

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 7, after the semicolon insert "to provide for a legislative council study of public employee health insurance benefits;"

Page 1, line 8, remove "to provide for a"

Page 1, line 9, remove "transfer from the information services division operating fund to the state general fund;"

Page 1, line 22, replace "3,405,558" with "3,366,327"

Page 1, line 24, replace "8,260,692" with "8,421,012"

Page 2, line 3, replace "843,818" with "1,094,360"

Page 2, line 4, replace "57,206,288" with "57,577,919"

Page 2, line 5, replace "41,996,220" with "42,246,762"

Page 2, line 6, replace "15,210,068" with "15,331,157"

Page 2, line 9, replace "44,897,969" with "45,326,741"

Page 2, line 10, replace "44,897,969" with "45,326,741"

Page 2, line 13, replace "4,601,858" with "4,638,793"

Page 2, line 14, replace "4,601,858" with "4,638,793"

Page 2, line 15, replace "4,247,641" with "4,240,786"

Page 2, line 16, replace "354,217" with "398,007"

Page 2, line 20, replace "1,750,927" with "1,741,249"

Page 2, line 22, replace "4,711,554" with "4,701,876"

Page 2, line 24, replace "4,124,944" with "4,115,266"

Page 2, line 25, replace "19,689,229" with "19,844,430"

Page 2, line 26, replace "91,728,440" with "92,400,899"

Page 2, line 27, replace "111,417,669" with "112,245,329"

Page 3, line 20, replace "of 1.5 percent" with "providing an average of three percent with a minimum of \$40 per month,"

Page 3, line 21, replace "another 1.5 percent" with "providing an average of three percent with a minimum of \$40 per month,"

Page 3, line 22, after the period insert "Any increases greater than \$40 per month must be based on merit."

Page 3, remove lines 23 through 29

Page 4, line 1, remove "general" and replace "1.5 percent" with "\$40 per month"

Page 4, line 2, replace "1.5 percent" with "\$40 per month"

Page 4, line 20, replace "39,372,706" with "29,594,725"

Page 5, line 1, replace "county" with "and Divide counties"

Page 5, after line 19, insert:

"SECTION 13. LEGISLATIVE INTENT - STATE EMPLOYEE SALARY REPORT. It is the intent of the fifty-fifth legislative assembly that during the 1997-98 interim the office of management and budget report to an interim legislative council committee on state employee salary compression problems. The report is to include information on the number of employees impacted by salary compression, the job title of each employee impacted, the dollar amount needed by position and in total to correct salary compression problems, and a ten-year projection by job class of future salary compression based on historical salary increase trends. In addition, the office of management and budget is also to develop and present a plan to compensate state employees in a fair and adequate manner.

SECTION 14. LEGISLATIVE COUNCIL INTERIM STUDY OF PUBLIC EMPLOYEE HEALTH INSURANCE BENEFITS. The legislative council shall consider studying public employee health insurance benefits during the 1997-98 interim. If conducted, the study must include a comparison of the cost of participating in exclusive provider organizations and preferred provider organizations as compared to participating in the standard indemnity plan; the extent to which members of the uniform group insurance program are now participating in exclusive provider organizations and preferred provider organizations; the number of public employees who are unable to participate in a preferred provider organization or exclusive provider organization because of geographical considerations; an analysis of any cost savings if up to all participants exercise the exclusive provider organization or preferred provider organization option; and methods by which the public employees retirement system board could encourage members of the public employees retirement system uniform group insurance program to participate in exclusive provider organizations and preferred provider organizations. The study must include an analysis of general fund savings that may be realized if an additional copayment is required of all members not participating in an exclusive provider organization or preferred provider organization and an analysis of general fund savings that may be realized if members of the uniform group insurance program were permitted to participate in health maintenance organizations where such organizations are available. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-sixth legislative assembly."

