

Introduced by

Legislative Management

1 A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions  
 2 under the supervision of the director of the office of management and budget; to create and  
 3 enact a new subsection to section 54-44-11 of the North Dakota Century Code, relating to a  
 4 facility management operating fund; to amend and reenact sections 54-06-14.7 and 54-21-19,  
 5 subsection 2 of section 54-52-06.4, and subsection 4 of section 54-52-17 of the North Dakota  
 6 Century Code, relating to the state leave sharing program, capitol grounds rent collections, and  
 7 the law enforcement retirement program; to provide for a transfer; to provide an exemption; to  
 8 provide a report; to provide for a retroactive application; and to provide an effective date.

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

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
 11 as may be necessary, are appropriated out of any moneys in the general fund in the state  
 12 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
 13 other income, to the office of management and budget for the purpose of defraying the  
 14 expenses of the office of management and budget, for the biennium beginning July 1, 2023,  
 15 and ending June 30, 2025, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
18 Salaries and wages	\$21,926,979	\$1,231,851	\$23,158,830
19 Operating expenses	15,663,214	3,729,579	19,392,793
20 Capital assets	764,515	8,567,640	9,332,155
21 <del>Emergency commission contingency fund</del>	<del>400,000</del>	<del>0</del>	<del>400,000</del>
22 <u>Emergency commission contingency fund</u>	<u>400,000</u>	<u>350,000</u>	<u>750,000</u>
23 Targeted market equity pool	0	82,500,000	82,500,000
24 Guardianship grants	2,450,000	4,650,000	7,100,000

Sixty-eighth  
Legislative Assembly

1	Prairie public broadcasting	1,200,000	1,792,450	2,992,450
2	Community service supervision grants	350,000	0	350,000
3	State student internship program	0	500,000	500,000
4	Governor's emergency education relief	0	3,659,555	3,659,555
5	Deferred maintenance funding pool	0	20,000,000	20,000,000
6	New and vacant FTE funding pool	0	98,200,000	98,200,000
7	Employer retirement contribution pool	0	12,538,779	12,538,779
8	Infrastructure grant	<u>0</u>	<u>200,000</u>	<u>200,000</u>
9	<del>Total all funds</del>	<del>\$42,754,708</del>	<del>\$237,569,854</del>	<del>\$280,324,562</del>
10	<del>Less estimated income</del>	<del>8,828,309</del>	<del>137,175,715</del>	<del>146,004,024</del>
11	<del>Total general fund</del>	<del>\$33,926,399</del>	<del>\$100,394,139</del>	<del>\$134,320,538</del>
12	<u>Total all funds</u>	<u>\$42,754,708</u>	<u>\$237,919,854</u>	<u>\$280,674,562</u>
13	<u>Less estimated income</u>	<u>8,828,309</u>	<u>137,175,715</u>	<u>146,004,024</u>
14	<u>Total general fund</u>	<u>\$33,926,399</u>	<u>\$100,744,139</u>	<u>\$134,670,538</u>

15	Full-time equivalent positions	108.00	2.00	110.00
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**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**

**SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding

items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the

2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

20	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
21	Griggs County medical center grant	\$500,000	\$0
22	Facility consolidation study	350,000	0
23	Special assessments on capitol grounds	300,000	0
24	Interior and exterior signage projects	500,000	0
25	Statewide budget software	1,230,100	0
26	Capitol accessibility improvements	750,000	0
27	Legislative wing ventilation improvements	7,000,000	0
28	Pierce County medical center grant	1,000,000	0
29	Accrued leave retirement payouts	0	100,369
30	Inflationary increases	0	340,000
31	Capitol accessibility consulting	25,000	50,000

Sixty-eighth  
Legislative Assembly

1	Accessibility improvements - legislative areas	0	150,000
2	State employee leave management system	0	335,000
3	Cash management study	0	450,000
4	Procurement software	2,021,204	400,000
5	Building automation project	518,800	800,000
6	Extraordinary repairs	500,000	250,000
7	Capitol space utilization improvements	0	2,500,000
8	Central services software and equipment	0	573,800
9	Governor's residence improvements	0	100,000
10	Brynhild Haugland room remodeling project	0	250,000
11	Capitol window replacement project	0	4,000,000
12	Deferred maintenance projects	10,000,000	20,000,000
13	Prairie public broadcasting grants	0	1,792,450
14	State student internship program	100,000	500,000
15	Governor's emergency education relief	0	3,659,555
16	Infrastructure grant	<u>0</u>	<u>200,000</u>
17	Total all funds	\$24,795,104	\$36,451,174
18	Less estimated income	<u>24,695,104</u>	<u>29,934,355</u>
19	Total general fund	\$100,000	\$6,516,819

