, wet years versus dry years can dictate the types and locations of maintenance required on boat ramps and facilities. The location (our WMA or leased area versus club land) dictates the line from which the funding comes
- It is hard to budget for unplanned situations and try to make the appropriation and accounting rules match. An unplanned situation could arise where a ramp is compromised or access road is washed out on our WMA and we need to repair but only have budget available in the Grants line.

The Department makes a concerted effort to spend sportsman/angler money wisely. This is demonstrated by the following:

- 1) prior to the license fee increase in April 2014, fees had not been increased since 1983 for deer and 1991 for fishing;
- 2) having a healthy Special fund balance;
- 3) monitoring our revenue and keeping a handle on expenditures accordingly.

Also, per NDCC 20.1-02-17 - hunting and fishing license fees and application fees may only be used for Departmental programs and administration. No one else can use our Special funds. Noncompliance with this law will result in a diversion of Federal funds.

Having this limited transfer authority would allow the Department to be more responsive to changing circumstances as noted above and have the broader flexibility that the Legislature has already granted to a select few executive branch agencies, as well as the legislative and judicial branches of government.

March 13, 2019

SB2017

Attachment B

NDGFD Potential Land Acquisitions as of December 31, 2018

The Department has been contacted by individuals with the following tracts. They are interesting in selling these tracts to the Department to be maintained as Wildlife Management Areas (WMA). Some opportunities may arise throughout the biennium that will get higher priority. The following list is in no particular order.

- 1) Williams County—115 acres—Next to WPA near Trenton WMA (floodplain and cattails).
- 2) Walsh County—80—Addition to Joliet Ferry WMA.
- 3) Sheridan County – 20 acres – Addition to Lonetree WMA.
- 4) Pierce County –580 acres – Tract borders shore of Buffalo Lake and only $\frac{3}{4}$ mile from WMA.
- 5) Pembina County – 360 – Dunklee WMA addition. EWP on this piece with no Ag. use allowed.
- 6) Adams County – 480 acres – Land is currently in CRP
- 7) Hettinger County – 80 acres – Land is currently in CRP
- 8) Walsh County—140 acre—Along Red River
- 9) Stark/Dunn County—1200 acres —Over half the acres in WRP
- 10) Pembina County—160 acres — $\frac{1}{2}$ mile from J.V. Wessels WMA (wooded pasture).
- 11) Rolette County – 95 acres – Wakopa WMA Addition
- 12) Mercer—80 acres—Addition to North Beulah Mine WMA
- 13) Nelson County – 87 acres – Addition to Hoghaug WMA
- 14) Richland County—115 acres—Hankinson Public Shooting Range Development

A map for each potential acquisition is included.

