

Industrial Commission - Budget No. 405
House Bill No. 1014
Base Level Funding Changes

	Executive Budget Recommendation				House Version				House Changes to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease) - Executive Budget			
									FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	6.75	\$0	\$24,131,181	\$24,131,181	6.75	\$0	\$24,131,181	\$24,131,181	0.00	\$0	\$0	\$0
2023-25 Ongoing Funding Changes												
Cost to continue salary increase			\$8,697	\$8,697			\$8,697	\$8,697				\$0
Salary increase			142,561	142,561			107,229	107,229			(35,332)	(35,332)
Health insurance increase			41,146	41,146			42,092	42,092			946	946
Adds FTE grant administration position	1.00		182,321	182,321	1.00		182,321	182,321				0
Adds FTE deputy director position	1.00		132,646	132,646	1.00		132,646	132,646				0
Adds FTE administrative assistant position				0	1.00		300,943	300,943	1.00		300,943	300,943
Transfers \$97,878 from operating expenses to salaries				0				0				0
ITD rate increases			1,756	1,756			1,756	1,756				0
Increases funding for bond payments			97,839,192	97,839,192			97,839,192	97,839,192				0
Total ongoing funding changes	2.00	\$0	\$98,348,319	\$98,348,319	3.00	\$0	\$98,614,876	\$98,614,876	1.00	\$0	\$266,557	\$266,557
One-Time Funding Items												
Adds one-time funding for FTE grant administration position			\$1,155	\$1,155			\$1,155	\$1,155				0
Adds one-time funding for FTE deputy director position			10,955	10,955			10,955	10,955				0
Adds one-time funding for temporary employees			75,000	75,000				0			(75,000)	(75,000)
Adds one-time funding for inflationary increases			35,688	35,688				0			(35,688)	(35,688)
Adds one-time funding for Transmission Authority consulting		\$250,000		250,000		\$300,000		300,000		50,000		50,000
Adds one-time funding for computers and software			54,000	54,000				0			(54,000)	(54,000)
Adds one-time funding for an electric grid resilience grant		1,372,227	7,520,258	8,892,485		1,124,856	7,499,037	8,623,893		(247,371)	(21,221)	(268,592)
Adds one-time funding for lignite litigation				0		3,000,000		3,000,000		3,000,000		3,000,000
Adds one-time funding for a transmission line grant				0			25,000,000	25,000,000			25,000,000	25,000,000
Adds one-time funding for grant management software				0			1,250,000	1,250,000			1,250,000	1,250,000
Total one-time funding changes	0.00	\$1,622,227	\$7,697,056	\$9,319,283	0.00	\$4,424,856	\$33,761,147	\$38,186,003	0.00	\$2,802,629	\$26,064,091	\$28,866,720
Total Changes to Base Level Funding	2.00	\$1,622,227	\$106,045,375	\$107,667,602	3.00	\$4,424,856	\$132,376,023	\$136,800,879	1.00	\$2,802,629	\$26,330,648	\$29,133,277
2023-25 Total Funding	8.75	\$1,622,227	\$130,176,556	\$131,798,783	9.75	\$4,424,856	\$156,507,204	\$160,932,060	1.00	\$2,802,629	\$26,330,648	\$29,133,277
<i>Federal funds included in other funds</i>			\$7,520,258				\$7,499,037				(\$21,221)	
<i>Total ongoing changes as a percentage of base level</i>	29.6%		407.6%	407.6%	44.4%		408.7%	408.7%				
<i>Total changes as a percentage of base level</i>	29.6%		439.5%	446.2%	44.4%		548.6%	566.9%				

Other Sections in Industrial Commission - Budget No. 405

	Executive Budget Recommendation	House Version
Bond payments	Section 3 would provide legislative intent for bond payments during the 2023-25 biennium.	Section 3 provides legislative intent for bond payments during the 2023-25 biennium.
Administrative cost transfers	Section 5 would allow the Industrial Commission to transfer up to \$1,619,045 from special funds from the entities under the control of the Industrial Commission for administrative services. Section 19 would provide an exemption allowing unspent prior biennium appropriation authority for administrative costs to be available in the 2023-25 biennium.	Section 8 allows the Industrial Commission to transfer up to \$1,899,877 from special funds from the entities under the control of the Industrial Commission for administrative services and provides an exemption allowing unspent prior biennium appropriation authority for administrative costs to be available in the 2023-25 biennium. Section 9 allows the Industrial Commission to transfer up to \$250,000 from each of the grant programs to provide a total of \$1,250,000 for new grant management software.

Other Sections in Industrial Commission - Budget No. 405

	<u>Executive Budget Recommendation</u>	<u>House Version</u>
Legacy fund earnings	Sections 12 and 13 would transfer \$55 million from the legacy earnings fund to the oil and gas research fund (\$5 million) and to the clean sustainable energy fund (\$50 million).	Section 12 transfers \$5 million from the legacy earnings fund to the oil and gas research fund for a pipeline leak detection and prevention program; transfers \$50 million from the legacy earnings fund to the clean sustainable energy fund to provide total funding of \$50 million for grants, including \$30 million allocated from the legacy earnings fund to the clean sustainable energy fund under current law; and transfers \$250 million to the clean sustainable energy fund to repay a line of credit and to provide funding for loans.
Strategic investment and improvements fund		Section 13 transfers \$3 million from the strategic investment and improvements fund to the State Energy Research Center fund and directs the Industrial Commission to distribute the funding for a critical minerals study, including rare earth elements, during the 2023-24 interim. Section 14 transfers \$22 million from the strategic investment and improvements fund to the State Energy Research Center fund and requires the Industrial Commission to distribute the funding to the State Energy Research Center for an underground energy storage research project to construct up to two salt caverns. Section 15 identifies \$25 million from the strategic investment and improvements fund for the Industrial Commission to provide a grant, based on the recommendation of the North Dakota Transmission Authority, to an entity for a project to upgrade a high-voltage direct current transmission line.
Lignite research fund		Section 16 designates \$4.5 million from the lignite research fund for lignite marketing studies, advanced energy technology, or possible lignite-related litigation and requires the Industrial Commission to provide a report.
Pipeline capacity positions		Sections 18, 19, 20, and 21 authorize the North Dakota Pipeline Authority to borrow up to \$60 million through a line of credit from the Bank of North Dakota to purchase capacity positions on a pipeline and requires the line of credit be guaranteed under the fuel production facility loan guarantee program.
Clean sustainable energy projects		Section 22 clarifies the definition of clean sustainable energy projects to identify hydrogen projects as eligible projects.
Federal State Fiscal Recovery Fund exemption	Sections 20 and 21 would provide an exemption allowing unspent federal funding authorized during the November 2021 special legislative session to be available in the 2023-25 biennium related to a pipeline infrastructure grant (\$150 million) and a hydrogen development grant (\$20 million).	Section 26 provides an exemption allowing unspent federal funding authorized during the November 2021 special legislative session to be available in the 2023-25 biennium related to a hydrogen development grant (\$20 million).
Emergency clause		Section 27 provides an emergency clause related to \$3 million of one-time funding from the general fund for lignite litigation.