

Fifty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2015

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions
2 under the supervision of the director of the office of management and budget; to provide for
3 various transfers and financial transactions; to provide an exemption from the provisions of
4 section 54-44.1-11 of the North Dakota Century Code; to amend and reenact section
5 57-51.1-07.2 of the North Dakota Century Code, relating to suspending payments into the
6 permanent oil tax trust fund; to prohibit the payment of bonuses or temporary salary
7 adjustments for extra working hours because of the legislative session; to provide a statement
8 of legislative intent; and to provide an expiration date.

9 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
11 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
12 treasury, not otherwise appropriated, and from special funds derived from federal funds and
13 other income, to the various divisions under the supervision of the director of the office of
14 management and budget for the purpose of defraying their expenses, for the biennium
15 beginning July 1, 2003, and ending June 30, 2005, as follows:

16 Salaries and wages	\$15,404,949
17 Operating expenses	11,461,745
18 Capital assets	733,000
19 Grants	<u>179,000</u>
20 Total all funds	\$27,778,694
21 Less estimated income	<u>7,891,748</u>
22 Total general fund appropriation	\$19,886,946

23 **SECTION 2. CAPITOL BUILDING FUND.** The amount of \$25,000, or so much of the
24 sum as is necessary, included in the estimated income line item in section 1 of this Act, is to be

1 spent by the administration division from the capitol building fund for capitol grounds planning
2 during the biennium beginning July 1, 2003, and ending June 30, 2005.

3 **SECTION 3. EXEMPTION.** The amount appropriated for the fiscal management
4 division, as contained in subdivision 1 of section 1 of chapter 15 of the 2001 Session Laws is
5 not subject to the provisions of section 54-44.1-11. Any unexpended funds from this
6 appropriation are available for continued development and operating costs of the accounting,
7 management, and payroll systems during the biennium beginning July 1, 2003, and ending
8 June 30, 2005.

9 **SECTION 4. INTENT.** Within the authority included in section 1 of this Act are the
10 following grants and special items:

11 Boys and girls clubwork	\$53,000
12 State contingencies	500,000
13 State memberships and related expenses	449,960
14 Firefighter's association	126,000
15 Unemployment insurance	1,500,000
16 Capitol grounds planning commission	25,000
17 State consultant	120,000

18 **SECTION 5. TRANSFER.** During the biennium beginning July 1, 2003, and ending
19 June 30, 2005, the director of the office of management and budget is authorized to transfer
20 special funds from the land and minerals trust fund to the general fund in the amount of
21 \$3,000,000.

22 **SECTION 6. TRANSFER.** During the biennium beginning July 1, 2003, and ending
23 June 30, 2005, the director of the office of management and budget is authorized to transfer to
24 the general fund any balance remaining in the permanent oil tax trust fund as of July 1, 2003.

25 **SECTION 7. FIRE AND TORNADO FUND.** The amount of \$126,000, or so much of
26 the amount as is necessary, included in the estimated income line item in section 1 of this Act,
27 is from the fire and tornado fund.

28 **SECTION 8. BONDING FUND TRANSFER TO STATE GENERAL FUND.** The
29 insurance commissioner shall transfer to the general fund in the state treasury the sum of
30 \$2,000,000 from the state bonding fund. The moneys must be transferred in such amounts and

1 at such times as requested by the director of the office of management and budget during the
2 biennium beginning July 1, 2003, and ending June 30, 2005.

3 **SECTION 9. BANK OF NORTH DAKOTA TRANSFERS TO STATE GENERAL**

4 **FUND.** During the biennium ending June 30, 2005, the industrial commission shall transfer to
5 the state general fund up to \$60,000,000 from the current earnings and the accumulated
6 undivided profits of the Bank of North Dakota. No more than \$15,000,000 of the amount
7 transferred may come from accumulated undivided profits. The moneys must be transferred in
8 the amounts and at such times as requested by the director of the office of management and
9 budget.

10 **SECTION 10. CONTINGENT BANK OF NORTH DAKOTA TRANSFERS TO STATE**

11 **GENERAL FUND - BUDGET SECTION APPROVAL.** If, during the biennium ending June 30,
12 2005, the director of the office of management and budget determines through revised
13 projections that general fund revenue collections will not meet the revenues as forecast in the
14 March 2003 legislative forecast, the industrial commission shall transfer to the state general
15 fund an additional amount, as determined by the director of the office of management and
16 budget and approved by the budget section, from the earnings and accumulated and undivided
17 profits of the Bank of North Dakota. The moneys must be transferred in amounts and at such
18 times as requested by the director of the office of management and budget. The additional
19 amount transferred may not exceed the lesser of \$25,000,000 or the revenue shortfall of actual
20 collections compared to the March 2003 legislative forecast. The director may determine what
21 portion of the shortfall will be covered by the transfer pursuant to this section and what portion
22 will be covered by allotment pursuant to section 54-44.1-12.