March 13, 2019




SB2017


att B

Williams County
115 acres

1

Map Features

-  Potential Acquisition
-  NDGFD WMA
-  USFWS WPA



2014 Photo used.

Anderson 2016

March 13, 2019

SB2017

att B

Walsh County
80 acres

2

Map Features

 Potential Acquisition

 NDGFD WMA



2014 Photo used.

Anderson 2016

3

March 13, 2019

SB2017

att B

Lonetree Addition
20 acres

3



Map Features

 Offer

 NDGFD WMA



March 13, 2019

SB2017

attB

4

Pierce County (Buffalo Lake)
580 acres

Map Features

 Offer

 NDGD PLOTS



Anderson 2014

USDA-FSA, Northern Forestry Photo Service, ND 58044-0000

5

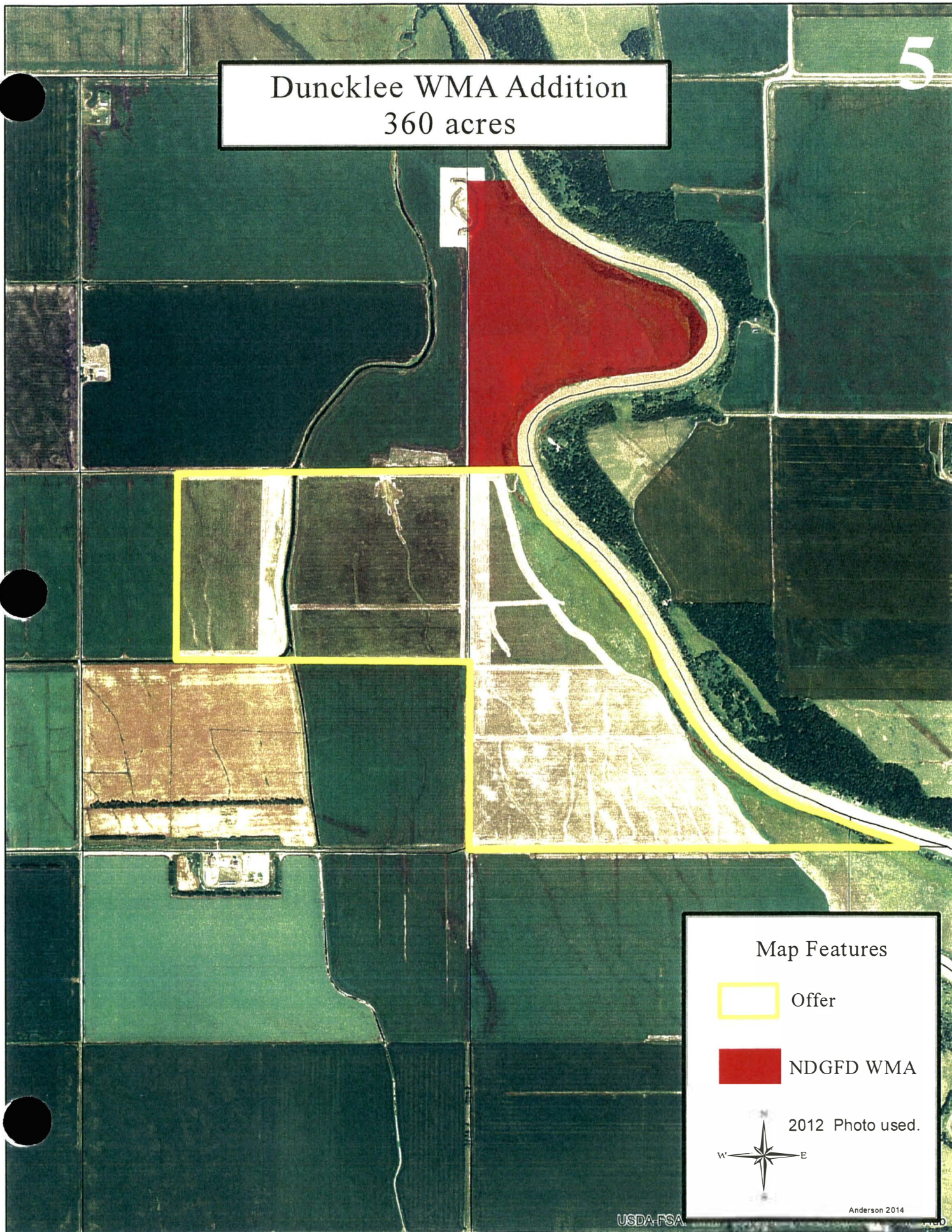
March 13, 2019

SB2017

att B

5

Duncklee WMA Addition
360 acres



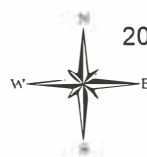
Map Features



Offer



NDGFD WMA



2012 Photo used.

USDA-FSA

Anderson 2014

6

March 13, 2019

SB2017

at/B

6

Adams County
480 acres

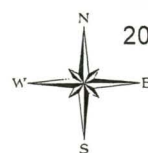
Map Features



Offer



NDGD PLOTS



2012 Photo used.

Anderson 2014

USDA-FSA National Wetlands Inventory

Hettinger County
80 acres

7



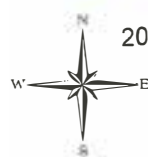
Map Features



Offer



NDGD PLOTS



2012 Photo used.

March 13, 2019

SB2017

attB

Walsh County
140 acre

8

Red River

Map Features



Offer



NDGD PLOTS



2012 Photo used.

USDA-FSA

Anderson 2014

Stark County
1200 acres

9

Map Features



Offer



NDGD PLOTS



2012 Photo used.

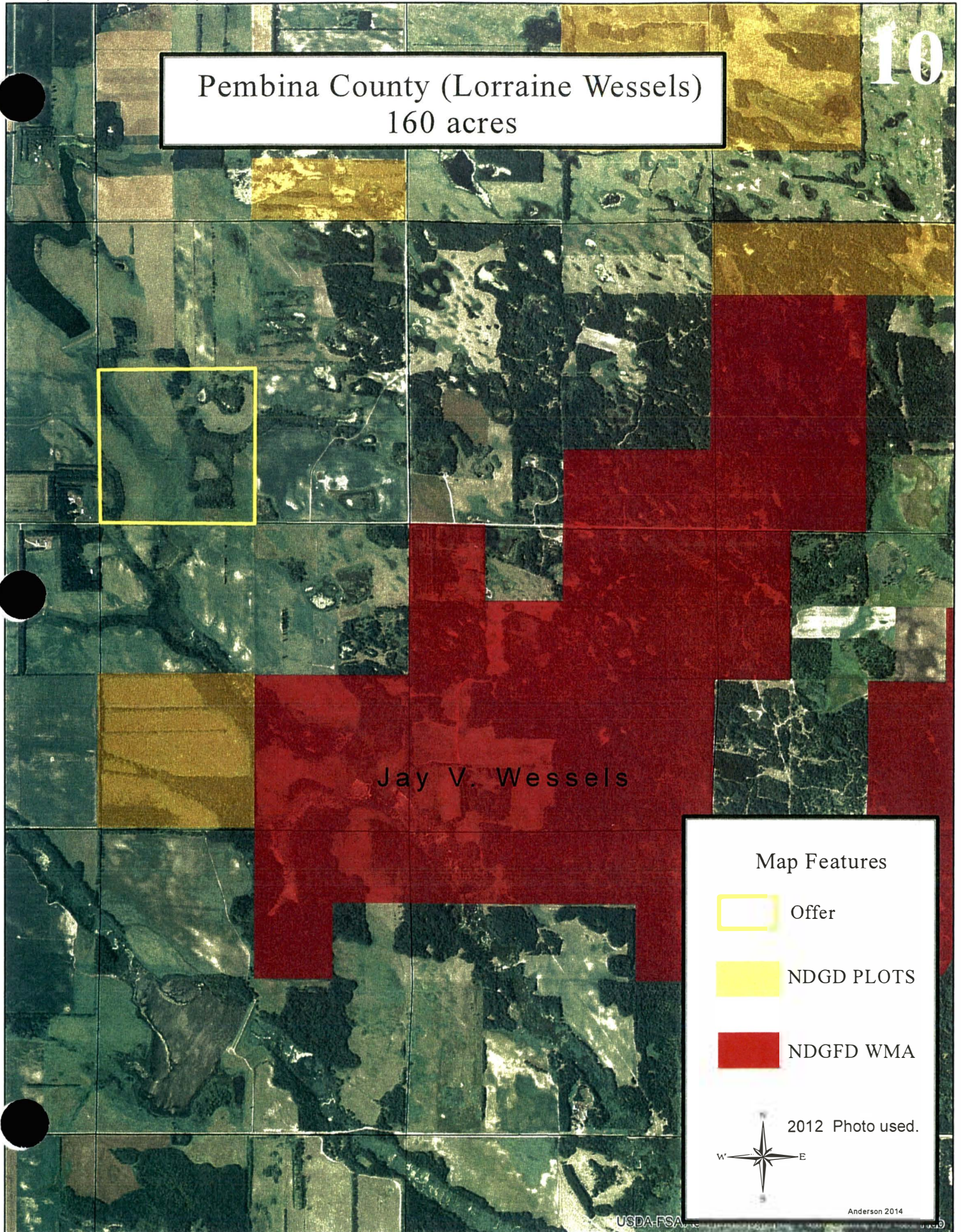
USDA-FSA

Anderson 2014

