

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 state industrial
2 commission and the agencies under the management of the industrial commission; to provide
3 legislative intent; to provide an appropriation; and to authorize transfers.

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

5 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
6 as may be necessary, are appropriated out of any moneys in the general fund in the state
7 treasury, not otherwise appropriated, and from special funds derived from federal funds and
8 other income, to the state industrial commission and agencies under its control for the purpose
9 of defraying the expenses of the state industrial commission and agencies under its control, for
10 the biennium beginning July 1, 2011, and ending June 30, 2013, as follows:

11 Subdivision 1.

12 INDUSTRIAL COMMISSION

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
13				
14				
15	Salaries and wages	\$9,321,995	\$2,522,612	\$11,844,607
16	Operating expenses	2,646,426	832,318	3,478,744
17	Capital assets	49,000	(49,000)	0
18	Grants - Lignite research and	19,971,300	0	19,971,300
19	development			
20	Grants - Bond payments	27,441,865	(2,102,739)	25,339,126
21	Renewable energy development	0	3,000,000	3,000,000
22	Total all funds	\$59,430,586	\$4,203,191	\$63,633,777
23	Less estimated income	49,308,484	(2,592,335)	46,716,149
24	Total general fund	\$10,122,102	\$6,795,526	\$16,917,628

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1	Full-time equivalent positions	61.06	12.00	73.06
2	Subdivision 2.			
3	BANK OF NORTH DAKOTA - OPERATIONS			
4			Adjustments or	
5		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
6	Bank of North Dakota operations	\$41,762,274	\$3,824,881	\$45,587,155
7	Capital assets	<u>1,455,000</u>	<u>(189,000)</u>	<u>1,266,000</u>
8	Total special funds	\$43,217,274	\$3,635,881	\$46,853,155
9	Full-time equivalent positions	176.50	0.00	176.50
10	Subdivision 3.			
11	BANK OF NORTH DAKOTA - ECONOMIC DEVELOPMENT			
12			Adjustments or	
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Partnership in assisting community	\$8,000,000	(\$2,000,000)	\$6,000,000
15	expansion fund			
16	Agriculture partnership in assisting	1,400,000	(400,000)	1,000,000
17	community expansion fund			
18	Beginning farmer revolving loan fund	950,000	450,000	1,400,000
19	Biofuels partnership in assisting	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
20	community expansion fund			
21	Total all funds	\$10,350,000	(\$950,000)	\$9,400,000
22	Less beginning farmer revolving loan fund	<u>950,000</u>	<u>(950,000)</u>	<u>0</u>
23	Total general fund	\$9,400,000	\$0	\$9,400,000
24	Subdivision 4.			
25	MILL AND ELEVATOR ASSOCIATION			
26			Adjustments or	
27		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
28	Salaries and wages	\$22,599,324	\$3,712,292	\$26,311,616
29	Operating expenses	16,982,918	2,896,887	19,879,805
30	Contingencies	325,000	75,000	400,000
31	Agriculture promotion	<u>150,000</u>	<u>0</u>	<u>150,000</u>

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1	Total from mill and elevator fund	\$40,057,242	\$6,684,179	\$46,741,421
2	Full-time equivalent positions	131.00	4.00	135.00
3	Subdivision 5.			

HOUSING FINANCE AGENCY

5			Adjustments or	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	Salaries and wages	\$5,981,828	\$534,449	\$6,516,277
8	Operating expenses	8,677,581	(3,562,732)	5,114,849
9	Grants	26,224,360	634,560	26,858,920
10	Housing finance agency contingencies	<u>100,000</u>	<u>0</u>	<u>100,000</u>
11	Total special funds	\$40,983,769	(\$2,393,723)	\$38,590,046
12	Full-time equivalent positions	46.00	0.00	46.00
13	Subdivision 6.			

BILL TOTAL

15			Adjustments or	
16		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
17	Grand total general fund	\$19,522,102	\$6,795,526	\$26,317,628
18	Grand total special funds	<u>174,516,769</u>	<u>4,384,002</u>	<u>178,900,771</u>
19	Grand total all funds	\$194,038,871	\$11,179,528	\$205,218,399

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-THIRD LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-first legislative assembly for the 2009-11 biennium and the 2011-13 one-time funding items included in the grand total appropriation in section 1 of this Act:

24	<u>One-Time Funding Description</u>	<u>2009-11</u>	<u>2011-13</u>
25	Federal stimulus funds	\$30,360,574	\$0
26	Biofuels partnership in assisting community expansion	700,000	0
27	State facility lignite feasibility demonstration project	400,000	0
28	Ag PACE disaster program	1,000,000	0
29	Recruitment/retention bonuses	185,000	0
30	Renewable energy development program	3,000,000	3,000,000
31	Coalbed methane/shallow gas studies	31,152	25,000