20 The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget  
 21 for the 2025-27 biennium. The office of management and budget shall report to the  
 22 appropriations committees of the sixty-ninth legislative assembly on the use of this one-time  
 23 funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

24 **SECTION 3. APPROPRIATION - COMMUNITY SERVICE SUPERVISION FUND.** Any  
 25 moneys in the community service supervision fund under section 29-26-22 are appropriated to  
 26 the office of management and budget for distribution to community corrections association  
 27 regions on or before August first of each year for the biennium beginning July 1, 2023, and  
 28 ending June 30, 2025.

29 **SECTION 4. APPROPRIATION - TRANSFER OF APPROPRIATION AUTHORITY -**  
 30 **FEDERAL STATE FISCAL RECOVERY FUND - EXEMPTION - SPENDING RESTRICTION -**  
 31 **REPORT.**

- 1           1.   Notwithstanding any other provision of law, on December 1, 2024, the office of  
2                   management and budget shall transfer any uncommitted federal state fiscal recovery  
3                   fund appropriation authority from the state agency that received the appropriation  
4                   authority to the department of corrections and rehabilitation for the purpose of  
5                   defraying the expenses of salaries and wages and other operating costs of the  
6                   department of corrections and rehabilitation for the biennium beginning July 1, 2023,  
7                   and ending June 30, 2025.
- 8           2.   The office of management and budget shall transfer any uncommitted accumulated  
9                   interest and earnings of the federal state fiscal recovery fund to the department of  
10                  corrections and rehabilitation during the biennium beginning July 1, 2023, and ending  
11                  June 30, 2025. Any interest and earnings received by the department of corrections  
12                  and rehabilitation under this section are appropriated to the department for the  
13                  purpose of defraying the expenses of salaries and wages and other operating costs of  
14                  the department for the biennium beginning July 1, 2023, and ending June 30, 2025.
- 15          3.   The department of corrections and rehabilitation may not spend general fund savings  
16                  resulting from the use of the federal state fiscal recovery fund moneys.
- 17          4.   The office of management and budget shall report to the budget section regarding any  
18                  appropriation authority and interest and earnings transferred under this section.

19           **SECTION 5. TRANSFER - TAX RELIEF FUND OR SOCIAL SERVICES FUND TO**

20 **HUMAN SERVICE FINANCE FUND.** The office of management and budget shall transfer the  
21 sum of \$200,000,000 from the tax relief fund or the social services fund under section  
22 57-51.1-07.5 to the human service finance fund during the biennium beginning July 1, 2023,  
23 and ending June 30, 2025.

24           **SECTION 6. TRANSFER - STATE STUDENT INTERNSHIP PROGRAM FUNDS TO**

25 **STATE AGENCIES.** The office of management and budget shall transfer funds from the state  
26 student internship program line item in section 1 of this Act to eligible state agencies for student  
27 internships during the biennium beginning July 1, 2023, and ending June 30, 2025.

28           **SECTION 7. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**

29 **GENERAL FUND.** The office of management and budget shall transfer the sum of \$50,000,000  
30 from the strategic investment and improvements fund to the general fund during the biennium  
31 beginning July 1, 2023, and ending June 30, 2025.

1       **SECTION 8. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**  
2 **NORTH DAKOTA DEVELOPMENT FUND.** The office of management and budget shall transfer  
3 the sum of \$30,000,000 from the strategic investment and improvements fund to the North  
4 Dakota development fund for programs under chapter 10-30.5, during the biennium beginning  
5 July 1, 2023, and ending June 30, 2025.

