Sixty-fourth Legislative Assembly of North Dakota

SENATE BILL NO. 2379

Introduced by

Senators Wardner, Holmberg

Representatives Carlson, Delzer

(Approved by the Delayed Bills Committee)

- 1 A BILL for an Act to provide for the reduction of general fund appropriation authority; to
- 2 authorize transfers from the budget stabilization fund, the strategic investment and
- 3 improvements fund, and the Bank of North Dakota; to provide appropriations for the department
- 4 of human services and the department of corrections and rehabilitation; to provide for reports; to
- 5 provide legislative intent; and to provide an effective date.

6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

7 **SECTION 1. APPROPRIATION REDUCTIONS - EXECUTIVE BRANCH.** The amounts

- identified for the agencies and institutions in this section reflect a reduction to the 2015-17
- 9 biennium general fund appropriation authority enacted by the sixty-fourth legislative assembly
- 10 for the respective agency or institution for the biennium ending June 30, 2017. The amounts
- identified in this section are the legislative recognition of the 4.05 percent budget allotment
- ordered by the governor in February 2016, and the 2.5 percent budget allotment ordered by the
- 13 governor in August 2016.

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| 14 | | Original General | General Fund | Adjusted General | |
|----|--|------------------|--------------|------------------|--|
| 15 | Agency or Institution | Fund Authority | Reduction | Fund Authority | |
| 16 | Governor | \$4,499,475 | (\$294,716) | \$4,204,759 | |
| 17 | Secretary of state | 10,085,308 | (660,588) | 9,424,720 | |
| 18 | Office of management and budget, | 43,988,258 | (2,881,231) | 41,107,027 | |
| 19 | including House Bill No. 1432 appropriations | | | | |
| 20 | Information technology department | 27,905,987 | (1,827,842) | 26,078,145 | |
| 21 | State auditor | 10,461,832 | (685,250) | 9,776,582 | |
| 22 | State treasurer | 260,057,355 | (17,033,757) | 243,023,598 | |
| 23 | Attorney general | 55,376,870 | (3,627,185) | 51,749,685 | |
| 24 | Tax commissioner | 58,769,918 | (3,849,430) | 54,920,488 | |
| | | | | | |

