

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1005

That the Senate recede from its amendments as printed on pages 1043-1045 of the House Journal and pages 782-784 and pages 844 and 845 of the Senate Journal and that Reengrossed House Bill No. 1005 be amended as follows:

Page 1, line 2, replace the second "and" with a comma

Page 1, line 2, after "54-11-13" insert ", and subsection 5 of section 57-51.2-02"

Page 1, line 3, after "treasurer" insert "and a tribal oil and gas agreement"

Page 1, line 3, remove the second "and"

Page 1, line 4, after "intent" insert "; and to declare an emergency"

Page 1, replace lines 13 through 18 with:

| | | | |
|--------------------------------|----------------|-----------|----------------|
| "Salaries and wages | \$1,054,524 | \$341,913 | \$1,396,437 |
| Accrued leave payments | 0 | 13,038 | 13,038 |
| Operating expenses | 163,066 | 349,881 | 512,947 |
| Coal severance payments | <u>252,800</u> | <u>0</u> | <u>252,800</u> |
| Total general fund | \$1,470,390 | \$704,832 | \$2,175,222 |
| Full-time equivalent positions | 7.00 | 1.00 | 8.00" |

Page 1, remove line 24

Page 2, replace lines 1 through 3 with:

| | | |
|--|-------------------|------------|
| "IT development costs | \$266,588 | \$377,591 |
| Transportation funding distributions | 25,000,000 | 0 |
| Transportation funding - special session | <u>23,000,000</u> | <u>0</u> |
| Total general fund | \$48,266,588 | \$377,591" |

Page 2, line 20, replace "ninety" with "ninety-one"

Page 2, line 20, replace "five" with "four"

Page 2, line 21, replace "twenty-seven" with "six"

Page 2, line 21, replace "ninety-three" with "ninety-four"

Page 2, line 22, replace "two hundred forty-three" with "one hundred forty-eighty"

Page 2, after line 22, insert:

"SECTION 5. AMENDMENT. Subsection 5 of section 57-51.2-02 of the North Dakota Century Code is amended and reenacted as follows:

5. The allocation of revenue from oil and gas gross production and oil extraction taxes on the Fort Berthold Reservation must be as follows:
 - a. Production attributable to trust lands. All revenues and exemptions from all oil and gas gross production and oil extraction taxes

attributable to production from trust lands on the Fort Berthold Reservation must be evenly divided between the tribe and the state.

- b. All other production. The tribe must receive twenty percent of the total oil and gas gross production taxes collected from all production attributable to nontrust lands on the Fort Berthold Reservation in lieu of the application of the Three Affiliated Tribes' fees and taxes related to production on such lands. The state must receive the remainder.
- c. The state's share of the oil and gas gross production tax revenue as divided in subdivisions a and b is subject to distribution among political subdivisions as provided in ~~chapters~~chapter 57-51 and ~~57-51.4.~~"

Page 2, after line 25, insert:

"SECTION 7. EMERGENCY. The sum of \$195,223 and one full-time equivalent position included in section 1 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - Conference Committee Action

| | Executive Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|-------------------------|------------------|---------------|------------------------------|------------------------------|----------------|----------------------|
| Salaries and wages | \$1,317,913 | \$1,375,684 | \$20,753 | \$1,396,437 | \$1,428,788 | (\$32,351) |
| Operating expenses | 326,872 | 500,176 | 12,771 | 512,947 | 512,947 | |
| Coal severance payments | 252,800 | 252,800 | | 252,800 | 252,800 | |
| Accrued leave payments | | 13,038 | | 13,038 | | 13,038 |
| Total all funds | \$1,897,585 | \$2,141,698 | \$33,524 | \$2,175,222 | \$2,194,535 | (\$19,313) |
| Less estimated income | 0 | 0 | 0 | 0 | 0 | 0 |
| General fund | \$1,897,585 | \$2,141,698 | \$33,524 | \$2,175,222 | \$2,194,535 | (\$19,313) |
| FTE | 8.00 | 8.00 | 0.00 | 8.00 | 8.00 | 0.00 |

Department No. 120 - State Treasurer - Detail of Conference Committee Changes

| | Removes House Changes to Executive Compensation Package ¹ | Adjusts State Employee Compensation and Benefits Package ² | Adds Funding for Information Technology Expenses ³ | Total Conference Committee Changes |
|-------------------------|--|---|---|------------------------------------|
| Salaries and wages | \$40,066 | (\$19,313) | | \$20,753 |
| Operating expenses | | | 12,771 | 12,771 |
| Coal severance payments | | | | |
| Accrued leave payments | | | | |
| Total all funds | \$40,066 | (\$19,313) | \$12,771 | \$33,524 |
| Less estimated income | 0 | 0 | 0 | 0 |
| General fund | \$40,066 | (\$19,313) | \$12,771 | \$33,524 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

¹ Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

³ Funding is added to defray information technology expenses relating to changes in oil revenue distributions and other changes, the same as the Senate.

Section 4 of the bill is changed to provide a 4 percent annual salary increase for the first year and a 3 percent annual salary increase for the second year for the State Treasurer. The House provided 3 percent annual increases, and the Senate provided 4 percent annual increases, the same as the executive budget.

A section is added to declare an emergency for the new accounting manager FTE position to allow the position to be filled prior to July 1, 2013, the same as the Senate.

A section is added to amend subsection 5 of Section 57-51.2-02 relating to the tribal agreement for oil and gas tax revenues, the same as the Senate.