Page 5, line 20, after "**MANAGEMENT**" insert "**- APPROPRIATION**"

Page 5, line 21, replace "\$5,000,000" with "\$2,100,000" and replace "excess equity investment in the North Dakota insurance reserve fund to" with "surplus"

Page 5, line 22, remove "the office of management and budget" and after "1997" insert ", and \$2,100,000 on July 1, 1998, to the office of management and budget. Funds the office of management and budget receives from the North Dakota insurance reserve fund are hereby appropriated for the purposes of the risk management fund under North Dakota Century Code section 32-12.2-07"

Page 5, line 23, remove "in"

Page 5, line 24, remove the first "reserve" and replace "for claims pending before July 1, 1997" with ", except for contractual obligations pursuant to the terms of any memorandum of coverage issued by the North Dakota insurance reserve fund to a state agency"

Page 5, line 25, replace "\$5,000,000" with "\$4,200,000"

Page 5, line 26, after "fund" insert "and the contributions required from agencies or other governmental units not receiving a specific appropriation and boards and commissions"

Page 5, remove lines 27 through 30

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 31

Page 8, remove lines 1 through 31

Page 9, remove lines 1 through 4

Page 9, line 15, replace "self-insurance" with "self-retention"

Page 9, line 16, remove "supplemental"

Page 10, line 9, replace "16" with "17"

Page 10, line 11, replace "16" with "17"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 110 - OFFICE OF MANAGEMENT AND BUDGET

HOUSE - This amendment makes the following changes:

	1997-99 EXECUTIVE RECOMMENDATION	HOUSE CHANGES	HOUSE VERSION	REMOVE RISK MANAGEMENT PREMIUMS	RESTORE EVENTS COORDINATOR	RESTORE DIRECTOR OF CUSTODIAL SERVICES	ADD LOSS CONTROL ANALYSTS	TOTAL SENATE CHANGES	SENATE VERSION
Administration	\$ 3,405,558		\$ 3,405,558	\$(39,231)				\$(39,231)	\$ 3,366,327
Fiscal management	4,066,236		4,066,236						4,066,236
Facility Management	8,268,512	\$ (7,820)	8,260,692		\$80,160	\$80,160		160,320	8,421,012
Central Personnel	1,126,728		1,126,728						1,126,728
Intergovernmental	39,503,256		39,503,256						39,503,256
Assistance									
Risk management	843,818		843,818				\$250,542	250,542	1,094,360
Total all funds	\$57,214,108	\$ (7,820)	\$57,206,288	\$(39,231)	\$80,160	\$80,160	\$250,542	\$371,631	\$57,577,919
Less estimated income	41,996,220		41,996,220				250,542	250,542	42,246,762
General fund	\$15,217,888	\$ (7,820)	\$15,210,068	\$(39,231)	\$80,160	\$80,160	\$	\$121,089	\$15,331,157
FTE	119.60	(2.00)	117.60		1.00	1.00	2.00	4.00	121.60
Salaries and wages	\$ 9,094,855		\$ 8,962,035						\$ 9,312,897
Operating expenses	8,243,188	\$(132,820)	8,368,188	\$(39,231)	\$80,160	\$80,160	\$190,542	\$350,862	8,388,957
Equipment	506,215	125,000	506,215				60,000	20,769	506,215
Grants	37,934,000		37,934,000						37,934,000
Capital improvements	1,435,850		1,435,850						1,435,850
Total all funds	\$57,214,108	\$ (7,820)	\$57,206,288	\$(39,231)	\$80,160	\$80,160	\$250,542	\$371,631	\$57,577,919
Less estimated income	41,996,220		41,996,220				250,542	250,542	42,246,762
General fund	\$15,217,888	\$ (7,820)	\$15,210,068	\$(39,231)	\$80,160	\$80,160	\$	\$121,089	\$15,331,157

The amendment also:

Changes Section 6 regarding intent for state employee salary increases to provide average increases of three percent, with a minimum of \$40 per month, with any increases greater than \$40 per month to be based on merit.

Reduces the transfer from the state aid distribution fund to the general fund by \$9,777,981, from \$39,372,706 to \$29,594,725 to reflect the changes made in House Bill No. 1019.

Adds a section of legislative intent providing for the Office of Management and Budget to report to an interim Legislative Council committee on salary compression problems within state government.

Adds a section providing for a Legislative Council study of public employee health insurance benefits.

Reduces the transfer from the North Dakota insurance reserve fund from \$5,000,000 to \$4,200,000.

Removes the \$550,000 transfer from the Information Services Division operating fund to the general fund.

