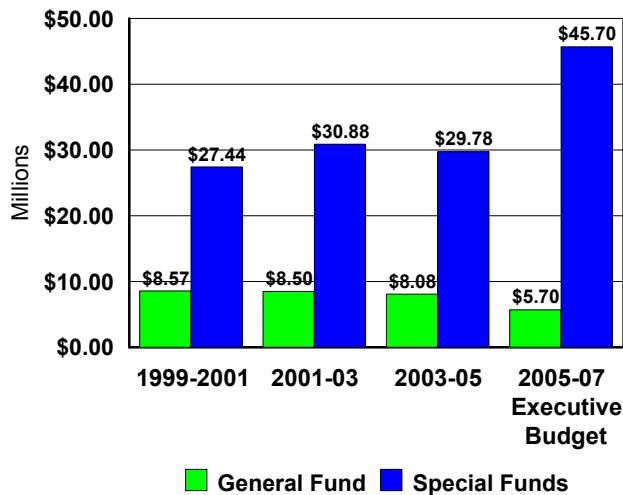


**Department 471 - Bank of North Dakota  
 Senate Bill No. 2014**

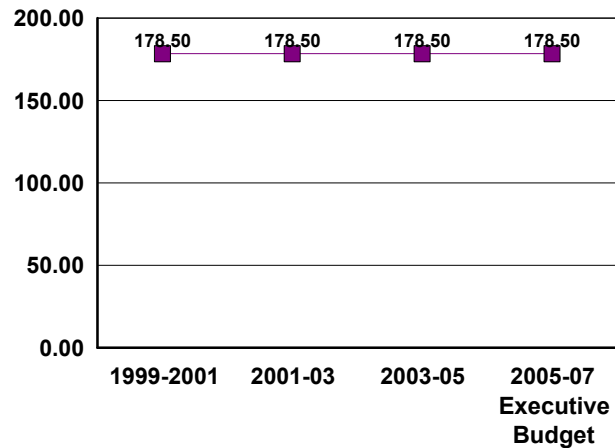
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2005-07 Executive Budget	178.50	\$5,700,000	\$45,704,797	\$51,404,797
2003-05 Legislative Appropriations	178.50	8,075,000	29,778,279	37,853,279 <sup>1</sup>
Increase (Decrease)	0.00	(\$2,375,000)	\$15,926,518	\$13,551,518

<sup>1</sup>The 2003-05 appropriation amounts do not include \$952,780 of contingency carryover.

**Agency Funding**



**FTE Positions**



**First House Action**

Attached is a summary of the first house changes.

**Executive Budget Highlights  
 (With First House Changes Noted)**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
1. Adds funding for maintaining 2003-05 biennium salary levels		\$595,666	\$595,666
2. Adds special funding to capital assets for the construction of a new Bank building. The Senate increased this funding by \$7,450,000.		\$11,000,000	\$11,000,000
3. Removes funding for 2003-05 biennium capital assets		(\$825,000)	(\$825,000)
4. Provides funding for equipment over \$5,000 (\$90,000), including a coin wrapper and copiers, and IT equipment over \$5,000 (\$182,000), including servers and workstations		\$272,000	\$272,000
5. Reduces the contingency line from \$2,452,780 to \$1,700,000. The contingency line is for information technology projects that are difficult to assess before the Bank has completed its three-year IT plan. The 2003-05 legislative appropriation for the contingency line was \$1,500,000 and the Bank was allowed to carryover \$952,780 of contingency funds from the 2001-03 biennium.		(\$752,780)	(\$752,780)
6. Increases funding for operating expenses, primarily as the result of changing information technology needs--increased IT production operating needs (\$990,024), increased IT contractual services		\$1,182,535	\$1,182,535

(\$564,080), increased usage and rates/fees for services provided in the IT telephone, postage, and lease/rent equipment line items (\$334,000), and a reduction for IT software/supplies due to changes in computer software and supply needs (\$651,625). The Senate removed this increase.

7. Provides a funding source change for the Ag Pace fund	(\$1,425,000)	\$1,425,000	\$0
8. Provides a funding source change for the Beginning Farmers loan program	(\$950,000)	\$950,000	\$0

### **Major Related Legislation**

Section 12 of House Bill No. 1015 provides that the Bank of North Dakota transfer \$60 million from the Bank's current earnings and accumulated undivided profits to the general fund.

Section 13 of House Bill No. 1015 allows for a contingency transfer from the permanent oil tax trust fund to the general fund if actual 2005-07 revenues are less than projected and allows for an additional transfer of funds from the Bank of North Dakota to the general fund up to \$10 million if needed. The additional funds transferred from the Bank may not exceed the lesser of the amount of the revenue shortfall not covered by the permanent oil tax trust fund or \$10 million, and no transfer can be made which would reduce the Bank's capital structure below \$150 million.

House Bill No. 1053 provides that at the end of the biennium, any funds transferred from the Bank of North Dakota to the general fund in response to a projected revenue shortfall pursuant to a contingent authorization by the Legislative Assembly shall be returned to the Bank. The amount returned to the Bank must be the amount of the contingent transfer or the unobligated balance of the general fund at the end of the biennium, whichever is less.

House Bill No. 1360 allows students attending an institution of higher education at a status of less than part-time or a dual credit high school student to be eligible to borrow for costs of attending the college of their choice.

Section 14 of Senate Bill No. 2014 provides legislative intent regarding the new Bank of North Dakota building, leasing space to other agencies, and a report to the Budget Section.

Senate Bill No. 2145 provides an appropriation of \$522,520 from the game and fish fund, \$2,476,760 from the accumulated undivided profits of the Bank of North Dakota, and \$524,720 from federal or other special funds to the Parks and Recreation Department for the acquisition of 5,225.2 acres of land in western North Dakota.

ATTACH:1