

HOUSE BILL NO. 1014

Introduced by

Appropriations Committee

1 A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial
2 commission and the agencies under the management of the industrial commission; and to
3 provide for a transfer.

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

5 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
6 as may be necessary, are appropriated out of any moneys in the general fund in the state
7 treasury, not otherwise appropriated, and from special funds derived from federal funds and
8 other income to the industrial commission and agencies under its control for the purpose of
9 defraying the expenses of the industrial commission and agencies under its control, for the
10 biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

11 Subdivision 1.

12 INDUSTRIAL COMMISSION

		Governor's		
	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>	
14 Salaries and wages	\$22,014,084	\$23,754,413	\$22,014,084	
16 Operating expenses	5,305,888	5,991,987	5,305,888	
17 Capital assets	0	5,000,000	0	
18 Grants - bond payments	13,210,484	10,508,767	13,210,484	
19 Contingencies	<u>221,737</u>	<u>0</u>	<u>221,737</u>	
20 Total all funds	\$40,752,193	\$45,255,167	\$40,752,193	
21 Less estimated income	<u>15,343,206</u>	<u>18,014,947</u>	<u>15,343,206</u>	
22 Total general fund	\$25,408,987	\$27,240,220	\$25,408,987	
23 Full-time equivalent positions	110.25	110.25	110.25	

24 Subdivision 2.

1	BANK OF NORTH DAKOTA			
2		Governor's		
3		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
4	Bank of North Dakota operations	\$58,489,204	\$143,315,329	\$58,489,204
5	Capital assets	<u>810,000</u>	<u>1,510,000</u>	<u>810,000</u>
6	Total all funds	\$59,299,204	\$144,825,329	\$59,299,204
7	Less estimated income	<u>59,299,204</u>	<u>64,825,329</u>	<u>59,299,204</u>
8	Total general fund	\$0	\$80,000,000	\$0
9	Full-time equivalent positions	181.50	181.50	181.50
10	Subdivision 3.			
11	HOUSING FINANCE AGENCY			
12		Governor's		
13		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
14	Salaries and wages	\$7,892,056	\$8,615,649	\$7,892,056
15	Operating expenses	4,743,355	5,346,276	4,743,355
16	Grants	31,794,828	53,466,600	31,794,828
17	Housing finance agency contingencies	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
18	Total special funds	\$44,530,239	\$67,528,525	\$44,530,239
19	Full-time equivalent positions	44.00	44.00	44.00
20	Subdivision 4.			
21	MILL AND ELEVATOR ASSOCIATION			
22		Governor's		
23		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
24	Salaries and wages	\$39,308,519	\$46,679,931	\$39,308,519
25	Operating expenses	28,195,000	29,837,000	28,195,000
26	Contingencies	500,000	500,000	500,000
27	Agriculture promotion	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>
28	Total special funds	\$68,213,519	\$77,226,931	\$68,213,519
29	Full-time equivalent positions	153.00	157.00	153.00
30	Subdivision 5.			
31	BILL TOTAL			

	Governor's		
	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
1 Grand total general fund	\$25,408,987	\$107,240,220	\$25,408,987
2 Grand total special funds	<u>187,386,168</u>	<u>227,595,732</u>	<u>187,386,168</u>
3 Grand total all funds	\$212,795,155	\$334,835,952	\$212,795,155

4 **SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding
5 items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
6 Litigation	\$1,000,000	\$0
7 Industrial water supply asset study	150,000	0
8 Soil remediation studies	5,000,000	0
9 Survey review	<u>800,000</u>	<u>0</u>
10 Total special funds	\$6,950,000	\$0

11 **SECTION 3. BOND PAYMENTS.** The amount of \$13,210,484 included in subdivision 1 of
12 section 1 of this Act in the grants - bond payments line item must be paid from the following
13 funding sources during the biennium beginning July 1, 2019, and ending June 30, 2021:

14 North Dakota university system	\$6,605,326
15 North Dakota university system - energy conservation projects	491,500
16 Department of corrections and rehabilitation	1,158,679
17 Department of corrections and rehabilitation - energy conservation projects	16,285
18 State department of health	636,877
19 Job service North Dakota	428,100
20 Office of management and budget	665,411
21 Attorney general's office	766,012
22 State historical society	1,392,629
23 Parks and recreation department	73,642
24 Research and extension service	571,520
25 Veterans' home	<u>404,503</u>
26 Total	\$13,210,484

27 **SECTION 4. CONTINGENT APPROPRIATION - INDUSTRIAL COMMISSION FUNDING.**

28 The amount of \$221,737 from the general fund and two full-time equivalent positions included in

1 subdivision 1 of section 1 of this Act may be spent only in accordance with the provisions of this
2 section. The industrial commission shall notify the office of management and budget and the
3 legislative council when the total number of wells capable of production and injection exceeds
4 eighteen thousand two hundred. Subject to budget section approval, the industrial commission
5 may spend \$221,737 from the contingencies line item and may hire two full-time equivalent
6 positions if the total number of oil wells capable of production and injection exceeds eighteen
7 thousand two hundred.

8 **SECTION 5. TRANSFER - ENTITIES UNDER THE CONTROL OF THE INDUSTRIAL**
9 **COMMISSION TO INDUSTRIAL COMMISSION FUND.** The sum of \$1,103,779, or so much of
10 the sum as may be necessary, included in the special funds appropriation line item in
11 subdivision 1 of section 1 of this Act, may be transferred from the entities within the control of
12 the industrial commission or entities directed to make payments to the industrial commission
13 fund for administrative services rendered by the commission. Transfers must be made during
14 the biennium beginning July 1, 2019, and ending June 30, 2021, upon order of the commission.
15 Transfers from the student loan trust fund must be made to the extent permitted by
16 sections 54-17-24 and 54-17-25.

17 **SECTION 6. TRANSFER - BANK OF NORTH DAKOTA PROFITS TO GENERAL FUND.**
18 The industrial commission shall transfer to the general fund \$140,000,000 from the current
19 earnings and the accumulated profits of the Bank of North Dakota during the biennium
20 beginning July 1, 2019, and ending June 30, 2021. The moneys must be transferred in the
21 amounts and at the times requested by the director of the office of management and budget
22 after consultation with the Bank of North Dakota president.

23 **SECTION 7. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM -**
24 **LIGNITE MARKETING FEASIBILITY STUDY.** The amount of \$4,500,000 from the lignite
25 research fund, or so much of the amount as may be necessary, may be used for the purpose of
26 contracting for an independent, nonmatching lignite marketing feasibility study or studies that
27 determine those focused priority areas where near-term, market-driven projects, activities, or
28 processes will generate matching private industry investment and have the most potential of
29 preserving existing lignite production and industry jobs or that will lead to increased
30 development of lignite and its products and create new lignite industry jobs and economic
31 growth for the general welfare of this state. Moneys appropriated pursuant to this section also

1 may be used for the purpose of contracting for nonmatching studies and activities in support of
2 the lignite vision 21 program; for litigation that may be necessary to protect and promote the
3 continued development of lignite resources; for nonmatching externality studies and activities in
4 externality proceedings; or other marketing, environmental, or transmission activities that assist
5 with marketing of lignite-based electricity and lignite-based byproducts. Moneys needed for the
6 purposes stated in this section are available to the industrial commission for funding projects,
7 processes, or activities under the lignite research, development, and marketing program.