

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2018

That the House recede from its amendments as printed on pages 1571-1573 of the Senate Journal and pages 1775-1777 of the House Journal and that Engrossed Senate Bill No. 2018 be amended as follows:

Page 1, line 3, after the second semicolon, insert "to provide a statement of legislative intent;"

Page 1, replace lines 14 through 24 with:

|                                |                  |                   |                   |
|--------------------------------|------------------|-------------------|-------------------|
| "Salaries and wages            | \$15,791,624     | \$722,870         | \$16,514,494      |
| Operating expenses             | 4,473,663        | 122,168           | 4,595,831         |
| Capital assets                 | 1,251,015        | 24,163,413        | 25,414,428        |
| Grants                         | 600,000          | 1,203,340         | 1,803,340         |
| Cultural heritage grants       | 500,000          | 0                 | 500,000           |
| America's 250th celebration    | 0                | 250,000           | 250,000           |
| Exhibits                       | 0                | 300,000           | 300,000           |
| Total all funds                | \$22,616,302     | \$26,761,791      | \$49,378,093      |
| Less estimated income          | <u>3,229,952</u> | <u>24,109,231</u> | <u>27,339,183</u> |
| Total general fund             | \$19,386,350     | \$2,652,560       | \$22,038,910      |
| Full-time equivalent positions | 78.75            | 4.75              | 83.50"            |

Page 2, replace lines 6 through 20 with:

|   |                  |                   |
|---|------------------|-------------------|
| "Historical site and extraordinary repairs              | \$4,200,000      | \$3,250,000       |
| Essential infrastructure at historic sites              | 950,000          | 0                 |
| State archives digital repository upgrade               | 25,000           | 0                 |
| Inflationary costs                                      | 0                | 120,795           |
| Digital interactive initiative                          | 0                | 425,000           |
| Geographic information system remote access and upgrade | 0                | 250,000           |
| Medora site planning                                    | 0                | 150,000           |
| Army corps of engineers grant                           | 0                | 400,000           |
| Opera house restoration                                 | 0                | 250,000           |
| Whitestone Hill monument                                | 0                | 250,000           |
| Digital humanities advancement grant                    | 0                | 30,000            |
| Scanner and microfilm plotter                           | 0                | 236,044           |
| Exhibit engagement                                      | 0                | 375,000           |
| Paul Bruhn historical revitalization grant              | 0                | 750,000           |
| Underrepresented community grant                        | 0                | 125,000           |
| America's 250th celebration                             | 0                | 250,000           |
| Military museum   | 0                | <u>20,000,000</u> |
| Total all funds   | \$5,175,000      | \$26,861,839      |
| Total special funds                                     | <u>5,150,000</u> | <u>24,955,000</u> |
| Total general fund                                      | \$25,000         | \$1,906,839"      |

Page 3, after line 2, insert:

**"SECTION 5. BANK OF NORTH DAKOTA - LINE OF CREDIT - MILITARY MUSEUM - LEGISLATIVE INTENT.** The Bank of North Dakota shall extend a line of credit to the state historical society to provide funding to pay costs associated with the construction of a North Dakota military museum and related expansion projects for the

state historical society. The line of credit may not exceed \$20,000,000, and the interest rate associated with the line of credit must be the prevailing rate charged to North Dakota government entities. It is the intent of the sixty-eighth legislative assembly that the state historical society request funding from the sixty-ninth legislative assembly from the legacy earnings fund to repay the line of credit."

Page 3, line 5, replace "\$5,095,500" with "\$3,550,000"

Page 3, line 5, replace "\$4,500,000" with "\$3,250,000"

Page 3, line 6, replace "\$595,000" with "\$300,000"

Page 3, line 20, remove the overstrike over "~~36-CFR-800~~"

Page 3, line 20, remove the overstrike over "or"

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2018 - State Historical Society - Conference Committee Action**

|                          | Base Budget  | Senate Version | Conference Committee Changes | Conference Committee Version | House Version | Comparison to House |
|--------------------------|--------------|----------------|------------------------------|------------------------------|---------------|---------------------|
| Salaries and wages       | \$15,791,624 | \$17,548,818   | (\$1,034,324)                | \$16,514,494                 | \$16,474,494  | \$40,000            |
| Operating expenses       | 4,473,663    | 3,960,831      | 635,000                      | 4,595,831                    | 4,595,831     |                     |
| Capital assets           | 1,251,015    | 6,134,428      | 19,280,000                   | 25,414,428                   | 4,664,428     | 20,750,000          |
| Grants                   | 600,000      | 1,803,340      |                              | 1,803,340                    | 1,803,340     |                     |
| Cultural heritage grants | 500,000      | 500,000        |                              | 500,000                      | 500,000       |                     |
| America's 250th Exhibits |              | 750,000        | (500,000)                    | 250,000                      | 250,000       |                     |
|                          |              | 595,000        | (295,000)                    | 300,000                      | 300,000       |                     |
| Total all funds          | \$22,616,302 | \$31,292,417   | \$18,085,676                 | \$49,378,093                 | \$28,588,093  | \$20,790,000        |
| Less estimated income    | 3,229,952    | 9,303,341      | 18,035,842                   | 27,339,183                   | 6,589,183     | 20,750,000          |
| General fund             | \$19,386,350 | \$21,989,076   | \$49,834                     | \$22,038,910                 | \$21,998,910  | \$40,000            |
| FTE                      | 78.75        | 82.00          | 1.50                         | 83.50                        | 83.50         | 0.00                |

