18015.0100

Fifty-seventh
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1015

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 various divisions under the supervision of the director of the office of management and budget; to provide for various transfers and financial transactions; to provide an exemption from the provisions of section 54-44.1-11 of the North Dakota Century Code; and to provide statements of legislative intent relating to state employee compensation adjustments.

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 hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the various divisions under the supervision of the director of the office of management and budget for the purpose of defraying their expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

OFFICE OF MANAGEMENT AND BUDGET

Salaries and wages	$14,157,807
Operating expenses	12,307,126
Equipment	244,500
Capital improvements	1,320,620
Grants	34,692,934
Statewide compensation plan	5,400,000
Total all funds	$68,122,987
Less estimated income	47,747,445
Total general fund appropriation	$20,375,542

Subdivision 2.

STATE RADIO COMMUNICATIONS

Salaries and wages	$2,655,238
Operating expenses	2,270,810
Equipment	314,136
Total all funds	$5,240,184
Less estimated income	524,432
Total general fund appropriation	$4,715,752
Grand total general fund appropriation H.B. 1015	$25,091,294
Grand total special funds appropriation H.B. 1015	$48,271,877
Grand total all funds appropriation H.B. 1015	$73,363,171

SECTION 2. CAPITOL BUILDING FUND. The amount of $25,000, or so much of the sum as is necessary, included in the estimated income line item in subdivision 1 of section 1 of this Act, is to be spent by the administration division from the capitol building fund for capitol grounds planning during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. EXEMPTION. The fiscal management appropriation contained in subdivision 1 of section 1 of chapter 37 of the 1999 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for continued development and operating costs of the accounting, management, and payroll systems during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. SPECIAL COMPENSATION ADJUSTMENTS FOR CLASSIFIED STATE EMPLOYEES. It is the intent of the fifty-seventh legislative assembly that the statewide compensation plan appropriation included in subdivision 1 of section 1 of this Act be used for market equity compensation adjustments for classified state employees. The special market equity adjustments are to begin with the month of July 2001, to be paid in August 2001. The special market equity adjustments are to be independent of any general salary increase provided by this legislative assembly.

The special market equity increases are to be prioritized based on equity for employees whose salaries are furthest from their respective salary range midpoints effective July 1, 2001. Special market equity increases may not be given to employees whose salary exceeds the midpoints of their assigned salary ranges effective July 1, 2001.

Probationary employees are eligible for the special market equity increases. Employees whose documented performance levels do not meet standards are not eligible for the special market equity increases.

The central personnel division shall provide a model base plan to each agency. Agencies may adopt the model plan, adopt the model plan with exceptions, or offer an alternative plan that meets the intent outlined in this section.

Upon adoption of an appropriate plan and application to the central personnel division, the division shall transfer appropriated general funds or special fund spending authority for the increases to the agencies.

SECTION 5. INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES. It is the intent of the fifty-seventh legislative assembly that 2001-03 compensation adjustments for permanent state employees are to be increases of a minimum of $35 per month, beginning with the month of July 2001, to be paid in August 2001, and a minimum of $35 per month, beginning with the month of July 2002, to be paid in August 2002. Any increases greater than $35 per month may not be given across-the-board and must be based on merit and equity. Each agency appropriation is increased by 3.0 percent the first year of the 2001-03 biennium and 2.0 percent the second year of the 2001-03 biennium.

Employees whose documented performance levels do not meet standards are not eligible for the general or additional increases.

Probationary employees are not entitled to the general or additional increases. However, probationary employees may be given all or a portion of the increases effective July, paid in August, or upon completion of probation, at the discretion of the appointing authority.

During the biennium, no salary increase other than the $35 per month in July 2001 and $35 per month in July 2002 may be given to an employee whose salary exceeds or would exceed the salary range maximum.

It is the intent of the fifty-seventh legislative assembly that the workers compensation bureau provide pay raises based on merit and performance throughout the 2001-03 biennium.

