

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1001

Page 1, line 3, after the semicolon insert "to amend and reenact sections 54-03-20 and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide for a report; to provide an effective date;"

Page 1, line 8, after "fund" insert "and the capitol building fund"

Page 1, replace lines 13 through 19 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$927,113	\$11,160,537
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>11,935</u>	<u>237,090</u>
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
Total general fund	\$14,159,170	\$1,609,695	\$15,768,865"

Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 6 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$886,859	\$9,936,389
Operating expenses	2,911,608	171,749	3,083,357
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,064,608	\$12,955,746
Full-time equivalent positions	36.00	0.00	36.00"

Page 2, replace lines 9 through 13 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$2,674,303	\$28,724,611
Grand total special funds	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
Grand total all funds	\$26,120,308	\$2,814,303	\$28,934,611

**SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON
BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The
following amounts reflect the 2019-21 biennium one-time funding items included in the
appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Digital signage replacement	\$0	\$40,000
Voting system upgrades	0	100,000
Computer and iPad replacement	<u>0</u>	<u>517,760</u>

Total all funds	\$0	\$657,760
Less estimated income	0	140,000
Total general fund	\$0	\$517,760

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative assembly shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Redistricting equipment	\$0	\$22,400
Computer replacement	0	124,856
Council of state governments conference	0	7,500
Total general fund	\$0	\$154,756

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes \$140,000 from the capitol building fund for digital signage replacement and voting system upgrades for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 3, after line 3, insert:

"SECTION 7. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~seventy-seven~~eighty-one dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount

equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~four~~five hundred ~~ninety~~five dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~fifty~~sixty-two dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 8. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~eighty-one~~eighty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
 - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of

the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.

- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
 - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
 - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of five hundred ~~five~~fifteen dollars a month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~sixty-two~~sixty-nine dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 9. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~seventy-seven~~eighty-one dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 10. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~eighty-one~~eighty-five dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 11. EFFECTIVE DATE. Sections 7 and 9 of this Act become effective on July 1, 2019, and sections 8 and 10 of this Act become effective on July 1, 2020."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Summary of House Action

	Base Budget	House Changes	House Version
Legislative Assembly			
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	<u>0</u>	<u>140,000</u>	<u>140,000</u>
General fund	\$14,159,170	\$1,609,695	\$15,768,865
FTE	0.00	0.00	0.00
Legislative Council			
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
General fund	\$11,891,138	\$1,064,608	\$12,955,746
FTE	36.00	0.00	36.00
Bill total			
Total all funds	\$26,120,308	\$2,814,303	\$28,934,611
Less estimated income	<u>70,000</u>	<u>140,000</u>	<u>210,000</u>
General fund	\$26,050,308	\$2,674,303	\$28,724,611
FTE	36.00	0.00	36.00

House Bill No. 1001 - Legislative Assembly - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$10,233,424	\$927,113	\$11,160,537
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National Conf. of State Legislatures	225,155	11,935	237,090
Total all funds	\$14,159,170	\$1,749,695	\$15,908,865
Less estimated income	0	140,000	140,000
General fund	\$14,159,170	\$1,609,695	\$15,768,865
FTE	0.00	0.00	0.00

Department 150 - Legislative Assembly - Detail of House Changes

	Adds Funding for Legislative Pay Increases¹	Adjusts Funding for Health Insurance Increases²	Increases Funding for Temporary Salaries³	Restores Funding for Two Legislative Days⁴	Increases Funding for Monthly Lodging Reimbursement⁵	Adjusts Funding for Operating Expenses⁶
Salaries and wages	\$196,858	\$594,255	\$24,000	\$112,000		
Operating expenses				48,000	\$40,670	\$64,217
Capital assets						
National Conf. of State Legislatures						
Total all funds	\$196,858	\$594,255	\$24,000	\$160,000	\$40,670	\$64,217
Less estimated income	0	0	0	0	0	0
General fund	\$196,858	\$594,255	\$24,000	\$160,000	\$40,670	\$64,217
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Funding for National Conference of State Legislatures Dues⁷	Adds One-Time Funding for Digital Signage Replacement⁸	Adds One-Time Funding for Computer and iPad Replacement⁹	Adds One-Time Funding for Voting System Upgrades¹⁰	Total House Changes
Salaries and wages					\$927,113
Operating expenses		\$40,000	\$517,760		710,647
Capital assets				\$100,000	100,000
National Conf. of State Legislatures	\$11,935				11,935
Total all funds	\$11,935	\$40,000	\$517,760	\$100,000	\$1,749,695
Less estimated income	0	40,000	0	100,000	140,000
General fund	\$11,935	\$0	\$517,760	\$0	\$1,609,695
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is added for legislator compensation adjustments of 2 percent per year for regular and organizational sessions, legislators' monthly compensation, and additional monthly compensation for legislative leaders.

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Daily session pay	\$177	\$181	\$185
Monthly compensation	\$495	\$505	\$515
Leaders' additional monthly compensation	\$355	\$362	\$369

² Funding is added for increases in health insurance premiums from \$1,241 to \$1,427 per month.