6       **SECTION 9. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**  
7 **FUND - DEFERRED MAINTENANCE FUNDING POOL - EXEMPTION - TRANSFER TO**  
8 **STATE AGENCIES.** The sum of \$20,000,000 included in the deferred maintenance funding pool  
9 line item in section 1 of this Act and identified as one-time funding in section 2 of this Act is from  
10 the strategic investment and improvements fund for a deferred maintenance funding pool. The  
11 office of management and budget may use up to \$12,700,000 from the deferred maintenance  
12 funding pool, including up to \$12,000,000 for a boiler replacement project in the capitol and up  
13 to \$700,000 for a water mitigation project at the liberty memorial building. Notwithstanding any  
14 other provision of law, the office of management and budget shall transfer funds from the  
15 deferred maintenance funding pool line item in section 1 of this Act to other eligible state  
16 agencies for deferred maintenance.

17       **SECTION 10. ESTIMATED INCOME - CAPITOL BUILDING FUND.** The sum of \$5,550,000  
18 included in the capital assets line item in section 1 of this Act and identified as one-time funding  
19 in section 2 of this Act is from the capitol building fund for the following:

- 20       1. \$150,000 for accessibility improvements in legislative areas of the capitol;
- 21       2. \$800,000 for a building automation project;
- 22       3. \$250,000 for electrical and mechanical repairs;
- 23       4. \$100,000 for security improvements at the governor's residence;
- 24       5. \$250,000 for a remodeling project in the Brynhild Haugland room in the capitol; and
- 25       6. \$4,000,000 for a capitol window replacement project.

26       **SECTION 11. OPERATING EXPENSES LINE ITEM - CASH MANAGEMENT STUDY -**  
27 **OFFICE OF MANAGEMENT AND BUDGET - REPORT TO LEGISLATIVE MANAGEMENT.**  
28 The operating expenses line item in section 1 of this Act includes the sum of \$450,000 from the  
29 general fund for the purpose of the office of management and budget procuring consulting  
30 services to conduct a study and develop recommendations for improvement of the cash  
31 management practices of the state, for the biennium beginning July 1, 2023, and ending

1 June 30, 2025. The study must include cash management practices employed by the Bank of  
2 North Dakota, state treasurer, retirement and investment office, board of university and school  
3 lands, and other agencies as determined by the office of management and budget. The office of  
4 management and budget shall report to the legislative management before September 30,  
5 2024, regarding the findings and recommendations resulting from its study.

6 **SECTION 12. INFRASTRUCTURE GRANT LINE ITEM - RURAL SENIOR CENTER.** The  
7 infrastructure grant line item in section 1 of this Act includes the sum of \$200,000 from the  
8 general fund for the purpose of providing a rural senior center infrastructure grant to an  
9 organization in Wells County located in a city with a population between 1,500 and 1,800  
10 according to the 2020 census, for the biennium beginning July 1, 2023, and ending June 30,  
11 2025.

12 **SECTION 13. GRANTS AND SPECIAL ITEMS.** Section 1 of this Act includes appropriation  
13 authority which may be used only for the following grants and special items:

14 Unemployment insurance	\$1,800,000
15 Capitol grounds planning commission	\$25,000
16 Statewide memberships and related expenses	\$685,657

17 **SECTION 14. TARGETED MARKET EQUITY COMPENSATION ADJUSTMENTS -**  
18 **GUIDELINES - EXEMPTION - TRANSFER OF APPROPRIATION AUTHORITY - BUDGET**  
19 **SECTION REPORT.**

20 1. The targeted market equity pool line item in section 1 of this Act includes \$45,100,000  
21 from the general fund and \$37,400,000 from special funds derived from federal funds  
22 and other income for the purpose of providing compensation adjustments for executive  
23 branch state employees in accordance with provisions of this section for the period  
24 beginning May 10, 2023, and ending June 30, 2025.

25 2. The targeted market equity compensation adjustments must be prioritized based on a  
26 statewide plan prepared by the office of management and budget based on the  
27 funding available in the pool. The plan must address occupational market disparities,  
28 recruitment and retention challenges, and external pay inequities for employees who  
29 are critical to the mission of the agency. Employees whose documented performance  
30 levels do not meet standards are not eligible for the market equity compensation  
31 adjustments.

- 1       3. All targeted market equity compensation adjustments must be provided by July 1,  
2           2023.
- 3       4. The funding allocated to each agency must be used for the cost to continue the  
4           compensation adjustments for the 2023-25 biennium, including the effect of the market  
5           equity adjustments on funding needed for the salary increases authorized by the  
6           legislative assembly in section 21 of this Act.
- 7       5. Notwithstanding any other provision of law, the office of management and budget shall  
8           transfer appropriation authority from the targeted market equity funding pool to eligible  
9           executive branch state agencies for approved targeted market equity salary  
10          adjustments.
- 11      6. The office of management and budget shall provide a report to the budget section  
12          regarding the statewide plan, any changes to the plan presented to the sixty-eighth  
13          legislative assembly, and the appropriation authority transferred from the pool.