An agency may provide average salary increases of up to 3.0 percent for the second year of the 2001-03 biennium only to the extent that the increases can be paid without an increase in the agency's appropriation.

SECTION 6. STATE AGENCIES - LINE ITEM TRANSFER AUTHORITY. Notwithstanding the provisions of chapter 54-16, the director of the office of management and budget shall make transfers of funds between line items of an agency or institution upon the request of the agency or institution in order to provide for an average of 3.0 percent employee salary increase for the second year of the 2001-03 biennium as provided in section 5 of this Act.

SECTION 7. INTENT. Within the authority included in subdivision 1 of section 1 of this Act, are the following grants and special items:

Boys and girls clubworks	$53,000
State contingencies	600,000
State memberships and related expenses	333,200
Firemen's association	126,000
Unemployment insurance	1,200,000
Capitol grounds planning commission	25,000
State consultant	120,000

SECTION 8. TRANSFER. During the biennium beginning July 1, 2001, and ending June 30, 2003, the director of the office of management and budget is authorized to transfer special funds to the general fund as follows:

Land and minerals trust fund	$3,545,102
Financial institutions regulatory fund	300,000

SECTION 9. DEVELOPMENTAL DISABILITIES REVOLVING LOAN FUND - AUTHORITY TO SELL LOANS - TRANSFERS. At the request of the director of the office of management and budget, the executive director or the department of human services shall sell such loans in the developmental disabilities revolving loan fund created under North Dakota Century Code section 6-09.6-01, as may be necessary to the Bank of North Dakota to provide $2,700,000, or so much thereof as may be necessary, with the proceeds to be deposited in the general fund.

SECTION 10. FIRE AND TORNADO FUND. The amount of $126,000, or so much of the amount as is necessary, included in the estimated income line item in subdivision 1 of section 1 of this Act, is from the fire and tornado fund.

SECTION 11. BANK OF NORTH DAKOTA TRANSFERS TO STATE GENERAL FUND. During the biennium ending June 30, 2003, the industrial commission shall transfer to the state general fund up to $50,000,000 from the current earnings and the accumulated undivided profits of the Bank of North Dakota. No more than $15,000,000 of the amount transferred shall come from accumulated undivided profits. The moneys shall be transferred in the amounts and at such times as requested by the director of the office of management and budget.

No transfers may be made that would reduce the Bank's capital structure below $100,000,000.

SECTION 12. CONTINGENT BANK OF NORTH DAKOTA TRANSFERS TO STATE GENERAL FUND - BUDGET SECTION APPROVAL. If, during the biennium ending June 30, 2003, the director of the office of management and budget determines via revised projections that general fund revenue collections will not meet the revenues as forecast in the March 2001 legislative forecast, then the industrial commission shall transfer to the state general fund an additional amount, as determined by the director of the office of management and budget as approved by the budget section, from the earnings and accumulated and undivided profits of the Bank of North Dakota. The moneys must be transferred in amounts and at such times as requested by the director of the office of management and budget. The additional amount transferred may not exceed the lesser of $25,000,000 or the revenue shortfall of actual collections compared to the March 2001 legislative forecast.

No transfers may be made that would reduce the Bank's capital structure below $100,000,000.

SECTION 13. STATEWIDE RADIO SYSTEM ENGINEERING PLAN - STATE RADIO COMMUNICATIONS. The amount of $400,000, or so much of the sum as is necessary, included in the operating expenses line item in subdivision 2 of section 1 of this Act, is to be spent by state radio communications, on a statewide radio system engineering plan, during the biennium beginning July 1, 2001, and ending June 30, 2003, only when the director of the office of management and budget has determined all of the following conditions have been satisfied:

1. The federal communications commission has developed or issued rules requiring vendors to adopt project 25 standards regarding radio interoperability.
2. No less than two vendors are manufacturing radios that incorporate project 25 standards and 9600 baud technology.
3. Sufficient spectrum is identified to allow for a statewide VHF trunked radio system.