

SENATE BILL NO. 2015

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

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1	Health insurance pool – temporary	0	10,000,000	10,000,000
2	— employees			
3	State transfers to highway and roads funds	0	909,115,558	909,115,558
4	Total all funds	\$40,477,318	\$981,905,916	\$1,022,383,234
5	Less estimated income	8,730,630	12,072,088	20,802,718
6	Total general fund	\$31,746,688	\$969,833,828	\$1,001,580,516
7	Salaries and wages	\$19,803,315	\$313,779	\$20,117,094
8	Accrued leave payments	570,412	(570,412)	0
9	Operating expenses	14,356,788	(150,003)	14,206,785
10	Emergency commission contingency fund	700,000	0	700,000
11	Capital assets	2,251,065	5,278,944	7,530,009
12	Grants	430,000	125,000	555,000
13	Guardianship grants	828,600	1,109,200	1,937,800
14	Prairie public broadcasting	1,337,138	1,862,862	3,200,000
15	State student internship program	200,000	50,000	250,000
16	Energy impact funding pool	0	14,700,000	14,700,000
17	Health insurance pool - temporary	0	5,000,000	5,000,000
18	— employees			
19	Total all funds	\$40,477,318	\$27,719,370	\$68,196,688
20	Less estimated income	8,730,630	10,894,705	19,625,335
21	Total general fund	\$31,746,688	\$16,824,665	\$48,571,353
22	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:

	<u>One-Time Funding Description</u>	<u>2013-15</u>	<u>2015-17</u>
28	Capitol complex parking lot repairs	\$4,000,000	\$0
29	Health insurance pool	2,000,000	0
30	Exterior restoration of legislative and j wing	1,500,000	0
31	Repair and cleaning capitol and j wing	1,200,000	0

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1	Capitol south entrance	1,000,000	0
2	Prairie public broadcasting	600,000	1,500,000
3	North Dakota 125th anniversary coordinator	190,000	0
4	Energy impact funding	8,500,000	0
5	Transfer to property tax relief	315,210,000	0
6	Information technology hardware relocation study	200,000	0
7	Student internship	0	50,000
8	Facility projects	0	2,205,000
9	Signage on the capitol grounds	0	1,400,000
10	West parking lot repair	0	1,300,000
11	Supreme Court building	0	40,000,000
12	ACA Health Insurance	0	10,000,000
13	Energy impact pool	0	14,700,000
14	Enhanced State Highways	0	904,115,558
15	Roads to recreational areas	0	5,000,000
16	Total all funds	\$334,400,000	\$980,270,558
17	Less estimated income	5,500,000	13,500,000
18	Total general fund	\$328,900,000	\$966,770,558
19	Capitol complex parking lot repairs	\$4,000,000	\$0
20	Health insurance pool	2,000,000	0
21	Exterior restoration of legislative and j-wing	1,500,000	0
22	Repair and cleaning capitol and j-wing	1,200,000	0
23	Capitol south entrance	1,000,000	0
24	Prairie public broadcasting	600,000	1,500,000
25	North Dakota 125th anniversary coordinator	190,000	0
26	Energy impact funding	8,500,000	0
27	Transfer to property tax relief	315,210,000	0
28	Information technology hardware relocation study	200,000	0
29	Student internship	0	50,000
30	Facility projects	0	2,205,000
31	Signage on the capitol grounds	0	1,400,000

1	<u>West parking lot repair</u>	<u>0</u>	<u>1,300,000</u>
2	<u>ACA health insurance</u>	<u>0</u>	<u>5,000,000</u>
3	<u>Energy impact pool</u>	<u>0</u>	<u>14,700,000</u>
4	<u>Total all funds</u>	<u>\$334,400,000</u>	<u>\$26,155,000</u>
5	<u>Less estimated income</u>	<u>5,500,000</u>	<u>12,400,000</u>
6	<u>Total general fund</u>	<u>\$328,900,000</u>	<u>\$13,755,000</u>

7 The 2015-17 one-time funding amounts are not a part of the entity's base budget for the
8 2017-19 biennium. The office of management and budget shall report to the appropriations
9 committees of the sixty-fifth legislative assembly on the use of this one-time funding for the
10 biennium beginning July 1, 2015, and ending June 30, 2017.

11 **SECTION 3. APPROPRIATION - TRANSFER PROPERTY TAX RELIEF SUSTAINABILITY**
12 **FUND TO GENERAL FUND.** There is appropriated out of any moneys in the property tax relief
13 sustainability fund in the state treasury, not otherwise appropriated, the sum of \$657,000,000, or
14 so much of the sum as may be necessary, which the office of management and budget shall
15 transfer to the general fund during the biennium beginning July 1, 2015, and ending June 30,
16 2017.

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

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

30 ~~SECTION 6. APPROPRIATION - TRANSFER - GENERAL FUND TO SPECIAL ROADS~~
31 ~~FUND.~~ There is appropriated out of any moneys in the general fund in the state treasury, not

1 otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary,
2 which the office of management and budget shall transfer to the special roads fund during the
3 biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and
4 budget shall transfer the funds provided under this section to the state highway fund at the
5 request of the director of the department of transportation.

6 **SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND.** The estimated income
7 line item in section 1 of this Act includes \$1,400,000 from the capitol building fund for capitol
8 building entrance and signage projects.