14       **SECTION 15. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.**

- 15      1. The 2023-25 biennium compensation adjustments for permanent state employees are  
16          to average 6 percent per eligible employee for the first fiscal year of the biennium and  
17          are to average 4 percent per eligible employee for the second year of the biennium.  
18          The increases for the first year of the biennium are to be given beginning with the  
19          month of July 2023, to be paid in August 2023, and for the second year of the  
20          biennium are to be given beginning with the month of July 2024, to be paid in  
21          August 2024. Increases for eligible state employees are to be based on documented  
22          performance and are not to be the same percentage increase for each employee.
- 23      2. The office of management and budget shall develop guidelines for use by state  
24          agencies for providing compensation adjustments for classified state employees. The  
25          guidelines must follow the compensation philosophy statement under section  
26          54-44.3-01.2.
- 27      3. Probationary employees are not entitled to the increases. However, at the discretion of  
28          the appointing authority, probationary employees may be given all or a portion of the  
29          increases effective in July, paid in August, or upon completion of probation. Employees  
30          whose overall documented performance level does not meet standards are not eligible  
31          for any salary increase.

1           **SECTION 16. NEW AND VACANT FTE FUNDING POOL - GUIDELINES - EXEMPTION -**  
2 **TRANSFER OF APPROPRIATION AUTHORITY - APPLICATION - BUDGET SECTION**  
3 **REPORT.**

- 4           1.    The new and vacant FTE funding pool line item in section 1 of this Act includes  
5               \$40,100,000 from the general fund and \$58,100,000 from special funds derived from  
6               federal funds and other income for the purpose of providing funding for hiring new  
7               full-time equivalent positions and for agencies that do not realize sufficient savings  
8               from vacant full-time equivalent positions in accordance with provisions of this section  
9               for the biennium beginning July 1, 2023, and ending June 30, 2025.
- 10          2.    An executive branch state agency that had funding removed by the sixty-eighth  
11               legislative assembly for purposes of the new and vacant FTE funding pool may submit  
12               a request to the office of management and budget for an allocation of funding from the  
13               pool:
- 14               a.    To provide funding for the salaries and wages necessary for the 2023-25  
15               biennium for a new full-time equivalent position authorized by the sixty-eighth  
16               legislative assembly from the date of hiring through the end of the biennium;
- 17               b.    To provide funding for the salaries and wages necessary for the 2023-25  
18               biennium for filling a full-time equivalent position that was vacant on July 1, 2023,  
19               from the date of hiring through the end of the biennium;
- 20               c.    After March 1, 2025, for salaries and wages funding necessary for the 2023-25  
21               biennium if actual salaries and wages savings from vacant positions adjusted for  
22               other salaries and wages uses are less than the estimate used by the sixty-eighth  
23               legislative assembly in the development of the agency's appropriation; or
- 24               d.    As requested by the department of transportation, the sum of up to \$7,400,000  
25               for salaries and wages funding needs.
- 26          3.    The office of management and budget may transfer general fund appropriation  
27               authority from the pool to an agency only upon the agency certifying to the office of  
28               management and budget that special funds from federal or other sources are not  
29               available for the salaries and wages of the full-time equivalent position.
- 30          4.    An agency may not receive more funding from the pool than the amount that was  
31               removed from the agency budget for new and vacant full-time equivalent positions as

1 contained in the statement of purpose of amendment of bills approved by the sixty-  
2 eighth legislative assembly as printed in the house and senate journals.