March 13, 2019

SB2004

att B



March 13, 2019

SB2017

att B

Wakopa WMA Addition
95 acres

11



Map Features



Offer



NDGFD WMA



2012 Photo used.

USDA-FSA

Anderson 2014

12

North Beulah Mine Addition
80 acres

Map Features

 Offer

 NDGFD WMA



2012 Photo used.


Anderson 2014

Nelson County
87 acres

13

Stump Lake

Map Features

 Potential Acquisition

 NDGFD WMA



2014 Photo used.

Anderson 2016

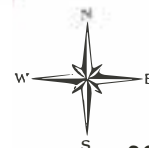
Richland County
115 acres

14

Hankinson

Map Features

- Potential Acquisition
- ND Trust Land
- USFWS WPA
- NDGFD WMA



2014 Photo used.

Anderson 2015

March 13, 2019

SB2017

Attachment

Game and Fish Department - Budget No. 720
Senate Bill No. 2017
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total
	Position	Fund	Funds		Position	Fund	Funds		Positions	Fund	Funds	
2019-21 Biennium Base Level	163.00	\$0	\$83,227,498	\$83,227,498	163.00	\$0	\$83,227,498	\$83,227,498	0.00	\$0	\$0	\$0
2019-21 Ongoing Funding Changes												
Base payroll changes			(\$149,363)	(\$149,363)			(\$149,363)	(\$149,363)				\$0
Salary increase			1,271,084	1,271,084			890,275	890,275			(380,809)	(380,809)
Health insurance increase			589,523	589,523			696,084	696,084			106,561	106,561
Retirement contribution increase			165,787	165,787				0			(165,787)	(165,787)
Transfers 3 FTE for IT unification	(3.00)		35,784	35,784	(3.00)		35,784	35,784				0
Underfunds salaries and wages			(342,077)	(342,077)			(342,077)	(342,077)				0
