

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1014

In lieu of the amendments to Engrossed House Bill No. 1014, as printed on pages 1087-1092 of the Senate Journal, Engrossed House Bill No. 1014 is amended as follows:

Page 1, line 3, after the second "to" insert "provide for prioritization of carbon sequestration and storage projects; to"

Page 1, line 5, replace the second "and" with a comma

Page 1, line 6, after "6-09.17-02" insert ", and subdivision d of subsection 2 of section 57-39.4-10"

Page 1, line 7, replace "and" with a comma and after "fund" insert ", and sourcing rules for sales and use tax purposes; to provide legislative intent; to provide an appropriation"

Page 1, line 8, after "appropriation" insert "; to provide an appropriation reduction"

Page 6, line 4, replace "22,362,790" with "22,144,184"

Page 6, line 5, replace "166,850,430" with "171,667,931"

Page 6, line 6, replace "189,213,220" with "193,812,115"

Page 6, after line 27, insert:

**"SECTION 7. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET.** There is appropriated out of any moneys in the permanent oil tax trust fund, not otherwise appropriated, the sum of \$5,300,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of repaying the Bank of North Dakota for loans and accrued interest relating to funds borrowed during the 2005-07 biennium for centers of excellence, for the period beginning with the effective date of this Act and ending June 30, 2009."

Page 7, after line 22, insert:

**"SECTION 13. LANDS AND MINERALS TRUST FUND TRANSFER TO THE GENERAL FUND.** During the biennium beginning July 1, 2007, and ending June 30, 2009, the director of the office of management and budget may transfer special funds from the lands and minerals trust fund to the general fund in the amount of \$15,000,000.

**SECTION 14. BANK OF NORTH DAKOTA TRANSFERS TO STATE GENERAL FUND.** During the biennium beginning July 1, 2007, and ending June 30, 2009, the industrial commission shall transfer to the state general fund \$60,000,000 from the current earnings and the accumulated undivided profits of the Bank of North Dakota. The moneys must be transferred in the amounts and at the times requested by the director of the office of management and budget. A transfer authorized may be made only to the extent the transfer does not reduce the Bank's capital structure below \$175,000,000.

**SECTION 15. STUDENT LOAN TRUST FUND TRANSFER TO THE GENERAL FUND.** The industrial commission shall transfer to the general fund in the state treasury the sum of \$3,100,000 of earnings from the North Dakota student loan trust fund. The moneys must be transferred in the amounts and at the times requested by the director of the office of management and budget during the biennium beginning July 1, 2007, and ending June 30, 2009, and upon certification by the student loan trust trustee that sufficient moneys remain available to pay all debt service on student loan trust bonds, all required rebate payments to the United States treasury, and all program operating expenses.

**SECTION 16. TRANSFER.** The state industrial commission shall transfer to the general fund in the state treasury the sum of \$5,000,000 from the North Dakota mill and elevator association. The moneys must be transferred in amounts and at such times as requested by the director of the office of management and budget during the biennium beginning July 1, 2007, and ending June 30, 2009."

Page 8, line 10, replace "project" with "program" and after the semicolon insert "for litigation that may be necessary to protect and promote the continued development of lignite resources;"

Page 8, after line 15, insert:

**"SECTION 19. LEGISLATIVE INTENT - BANK PROPERTY.** It is the intent of the sixtieth legislative assembly that real estate property owned by the Bank of North Dakota at 1205-1215 west main street in Bismarck not be sold by the Bank of North Dakota during the 2007-09 biennium."

Page 9, remove lines 17 through 21

Page 10, after line 11, insert:

**"SECTION 26. AMENDMENT.** Subdivision d of subsection 2 of section 57-39.4-10 of the North Dakota Century Code as amended by Senate Bill No. 2380, as approved by the sixtieth legislative assembly, is amended and reenacted as follows:

- d. Until December 31, ~~2007~~ 2009, florist sales as defined by each member state. Prior to this date, these items must be sourced according to the requirements of each member state.

