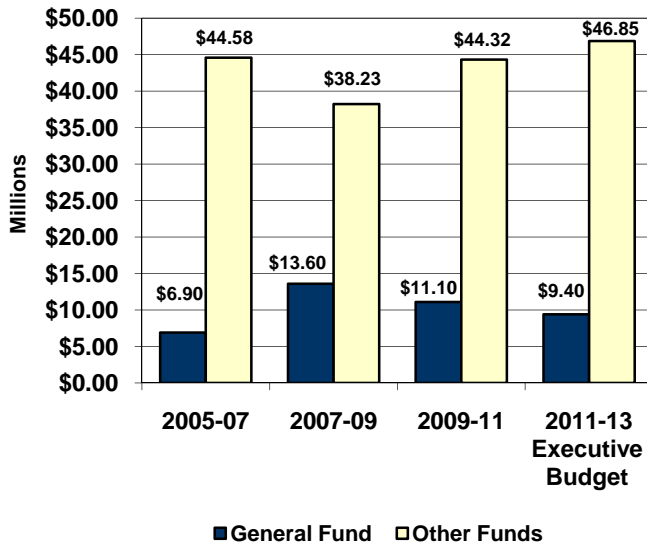


**Department 471 - Bank of North Dakota
 House Bill No. 1014**

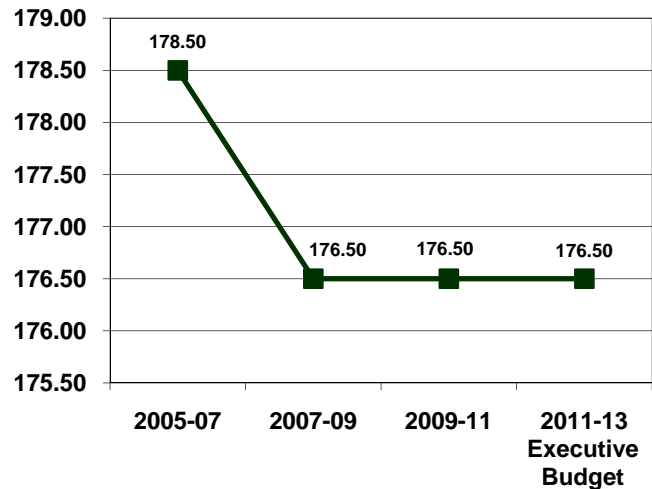
| | FTE Positions | General Fund | Other Funds | Total |
|------------------------------------|---------------|---------------|--------------|-------------------------|
| 2011-13 Executive Budget | 176.50 | \$9,400,000 | \$46,853,155 | \$56,253,155 |
| 2009-11 Legislative Appropriations | 176.50 | 11,100,000 | 44,317,274 | 55,417,274 ¹ |
| Increase (Decrease) | 0.00 | (\$1,700,000) | \$2,535,881 | \$835,881 |

¹The 2009-11 appropriation amounts include \$150,000 of other funds for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

| | Ongoing General Fund Appropriation | One-Time General Fund Appropriation | Total General Fund Appropriation |
|------------------------------------|------------------------------------|-------------------------------------|----------------------------------|
| 2011-13 Executive Budget | \$9,400,000 | \$0 | \$9,400,000 |
| 2009-11 Legislative Appropriations | 9,400,000 | 1,700,000 | 11,100,000 |
| Increase (Decrease) | \$0 | (\$1,700,000) | (\$1,700,000) |

First House Action

Attached is a summary of first house changes.

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

| | General Fund | Other Funds | Total |
|---|---------------|-------------|---------------|
| 1. Changes funding source from the beginning farmer revolving loan program to the general fund and increases funding to enhance the beginning farmer revolving loan program for a total of \$1.4 million for the 2011-13 biennium | \$1,400,000 | (\$950,000) | \$450,000 |
| 2. Increases funding from federal funds (\$2,424,257) and decreases funding from the Bank of North Dakota operating fund (\$602,900) for bank operations | | \$1,821,357 | \$1,821,357 |
| 3. Adds funding for purchase or replacement of information technology equipment | | \$1,134,000 | \$1,134,000 |
| 4. Decreases ongoing funding for the partnership in assisting community expansion (PACE) to provide total funding of \$6 million for the 2011-13 biennium | (\$2,000,000) | | (\$2,000,000) |
| 5. Decreases ongoing funding for Ag PACE to provide total funding of \$1 million for the 2011-13 biennium | (\$400,000) | | (\$400,000) |

| | | |
|--|---------------|---------------|
| 6. Provides ongoing funding for the biofuels PACE program, an increase of \$300,000 from the one-time funding provided in the 2009-11 biennium | \$1,000,000 | \$1,000,000 |
| 7. Removes one-time funding provided in the 2009-11 biennium for biofuels PACE (\$700,000) and the Ag PACE disaster program (\$1,000,000) | (\$1,700,000) | (\$1,700,000) |

Other Sections in Bill

Legislative intent - The House added a section of legislative intent that the Bank of North Dakota ensure lands adjacent to the Bank are developed for use consistent with the mission and purpose of the Bank.

Continuing Appropriations

Ag PACE - North Dakota Century Code Section 6-09.13-04 - Buydown interest rates on agriculture-related loans.

PACE - Section 6-09.14-02 - Buydown interest rates on loans for new or expanding businesses.

College SAVE - Section 6-09-38 - Higher education savings plan.

Significant Audit Findings

The financial statement audit for the Bank of North Dakota conducted by Brady, Martz & Associates PC, Certified Public Accountants, during the 2009-10 interim identified no significant audit findings.

Major Related Legislation

House Bill No. 1021 - Bank of North Dakota transfers - Section 4 of this bill provides a section of legislative intent that the PACE fund be used to provide low-interest loans to finance up to \$5 million in projects consistent with the mission of the health information technology planning fund and the health information technology loan fund.

Senate Bill No. 2034 - Green diesel parity - This bill treats green diesel the same as biodiesel with a clawback provision for the biofuels PACE program upon change in ownership within five years of the grant which negates the agricultural producer or resident ownership requirements.

ATTACH:1