

**FIRST ENGROSSMENT
with House Amendments
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 an
3 exemption; to provide for various transfers; to create and enact a new section to chapter
4 48-01.2 and a new section to chapter 54-27 of the North Dakota Century Code, and a new
5 subdivision to subsection 6 of section 1 of House Bill No. 1438 as enacted by the sixty-second
6 legislative assembly, relating to public improvement project bids, reports on federal grants, and
7 an employer's prohibition on firearm possession; to amend and reenact sections 54-16-03.1 and
8 54-35-02.3 of the North Dakota Century Code, relating to petitions to the emergency
9 commission and the legislative management employee benefits programs committee; to provide
10 legislative intent; to provide for a legislative management study; to provide for retroactive
11 application; and to declare an emergency.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
14 as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, and from special funds derived from federal funds and
16 other income, to the office of management and budget for the purpose of defraying the
17 expenses of that agency, for the biennium beginning July 1, 2011, and ending June 30, 2013, as
18 follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
19			
20			
21	Salaries and wages	\$1,314,377	\$18,517,763
22	Operating expenses	13,363,053	402,201
23	Emergency commission contingency	0	700,000
24	fund		700,000

Sixty-second
Legislative Assembly

1	Capital assets	2,420,298	6,069,845	8,490,143
2	Grants	430,000	(375,000)	55,000
3	Prairie public broadcasting	1,337,138	(337,138)	1,000,000
4	State student internship program	200,000	0	200,000
5	Statewide equity plan	<u>15,984,000</u>	<u>(15,984,000)</u>	<u>0</u>
6	Total all funds	\$50,937,875	(\$8,209,715)	\$42,728,160
7	Less estimated income	<u>14,688,779</u>	<u>(4,174,318)</u>	<u>10,514,461</u>
8	Total general fund	\$36,249,096	(\$4,035,397)	\$32,213,699
9	Full-time equivalent positions	132.50	(1.00)	131.50

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 appropriation in section 1 of this Act:

14	<u>One-Time Funding Description</u>	<u>2009-11</u>	<u>2011-13</u>
15	Prairie public broadcasting	\$2,016,200	\$0
16	ConnectND	1,000,000	0
17	Facility management repairs and equipment	2,850,000	0
18	Administration projects	126,041	0
19	Federal fiscal stimulus	689,494	0
20	Capital envelope	0	2,800,000
21	Capitol complex parking lot repairs	0	500,000
22	North Dakota 125 anniversary coordinator	<u>0</u>	<u>50,000</u>
23	Total all funds	\$6,681,735	\$3,350,000
24	Less estimated income	<u>1,823,635</u>	<u>0</u>
25	Total general fund	\$4,858,100	\$3,350,000

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

SECTION 3. APPROPRIATION - TRANSFER - GENERAL FUND TO PUBLIC

TRANSPORTATION FUND. There is appropriated out of any moneys in the general fund in the

1 state treasury, not otherwise appropriated, the sum of \$100,000, which the office of
2 management and budget shall transfer to the public transportation fund during the biennium
3 beginning July 1, 2011, and ending June 30, 2013.

4 **SECTION 4. TRANSFER TO GENERAL FUND FROM LANDS AND MINERALS TRUST**

5 **FUND.** During the biennium beginning July 1, 2011, and ending June 30, 2013, the director of
6 the office of management and budget shall transfer \$239,000,000 from the lands and minerals
7 trust fund to the general fund.

8 **SECTION 5. TRANSFER TO GENERAL FUND FROM PERMANENT OIL TAX TRUST**

9 **FUND.** During the biennium beginning July 1, 2011, and ending June 30, 2013, the director of
10 the office of management and budget shall transfer \$232,000,000 from the permanent oil tax
11 trust fund to the general fund.

12 **SECTION 6. EXEMPTION.** The amount appropriated for the fiscal management division, as
13 contained in section 1 of chapter 15 of the 2009 Session Laws is not subject to the provisions of
14 section 54-44.1-11. Any unexpected funds from this appropriation are available for continued
15 development and operating costs of the accounting, management, and payroll systems, during
16 the biennium beginning July 1, 2011, and ending June 30, 2013.

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

19 Boys and girls clubwork	\$53,000
20 State memberships and related expenses	\$611,000
21 Unemployment insurance	\$1,500,000
22 Capitol grounds planning commission	\$25,000

23 **SECTION 8. STATE STUDENT INTERNSHIP PROGRAM.** The human resources division
24 of the office of management and budget may transfer to each eligible agency appropriated
25 general fund spending authority from the state internship program line item contained in
26 section 1 of this Act.

27 **SECTION 9. INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS -**

28 **GUIDELINES.** It is the intent of the sixty-second legislative assembly that 2011-13
29 compensation adjustments for regular state employees are to vary based on documented
30 performance and equity and are not necessarily to be three percent annually for each
31 employee. General increases based on legislative appropriations are to be given beginning with

1 the month of July 2011, to be paid in August 2011, and beginning with the month of July 2012,
2 to be paid in August 2012. Each agency appropriation is increased by three percent for the first
3 year of the 2011-13 biennium and three percent for the second year of the 2011-13 biennium.

4 Employees whose overall documented performance level does not meet standards are not
5 eligible for any salary increase.