3 5. Notwithstanding any other provision of law, the office of management and budget shall  
4 transfer appropriation authority from the new and vacant FTE funding pool to eligible  
5 executive branch state agencies:

6 a. Within fifteen days of receiving an agency request for the hiring of a new full-time  
7 equivalent position authorized by the sixty-eighth legislative assembly, along with  
8 documentation of the salaries and wages necessary for the position for the  
9 remainder of the biennium, limited to the amount identified for the position in the  
10 statement of purpose of amendment;

11 b. Within fifteen days of receiving an agency request for filling a full-time equivalent  
12 position that was vacant on July 1, 2023, along with documentation verifying that  
13 funding available for salaries and wages within the agency's budget is insufficient  
14 to provide funding for the position for the remainder of the biennium;

15 c. Within thirty days of receiving an agency request, along with documentation  
16 verifying that actual salaries and wages savings from vacant positions through  
17 February 2025 and estimates for the remainder of the biennium adjusted for  
18 other salaries and wages uses are less than the estimate used by the sixty-eighth  
19 legislative assembly in the development of the agency's appropriation; or

20 d. Within fifteen days of receiving a request from the department of transportation to  
21 transfer the sum of up to \$7,400,000 for salaries and wages funding needs.

22 6. The provisions of section 54-27-10 do not apply to the salaries and wages line item of  
23 appropriations approved by the sixty-eighth legislative assembly for the biennium  
24 beginning July 1, 2023, and ending June 30, 2025.

25 7. If funding in the new and vacant FTE funding pool is insufficient to provide the  
26 necessary salaries and wages funding for the biennium, the office of management and  
27 budget shall request a deficiency appropriation from the sixty-ninth legislative  
28 assembly. Any funding remaining in the funding pool at the end of the biennium must  
29 be canceled in accordance with the provisions of section 54-44.1-11.

- 1           8. The office of management of budget shall report to each meeting of the budget section  
2           regarding salaries and wages, vacant position information, and use of funding in the  
3           pool including:
- 4           a. The number of agency requests submitted, amounts transferred from the pool,  
5           and information on:
- 6                 (1) New full-time equivalent positions, including the date hired; and  
7                 (2) Vacant full-time equivalent positions, including dates the positions were  
8                 vacated and filled;
- 9           b. Salaries and wages savings to date resulting from vacant positions by agency;  
10           and
- 11           c. Each agency's use of salaries and wages funding, including amounts spent for  
12           accrued leave payouts, salary increases in addition to general salary increases  
13           provided by the sixty-eighth legislative assembly, bonuses, incentive or location  
14           pay adjustments, reclassifications, funding used for temporary salaries or  
15           overtime in excess of amounts provided by the sixty-eighth legislative assembly,  
16           or other purposes.

17           **SECTION 17. EMPLOYER RETIREMENT CONTRIBUTION POOL - GUIDELINES -**  
18           **EXEMPTION - TRANSFER OF APPROPRIATION AUTHORITY.**

- 19           1. The employer retirement contribution pool line item in section 1 of this Act includes  
20           \$5,563,709 from the general fund and \$6,975,070 from special funds derived from  
21           federal funds and other income for providing funding to executive branch agencies for  
22           the increased cost of the employer retirement contribution increases included in House  
23           Bill No. 1040, House Bill No. 1183, and House Bill No. 1309, as approved by the sixty-  
24           eighth legislative assembly, in accordance with provisions of this section, for the  
25           biennium beginning July 1, 2023, and ending June 30, 2025.
- 26           2. Notwithstanding any other provision of law, the office of management and budget shall  
27           transfer appropriation authority provided in this section to the listed executive branch  
28           state agencies as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Funds</u>
30 Governor	\$26,154	\$0	\$26,154
31 Secretary of state	24,295	4,050	28,345

Sixty-eighth  
Legislative Assembly

1	Office of management and budget	95,753	16,423	112,176
2	Information technology department	104,514	525,014	629,528
3	State auditor	44,533	32,769	77,302
4	State treasurer	7,502	0	7,502
5	Attorney general	1,268,037	843,938	2,111,975
6	Tax commissioner	114,348	0	114,348
7	Office of administrative hearings	0	7,135	7,135
8	Commission on legal counsel for indigents	45,111	1,268	46,379
9	Retirement and investment office	0	42,355	42,355
10	Public employees retirement system	0	36,736	36,736
11	Ethics commission	1,957	0	1,957
12	Department of public instruction	31,605	53,383	84,988
13	North Dakota university system	39,435	16,789	56,224
14	Department of trust lands	0	40,947	40,947
15	Bismarck state college	31,441	56,303	87,744
16	Lake region state college	14,693	20,449	35,142
17	Williston state college	8,607	12,224	20,831
18	University of North Dakota	100,821	520,248	621,069
19	University of North Dakota school of	38,691	68,304	106,995
20	medicine and health sciences			
21	North Dakota state university	97,772	375,024	472,796
22	North Dakota state college of science	43,662	53,548	97,210
23	Dickinson state university	15,061	19,859	34,920
24	Mayville state university	11,331	43,952	55,283
25	Minot state university	31,980	49,180	81,160
26	Valley City state university	17,606	16,577	34,183
27	Dakota college at Bottineau	8,526	9,863	18,389
28	North Dakota forest service	8,411	669	9,080
29	State library	16,695	3,148	19,843
30	School for the deaf	23,099	1,617	24,716
31	North Dakota vision services - school	12,195	1,382	13,577