Reduces temporary employees			(73,000)	(73,000)			(73,000)	(73,000)				0
Reduces grant funding			(1,703,549)	(1,703,549)			(1,703,549)	(1,703,549)				0
Increases operating expenses			1,074,294	1,074,294			1,074,294	1,074,294				0
Increases federal shooting range grants			500,000	500,000			500,000	500,000				0
Reduces funding for motor vehicles			(179,859)	(179,859)			(179,859)	(179,859)				0
Increases rentals and leases funding				0				0				0
Reduces capital asset funding			(246,685)	(246,685)			(246,685)	(246,685)				0
Reduces other information technology funding			(207,000)	(207,000)			(207,000)	(207,000)				0
Adds Microsoft Office 365 funding			122,634	122,634			122,634	122,634				0
Increases funding for equipment over \$5,000			108,344	108,344			108,344	108,344				0
Increases building, grounds, and equipment repairs funding			80,627	80,627			80,627	80,627				0
Reduces extraordinary repairs funding			(27,665)	(27,665)			(27,665)	(27,665)				0
Reduces land and buildings funding			(20,207)	(20,207)			(20,207)	(20,207)				0
Total ongoing funding changes	(3.00)	\$0	\$998,672	\$998,672	(3.00)	\$0	\$558,637	\$558,637	0.00	\$0	(\$440,035)	(\$440,035)
One-time funding items												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.00)	\$0	\$998,672	\$998,672	(3.00)	\$0	\$558,637	\$558,637	0.00	\$0	(\$440,035)	(\$440,035)
2019-21 Total Funding	160.00	\$0	\$84,226,170	\$84,226,170	160.00	\$0	\$83,786,135	\$83,786,135	0.00	\$0	(\$440,035)	(\$440,035)