**Department 701 - State Historical Society - Detail of Conference Committee Changes**

|                          | Adds Funding for Salary and Benefit Increases <sup>1</sup> | Adds Funding for FTE Positions <sup>2</sup> | Removes Salary Funding for Funding Pool <sup>3</sup> | Adjusts Funding for One-Time Items <sup>4</sup> | Total Conference Committee Changes |
|--------------------------|--|---|--|---|------------------------------------|
| Salaries and wages       | \$237,904  | \$296,164                                   | (\$1,768,392)  | \$200,000                                       | (\$1,034,324)                      |
| Operating expenses       |  | 40,000                                      |  | 595,000   | 635,000                            |
| Capital assets           |  |   |  | 19,280,000                                      | 19,280,000                         |
| Grants                   |  |   |  |   |                                    |
| Cultural heritage grants |  |   |  | (500,000)                                       | (500,000)                          |
| America's 250th Exhibits |  |   |  | (295,000)                                       | (295,000)                          |
| Total all funds          | \$237,904  | \$336,164                                   | (\$1,768,392)  | \$19,280,000                                    | \$18,085,676                       |
| Less estimated income    | 30,031   | 0   | (849,189)  | 18,855,000                                      | 18,035,842                         |
| General fund             | \$207,873  | \$336,164                                   | (\$919,203)  | \$425,000                                       | \$49,834                           |
| FTE                      | 0.00   | 1.50  | 0.00   | 0.00  | 1.50                               |

<sup>1</sup> Salaries and wages funding is adjusted to provide for the 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House version, as follows:

|                             | <b>General<br/>Fund</b> | <b>Other<br/>Funds</b> | <b>Total</b>   |
|-----------------------------|-------------------------|------------------------|----------------|
| Salary increase             | \$215,795               | \$30,599               | \$246,394      |
| Health insurance adjustment | <u>(7,922)</u>          | <u>(568)</u>           | <u>(8,490)</u> |
| Total                       | \$207,873               | \$30,031               | \$237,904      |

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding of \$336,164 from the general fund is added for 1.5 FTE positions and related operating expenses:

|                           | <b>FTE</b>  | <b>Salaries and<br/>Wages</b> | <b>Operating<br/>Expenses</b> | <b>Total</b>   |
|---------------------------|-------------|-------------------------------|-------------------------------|----------------|
| Digital specialist        | 1.00        | \$187,590                     | \$0                           | \$187,590      |
| Brand marketing assistant | <u>0.50</u> | <u>108,574</u>                | <u>40,000</u>                 | <u>148,574</u> |
| Total                     | 1.50        | \$296,164                     | \$40,000                      | \$336,164      |

The House also added the funding for the positions.

<sup>3</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

|                      | <b>General<br/>Fund</b> | <b>Other<br/>Funds</b> | <b>Total</b>     |
|----------------------|-------------------------|------------------------|------------------|
| New FTE positions    | (\$360,978)             | (\$770,038)            | (\$1,131,016)    |
| Vacant FTE positions | <u>(558,225)</u>        | <u>(79,151)</u>        | <u>(637,376)</u> |
| Total                | (\$919,203)             | (\$849,189)            | (\$1,768,392)    |

The House also removed funding for the new and vacant FTE funding pool.

<sup>4</sup> One-time funding is adjusted as follows:

- Adds \$425,000 from the general fund for a digital interactive initiative project, the same as the House.
- Reduces funding by \$1.25 million from the strategic investment and improvements fund for historic building improvements to provide a total of \$3.25 million. The House had reduced the funding by \$2 million to provide a total of \$2.5 million.
- Adds \$400,000 from federal funds for an Army Corps of Engineers grant, of which \$200,000 is for salaries and wages, \$170,000 is for operating expenses, and \$30,000 is for capital assets, the same as the House.
- Adds \$250,000 from the general fund for an opera house restoration project, the same as the House.
- Adds \$250,000 from the general fund for conducting a study and designing a monument at Whitestone Hill State Historic Site, the same as the House.
- Reduces funding by \$500,000 from the general fund to provide a total of \$250,000 for the America's 250<sup>th</sup> celebration project, the same as the House.
- Reduces funding by \$295,000 from the strategic investment and improvements fund to provide a total of \$375,000 for improving exhibits including \$300,000 from the strategic investment and improvements fund and \$75,000 from donations, the same as the House.
- Adds \$20 million from a Bank of North Dakota line of credit for the construction of a North Dakota military museum. The Senate and House did not include the line of credit.

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This amendment:

- Changes a section to identify \$3,550,000 from the strategic investment and improvements fund, of which \$3,250,000 is for critical repairs to historic site structures and \$300,000 is for creating new and repairing existing exhibits. The Senate provided \$5,095,000 and the House \$2,500,000 from the strategic investment and improvements fund for the sites and exhibits.
- Adds a section to provide a line of credit from the Bank of North Dakota to the State Historical Society for \$20 million for the construction of a North Dakota military museum.