Sixty-eighth  
Legislative Assembly

1	for the blind			
2	Center for distance education	9,799	0	9,799
3	Department of career and technical	21,878	3,144	25,022
4	education			
5	Department of health and human	49,333	156,146	205,479
6	services - public health			
7	Department of environmental quality	51,295	119,961	171,256
8	Veterans' home	20,372	58,979	79,351
9	Indian affairs commission	4,454	0	4,454
10	Department of veterans' affairs	7,261	1,075	8,336
11	Department of health and human	1,265,293	831,416	2,096,709
12	services - human services			
13	Protection and advocacy project	12,935	16,646	29,581
14	Job service North Dakota	1,878	138,944	140,822
15	Insurance commissioner	0	51,040	51,040
16	Industrial commission	123,610	11,031	134,641
17	Department of labor and human rights	11,636	2,448	14,084
18	Public service commission	26,468	21,823	48,291
19	Aeronautics commission	0	8,712	8,712
20	Department of financial institutions	0	42,723	42,723
21	Securities department	0	11,771	11,771
22	Bank of North Dakota	0	181,939	181,939
23	Housing finance agency	0	53,004	53,004
24	Mill and elevator association	0	168,887	168,887
25	Workforce safety and insurance	0	254,365	254,365
26	Highway patrol	15,723	14,180	29,903
27	Department of corrections and	1,111,528	59,883	1,171,411
28	rehabilitation			
29	Adjutant general	128,680	235,829	364,509
30	Department of commerce	65,463	12,165	77,628
31	Agriculture commissioner	46,693	31,803	78,496

Sixty-eighth  
Legislative Assembly

1	Upper great plains transportation institute	4,868	11,964	16,832
2	Branch research centers	21,139	14,106	35,245
3	NDSU extension service	22,744	17,085	39,829
4	Northern crops institute	797	671	1,468
5	NDSU main research center	33,694	9,151	42,845
6	Agronomy seed farm	0	2,958	2,958
7	North Dakota racing commission	2,008	105	2,113
8	State historical society	66,191	9,389	75,580
9	Council on the arts	5,650	0	5,650
10	Game and fish department	0	381,164	381,164
11	Parks and recreation department	148,484	8,375	156,859
12	Department of water resources	0	108,163	108,163
13	Department of transportation	0	<u>1,050,871</u>	<u>1,050,871</u>
14	Total	\$5,563,709	\$6,975,070	\$12,538,779

15       **SECTION 18. AMENDMENT.** Section 54-06-14.7 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17       **54-06-14.7. State leave sharing program - Rulemaking.**

- 18       1. The human resource management services division of the office of management and  
19 budget shall establish a state leave sharing program for permanent employees of the  
20 state. The program must provide for a mechanism for state employees to donate  
21 accrued annual and sick leave to an employee who does not have available leave who  
22 is suffering from a severe, extreme, or life-threatening condition or who is caring for an  
23 immediate relative or household member who is suffering from a severe, extreme, or  
24 life-threatening condition.
- 25       2. A ~~probationary~~, temporary, employee or contracted employee with a limited-term  
26 appointment is not eligible to participate in the leave sharing program. An employee  
27 may not use more than four months donated leave in any twelve-month period and an  
28 employee may not retain leave beyond the occurrence necessitating the leave.
- 29       3. The human resource management services division shall:
- 30       a. Require medical certification from a physician, physician assistant, psychologist,  
31 or advanced practice nurse practitioner verifying the severe, extreme, or

1                   life-threatening nature of the medical condition and the expected duration of the  
2                   condition;

3                   b. Track the amount of leave taken by permanent state employees under the  
4                   program; and

5                   c. Adopt rules in accordance with chapter 28-32 to implement this section.