Other Sections for Game and Fish Department - Budget No. 720

	Executive Budget Recommendation	Senate Version
Grants, gifts, and donations	Section 3 would include in the grants, gifts, and donations line item \$225,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.	Section 3 would include in the grants, gifts, and donations line item \$400,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.
Line item transfers	Section 4 would authorize the Game and Fish Department to transfer up to 10 percent of the agency's total appropriation between line items during the 2019-21 biennium. The department must report transfers to the Office of Management and Budget.	
Additional income	Section 5 would appropriate any additional federal or other funds available to the Game and Fish Department during the 2019-21 biennium.	

March 13, 2019

SB 2017

Att. C

Other Sections for Game and Fish Department - Budget No. 720

Game and fish fund - Investment

Executive Budget Recommendation

Section 6 would amend North Dakota Century Code Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

Senate Version

Section 4 amends Section 20.1-02-16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.

April 1, 2019

SB2017

Attachment A

Enhanced ANS Program Implementation Plan

(Activities and Costs)

	Activity	2017-2019 Biennial Costs	2019-2021 Biennial Costs	2021-2023 Biennial Costs
April, 2019	Emerg. Clause-begin Fishing ANS surcharge fee			
May, 2019	One additional inspection team (temp staff)	\$10,000	\$20,000	\$20,000
	Outsource all veliger analyses	\$5,000	\$20,000	\$20,000
	ITD programming for ANS surcharge	\$10,000		
July, 2019	ITD programming changes for ANS stickers (programming will take several months)		\$30,000	\$0
	Bid and purchase ANS stickers (start bid process July with Dec. 1 delivery)		\$4,500	\$7,000
January, 2020	Hire/train 2 new FTE		\$237,850	\$317,100
	Operating costs for 2 new FTE		\$115,000	\$150,000
	Begin ANS motorboat Sticker fees:			
	Hire licensing temps to issue&mail ANS stickers		\$9,520	\$14,000
	Postage-Mail ANS stickers \$13,200/bien		\$7,000	\$13,200
	Purchase additional fish cleaning grinder kits		\$150,000	\$250,000
May, 2020	Two additional inspection teams (temp staff)		\$30,000	\$40,000
	Increase information efforts		\$75,000	\$125,000
	Statewide conversion of grinders		\$75,000	\$75,000
May, 2021	Additional inspection teams * (temp staff)			
August, 2021	Additional Development (including new cleaning stns)			\$200,000
	ANS Research			\$125,000
	Estimated Biennium Costs	\$25,000	\$773,870	\$1,356,300
	*needs to be further evaluated			

19.1073.04000

Sixty-sixth
Legislative Assembly
of North Dakota

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2293**

Introduced by

Senators Oehlke, Kreun, J. Roers

Representatives Jones, Mock, Porter

1 A BILL for an Act to create and enact a new section to chapter 20.1-02 and a new section to
2 chapter 20.1-03, a new section to chapter 20.1-13, and two new subsections to section
3 20.1-03-12 of the North Dakota Century Code, relating to the creation of the aquatic nuisance
4 species program fund and surcharges for fishing and waterfowl licenses; to amend and reenact
5 section 20.1-02-16.1 of the North Dakota Century Code, relating to the investment of the state
6 game and fish fund; to provide a penalty; to provide an appropriation; to provide for a transfer;
7 to provide an exemption; and to declare an emergency.

8 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

9 **SECTION 1.** A new section to chapter 20.1-02 of the North Dakota Century Code is created
10 and enacted as follows:

11 Aquatic nuisance species program fund - Appropriation.

12 There is created in the state treasury a special fund known as the aquatic nuisance species
13 program fund. The fund consists of transfers made in accordance with section 20.1-02-16.1 and
14 sections 5 and 6 of this Act. Moneys in the fund are appropriated to the game and fish
15 department upon budget section approval for use in aquatic nuisance species education,
16 inspection, and monitoring programs under chapter 20.1-17. Budget section approval under this
17 section must comply with the new section to chapter 54-35 as created by section 15 of Senate
18 Bill No. 2055, as approved by the sixty-sixth legislative assembly.