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| Commission on legal counsel for indige | ents 18,304,103 | (1,198,919) | 17,105,184 |
|--|--|--|---|
| Department of public instruction | 1,820,982,952 | (119,274,383) | 1,701,708,569 |
| North Dakota university system | 154,629,019 | (10,128,201) | 144,500,818 |
| Bismarck state college | 38,155,826 | (2,499,207) | 35,656,619 |
| Lake region state college | 16,635,979 | (1,089,657) | 15,546,322 |
| Williston state college | 12,748,265 | (835,011) | 11,913,254 |
| University of North Dakota | 240,445,904 | (15,749,207) | 224,696,697 |
| University of North Dakota school of | 71,437,396 | (4,679,149) | 66,758,247 |
| medicine and health sciences | | | |
| North Dakota state university | 157,410,540 | (10,310,390) | 147,100,150 |
| North Dakota state college of science | 58,029,764 | (3,800,950) | 54,228,814 |
| Dickinson state university | 27,015,931 | (1,769,543) | 25,246,388 |
| Mayville state university | 16,739,145 | (1,096,414) | 15,642,731 |
| Minot state university | 48,758,181 | (3,193,661) | 45,564,520 |
| Valley City state university | 39,758,668 | (2,604,193) | 37,154,475 |
| Dakota college at Bottineau | 9,802,405 | (642,058) | 9,160,347 |
| Forest service | 5,007,844 | (328,014) | 4,679,830 |
| State library | 6,773,655 | (443,674) | 6,329,981 |
| School for the deaf | 9,140,590 | (598,709) | 8,541,881 |
| North Dakota vision services - school | 5,081,484 | (332,837) | 4,748,647 |
| for the blind | | | |
| Department of career and technical | 33,920,062 | (2,221,764) | 31,698,298 |
| education | | | |
| State department of health | 51,521,680 | (3,374,670) | 48,147,010 |
| Veterans' home | 8,697,725 | (569,701) | 8,128,024 |
| Indian affairs commission | 1,217,245 | (79,730) | 1,137,515 |
| Department of veterans' affairs | 1,612,495 | (105,618) | 1,506,877 |
| Department of human services | 1,332,202,833 | (87,259,286) | 1,244,943,547 |
| Protection and advocacy project | 3,034,111 | (198,734) | 2,835,377 |
| Job service North Dakota | 2,116,191 | (138,611) | 1,977,580 |
| Industrial commission | 34,966,173 | (2,290,284) | 32,675,889 |
| | Department of public instruction North Dakota university system Bismarck state college Lake region state college Williston state college University of North Dakota University of North Dakota school of medicine and health sciences North Dakota state university North Dakota state college of science Dickinson state university Mayville state university Walley City state university Valley City state university Dakota college at Bottineau Forest service State library School for the deaf North Dakota vision services - school for the blind Department of career and technical education State department of health Veterans' home Indian affairs commission Department of veterans' affairs Department of human services Protection and advocacy project Job service North Dakota | North Dakota university system 154,629,019 Bismarck state college 38,155,826 Lake region state college 16,635,979 Williston state college 12,748,265 University of North Dakota 240,445,904 University of North Dakota school of medicine and health sciences 71,437,396 North Dakota state university 157,410,540 North Dakota state college of science 58,029,764 Dickinson state university 27,015,931 Mayville state university 16,739,145 Minot state university 48,758,181 Valley City state university 39,758,668 Dakota college at Bottineau 9,802,405 Forest service 5,007,844 State library 6,773,655 School for the deaf 9,140,590 North Dakota vision services - school for the blind 5,081,484 Department of career and technical education 33,920,062 State department of health 51,521,680 Veterans' home 8,697,725 Indian affairs commission 1,217,245 Department of human services 1,332,202,833 </td <td>Department of public instruction 1,820,982,952 (119,274,383) North Dakota university system 154,629,019 (10,128,201) Bismarck state college 38,155,826 (2,499,207) Lake region state college 16,635,979 (1,089,657) Williston state college 12,748,265 (835,011) University of North Dakota 240,445,904 (15,749,207) University of North Dakota school of medicine and health sciences 71,437,396 (4,679,149) North Dakota state university 157,410,540 (10,310,390) North Dakota state university 27,015,931 (1,769,543) Mayville state university 16,739,145 (1,096,414) Minot state university 48,758,181 (3,193,661) Valley City state university 39,758,668 (2,604,193) Dakota college at Bottineau 9,802,405 (642,058) Forest service 5,007,844 (328,014) State library 6,773,655 (443,674) School for the deaf 9,140,590 (598,709) North Dakota vision services - school for the blind 50,81,484 <</td> | Department of public instruction 1,820,982,952 (119,274,383) North Dakota university system 154,629,019 (10,128,201) Bismarck state college 38,155,826 (2,499,207) Lake region state college 16,635,979 (1,089,657) Williston state college 12,748,265 (835,011) University of North Dakota 240,445,904 (15,749,207) University of North Dakota school of medicine and health sciences 71,437,396 (4,679,149) North Dakota state university 157,410,540 (10,310,390) North Dakota state university 27,015,931 (1,769,543) Mayville state university 16,739,145 (1,096,414) Minot state university 48,758,181 (3,193,661) Valley City state university 39,758,668 (2,604,193) Dakota college at Bottineau 9,802,405 (642,058) Forest service 5,007,844 (328,014) State library 6,773,655 (443,674) School for the deaf 9,140,590 (598,709) North Dakota vision services - school for the blind 50,81,484 < |

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| 1 | Department of labor and human rights | 2,511,761 | (164,520) | 2,347,241 |
|----|---|---------------|-----------------|-----------------|
| 2 | Public service commission | 7,935,207 | (519,756) | 7,415,451 |
| 3 | Aeronautics commission | 1,000,000 | (65,500) | 934,500 |
| 4 | Securities department | 2,237,326 | (146,545) | 2,090,781 |
| 5 | Highway patrol | 46,656,563 | (3,056,005) | 43,600,558 |
| 6 | Department of corrections and | 215,387,242 | (14,107,864) | 201,279,378 |
| 7 | rehabilitation | | | |
| 8 | Adjutant general | 33,033,118 | (2,163,669) | 30,869,449 |
| 9 | Department of commerce | 56,203,701 | (3,681,342) | 52,522,359 |
| 10 | Agriculture commissioner | 11,581,056 | (758,559) | 10,822,497 |
| 11 | Upper great plains transportation institute | e 4,847,099 | (317,485) | 4,529,614 |
| 12 | Branch research centers | 20,073,447 | (1,314,811) | 18,758,636 |
| 13 | North Dakota state university extension | 29,788,188 | (1,951,126) | 27,837,062 |
| 14 | service | | | |
| 15 | Northern crops institute | 2,102,158 | (137,691) | 1,964,467 |
| 16 | Main research center | 59,067,612 | (3,868,929) | 55,198,683 |
| 17 | State fair association | 1,070,000 | (70,085) | 999,915 |
| 18 | Racing commission | 415,004 | (27,183) | 387,821 |
| 19 | State historical society | 21,592,039 | (1,414,279) | 20,177,760 |
| 20 | Council on the arts | 1,744,723 | (114,279) | 1,630,444 |
| 21 | Parks and recreation department | 33,294,213 | (2,180,771) | 31,113,442 |
| 22 | Department of transportation | 656,375,558 | (42,992,599) | 613,382,959 |
| 23 | Total \$ | 5,904,207,184 | (\$386,725,572) | \$5,517,481,612 |
| | | | | |