6                   **SECTION 19. AMENDMENT.** Section 54-21-19 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8                   **54-21-19. Director to furnish supplies and maintain capitol, state offices, and**  
9 **executive mansion - Authority to charge for services.**

10                  The director of the office of management and budget shall provide all necessary fuel,  
11 electricity, insurance, janitorial, and other services necessary to maintain the state offices on the  
12 capitol grounds as well as all necessary furniture, fuel, electricity, express, freight, drayage, and  
13 all other necessary supplies for the executive mansion and the capitol grounds and shall make  
14 all necessary repairs. The purchases must be in accordance with chapter 54-44.4. The director  
15 shall charge an amount equal to the fair value of the office space and other services rendered  
16 to all departments that receive and expend moneys from other than the general fund executive  
17 branch agencies, except that for good cause the amounts charged may be waived by the  
18 director for a one-year period of time with the waiver subject to further annual renewals after  
19 proper application has been filed with the director.

20                  **SECTION 20.** A new subsection to section 54-44-11 of the North Dakota Century Code is  
21 created and enacted as follows:

22                  The office of management and budget shall establish a facility management operating  
23 fund to be used for the salary and operating expenses of the division of facility  
24 management. Rental fees collected pursuant to section 54-21-19 must be deposited in  
25 the fund. The director of the office of management and budget shall transfer any  
26 unobligated balance in the fund to the general fund at the end of each fiscal year.

27                  **SECTION 21. AMENDMENT.** Subsection 2 of section 54-52-06.4 of the North Dakota  
28 Century Code is amended and reenacted as follows:

29                  2. The employer of a peace officer employed by the bureau of criminal investigation state  
30 or national guard security officer shall contribute an amount determined by the board  
31 to be actuarially required to support the level of benefits specified in section 54-52-17.

1           The employer's contribution must be paid from funds appropriated for salary or from  
2           any other funds available for such purposes. If the peace officer's or security officer's  
3           assessment is paid by the employer under subsection 3 of section 54-52-05, the  
4           employer shall contribute, in addition, an amount equal to the required peace officer's  
5           or security officer's assessment.

6           **SECTION 22. AMENDMENT.** Subsection 4 of section 54-52-17 of the North Dakota  
7           Century Code is amended and reenacted as follows:

8           4.    The board shall calculate retirement benefits as follows:

- 9           a.    Normal retirement benefits for all retirees, except supreme and district court  
10           judges, peace officers employed by the bureau of criminal investigation, and  
11           other peace officers employed by the state, reaching normal retirement date  
12           equal an annual amount, payable monthly, comprised of a service benefit and a  
13           prior service benefit, as defined in this chapter, which is determined as follows:
- 14           (1)   For members first enrolled:
- 15               (a)   Before January 1, 2020, service benefit equals two percent of final  
16               average salary multiplied by the number of years of service  
17               employment.
- 18               (b)   After December 31, 2019, service benefit equals one and seventy-five  
19               hundredths percent of final average salary multiplied by the number of  
20               years of service employment.
- 21           (2)   Prior service benefit equals two percent of final average salary multiplied by  
22           the number of years of prior service employment.
- 23           b.    Normal retirement benefits for all supreme and district court judges under the  
24           public employees retirement system reaching normal retirement date equal an  
25           annual amount, payable monthly, comprised of a benefit as defined in this  
26           chapter, determined as follows:
- 27           (1)   Benefits must be calculated from the time of appointment or election to the  
28           bench and must equal three and one-half percent of final average salary  
29           multiplied by the first ten years of judicial service, two and eighty hundredths  
30           percent of final average salary multiplied by the second ten years of judicial

1 service, and one and one-fourth percent of final average salary multiplied by  
2 the number of years of judicial service exceeding twenty years.

3 (2) Service benefits must include, in addition, an amount equal to the percent  
4 specified in subdivision a of final average salary multiplied by the number of  
5 years of nonjudicial employee service and employment.

6 c. Normal retirement benefits for a peace officer employed by the bureau of criminal  
7 investigation reaching the normal retirement date equals an annual amount,  
8 payable monthly, comprised of a service benefit and a prior service benefit  
9 determined as follows:

10 (1) ~~For members first enrolled:~~

11 (a) ~~Before January 1, 2020, service benefit equals two percent of final-~~  
12 ~~average salary multiplied by the number of years of service-~~  
13 ~~employment.~~

14 (b) ~~After December 31, 2019, service benefit equals one and seventy-five-~~  
15 ~~hundredths percent of final average salary multiplied by the number of~~  
16 ~~years of service employment~~The first twenty years of credited service  
17 multiplied by three percent of final average salary.