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

9 **SECTION 10. INFORMATION TECHNOLOGY PROJECT PLANNING.** Each executive
10 branch state agency, excluding entities under the control of the state board of higher education,
11 considering the development of an information technology project with an estimated cost of
12 \$100,000 or more shall involve the information technology department in the planning and study
13 of the project, for the biennium beginning July 1, 2011, and ending June 30, 2013. A state
14 agency must receive a recommendation from the information technology department prior to
15 proceeding with any study relating to the project.

16 **SECTION 11. DRAFT APPROPRIATIONS ACTS - ALTERNATIVE FORMAT PILOT**
17 **PROJECT - SIXTY-THIRD LEGISLATIVE ASSEMBLY - EXCEPTION.** Notwithstanding
18 subsection 7 of section 54-44.1-06, the draft of proposed appropriations acts submitted by the
19 governor for introduction to the sixty-third legislative assembly for the highway patrol, protection
20 and advocacy project, secretary of state, and public service commission must be at the same
21 level of ongoing funding as provided by the sixty-second legislative assembly. The governor
22 shall attach a proposed draft amendment to the draft appropriations acts for these agencies
23 making the funding changes necessary to provide for the appropriations as recommended by
24 the governor, for the biennium beginning July 1, 2013, and ending June 30, 2015.

25 **SECTION 12.** A new section to chapter 48-01.2 of the North Dakota Century Code is
26 created and enacted as follows:

27 **Bids less than authorized project amount - Additional expense approval - Budget**
28 **section report.**

29 Upon accepting a bid under this chapter, if the accepted bid is less than all funds dedicated
30 to the public improvement, the governing body of an entity that has received an appropriation of
31 moneys from the general fund of the state treasury for the public improvement shall immediately

1 notify the office of management and budget. Any change order or expenses exceeding the bid
2 amount must be submitted to the office of management and budget for approval. The office of
3 management and budget shall report all approved change orders or additional expenses to the
4 budget section of the legislative management.

5 **SECTION 13.** A new section to chapter 54-27 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Report on federal grants by state agency.**

8 Each state agency, excluding entities under the control of the state board of higher
9 education, shall report to the office of management and budget before applying for a federal
10 grant for which the agency may receive estimated funding of twenty-five thousand dollars or
11 more. The report must include the purpose of the grant; the potential amount of the grant; any
12 additional employees that may be required because of the grant; the time period covered by the
13 grant; and grant requirements, including state matching requirements or maintenance of effort.
14 The state agency shall provide updates on the status of the grant application as required by the
15 office of management and budget. At each meeting of the budget section of the legislative
16 management, the office of management and budget shall report to the budget section on the
17 reports received from state agencies under this section.

18 **SECTION 14.** A new subdivision to subsection 6 of section 1 of House Bill No. 1438, as
19 enacted by the sixty-second legislative assembly, is created and enacted as follows:

20 The state hospital.

21 **SECTION 15. AMENDMENT.** Section 54-16-03.1 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **54-16-03.1. Submission of petition to emergency commission.**

24 When an emergency exists, a state officer may present to the emergency commission an
25 itemized petition requesting approval to transfer money and spending authority between funds
26 or line items pursuant to section 54-16-04; accept and expend federal funds pursuant to section
27 54-16-04.1; accept and expend state contingency funds pursuant to section 54-16-09; accept
28 and expend other funds pursuant to section 54-16-04.2; or recommend full-time equivalent
29 positions pursuant to section 54-16-04.3. Any petition to the emergency commission by a state
30 officer must be approved or recommended by the emergency commission prior to submission
31 for consideration by the budget section.

1 **SECTION 16. AMENDMENT.** Section 54-35-02.3 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-35-02.3. Employee benefits programs committee - Appointment - Selection of**
4 **chairman.**

5 The legislative management, during each biennium, shall appoint an employee benefits
6 programs committee in the same manner as the legislative management appoints other interim
7 committees. The legislative management shall appoint ~~five~~seven members of the house of
8 representatives and ~~four~~six members of the senate to the committee. The legislative
9 management shall designate the chairman of the committee. The committee shall operate
10 according to the statutes and procedure governing the operation of other legislative
11 management interim committees.

12 **SECTION 17. LEGISLATIVE MANAGEMENT STUDY - HOME RULE AMENDMENTS.**

13 During the 2011-12 interim, the legislative management shall consider studying procedures for
14 proposing, adopting, and implementing changes to county and city home rule charters and
15 ordinances and resolutions adopted under home rule powers. The legislative management shall
16 report its findings and recommendations, together with any legislation required to implement the
17 recommendations, to the sixty-third legislative assembly.

18 **SECTION 18. RETROACTIVE APPLICATION.** House Bill No. 1141, as approved by the
19 sixty-second legislative assembly, is retroactive in application to January 1, 2011. Upon the
20 effective date of this Act, the director of the office of management and budget shall recalculate
21 the maximum monthly lodging reimbursement for members of the sixty-second legislative
22 assembly based upon section 1 of House Bill No. 1141 to be effective beginning January 1,
23 2011.

24 **SECTION 19. EMERGENCY.** Section 18 of this Act is declared to be an emergency
25 measure.