

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 repeal section
3 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and
4 budget as to school fund; to provide an exemption; to provide for various transfers; and to
5 provide legislative intent.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the office of management and budget for the purpose of defraying the
11 expenses of that agency, for the biennium beginning July 1, 2015, and ending June 30, 2017,
12 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
15 Salaries and wages	\$19,803,315	\$790,367	\$20,593,682
16 Accrued leave	570,412	(570,412)	0
17 Operating expenses	14,356,788	(150,003)	14,206,785
18 Emergency commission contingency fund	700,000	0	700,000
19 Capital assets	2,251,065	45,278,944	47,530,009
20 Grants	430,000	0	430,000
21 Guardianship grants	828,600	828,600	1,657,200
22 Prairie public broadcasting	1,337,138	1,862,862	3,200,000
23 State student internship program	200,000	50,000	250,000
24 Energy impact funding pool	0	14,700,000	14,700,000

Sixty-fourth
Legislative Assembly

1	Health insurance pool - temporary	0	10,000,000	10,000,000
2	employees			
3	State transfers to highway and roads funds	<u>0</u>	<u>909,115,558</u>	<u>909,115,558</u>
4	Total all funds	\$40,477,318	\$981,905,916	\$1,022,383,234
5	Less estimated income	<u>8,730,630</u>	<u>12,072,088</u>	<u>20,802,718</u>
6	Total general fund	\$31,746,688	\$969,833,828	\$1,001,580,516
7	Full-time equivalent positions	130.50	(8.00)	122.50

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

12	<u>One-Time Funding Description</u>	<u>2013-15</u>	<u>2015-17</u>
13	Capitol complex parking lot repairs	\$4,000,000	\$0
14	Health insurance pool	2,000,000	0
15	Exterior restoration of legislative and j-wing	1,500,000	0
16	Repair and cleaning capitol and j-wing	1,200,000	0
17	Capitol south entrance	1,000,000	0
18	Prairie public broadcasting	600,000	1,500,000
19	North Dakota 125 th anniversary coordinator	190,000	0
20	Energy impact funding	8,500,000	0
21	Transfer to property tax relief	315,210,000	0
22	Information technology hardware relocation study	200,000	0
23	Student internship	0	50,000
24	Facility projects	0	2,205,000
25	Signage on the capitol grounds	0	1,400,000
26	West parking lot repair	0	1,300,000
27	Supreme Court building	0	40,000,000
28	ACA Health Insurance	0	10,000,000
29	Energy impact pool	0	14,700,000
30	Enhanced State Highways	0	904,115,558
31	Roads to recreational areas	<u>0</u>	<u>5,000,000</u>

1	Total all funds	\$334,400,000	\$980,270,558
2	Less estimated income	<u>5,500,000</u>	<u>13,500,000</u>
3	Total general fund	\$328,900,000	\$966,770,558

4 The 2015-17 one-time funding amounts are not a part of the entity's base budget for the
5 2017-19 biennium. The office of management and budget shall report to the appropriations
6 committees of the sixty-fifth legislative assembly on the use of this one-time funding for the
7 biennium beginning July 1, 2015, and ending June 30, 2017.

8 **SECTION 3. APPROPRIATION - TRANSFER PROPERTY TAX RELIEF SUSTAINABILITY**
9 **FUND TO GENERAL FUND.** There is appropriated out of any moneys in the property tax relief
10 sustainability fund in the state treasury, not otherwise appropriated, the sum of \$657,000,000, or
11 so much of the sum as may be necessary, which the office of management and budget shall
12 transfer to the general fund during the biennium beginning July 1, 2015, and ending June 30,
13 2017.

14 **SECTION 4. APPROPRIATION - TRANSFER - STRATEGIC INVESTMENT AND**
15 **IMPROVEMENTS FUND TO GENERAL FUND.** There is appropriated out of any moneys in the
16 strategic investment and improvements fund in the state treasury, not otherwise appropriated,
17 the sum of \$700,000,000, or so much of the sum as may be necessary, which the office of
18 management and budget shall transfer to the general fund during the biennium beginning
19 July 1, 2015, and ending June 30, 2017.

20 **SECTION 5. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.**
21 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise
22 appropriated, the sum of \$904,115,558, or so much of the sum as may be necessary, which the
23 office of management and budget shall transfer to the highway fund during the biennium
24 beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall
25 transfer the funds provided under this section to the state highway fund at the request of the
26 director of the department of transportation.

27 **SECTION 6. APPROPRIATION - TRANSFER - GENERAL FUND TO SPECIAL ROADS**
28 **FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not
29 otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary,
30 which the office of management and budget shall transfer to the special roads fund during the
31 biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and

1 budget shall transfer the funds provided under this section to the state highway fund at the
2 request of the director of the department of transportation.