18 (2) ~~Prior service benefit equals two percent of final average salary multiplied by~~  
19 ~~the number of years of prior service employment~~For years in excess of  
20 twenty years of credited service multiplied by one and seventy-five  
21 hundredths percent of final average salary.

22 d. Normal retirement benefits for a peace officer employed by the state, other than  
23 by the bureau of criminal investigation, reaching the normal retirement date  
24 equals an annual amount, payable monthly, comprised of a service benefit and a  
25 prior service benefit determined as follows:

26 (1) For members first enrolled:

27 (a) Before January 1, 2020, service benefit equals two percent of final  
28 average salary multiplied by the number of years of service  
29 employment.

1 (b) After December 31, 2019, service benefit equals one and seventy-five  
2 hundredths percent of final average salary multiplied by the number of  
3 years of service employment.

4 (2) Prior service benefit equals two percent of final average salary multiplied by  
5 the number of years of prior service employment.

6 e. Postponed retirement benefits are calculated as for single life benefits for those  
7 members who retired on or after July 1, 1977.

8 f. Early retirement benefits are calculated as for single life benefits accrued to the  
9 date of termination of employment, but must be actuarially reduced to account for  
10 benefit payments beginning before the normal retirement date, as determined  
11 under subsection 3. Except for a national guard security officer or firefighter, a  
12 firefighter, peace officer, or correctional officer employed by a political  
13 subdivision, a peace officer employed by the state, or a supreme court or district  
14 court judge, early retirement benefits for members first enrolled after  
15 December 31, 2015, are calculated for single life benefits accrued to the date of  
16 termination of employment, but must be reduced by fixed rate of eight percent  
17 per year to account for benefit payments beginning before the normal retirement  
18 date. A retiree, other than a supreme or district court judge, is eligible for early  
19 retirement benefits only after having completed three years of eligible  
20 employment. A supreme or district court judge retiree is eligible for early  
21 retirement benefits only after having completed five years of eligible employment.

22 g. Except for supreme and district court judges, disability retirement benefits are  
23 twenty-five percent of the member's final average salary. Disability retirement  
24 benefits for supreme and district court judges are seventy percent of final  
25 average salary reduced by the member's primary social security benefits and by  
26 any workforce safety and insurance benefits paid. The minimum monthly  
27 disability retirement benefit under this section is one hundred dollars.

28 **SECTION 23. EXEMPTION - FISCAL MANAGEMENT.** The amount appropriated for the  
29 fiscal management division, as contained in section 1 of chapter 15 of the 2021 Session Laws is  
30 not subject to the provisions of section 54-44.1-11. Any unexpended funds from this  
31 appropriation are available for continued development and operating costs of the statewide

1 systems, including accounting, management, and payroll, during the biennium beginning July 1,  
2 2023, and ending June 30, 2025.

3 **SECTION 24. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following  
4 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into  
5 the biennium beginning July 1, 2023, and ending June 30, 2025:

6 1. The sum of \$500,000 appropriated from the strategic investment and improvements  
7 fund in section 1 and identified in section 2 of chapter 40 of the 2019 Session Laws  
8 and continued into the 2021-23 biennium pursuant to section 42 of chapter 15 of the  
9 2021 Session Laws for an assessment of state lands and facilities.

10 2. The sum of \$350,000 appropriated from the capitol building fund in section 1 and  
11 identified in section 2 of chapter 15 of the 2021 Session Laws for a facility  
12 consolidation study.

13 **SECTION 25. RETROACTIVE APPLICATION.** The targeted market equity pool line item in  
14 section 1 of this Act and section 14 of this Act, and the deferred maintenance funding pool line  
15 item in section 1 of this Act and section 9 of this Act, apply retroactively to May 10, 2023.  
16 Sections 21 and 22 apply retroactively to August 1, 2023. The remainder of this Act applies  
17 retroactively to July 1, 2023.

18 **SECTION 26. EFFECTIVE DATE.** This Act becomes effective immediately upon its filing  
19 with the secretary of state.