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1	Fracturing sand and proppant studies	62,000	50,000
2	Oil-bearing rock study	0	40,000
3	Paleontologic preparatory work	<u>0</u>	<u>62,400</u>
4	Total all funds	\$35,738,726	\$3,177,400
5	Total special funds	<u>30,360,574</u>	<u>0</u>
6	Total general fund	\$5,378,152	\$3,177,400

7 The 2011-13 one-time funding amounts are not a part of the entity's base budget for the
8 2013-15 biennium. The industrial commission shall report to the appropriations committees of
9 the sixty-third legislative assembly on the use of this one-time funding for the biennium
10 beginning July 1, 2011, and ending June 30, 2013.

11 **SECTION 3. LEGISLATIVE INTENT - BOND PAYMENTS.** The amount of \$25,339,126
12 included in subdivision 1 of section 1 of this Act in the grants - bond payments line item must be
13 paid from the following funding sources during the biennium beginning July 1, 2011, and ending
14 June 30, 2013:

15	North Dakota university system	\$12,254,770
16	North Dakota university system - Energy conservation projects	929,789
17	Department of corrections and rehabilitation	1,337,752
18	Department of corrections and rehabilitation - Energy conservation projects	18,604
19	State department of health	706,983
20	Job service North Dakota	742,518
21	Adjutant general	70,225
22	Information technology department - ConnectND	5,406,666
23	Office of management and budget	665,143
24	Office of the attorney general	765,704
25	State historical society	1,392,069
26	Parks and recreation	73,613
27	Research and extension service	571,290
28	Veterans' home	<u>404,000</u>
29	Total	\$25,339,126

30 **SECTION 4. APPROPRIATION.** In addition to the amount appropriated to the housing
31 finance agency in subdivision 5 of section 1 of this Act, there is appropriated any additional

1 income or unanticipated income from federal or other funds which may become available to the
2 agency for the biennium beginning July 1, 2011, and ending June 30, 2013.

3 **SECTION 5. APPROPRIATION - EMERGENCY COMMISSION APPROVAL.** In addition to
4 the amount appropriated to the state industrial commission in subdivision 1 of section 1 of this
5 Act, there is appropriated, with the approval of the emergency commission, funds that may
6 become available to the commission from bonds authorized by law to be issued by the state
7 industrial commission for the biennium beginning July 1, 2011, and ending June 30, 2013.

8 **SECTION 6. TRANSFER.** The sum of \$488,211, or so much of the sum as may be
9 necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of
10 this Act, may be transferred from the entities within the control of the state industrial commission
11 to the industrial commission fund for administrative services rendered by the commission.
12 Transfers shall be made during the biennium beginning July 1, 2011, and ending June 30, 2013,
13 upon order of the commission. Transfers from the student loan trust must be made to the extent
14 permitted by sections 54-17-24 and 54-17-25.

15 **SECTION 7. APPROPRIATION - TRANSFER.** The funds appropriated in subdivision 3 of
16 section 1 of this Act must be transferred by the Bank of North Dakota to the partnership in
17 assisting community expansion fund; the agriculture partnership in assisting community
18 expansion fund; the beginning farmer revolving loan fund; and the biofuels partnership in
19 assisting community expansion fund. The Bank of North Dakota may not be construed to be a
20 general fund agency because of the appropriation made by subsection 3 of section 1 of this Act.

21 **SECTION 8. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM -**
22 **APPROPRIATION - LIGNITE MARKETING FEASIBILITY STUDY.** The amount of \$1,500,000,
23 or so much of the amount as may be necessary, included in the grants and special funds
24 appropriation line item in subdivision 1 of section 1 of this Act, is appropriated from the lignite
25 research fund for the purpose of contracting for an independent, nonmatching lignite marketing
26 feasibility study or studies that determine those focused priority areas where near-term,
27 market-driven projects, activities, or processes will generate matching private industry
28 investment and have the most potential of preserving existing lignite production and industry
29 jobs or that will lead to increased development of lignite and its products and create new lignite
30 industry jobs and economic growth for the general welfare of this state. Moneys appropriated
31 pursuant to this section may also be used for the purpose of contracting for nonmatching

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1 studies and activities in support of the lignite vision 21 program; for litigation that may be
2 necessary to protect and promote the continued development of lignite resources; for
3 nonmatching externality studies and activities in externality proceedings; or other marketing,
4 environmental, or transmission activities that assist with marketing of lignite-based electricity
5 and lignite-based byproducts. Moneys not needed for the purposes stated in this section are
6 available to the commission for funding projects, processes, or activities under the lignite
7 research, development, and marketing program.