

PROPOSED AMENDMENTS TO SENATE BILL NO. 2008

Page 1, line 2, after the semicolon insert "to provide for a railroad safety program;"

Page 1, line 2, replace "section" with "sections"

Page 1, line 2, after "49-01-05" insert "and 57-43.2-19"

Page 1, line 3, after "commissioners" insert "and the special fuels excise taxes distribution of funds"

Page 1, line 3, remove "and"

Page 1, line 3, after "transfer" insert "; to provide an effective date; to provide for retroactive application; and to declare an emergency"

Page 1, replace lines 12 through 23 with:

| | | | |
|--------------------------------------------|-------------------|------------------|-------------------|
| "Salaries and wages | \$8,506,704 | \$1,844,104 | \$10,350,808 |
| Accrued leave payments | 168,278 | (168,278) | 0 |
| Operating expenses | 1,895,562 | 328,848 | 2,224,410 |
| Capital assets | 60,665 | (34,265) | 26,400 |
| Grants | 20,000 | 0 | 20,000 |
| Abandoned mined lands contractual | 8,000,000 | 0 | 8,000,000 |
| Rail rate complaint case | 900,000 | 0 | 900,000 |
| Reclamation and grain licensing litigation | 150,000 | (150,000) | 0 |
| Railroad safety program | 0 | 972,294 | 972,294 |
| Specialized legal services | <u>0</u> | <u>900,000</u> | <u>900,000</u> |
| Total all funds | \$19,701,209 | \$3,692,703 | \$23,393,912 |
| Less estimated income | <u>13,033,549</u> | <u>1,944,464</u> | <u>14,978,013</u> |
| Total general fund | \$6,667,660 | \$1,748,239 | \$8,415,899 |
| Full-time equivalent positions | 44.00 | 6.00 | 50.00" |

Page 2, replace lines 6 through 11 with:

| | | |
|-----------------------------|----------------|----------------|
| "Specialized legal services | \$750,000 | \$750,000 |
| Hydraulic soil probe | 28,000 | 0 |
| Retirement leave payout | <u>0</u> | <u>144,214</u> |
| Total all funds | \$778,000 | \$894,214 |
| Total special funds | <u>353,920</u> | <u>380,214</u> |
| Total general fund | \$424,080 | \$514,000" |

Page 2, after line 15, insert:

"SECTION 3. RAILROAD SAFETY PROGRAM - RAIL SAFETY FUND. The railroad safety program line item in section 1 of this Act includes \$972,294 from the rail safety fund, of which \$762,294 relates to salaries and wages and \$210,000 relates to operating expenses for the public service commission to establish and operate a state railroad safety program for the biennium beginning July 1, 2015, and ending June 30, 2017."

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

Page 2, line 21, replace "five hundred fifteen" with "four hundred ninety-one"

Page 2, line 21, replace "ten" with "eight"

Page 2, line 22, replace "seven hundred seventy-five" with "six hundred fifty-six"

Page 3, after line 3, insert:

"SECTION 6. AMENDMENT. Section 57-43.2-19 of the North Dakota Century Code is amended and reenacted as follows:

57-43.2-19. (Effective through June 30, 2015) Transfer, deposit, and distribution of funds.

All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in a highway tax distribution fund, except all special fuels excise taxes collected on sales of diesel fuel to a railroad under section 57-43.2-03 of up to two hundred fifty thousand dollars per year must be transferred to the state treasurer who shall deposit the moneys in the highway-rail grade crossing safety projects fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.

(Effective after June 30, 2015) Transfer, deposit, and distribution of funds.

All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in a highway tax distribution fund, except all special fuels excise taxes collected on sales of diesel fuel to a railroad under section 57-43.2-03 of up to five hundred thousand dollars per year must be transferred to the state treasurer who shall deposit the moneys in the rail safety fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.

SECTION 7. EFFECTIVE DATE. Section 6 of this Act is effective for special fuels excise taxes collected after June 30, 2015.

SECTION 8. RETROACTIVE APPLICATION. The specialized legal services line item in section 1 of this Act is retroactive in application.

SECTION 9. EMERGENCY. The specialized legal services line item in section 1 of this Act is declared to be an emergency measure."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2008 - Public Service Commission - Senate Action

| | Base Budget | Senate Changes | Senate Version |
|------------------------------------------|--------------------|-----------------------|-----------------------|
| Salaries and wages | \$8,506,704 | \$1,844,104 | \$10,350,808 |
| Operating expenses | 1,895,562 | 328,848 | 2,224,410 |
| Capital assets | 60,665 | (34,265) | 26,400 |
| Grants | 20,000 | | 20,000 |
| Abandoned mined lands contractual | 8,000,000 | | 8,000,000 |
| Rail rate complaint case | 900,000 | | 900,000 |
| Reclamation & grain licensing litigation | 150,000 | (150,000) | |
| Accrued leave payments | 168,278 | (168,278) | |
| Railroad safety program | | 972,294 | 972,294 |
| Specialized legal services | | 900,000 | 900,000 |

| | | | |
|-----------------------|--------------|-------------|--------------|
| Total all funds | \$19,701,209 | \$3,692,703 | \$23,393,912 |
| Less estimated income | 13,033,549 | 1,944,464 | 14,978,013 |
| General fund | \$6,667,660 | \$1,748,239 | \$8,415,899 |
| FTE | 44.00 | 6.00 | 50.00 |