23 **SECTION 11. BANK OF NORTH DAKOTA TRANSFERS - LIMITATIONS.** Any

24 transfer authorized by the fifty-eighth legislative assembly may only be made to the extent the
25 transfer does not reduce the Bank's capital structure below \$140,000,000.

26 **SECTION 12. STUDENT LOAN TRUST TRANSFER TO STATE GENERAL FUND.**

27 The industrial commission shall transfer to the general fund in the state treasury the sum of
28 \$9,000,000 from the North Dakota student loan trust. The moneys must be transferred in such
29 amounts and at such times as requested by the director of the office of management and
30 budget during the biennium beginning July 1, 2003, and ending June 30, 2005, and upon
31 certification by the student loan trust trustee that sufficient moneys remain available to pay all

1 debt service on student loan trust bonds, all required rebate payments to the United States
2 treasury, and all program operating expenses.

3 **SECTION 13. AMENDMENT.** Section 57-51.1-07.2 of the North Dakota Century Code
4 is amended and reenacted as follows:

5 **57-51.1-07.2. Permanent oil tax trust fund - Deposits - Interest - Adjustment of**
6 **distribution formula.** At the end of any biennium beginning after June 30, 1997, all revenue
7 deposited in the general fund during that biennium and derived from taxes imposed on oil and
8 gas under chapters 57-51 and 57-51.1 which exceeds sixty-two million dollars must be
9 transferred by the state treasurer to a special fund in the state treasury known as the
10 permanent oil tax trust fund. At the end of the 1995-97 biennium all revenue deposited in the
11 general fund during that biennium and derived from taxes imposed on oil and gas under
12 chapters 57-51 and 57-51.1 which exceeds fifty-six million three hundred thousand dollars must
13 be transferred by the state treasurer to a special fund in the state treasury known as the
14 permanent oil tax trust fund. The state treasurer shall transfer interest earnings of the
15 permanent oil tax trust fund to the general fund at the end of each fiscal year. The principal of
16 the permanent oil tax trust fund may not be expended except upon a two-thirds vote of the
17 members elected to each house of the legislative assembly.

18 If the distribution formulas under chapter 57-51 or 57-51.1 are amended effective after
19 June 30, 1997, the director of the budget shall adjust the sixty-two million dollar amount in this
20 section by the same percentage increase or decrease in the amount of revenue allocable to the
21 general fund after the change in the allocation formula, and transfers to the permanent oil tax
22 trust fund shall thereafter be made using that adjusted figure so that the dollar amount of the
23 transfers to the permanent oil tax trust fund is not increased or decreased merely because of
24 changes in the distribution formulas.

25 Notwithstanding section 54-27.2-02, the state treasurer shall make the transfers
26 required by this section before calculating any general fund revenue balance available for
27 transfer to the budget stabilization fund under chapter 54-27.2. In this section, "at the end of
28 any biennium" has the same meaning as in section 54-27.2-02.

29 Notwithstanding any other provision of this section, no transfer of revenue to the
30 permanent oil tax trust fund may be made for the biennium ending June 30, 2005.

1 **SECTION 14. BONUSES OR TEMPORARY SALARY ADJUSTMENTS -**

2 **PROHIBITED.** No state official, agency, department, or institution may pay any employee
3 bonuses or temporary salary adjustments for extra working hours incurred as a result of the
4 legislative session.

5 **SECTION 15. LEGISLATIVE INTENT - SUPPORT OF TELECOMMUTING.** The
6 fifty-seventh legislative assembly enacted North Dakota Century Code section 54-06-24.1 to
7 encourage state agencies to implement telecommuting by locating state employees away from
8 central office settings. In furtherance of this action, it is the intent of the fifty-eighth legislative
9 assembly that the central personnel division incorporate language within every advertisement
10 the division publishes for a position within state government that the position may be filled
11 through telecommuting and any offer of filling the position by telecommuting will be considered.
12 It is also the intent of the fifty-eighth legislative assembly that the central personnel division
13 include in every employment advertisement a web site address that has complete details on
14 telecommuting.

15 **SECTION 16. EXPIRATION DATE.** Section 13 of this Act is effective through June 30,
16 2005, and after that date is ineffective. Section 57-51.1-07.2 as it existed on the day before the
17 effective date of this Act becomes effective as of July 1, 2005.