SECTION 2. APPROPRIATION REDUCTIONS - LEGISLATIVE AND JUDICIAL

BRANCHES. The amounts identified for the agencies in this section reflect a reduction to the 2015-17 biennium general fund appropriation authority enacted by the sixty-fourth legislative assembly for the respective branch and agency for the biennium ending June 30, 2017.

| 28 | | | Adjustments or | |
|----|----------------------|------------------------|---------------------|----------------------|
| 29 | Agency or Branch | Original Appropriation | Enhancements | <u>Appropriation</u> |
| 30 | Legislative assembly | \$15,885,367 | (\$1,040,492) | \$14,844,875 |
| 31 | Legislative council | 13,439,133 | (880,263) | 12,558,870 |

1 Judicial branch <u>112,630,994</u> (7,377,330)105,253,664 2 Total \$141,955,494 (\$9,298,085) \$132,657,409 3 SECTION 3. TRANSFER - BUDGET STABILIZATION FUND TO GENERAL FUND. During 4 the period beginning with the effective date of this Act and ending June 30, 2017, the director of 5 the office of management and budget shall transfer the sum of \$572,485,452, or so much of the 6 sum as may be necessary, from the budget stabilization fund to the general fund to provide for a 7 positive balance in the general fund on June 30, 2017. 8 SECTION 4. CONTINGENT BANK OF NORTH DAKOTA TRANSFERS TO STATE 9 **GENERAL FUND.** If, during the period beginning with the effective date of this Act and ending 10 June 30, 2017, the director of the office of management and budget determines the state 11 general fund will not have a projected positive June 30, 2017, balance, the industrial 12 commission shall transfer \$100,000,000, or so much of the sum as may be necessary, from the 13 earnings and accumulated and undivided profits of the Bank of North Dakota to the state 14 general fund. The moneys must be transferred in amounts and at such times as requested by 15 the director of the office of management and budget. The sum of the amounts transferred may not exceed the lesser of \$100,000,000 or the amount necessary to provide for a positive 16 17 June 30, 2017, general fund balance. SECTION 5. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES. There is 18 19 appropriated out of any moneys in the general fund in the state treasury, not otherwise 20 appropriated, the sum of \$33,305,071\$62,333,489, or so much of the sum as may be 21 necessary, to the department of human services for the purpose of offsetting a portion of the 22 general fund reductions for the department of human services made in section 1 of this Act, for 23 the period beginning with the effective date of this Act, and ending June 30, 2017. 24 SECTION 6. APPROPRIATION - DEPARTMENT OF CORRECTIONS AND 25 **REHABILITATION.** There is appropriated out of any moneys in the general fund in the state 26 treasury, not otherwise appropriated, the sum of \$3,230,809, or so much of the sum as may be 27 necessary, to the department of corrections and rehabilitation for the purpose of offsetting a 28 portion of the general fund reductions for the department of corrections and rehabilitation made 29 in section 1 of this Act, for the period beginning with the effective date of this Act, and ending 30 June 30, 2017.

SECTION 7. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.

During the period beginning with the effective date of this Act and ending June 30, 2017, the director of the office of management and budget shall transfer the sum of \$29,028,418, from the strategic investment and improvements fund to the general fund.

SECTION 8. REPORT - AGENCY BUDGET REDUCTIONS. Before October 1, 2016, each branch, agency, or institution with a general fund appropriation reduction identified in section 1 or 2 of this Act shall provide a report to the office of management and budget and the legislative council regarding its plan for specific budget reductions made as a result of this Act. The report must include detail regarding the reductions made by line item, one-time appropriation item, and program. The report must identify for each line item, one-time appropriation item, and program:

- The original funding amount based on 2015-17 biennium general fund appropriations, the reduction amount, and the funding amount remaining; and
- 2. Any changes to federal or special funding as a result of the reductions.

SECTION 9. LEGISLATIVE INTENT. It is the intent of the sixty-fourth legislative assembly that if additional revenues become available before the convening of the sixty-fifth legislative assembly, the sixty-fifth legislative assembly consider, early in the regular session, restoration of funding for behavioral health, autism, and long-term care services.

SECTION 10. EFFECTIVE DATE. This Act becomes effective upon its filing with the secretary of state.