Department No. 408 - Public Service Commission - Detail of Senate Changes

| | Adds Funding for Base Payroll Changes ¹ | Adds Funding for Salary and Benefit Increases ² | Adds Funding for New Weights and Measures Inspector ³ | Adds Funding for New Natural Gas Pipeline Inspector ⁴ | Adds Funding for New Public Utility Analyst ⁵ | Adds Funding for New Railroad Safety Program ⁶ |
|------------------------------------------|----------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| Salaries and wages | \$160,775 | \$581,474 | \$196,803 | \$257,747 | \$257,747 | |
| Operating expenses | | | 116,232 | 82,616 | 40,000 | |
| Capital assets | | | | | | |
| Grants | | | | | | |
| Abandoned mined lands contractual | | | | | | |
| Rail rate complaint case | | | | | | |
| Reclamation & grain licensing litigation | | | | | | |
| Accrued leave payments | (168,278) | | | | | |
| Railroad safety program | | | | | | 972,294 |
| Specialized legal services | | | | | | |
| Total all funds | (\$7,503) | \$581,474 | \$313,035 | \$340,363 | \$297,747 | \$972,294 |
| Less estimated income | (55,650) | 212,080 | 0 | 170,182 | 0 | 972,294 |
| General fund | \$48,147 | \$369,394 | \$313,035 | \$170,181 | \$297,747 | \$0 |
| FTE | 0.00 | 0.00 | 1.00 | 1.00 | 1.00 | 3.00 |

| | Adds Funding for Abandoned Mine Land Program Temporary Positions ⁷ | Adjusts Base Level Funding ⁸ | Transfers Funding and Creates the Specialized Legal Services Line Item ⁹ | Adds One-Time Funding for Accrued Leave Payout ¹⁰ | Total Senate Changes |
|------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------|----------------------|
| Salaries and wages | \$245,344 | | | \$144,214 | \$1,844,104 |
| Operating expenses | | 90,000 | | | 328,848 |
| Capital assets | | (34,265) | | | (34,265) |
| Grants | | | | | |
| Abandoned mined lands contractual | | | | | |
| Rail rate complaint case | | | | | |
| Reclamation & grain licensing litigation | | | (150,000) | | (150,000) |
| Accrued leave payments | | | | | (168,278) |
| Railroad safety program | | | | | 972,294 |
| Specialized legal services | | | 900,000 | | 900,000 |
| Total all funds | \$245,344 | \$55,735 | \$750,000 | \$144,214 | \$3,692,703 |
| Less estimated income | 245,344 | 20,000 | 336,000 | 44,214 | 1,944,464 |
| General fund | \$0 | \$35,735 | \$414,000 | \$100,000 | \$1,748,239 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 6.00 |

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

| | General Fund | Other Funds | Total |
|-------------------------------|--------------|-------------|-----------|
| Salary increase - Performance | \$231,579 | \$142,650 | \$374,229 |
| Health insurance increase | 137,815 | 69,430 | 207,245 |
| Total | \$369,394 | \$212,080 | \$581,474 |

³ Funding is added from the general fund for a new full-time equivalent (FTE) weights and measures inspector position (\$196,803) and related operating expenses (\$116,232).

⁴ Funding is added from the general fund and other funds for a new FTE natural gas pipeline inspector position (\$257,747) and related operating expenses (\$82,616).

⁵ Funding is added from the general fund for a new FTE public utility analyst position (\$257,747) and related operating expenses (\$40,000).

⁶ The funding shown below is added for a new state railroad safety program. The other funds include \$972,294 from the rail safety fund created in Section 6 of this Act.

| | FTE | General Fund | Other Funds | Total |
|--------------------------------|------|--------------|-------------|-----------|
| New railroad safety inspectors | 3.00 | | \$762,294 | \$762,294 |
| Operating and other costs | | | 210,000 | 210,000 |
| Total | 3.00 | \$0 | \$972,294 | \$972,294 |

⁷ Federal funds spending authority is added for temporary positions for the abandoned mine land program.

⁸ Base level funding is adjusted as follows:

| | General Fund | Other Funds | Total |
|---------------------------------------|--------------|-------------|----------|
| Travel expense increase | \$70,000 | \$20,000 | \$90,000 |
| IT equipment replacement and upgrades | 26,400 | | 26,400 |
| Remove capital assets | (60,665) | | (60,665) |
| Total | \$35,735 | \$20,000 | \$55,735 |

⁹ The specialized legal services line item is created, and funding is transferred from the reclamation and grain licensing litigation line item to the specialized legal services line item. The line item transfer and new one-time funding is shown below for the specialized legal services line item. There is also a retroactive application in Section 8 of this Act and an emergency clause in Section 9 of this Act related to the specialized legal services line item.

| | General Fund | Other Funds | Total |
|----------------------------------------------------------|--------------|-------------|-----------|
| Transfer from reclamation and grain licensing litigation | \$86,000 | \$64,000 | \$150,000 |
| New one-time funding | 414,000 | 336,000 | 750,000 |
| Total | \$500,000 | \$400,000 | \$900,000 |

¹⁰ One-time funding is added for accrued leave payouts.

This amendment also:

- Designates that of the railroad safety program line item in Section 1 of the bill, \$972,294 is from the rail safety fund, of which \$762,294 relates to salaries and wages and \$210,000 relates to operating expenses for the Public Service Commission for creating a state railroad safety program.
- Amends Section 3 of the bill to provide 3 percent annual salary increases for the commissioners during the 2015-17 biennium.
- Creates the rail safety fund and amends North Dakota Century Code Section 57-43.2-19 to allocate special fuels excise taxes collected on sales of diesel fuel to a railroad under Section 57-43.2-03 of up to \$500,000 per year from the highway tax distribution fund to the rail safety fund.
- Provides an effective date for special fuels excise taxes collected after June 30, 2015.
- Provides a retroactive application for the specialized legal services line item.
- Declares the specialized legal services line item to be an emergency measure.