DEPARTMENT 112 - INFORMATION SERVICES DIVISION

SENATE - This amendment makes the following changes:

	1997-99 EXECUTIVE RECOMMENDATION	TOTAL HOUSE CHANGES	HOUSE VERSION	REMOVE RISK MANAGEMENT PREMIUMS	RESTORE PLANNING FUNCTIONS	SENATE CHANGES	SENATE VERSION
Information resource management	<u>\$45,370,940</u>	<u>\$(472,971)</u>	<u>\$44,897,969</u>	<u>\$(44,199)</u>	<u>\$472,971</u>	<u>\$428,772</u>	<u>\$45,326,741</u>
Total all funds	<u>\$45,370,940</u>	<u>\$(472,971)</u>	<u>\$44,897,969</u>	<u>\$(44,199)</u>	<u>\$472,971</u>	<u>\$428,772</u>	<u>\$45,326,741</u>
Less estimated income	<u>45,370,940</u>	<u>(472,971)</u>	<u>44,897,969</u>	<u>(44,199)</u>	<u>472,971</u>	<u>428,772</u>	<u>45,326,741</u>
General fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FTE	159.00	(4.00)	155.00		4.00	4.00	159.00
Salaries and wages	\$13,963,492	\$(442,611)	\$13,520,881		\$442,611	\$442,611	\$13,963,492
Operating expenses	27,522,448	(20,360)	27,502,088	\$(44,199)	20,360	(23,839)	27,478,249
Equipment	<u>3,885,000</u>	<u>(10,000)</u>	<u>3,875,000</u>		<u>10,000</u>	<u>10,000</u>	<u>3,885,000</u>
Total all funds	<u>\$45,370,940</u>	<u>\$(472,971)</u>	<u>\$44,897,969</u>	<u>\$(44,199)</u>	<u>\$472,971</u>	<u>\$428,772</u>	<u>\$45,326,741</u>
Less estimated income	<u>45,370,940</u>	<u>(472,971)</u>	<u>44,897,969</u>	<u>(44,199)</u>	<u>472,971</u>	<u>428,772</u>	<u>45,326,741</u>
General fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

DEPARTMENT 118 - CENTRAL SERVICES

SENATE - This amendment makes the following changes:

	1997-99 EXECUTIVE RECOMMENDATION	TOTAL HOUSE CHANGES	HOUSE VERSION	REMOVE RISK MANAGEMENT PREMIUMS	RESTORE FUNDING FOR INFORMATION TECHNOLOGY SYSTEM	TOTAL SENATE CHANGES	SENATE VERSION
Central services	\$4,646,858	<u>\$(45,000)</u>	<u>\$4,601,858</u>	<u>\$(8,065)</u>	<u>\$45,000</u>	<u>\$36,935</u>	<u>\$4,638,793</u>
Total all funds	\$4,646,858	<u>\$(45,000)</u>	<u>\$4,601,858</u>	<u>\$(8,065)</u>	<u>\$45,000</u>	<u>\$36,935</u>	<u>\$4,638,793</u>
Less estimated income	<u>4,247,641</u>		<u>4,247,641</u>	<u>(6,855)</u>		<u>(6,855)</u>	<u>4,240,786</u>
General fund	\$ 399,217	<u>\$(45,000)</u>	<u>\$ 354,217</u>	<u>\$(1,210)</u>	<u>\$45,000</u>	<u>\$43,790</u>	<u>\$ 398,007</u>
FTE	27.00		27.00			0.00	27.00
Salaries and wages	\$1,790,989		\$1,790,989				\$1,790,989
Operating expenses	2,780,869	<u>\$(22,500)</u>	<u>2,758,369</u>	<u>\$(8,065)</u>	<u>\$22,500</u>	<u>\$14,435</u>	<u>2,772,804</u>
Equipment	<u>75,000</u>	<u>(22,500)</u>	<u>52,500</u>		<u>22,500</u>	<u>22,500</u>	<u>75,000</u>
Total all funds	\$4,646,858	<u>\$(45,000)</u>	<u>\$4,601,858</u>	<u>\$(8,065)</u>	<u>\$45,000</u>	<u>\$36,935</u>	<u>\$4,638,793</u>
Less estimated income	<u>4,247,641</u>		<u>4,247,641</u>	<u>(6,855)</u>		<u>(6,855)</u>	<u>4,240,786</u>
General fund	\$ 399,217	<u>\$(45,000)</u>	<u>\$ 354,217</u>	<u>\$(1,210)</u>	<u>\$45,000</u>	<u>\$43,790</u>	<u>\$ 398,007</u>

DEPARTMENT 506 - STATE RADIO COMMUNICATIONS

SENATE - This amendment reduces the operating expenses line item by \$9,678 from the general fund for risk management premiums. The amendment also adds Divide County to the counties authorized to join State Radio 911 services.