**SECTION 27. Carbon sequestration and storage projects - Priority.** Notwithstanding any other provision of law, the industrial commission, department of mineral resources, public service commission, or any other state entity that approves a carbon sequestration or storage project shall give priority to an operation located in this state for the expected life of the operation.

Page 10, after line 18, insert:

**"SECTION 29. APPROPRIATION - STATE CONTINGENCY FUND.** In addition to the amount appropriated to the office of management and budget in House Bill No. 1522, there is appropriated from the general fund in the state treasury, not otherwise appropriated, the sum of \$200,000, or so much of the sum as may be necessary, to the office of management and budget for state contingencies for the biennium beginning July 1, 2007, and ending June 30, 2009.

**SECTION 30. APPROPRIATIONS REDUCTIONS.** The amounts listed reduce the general fund and special funds appropriation authority enacted by the sixtieth legislative assembly of the state of North Dakota for the various agencies and institutions for the biennium beginning July 1, 2007, and ending June 30, 2009:

AGENCY OR INSTITUTION	GENERAL FUND REDUCTION	SPECIAL FUNDS REDUCTION	TOTAL REDUCTION
Governor's office	\$2,694		\$2,694
Secretary of state	2,522	\$108	2,630
Office of management and budget	5,133	1,245	6,378
Information technology department	2,743	40,947	43,690
State auditor	5,291	2,333	7,624
State treasurer	722		722
Attorney general	18,953	3,853	22,806
Tax commissioner	14,845		14,845
Office of administrative hearings		1,228	1,228
Legislative council	5,288		5,288
Judicial branch	52,634	1,394	54,028
Commission on legal council for indigents	2,820		2,820
Retirement and investment office		2,396	2,396
Public employees retirement		3,562	3,562
Department of public instruction	3,451	8,069	11,520
Land department		2,564	2,564
State library	2,199	347	2,546
School for the deaf	2,824	144	2,968
North Dakota vision services - School for the blind	864	260	1,124
Department of career and technical education	1,057	83	1,140
Department of health	11,930	26,844	38,774
Veterans' home	2,212	5,194	7,406
Indian affairs commission	496		496
Department of veterans affairs	576		576
Department of human services	132,310	77,339	209,649
Protection and advocacy project	623	2,549	3,172
Job service North Dakota	125	27,920	28,045
Insurance commissioner		5,855	5,855
Industrial commission	6,786	786	7,572
Labor commissioner	893	357	1,250
Public service commission	3,981	2,073	6,054
Aeronautics commission		808	808
Department of financial institutions		4,438	4,438
Securities department	1,278		1,278
Bank of North Dakota		20,492	20,492
Housing finance agency		4,812	4,812
Mill and elevator association		15,228	15,228
Workforce safety and insurance		32,577	32,577
Highway patrol	15,949	8,215	24,164
Department of corrections and rehabilitation	65,693	3,843	69,536
Adjutant general	9,033	18,719	27,752
Department of commerce	7,579	2,777	10,356
Agriculture commissioner	4,129	3,645	7,774

State seed department		3,284	3,284
Upper great plains transportation institute	115	955	1,070
Branch research centers	2,576	920	3,496
North Dakota state university extension service	2,518	1,902	4,420
Northern crops institute	80	62	142
Main research center	4,167	1,933	6,100
Agronomy seed farm		184	184
Racing commission	48	226	274
State historical society	5,576	696	6,272
Council on the arts	508		508
Game and fish department		20,072	20,072
Parks and recreation department	5,126	272	5,398
State water commission	10,259	1,033	11,292
Department of transportation		<u>117,956</u>	<u>117,956</u>
<b>Total</b>	<b>\$418,606</b>	<b>\$482,499</b>	<b>\$901,105"</b>

Page 10, line 20, after "fund" insert "; the appropriation in section 7 of this Act for the office of management and budget" and replace "15" with "21"

Page 10, line 21, remove "and" and replace "16" with "22"

Page 10, line 23, after "fund" insert "; and section 23 of this Act"

