

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Tentative Agenda

BUDGET SECTION

Wednesday, December 5, 2018
Senate Chamber, State Capitol
Bismarck, North Dakota

- 11:00 a.m. Call to order
Roll call
Consideration of the minutes of the September 13, 2018, meeting
- *11:05 a.m. Budget Section consideration of the following state agency requests pursuant to North Dakota Century Code Chapter 54-16 that have been authorized by the Emergency Commission and require consideration by the Budget Section:
- **State Department of Health (Request #1924)** - Request to increase special funds spending authority by \$233,645 in the salaries and wages line item (\$189,635) and the operating expenses line item (\$44,010) to accept and expend funds from the state of North Carolina under the Emergency Management Assistance Compact
 - **Department of Career and Technical Education (Request #1925)** - Request for approval to accept and spend \$478,156 of federal funds from the United States Department of Education, Carl D. Perkins Career and Technical Education Act in the grants line item to be distributed as follows:
 - Secondary career and technical education (CTE) (\$247,931);
 - Postsecondary CTE (\$133,502);
 - Leadership funding for training to incarcerated individuals, special populations, educator professional development, and clinical practice (\$71,723); and
 - Reserve funding for other CTE programs (\$25,000)
 - **Department of Financial Institutions (Request #1926)** - Request to transfer \$451,305 from the salaries and wages line item to the operating expenses line item to update and transform the agency's information technology systems and website
 - **Secretary of State (Request #1929)** - Request to increase spending authority in the election reform line item by \$203,000 from funds available in the Secretary of State's election fund to pay additional voter identification education for the 2018 general election and for voting system maintenance costs for the remainder of the biennium
 - **Adjutant General (Request #1930)** - Request for spending authority of \$141,809 from the state disaster relief fund to pay the state share of disaster-related costs incurred from August 22, 2018, through October 31, 2018, in accordance with the provisions of Section 37-17.1-27
 - **Adjutant General (Request #1931)** - Request to transfer \$450,000 appropriated from the general fund from the reintegration line item to the tuition, recruiting, and retention line item and to spend \$110,000 from the state contingencies appropriation for tuition, recruiting, and retention
- 11:15 a.m. Presentation by representatives of the Office of Management and Budget regarding:
- Irregularities in the fiscal practices of the state pursuant to Section 54-14-03.1
 - Reports from state agencies applying for federal grants estimated to be \$25,000 or more pursuant to Section 54-06-30

- Report on specified commodities and services exempted from the procurement requirements of Section 54-44.4-02.2
- Status of the general fund
- Executive budget revenue forecast for the 2019-21 biennium
- Estimated general fund turnback for the 2017-19 biennium
- Anticipated deficiency appropriation requests for the 2017-19 biennium
- Ongoing revenues and appropriations
- One-time revenues and appropriations
- Proposed statutory changes to implement recommendations in the executive budget, including any recommended tax or fee changes, revenue distribution changes, or changes to duties and responsibilities of state agencies

12:00 noon

Luncheon recess

1:00 p.m.

Presentation by a representative of Moody's Analytics regarding:

- North Dakota economic outlook, including anticipated oil prices and agricultural commodity prices
- Projections for inflation, interest rates, unemployment, and the value of the dollar and their effect on the North Dakota economy
- Economic assumptions included in the executive budget revenue forecast for the remainder of the 2017-19 biennium and the 2019-21 biennium

1:45 p.m.

Presentation by representatives of the Office of Management and Budget on the 2019-21 biennium executive budget recommendations for:

- State employee compensation and benefits
- Information Technology Department and information technology shared services
- Information technology projects
- Elementary, secondary, and career and technical education
- Higher education institutions and the North Dakota University System office
- State Department of Health, Department of Environmental Quality, and Department of Human Services
- Public safety agencies, including the Department of Corrections and Rehabilitation
- Agricultural and economic development agencies, including the Department of Commerce, the North Dakota State University (NDSU) Extension Service, and the Agricultural Experiment Station
- Natural resource agencies, including the State Water Commission and the Game and Fish Department
- Department of Transportation
- Other state agencies and institutions
- Capital projects
- Use of bonding for capital projects

*3:00 p.m.

Presentation by a representative of the Industrial Commission of a request for Budget Section approval to spend contingency funding and hire additional full-time equivalent positions pursuant to Section 7 of Senate Bill No. 2014 (2017)

3:10 p.m.

Presentation by a representative of the Attorney General's office regarding a report on all expenditures for litigation-related expenses from the Industrial Commission litigation fund pursuant to Section 5 of House Bill No. 1003 (2017)

- 3:15 p.m. Presentation by representatives of the Department of Commerce regarding:
- Annual audits of centers of excellence recipients awarded funds pursuant to Chapter 15-69
 - Annual audits of centers of research excellence recipients awarded funds pursuant to Chapter 54-65
- 3:25 p.m. Presentation of a report from the Legacy and Budget Stabilization Fund Advisory Board regarding the status of the legacy fund and budget stabilization fund pursuant to Section 21-10-11
- 3:30 p.m. Presentation by a representative of the Department of Corrections and Rehabilitation regarding a study of the potential for increased community-based treatment services for youth offenders, Youth Correctional Center staffing requirements, and the efficiency and adequacy of the Youth Correctional Center facilities pursuant to Section 13 of Senate Bill No. 2015 (2017)
- 3:40 p.m. Distribution of written reports from the University System regarding an annual report on full-time equivalent position adjustments made for the NDSU Extension Service, Northern Crops Institute, Upper Great Plains Transportation Institute, NDSU Main Research Center, branch research centers, and Agronomy Seed Farm pursuant to Sections 11-38-12 and 15-12.1-05
- 3:45 p.m. Distribution of written reports from hub cities on use of funding received from oil and gas gross production tax allocations under Section 57-51-15 for fiscal year 2018, including Williston, Dickinson, Minot, Mandan, Bismarck, Fargo, West Fargo, and Jamestown
- 3:50 p.m. Committee discussion and staff directives
- 4:00 p.m. Adjourn

***This item includes a request for Budget Section action.**

Committee Members

Committee membership will be announced during the legislative organizational session, December 3-5, 2018.

Staff Contacts: Levi Kinnischtzke, Fiscal Analyst,
Allen H. Knudson, Legislative Budget Analyst and Auditor