9 **SECTION 5. COMMUNITY SERVICE SUPERVISION GRANTS - FUNDING**

10 **ALLOCATIONS - ADDITIONAL INCOME APPROPRIATION.** The grants line item in section 1
11 of this Act includes the sum of ~~\$375,000~~\$500,000 from the general fund for the purpose of
12 providing community service supervision grants. The office of management and budget shall
13 distribute the grant funds on or before August first during each year of the biennium beginning
14 July 1, 2015, and ending June 30, 2017, to North Dakota community corrections association
15 regions as follows:

16	Barnes County	\$9,091
17	Bismarek (urban)	20,293
18	Bismarek (rural)	10,667
19	Devils Lake	10,747
20	Dickinson	12,683
21	Fargo	24,127
22	Grand Forks	19,803
23	Jamestown	13,883
24	Minot	16,194
25	Richland County	9,931
26	Rugby	11,657
27	Sargent County	8,086
28	Wells County	8,189
29	Williston	12,149
30	Total	\$187,500
31	<u>Barnes County</u>	<u>\$12,121</u>

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1	<u>Bismarck (urban)</u>	<u>27,057</u>
2	<u>Bismarck (rural)</u>	<u>14,223</u>
3	<u>Devils Lake</u>	<u>14,329</u>
4	<u>Dickinson</u>	<u>16,911</u>
5	<u>Fargo</u>	<u>32,169</u>
6	<u>Grand Forks</u>	<u>26,404</u>
7	<u>Jamestown</u>	<u>18,511</u>
8	<u>Minot</u>	<u>21,592</u>
9	<u>Richland County</u>	<u>13,241</u>
10	<u>Rugby</u>	<u>15,543</u>
11	<u>Sargent County</u>	<u>10,781</u>
12	<u>Wells County</u>	<u>10,919</u>
13	<u>Williston</u>	<u>16,199</u>
14	<u>Total</u>	<u>\$250,000</u>

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

19 **SECTION 6. EXEMPTION.** The amount appropriated for the fiscal management division, as
20 contained in section 1 of chapter 15 of the 2013 Session Laws is not subject to the provisions of
21 section 54-44.1-11. Any unexpended funds from this appropriation are available for continued
22 development and operating costs of the accounting, management, and payroll systems, during
23 the biennium beginning July 1, 2015, and ending June 30, 2017.

24 **SECTION 7. INTENT.** Within the authority included in section 1 of this Act are the following
25 grants and special items:

26	Boys and girls clubwork	\$53,000
27	State memberships and related expenses	\$611,000
28	Unemployment insurance	\$1,500,000
29	Capitol grounds planning commission	\$25,000

30 **SECTION 8. STATE STUDENT INTERNSHIP PROGRAM.** The human resources division
31 of the office of management and budget may transfer to each eligible agency appropriated

1 general fund spending authority from the state student internship program line item contained in
2 section 1 of this Act.

3 **SECTION 9. OFFICE OF MANAGEMENT AND BUDGET - STATE AGENCY ENERGY**

4 **DEVELOPMENT IMPACT FUNDING POOL.** The office of management and budget may
5 transfer to each eligible agency appropriation authority from the energy development impact
6 funding pool line item contained in section 1 of this Act, for the biennium beginning July 1, 2015,
7 and ending June 30, 2017. The funds provided under this section are considered a one-time
8 funding item.

9 **SECTION 10. OFFICE OF MANAGEMENT AND BUDGET - TEMPORARY EMPLOYEE**

10 **HEALTH INSURANCE POOL.** The office of management and budget may transfer to each
11 eligible agency appropriation authority from the health insurance pool - temporary employees
12 line item contained in section 1 of this Act. Transfers may be made for the purpose of providing
13 temporary employee health insurance adjustments for state employees, including institutions of
14 higher education, determined to be full time based on guidelines developed by the office of
15 management and budget in accordance with the shared responsibility provisions of the
16 Affordable Care Act for the biennium beginning July 1, 2015, and ending June 30, 2017.

17 **SECTION 11. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**

18 Notwithstanding section 54-16-04, agencies may transfer appropriation authority between line
19 items, as it relates to compensation increases authorized in section ~~41~~12 of this Act, for the
20 biennium beginning July 1, 2015, and ending June 30, 2017. The agencies shall notify the office
21 of management and budget of any transfer made pursuant to this section.

22 **SECTION 12. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.** It is

23 the intent of the sixty-fourth legislative assembly that 2015-17 biennium compensation
24 adjustments for classified state employees for each year of the biennium are to be a
25 performance component in a range of ~~three to five~~two to four percent based on documented
26 performance ~~and a market component of up to two percent for a classified employee whose~~
27 ~~salary is in the first quartile of the employee's assigned salary range or up to one percent for a~~
28 ~~classified state employee whose salary is in the second quartile of the employee's assigned~~
29 ~~salary range.~~ Increases for classified state employees are not to be the same percentage
30 increase for each employee. The increases for the first year of the biennium are to be given

1 beginning with the month of July 2015, to be paid in August 2015, and for the second year of
2 the biennium are to be given beginning with the month of July 2016, to be paid in August 2016.

3 Probationary employees are not entitled to the ~~market and~~ performance increases.

4 However, probationary employees may be given all or a portion of the increases effective in
5 July, paid in August, or upon completion of probation, at the discretion of the appointing
6 authority.

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

10 Compensation adjustments for regular nonclassified state employees, excluding employees
11 under the control of the state board of higher education, are to be in a range of ~~three to five~~two
12 to four percent based on market and documented performance and are not to be the same
13 percentage increase for each employee.

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

16 **SECTION 13. REPEAL.** Section 54-44-06 of the North Dakota Century Code is repealed.