

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2006

That the House recede from its amendments as printed on pages 1232-1234 of the Senate Journal and pages 1438-1440 of the House Journal and that Engrossed Senate Bill No. 2006 be amended as follows:

Page 1, line 4, remove "and"

Page 1, line 4, after "transfer" insert "; and to provide an exemption"

Page 1, replace lines 14 through 23 with:

"Salaries and wages	\$20,138,488	\$2,849,226	\$22,987,714
Accrued leave payments	624,818	(624,818)	0
Operating expenses	7,721,834	483,370	8,205,204
Capital assets	16,000	8,000	24,000
Homestead tax credit	20,000,000	0	20,000,000
Disabled veterans' credit	<u>7,678,000</u>	<u>0</u>	<u>7,678,000</u>
Total all funds	\$56,179,140	\$2,715,778	\$58,894,918
Less estimated income	<u>125,000</u>	<u>0</u>	<u>125,000</u>
Total general fund	\$56,054,140	\$2,715,778	\$58,769,918
Full-time equivalent positions	134.00	2.00	136.00"

Page 2, line 3, after "biennium" insert "and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 and 6 with:

"TAP project	\$1,000,000	\$0
Scanners	<u>0</u>	<u>8,000</u>
Total general fund	\$1,000,000	\$8,000

The 2015-17 one-time funding amounts are not a part of the entity's base budget for the 2017-19 biennium. The tax commissioner shall report to the appropriations committees of the sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 2, after line 11, insert:

"SECTION 4. EXEMPTION. The amount appropriated for the capital assets line item in section 1 of chapter 6 of the 2013 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2015, and ending June 30, 2017."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2006 - State Tax Commissioner - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$20,138,488	\$23,324,177	(\$336,463)	\$22,987,714	\$22,803,518	\$184,196

Operating expenses	7,721,834	8,232,665	(27,461)	8,205,204	8,185,589	19,615
Capital assets	16,000	16,000	8,000	24,000	24,000	
Homestead tax credit	20,000,000	30,000,000	(10,000,000)	20,000,000	20,000,000	
Disabled veterans credit	7,678,000	8,445,000	(767,000)	7,678,000	7,678,000	
Accrued leave payments	624,818					
Total all funds	\$56,179,140	\$70,017,842	(\$11,122,924)	\$58,894,918	\$58,691,107	\$203,811
Less estimated income	125,000	125,000	0	125,000	125,000	0
General fund	\$56,054,140	\$69,892,842	(\$11,122,924)	\$58,769,918	\$58,566,107	\$203,811
FTE	134.00	137.00	(1.00)	136.00	134.00	2.00

Department No. 127 - State Tax Commissioner - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases¹	Removes New FTE Positions²	Removes Funding for New FTE Operating Expenses³	Reduces Funding for Homestead Tax Credit⁴	Reduces Funding for Disabled Veterans' Tax Credit⁵	Adds One-Time Funding for Scanners⁶
Salaries and wages	(\$100,886)	(\$235,577)				
Operating expenses			(27,461)			
Capital assets						8,000
Homestead tax credit				(10,000,000)		
Disabled veterans credit					(767,000)	
Accrued leave payments						
Total all funds	(\$100,886)	(\$235,577)	(\$27,461)	(\$10,000,000)	(\$767,000)	\$8,000
Less estimated income	0	0	0	0	0	0
General fund	(\$100,886)	(\$235,577)	(\$27,461)	(\$10,000,000)	(\$767,000)	\$8,000
FTE	0.00	(1.00)	0.00	0.00	0.00	0.00

	Total Conference Committee Changes
Salaries and wages	(\$336,463)
Operating expenses	(27,461)
Capital assets	8,000
Homestead tax credit	(10,000,000)
Disabled veterans credit	(767,000)
Accrued leave payments	
Total all funds	(\$11,122,924)
Less estimated income	0
General fund	(\$11,122,924)
FTE	(1.00)

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² The following funding and FTE positions are removed:

- \$124,924 from the general fund and 1 compliance officer FTE position;
- \$100,198 from the general fund related to 1 property tax specialist position;
- \$4,631 from the general fund for related salary increases; and
- \$5,824 from the general fund for related health insurance increases.

The conference committee version includes \$184,196 from the general fund and 2 FTE positions. The Senate provided \$419,773 from the general fund and 3 FTE positions. The House removed the positions and the related funding.

³ Funding is removed for operating expenses related to the new FTE positions. The Senate version provided \$47,076, and the House version removed \$47,076.

⁴ Funding is removed to continue the homestead tax credit changes made by the 2013 Legislative Assembly (\$2 million) and to expand the eligibility threshold for homestead tax credit program (\$8 million). Total funding for the homestead tax credit program is \$20 million, which is the same as the base level and House version. The Senate provided funding of \$30 million, an increase of \$10 million over the base level and the House version.

⁵ The amendment removes funding to continue the disabled veterans' tax credit changes made by the 2013 Legislative Assembly. Total funding for the disabled veterans' tax credit program is \$7,678,000, which is the same as the base level and the House version. The Senate version provided total funding of \$8,445,000 from the general fund.

⁶ One-time funding is added for scanners, which is the same as the House version. The Senate version did not include this funding.

This amendment also adds a new section to provide an exemption for the \$16,000 appropriated in the capital assets line item to the Tax Department in the 2013-15 biennium. As a result, \$40,000 will be available to the department to purchase scanners, of which \$16,000 is from carryover authority, \$16,000 is included in the department's base budget, and \$8,000 of one-time funding from the general fund is added in this amendment. The House version also included the exemption, but the Senate version did not provide an exemption.