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1014 - Summary of Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Office of Management and Budget				
Total all funds	\$0	\$0	\$5,500,000	\$5,500,000
Less estimated income			<u>5,300,000</u>	<u>5,300,000</u>
General fund	<u>\$0</u>	<u>\$0</u>	\$200,000	\$200,000
Industrial Commission				
Total all funds	\$58,870,922	\$59,155,922	\$0	\$59,155,922
Less estimated income	<u>50,108,132</u>	<u>50,393,132</u>		<u>50,393,132</u>
General fund	\$8,762,790	\$8,762,790	\$0	\$8,762,790
Bank of North Dakota				
Total all funds	\$48,242,359	\$51,742,359	\$0	\$51,742,359
Less estimated income	<u>38,142,359</u>	<u>38,142,359</u>		<u>38,142,359</u>
General fund	\$10,100,000	\$13,600,000	\$0	\$13,600,000
Housing Finance Agency				
Total all funds	\$41,534,102	\$41,534,102	\$0	\$41,534,102
Less estimated income	<u>41,534,102</u>	<u>41,534,102</u>		<u>41,534,102</u>
General fund	\$0	\$0	\$0	\$0
Mill and Elevator				
Total all funds	\$36,780,837	\$36,780,837	\$0	\$36,780,837
Less estimated income	<u>36,780,837</u>	<u>36,780,837</u>		<u>36,780,837</u>
General fund	\$0	\$0	\$0	\$0
Appropriation reductions				
Total all funds	\$0	\$0	(\$901,105)	(\$901,105)
Less estimated income			<u>(482,499)</u>	<u>(482,499)</u>
General fund	<u>\$0</u>	<u>\$0</u>	(\$418,606)	(\$418,606)
Bill Total				
Total all funds	\$185,428,220	\$189,213,220	\$4,598,895	\$193,812,115
Less estimated income	<u>166,565,430</u>	<u>166,850,430</u>	<u>4,817,501</u>	<u>171,667,931</u>
General fund	\$18,862,790	\$22,362,790	(\$218,606)	\$22,144,184

**House Bill No. 1014 - Office of Management and Budget - Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
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Loan repayment			<u>\$5,500,000</u>	<u>\$5,500,000</u>
Total all funds	\$0	\$0	\$5,500,000	\$5,500,000
Less estimated income			<u>5,300,000</u>	<u>5,300,000</u>
General fund	\$0	\$0	\$200,000	\$200,000
FTE	0.00	0.00	0.00	0.00

**Dept. 110 - Office of Management and Budget - Detail of Senate Changes**

	LOAN REPAYMENT AND STATE CONTINGENCIES 1	TOTAL SENATE CHANGES
Loan repayment	<u>\$5,500,000</u>	<u>\$5,500,000</u>
Total all funds	\$5,500,000	\$5,500,000
Less estimated income	<u>5,300,000</u>	<u>5,300,000</u>
General fund	\$200,000	\$200,000
FTE	0.00	0.00

<sup>1</sup> Sections are added to provide an appropriation to the Office of Management and Budget from the permanent oil tax trust fund to repay the centers of excellence loan and interest, and to provide additional funding for state contingencies from \$500,000 to \$700,000.

**House Bill No. 1014 - Industrial Commission - Senate Action**

This amendment declares Section 23 of this Act to be an emergency.

A section is added to provide a transfer from the lands and minerals trust fund to the general fund.

A section is added to provide a transfer from the Bank of North Dakota to the general fund.

A section is added to provide a transfer from the student loan trust fund to the general fund.

A section is added to provide a transfer from the Mill and Elevator Association to the general fund.

A section is added providing an additional \$200,000 to the Office of Management and Budget for state contingencies.

A section is added that reduces appropriations included in the executive budget relating to Senate Bill No. 2050. Senate Bill No. 2050 would have increased the monthly contribution to the state employee retiree health benefit fund by .15 percent, from 1 to 1.15 percent.

**House Bill No. 1014 - Bank of North Dakota - Senate Action**

A section is added to provide legislative intent that the property at the new Bank location not be sold by the Bank during the 2007-09 biennium.

**House Bill No. 1014 - Housing Finance Agency - Senate Action**

No changes.

A section is added amending Section 57-39.4-10 of the North Dakota Century Code relating to sourcing rules for sales and use tax purposes.