

January 31, 2019

PROPOSED AMENDMENTS TO SENATE BILL NO. 2001

Page 1, line 2, after "governor" insert "; to amend and reenact sections 54-07-04 and 54-08-03 of the North Dakota Century Code, relating to salary of the governor and lieutenant governor; to provide an exemption; to provide for a report to the legislative assembly"

Page 1, line 2, replace "legislative management" with "budget section"

Page 1, replace lines 9 through 19 with:

	<u>Base Level</u>	<u>"Adjustments or Enhancements"</u>	<u>Appropriation</u>
Salaries and wages	\$3,422,574	\$201,285	\$3,623,859
Operating expenses	298,456	209,792	508,248
Contingencies	10,000	0	10,000
Roughrider awards	10,800	0	10,800
Governor's salary	265,928	9,387	275,315
Transition in	0	15,000	15,000
Transition out	<u>0</u>	<u>50,000</u>	<u>50,000</u>
Total general fund	\$4,007,758	\$485,464	\$4,493,222
Full-time equivalent positions	18.00	0.00	18.00

SECTION 2. GOVERNOR'S OFFICE ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Transition costs	\$0	\$65,000
Boards and commissions project	<u>0</u>	<u>139,808</u>
Total general fund	\$0	\$204,808

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The governor's office 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."

Page 1, line 21, replace "**LEGISLATIVE MANAGEMENT**" with "**BUDGET SECTION**"

Page 2, line 3, replace "legislative management" with "budget section"

Page 2, after line 4, insert:

"SECTION 4. AMENDMENT. Section 54-07-04 of the North Dakota Century Code is amended and reenacted as follows:

54-07-04. Salary of governor.

The annual salary of the governor is ~~one hundred twenty-nine thousand ninety-one~~ one hundred thirty-five thousand six hundred twenty-three dollars through

June 30, ~~2016~~2020, and ~~one hundred thirty-two thousand nine hundred sixty-four~~one hundred thirty-nine thousand six hundred ninety-two dollars thereafter.

SECTION 5. AMENDMENT. Section 54-08-03 of the North Dakota Century Code is amended and reenacted as follows:

54-08-03. Salary of lieutenant governor.

The annual salary of the lieutenant governor is ~~one hundred thousand two hundred fifteen~~one hundred five thousand two hundred eighty-five dollars through June 30, ~~2016~~2020, and ~~one hundred three thousand two hundred twenty-one~~one hundred eight thousand four hundred forty-four dollars thereafter.

SECTION 6. GOVERNOR'S SALARY - EXEMPTION. It is the intent of the sixty-sixth legislative assembly that the governor accept the governor's salary under section 54-07-04 for the biennium beginning July 1, 2019, and ending June 30, 2021. If the governor chooses to not accept the salary or any portion of the salary for the governor pursuant to section 54-07-04, section 54-07-04 does not apply and the related funding included in the governor's salary line item in section 1 of this Act may not be spent and must be canceled pursuant to section 54-44.1-11 at the end of the biennium beginning July 1, 2019, and ending June 30, 2021."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2001 - Governor's Office - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$3,422,574	\$201,285	\$3,623,859
Operating expenses	298,456	209,792	508,248
Contingencies	10,000		10,000
Rough Rider Awards	10,800		10,800
Governor's salary	265,928	9,387	275,315
Transition in		15,000	15,000
Transition out		50,000	50,000
Total all funds	\$4,007,758	\$485,464	\$4,493,222
Less estimated income	0	0	0
General fund	\$4,007,758	\$485,464	\$4,493,222
FTE	18.00	0.00	18.00

Department 101 - Governor's Office - Detail of Senate Changes

	Adjusts Funding for Base Payroll and Budget Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Base Level Funding ³	Adds Funding for Boards and Commissions Project ⁴	Adds Funding for Governor's Transition Costs ⁵	Total Senate Changes
Salaries and wages	\$76,886	\$180,704	(\$56,305)			\$201,285
Operating expenses	8,476		61,508	\$139,808		209,792
Contingencies						
Rough Rider Awards						
Governor's salary		9,387				9,387
Transition in					\$15,000	15,000
Transition out					50,000	50,000
Total all funds	\$85,362	\$190,091	\$5,203	\$139,808	\$65,000	\$485,464
Less estimated income	0	0	0	0	0	0
General fund	\$85,362	\$190,091	\$5,203	\$139,808	\$65,000	\$485,464
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ Funding is adjusted for base payroll and budget changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	<u>General Fund</u>
Salary increase	\$114,235
Health insurance increase	75,856
Total	<u>\$190,091</u>

³ Base level funding is adjusted as follows:

	<u>General Fund</u>
Underfund salaries and wages	(\$86,305)
Add funding for temporary staff	30,000
Add funding for Microsoft Office 365 licensing	1,508
Increase funding for operating expenses	60,000
Total	<u>\$5,203</u>

⁴ One-time funding is added for a technology project to update the boards and commissions database.

⁵ One-time funding is added for transition costs in the event a new Governor is elected in 2020.

This amendment also:

- Adjusts Section 2 to specify the Governor's office report to the Budget Section when any additional income from federal or other sources is received by the office.
- Adds a section to provide the statutory changes needed to increase the Governor's salary by 2 percent on July 1, 2019, and 3 percent on July 1, 2020.
- Adds a section to provide the statutory changes needed to increase the Lieutenant Governor's salary by 2 percent on July 1, 2019, and 3 percent on July 1, 2020.
- Adds a section to allow the Governor to decline the salary for the office during the 2019-21 biennium. The section requires the Governor's office to turn back any 2019-21 biennium salaries and wages funding not used for the Governor's position at the end of the biennium.