3 **SECTION 7. COMMUNITY SERVICE SUPERVISION GRANTS - FUNDING**

4 **ALLOCATIONS - ADDITIONAL INCOME APPROPRIATION.** The grants line item in section 1
5 of this Act includes the sum of \$375,000 from the general fund for the purpose of providing
6 community service supervision grants. The office of management and budget shall distribute the
7 grant funds on or before August first during each year of the biennium beginning July 1, 2015,
8 and ending June 30, 2017, to North Dakota community corrections association regions as
9 follows:

10 Barnes County	\$9,091
11 Bismarck (urban)	20,293
12 Bismarck (rural)	10,667
13 Devils Lake	10,747
14 Dickinson	12,683
15 Fargo	24,127
16 Grand Forks	19,803
17 Jamestown	13,883
18 Minot	16,194
19 Richland County	9,931
20 Rugby	11,657
21 Sargent County	8,086
22 Wells County	8,189
23 Williston	<u>12,149</u>
24 Total	\$187,500

25 Any moneys in the community service supervision fund are appropriated to the office of
26 management and budget for distribution to community corrections association regions on or
27 before August first of each year during the biennium beginning July 1, 2015, and ending
28 June 30, 2017.

29 **SECTION 8. EXEMPTION.** The amount appropriated for the fiscal management division, as
30 contained in section 1 of chapter 15 of the 2013 Session Laws is not subject to the provisions of
31 section 54-44.1-11. Any unexpended funds from this appropriation are available for continued

1 development and operating costs of the accounting, management, and payroll systems, during
2 the biennium beginning July 1, 2015, and ending June 30, 2017.

3 **SECTION 9. INTENT.** Within the authority included in section 1 of this Act are the following
4 grants and special items:

5 Boys and girls clubwork	\$53,000
6 State memberships and related expenses	\$611,000
7 Unemployment insurance	\$1,500,000
8 Capitol grounds planning commission	\$25,000

9 **SECTION 10. STATE STUDENT INTERNSHIP PROGRAM.** The human resources division
10 of the office of management and budget may transfer to each eligible agency appropriated
11 general fund spending authority from the state student internship program line item contained in
12 section 1 of this Act.

13 **SECTION 11. OFFICE OF MANAGEMENT AND BUDGET - STATE AGENCY ENERGY**
14 **DEVELOPMENT IMPACT FUNDING POOL.** The office of management and budget may
15 transfer to each eligible agency appropriation authority from the energy development impact
16 funding pool line item contained in section 1 of this Act, for the biennium beginning July 1, 2015,
17 and ending June 30, 2017. The funds provided under this section are considered a one-time
18 funding item.

19 **SECTION 12. OFFICE OF MANAGEMENT AND BUDGET - TEMPORARY EMPLOYEE**
20 **HEALTH INSURANCE POOL.** The office of management and budget may transfer to each
21 eligible agency appropriation authority from the health insurance pool - temporary employees
22 line item contained in section 1 of this Act. Transfers may be made for the purpose of providing
23 temporary employee health insurance adjustments for state employees, including institutions of
24 higher education, determined to be full time based on guidelines developed by the office of
25 management and budget in accordance with the shared responsibility provisions of the
26 Affordable Care Act for the biennium beginning July 1, 2015, and ending June 30, 2017.

27 **SECTION 13. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**
28 Notwithstanding section 54-16-04, agencies may transfer appropriation authority between line
29 items, as it relates to compensation increases authorized in section 11 of this Act, for the
30 biennium beginning July 1, 2015, and ending June 30, 2017. The agencies shall notify the office
31 of management and budget of any transfer made pursuant to this section.

1 **SECTION 14. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.** It is
2 the intent of the sixty-fourth legislative assembly that 2015-17 biennium compensation
3 adjustments for classified state employees for each year of the biennium are to be a
4 performance component in a range of three to five percent based on documented performance
5 and a market component of up to two percent for a classified employee whose salary is in the
6 first quartile of the employee's assigned salary range or up to one percent for a classified state
7 employee whose salary is in the second quartile of the employee's assigned salary range.
8 Increases for classified state employees are not to be the same percentage increase for each
9 employee. The increases for the first year of the biennium are to be given beginning with the
10 month of July 2015, to be paid in August 2015, and for the second year of the biennium are to
11 be given beginning with the month of July 2016, to be paid in August 2016.

12 Probationary employees are not entitled to the market and performance increases.
13 However, probationary employees may be given all or a portion of the increases effective in
14 July, paid in August, or upon completion of probation, at the discretion of the appointing
15 authority.

16 The office of management and budget shall develop guidelines for use by state agencies for
17 providing compensation adjustments for regular classified employees. The guidelines must
18 follow section 54-44.3-01.2, compensation philosophy statement.

19 Compensation adjustments for regular nonclassified state employees are to be in a range of
20 three to five percent based on market and documented performance and are not to be the same
21 percentage increase for each employee.

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

24 **SECTION 15. REPEAL.** Section 54-44-06 of the North Dakota Century Code is repealed.