19 **SECTION 2. AMENDMENT.** Section 20.1-02-16.1 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.

22 1. All income of the state game and fish department deposited by the director with the
23 state treasurer must be credited to the state game and fish fund and the fund may be
24 used only by the department. All money derived from the investment of the fund,

Sixty-sixth
Legislative Assembly

1 special accounts, or portions of the fund ~~must~~may be credited to the game and fish
2 department private land habitat and access improvement fund. The department shall
3 spend moneys in the game and fish fund within the limits of legislative appropriations,
4 only to the extent the balance of the fund is not reduced below fifteen million dollars,
5 unless otherwise authorized by the budget section.

6 2. Investment of the fifteen million dollar balance in this section may be made under the
7 supervision of the state investment board. The moneys must be invested by the
8 investing authority according to the laws relating to state investments. The department
9 shall notify the state investment board of the amount available for investment. The
10 investment is exempt from section 6-09-07. The investment income may be deposited
11 into the aquatic nuisance species program fund for use in aquatic nuisance species
12 education, inspection, and monitoring programs.

13 **SECTION 3.** A new subsection to section 20.1-03-12 of the North Dakota Century Code is
14 created and enacted as follows:

15 For each motorboat licensed in this state, an aquatic nuisance species fee of fifteen
16 dollars every three years.

17 **SECTION 4.** A new subsection to section 20.1-03-12 of the North Dakota Century Code is
18 created and enacted as follows:

19 For each motorboat operated on waters of this state and not licensed in this state, an
20 aquatic nuisance species fee of fifteen dollars for the calendar year in which it is paid.

21 **SECTION 5.** A new section to chapter 20.1-03 of the North Dakota Century Code is created
22 and enacted as follows:

23 **Fishing and waterfowl license surcharge.**

24 The director shall establish a surcharge of three dollars on a combination license and on
25 each resident fishing license except for the resident sixty-five years of age or older license,
26 permanently or totally disabled license, or a disabled veteran license as defined in subsection 6
27 of section 20.1-03-12. The director also shall establish a surcharge of six dollars on each
28 nonresident fishing license and each nonresident waterfowl hunting license issued under
29 section 20.1-03-12. The collected surcharge fees must be deposited with the state treasurer
30 and credited to the aquatic nuisance species program fund.

Sixty-sixth
Legislative Assembly

1 **SECTION 6.** A new section to chapter 20.1-13 of the North Dakota Century Code is created
2 and enacted as follows:

3 **Operation of motorboat without payment of aquatic nuisance species fee prohibited -**

4 **Penalty.**

5 1. For each motorboat operated on waters of this state, an aquatic nuisance species fee
6 must be paid.

7 a. For each motorboat licensed in this state, the fee must accompany each
8 application for a number and license under section 20.1-13-03.

9 b. For each motorboat operated on waters of this state and exempt from licensure
10 in this state, the owner or operator shall apply to the department for an aquatic
11 nuisance species sticker, and the application must be accompanied by the fee.
12 The sticker must be attached to the motorboat in a manner prescribed by the
13 department so the sticker is clearly visible.

14 2. Fees collected under this section must be deposited with the state treasurer and
15 credited to the aquatic nuisance species program fund.

16 3. A person who violates this section is guilty of a class 2 noncriminal offense.