³ Funding is added for compensation adjustments of 2 percent per year for temporary session staff.

⁴ Funding is added to restore legislative compensation and travel for 2 legislative days removed in 2017 to provide

funding for 77 legislative days.

⁵ Funding is added to increase the maximum monthly lodging expense reimbursement to \$1,796 anticipated for the 2021 legislative session. The maximum monthly lodging expense reimbursement is \$1,758 for the 2019 session.

⁶ Funding for operating expenses is increased, including increases in funding for service contracts and repairs, telecommunications, and information technology software and decreases in information technology data processing, information technology equipment over \$5,000, and other operating expenses.

⁷ Funding is added for increases in National Conference of State Legislatures dues, to provide for 90 percent of the dues assessment, for a total of \$237,090 for the 2019-21 biennium.

⁸ One-time funding is added from the capitol building fund for digital signage replacement.

⁹ One-time funding is provided for information technology equipment under \$5,000 for laptop and iPad replacement.

¹⁰ One-time funding for capital assets is added from the capitol building fund for voting system upgrades.

This amendment also adds sections to:

- Adjust 2019-21 biennium compensation rates to provide 2 percent per year increases for regular and organizational session pay, legislators' monthly compensation, and additional monthly compensation for legislative leaders; and
- Provide effective dates of the legislative compensation increases.

House Bill No. 1001 - Legislative Council - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,049,530	\$886,859	\$9,936,389
Operating expenses	2,911,608	171,749	3,083,357
Capital assets		6,000	6,000
Total all funds	\$11,961,138	\$1,064,608	\$13,025,746
Less estimated income	70,000	0	70,000
General fund	\$11,891,138	\$1,064,608	\$12,955,746
FTE	36.00	0.00	36.00

Department 160 - Legislative Council - Detail of House Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Restores Funding for an Administrative Position ³	Reduces Funding for Overtime Salaries ⁴	Adds Funding for a Session Retention Program ⁵	Increases Funding for Legislator Per Diem ⁶
Salaries and wages	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
Operating expenses						
Capital assets						
Total all funds	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
Less estimated income	0	0	0	0	0	0
General fund	\$39,069	\$364,071	\$125,579	(\$5,091)	\$333,512	\$19,731
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Decreases Funding for Reduced Interim Committee Sizes ⁷	Restores Funding for Out-of-State Travel ⁸	Adds Funding for Increased Lodging Rates ⁹	Decreases Funding for Operating Expenses ¹⁰	Adds Funding for Capital Assets ¹¹	Adds One- Time Funding for Computer Replacement ¹²
Salaries and wages	(\$20,200)	\$30,188				
Operating expenses	(39,257)	81,860	\$11,600	(\$37,210)		\$124,856
Capital assets					\$6,000	
Total all funds	(\$59,457)	\$112,048	\$11,600	(\$37,210)	\$6,000	\$124,856
Less estimated income	0	0	0	0	0	0
General fund	(\$59,457)	\$112,048	\$11,600	(\$37,210)	\$6,000	\$124,856
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One- Time Funding for Redistricting Equipment ¹³	Adds One- Time Funding for Council of State Governments Conference ¹⁴	Total House Changes
Salaries and wages			\$886,859
Operating expenses	\$22,400	\$7,500	171,749
Capital assets			6,000
Total all funds	\$22,400	\$7,500	\$1,064,608
Less estimated income	0	0	0
General fund	\$22,400	\$7,500	\$1,064,608
FTE	0.00	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent per year and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$207,899	\$0	\$207,899
Health insurance increase	156,172	0	156,172
Total	\$364,071	\$0	\$364,071

³ Funding is restored for one of two unfunded administrative positions.

⁴ Funding for overtime salaries is reduced.

⁵ Funding is added for a session retention program.

⁶ Funding is added for 2019-21 biennium compensation adjustments of 2 percent per year for legislators' attendance at interim meetings. The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2019	Rate Effective July 1, 2020
Interim meeting pay	\$177	\$181	\$185

⁷ Funding is decreased to continue reduced committee sizes during the 2019-21 biennium, including per diem (\$20,200) and travel (\$39,257).

⁸ Funding is added for other meetings and out-of-state travel to restore 2017-19 biennium 10 percent reductions, including per diem \$30,188 and travel \$81,860.

⁹ Funding is added for estimated increases in the lodging rate.

¹⁰ Funding is reduced for operating expenses.

¹¹ Funding is added for capital assets for emergency equipment replacement.

¹² One-time funding is added for information technology equipment less than \$5,000 for computer replacement.

¹³ One-time funding is added for information technology equipment less than \$5,000 for redistricting.

¹⁴ One-time funding is added for a Council of State Governments conference.

Sections are also added to:

- Adjust 2019-21 biennium compensation rates to provide a 2 percent per year increase for interim meeting pay;
and
- Provide effective dates of the legislative compensation increases.