17 **SECTION 7. APPROPRIATION - TRANSFER - EXEMPTION.** There is appropriated out of
18 any moneys in the state game and fish fund in the state treasury, not otherwise appropriated,
19 the sum of \$467,100, or so much of the sum as may be necessary, to the game and fish
20 department for the purpose of carrying out aquatic nuisance species education, inspection, and
21 monitoring programs, for the period beginning with the effective date of this Act, and ending
22 June 30, 2019. The funding provided in this section is not subject to section 54-44.1-11 and may
23 be continued into the biennium beginning July 1, 2019, and ending June 30, 2021. The game
24 and fish department is authorized two full-time equivalent positions for this purpose. Moneys
25 deposited in the aquatic nuisance species program fund must be transferred to the state game
26 and fish fund to repay any moneys expended from the state game and fish fund under this
27 section.

28 **SECTION 8. EMERGENCY.** This Act is declared to be an emergency measure.

Game and Fish Department - Budget No. 720
Senate Bill No. 2017
Base Level Funding Changes

/ SB 2017
4-18-19
Pg 1

	Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total
	Position	Fund	Funds		Position	Fund	Funds		Positions	Fund	Funds	
2019-21 Biennium Base Level	163.00	\$0	\$83,227,498	\$83,227,498	163.00	\$0	\$83,227,498	\$83,227,498	0.00	\$0	\$0	\$0
2019-21 Ongoing Funding Changes												
Base payroll changes			(\$149,363)	(\$149,363)			(\$149,363)	(\$149,363)				\$0
Salary increase			890,275	890,275			914,200	914,200			23,925	23,925
Health insurance increase			696,084	696,084			696,084	696,084				0
Retirement contribution increase				0				0				0
Transfers 3 FTE for IT unification	(3.00)		35,784	35,784	0.00		29,356	29,356	3.00		(6,428)	(6,428)
Underfunds salaries and wages			(342,077)	(342,077)			(342,077)	(342,077)				0
Reduces temporary employees			(73,000)	(73,000)			(73,000)	(73,000)				0
Reduces grant funding			(1,703,549)	(1,703,549)			(1,703,549)	(1,703,549)				0
Increases operating expenses			1,074,294	1,074,294			1,074,294	1,074,294				0
Increases federal shooting range grants			500,000	500,000			500,000	500,000				0
Reduces funding for motor vehicles			(179,859)	(179,859)			(179,859)	(179,859)				0
Reduces capital asset funding			(246,685)	(246,685)			(246,685)	(246,685)				0
Reduces other information technology funding			(207,000)	(207,000)			(207,000)	(207,000)				0
Adds Microsoft Office 365 funding			122,634	122,634			122,634	122,634				0
Increases funding for equipment over \$5,000			108,344	108,344			108,344	108,344				0
Increases building, grounds, and equipment repairs funding			80,627	80,627			80,627	80,627				0
Reduces extraordinary repairs funding			(27,665)	(27,665)			(27,665)	(27,665)				0
Reduces land and buildings funding			(20,207)	(20,207)			(20,207)	(20,207)				0
Total ongoing funding changes	(3.00)	\$0	\$558,637	\$558,637	0.00	\$0	\$576,134	\$576,134	3.00	\$0	\$17,497	\$17,497
One-time funding items												
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.00)	\$0	\$558,637	\$558,637	0.00	\$0	\$576,134	\$576,134	3.00	\$0	\$17,497	\$17,497
2019-21 Total Funding	160.00	\$0	\$83,786,135	\$83,786,135	163.00	\$0	\$83,803,632	\$83,803,632	3.00	\$0	\$17,497	\$17,497

Other Sections for Game and Fish Department - Budget No. 720

	Senate Version	House Version
Grants, gifts, and donations	Section 3 would include in the grants, gifts, and donations line item \$400,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.	Section 3 would include in the grants, gifts, and donations line item \$400,000 received by the Game and Fish Department for surface damage, easements, or reclamation on department-owned or department-managed properties from oil or mining activities.
Game and fish fund - Investment	Section 4 amends Section 20.1–02–16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.	Section 4 amends Section 20.1–02–16.1 to authorize the investment of \$15 million of the balance of the game and fish fund when the minimum fund balance is greater than \$15 million. The investment by the department must be under the supervision of the State Investment Board and invested by the investing authority according to the laws relating to state investments.