

25.0169.02001
Title.
Fiscal No. 1

Prepared by the Legislative Council
staff for House Appropriations -
Education and Environment Division
Committee

March 26, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED SENATE BILL NO. 2002

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch;
2 to create and enact a new subsection to section 54-06-08.2 of the North Dakota Century Code.
3 relating to credit and debit card fees; to amend and reenact sections 27-02-02 and 27-05-03 of
4 the North Dakota Century Code, relating to the salaries of justices of the supreme court and
5 salaries of district court judges; to provide for transfers; to provide for a report; and to provide an
6 exemption.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
9 as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from other funds derived from special funds and
11 federal funds, to the judicial branch for the purpose of defraying the expenses of the judicial
12 branch, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

13 Subdivision 1.

14 SUPREME COURT

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
15				
16				
17	Salaries and wages	\$12,363,778	\$1,055,927	\$13,419,705
18	New and vacant FTE pool	8,740,214	(68,714)	8,671,500
19	Operating expenses	2,915,259	191,426	3,106,685

Sixty-ninth
Legislative Assembly

1	Capital assets	0	866,100	866,100
2	Total all funds	\$24,019,251	\$2,044,739	\$26,063,990
3	Less other funds	97,793	(53,664)	44,129
4	Total general fund	\$23,921,458	\$2,098,403	\$26,019,861
5	Salaries and wages	\$12,363,778	\$1,488,083	\$13,851,861
6	New and vacant FTE pool	8,740,214	203,936	8,944,150
7	Operating expenses	2,915,259	219,534	3,134,793
8	Capital assets	0	866,100	866,100
9	Total all funds	\$24,019,251	\$2,777,653	\$26,796,904
10	Less other funds	97,793	812,436	910,229
11	Total general fund	\$23,921,458	\$1,965,217	\$25,886,675

12 Subdivision 2.

DISTRICT COURTS

14		Adjustments or		
15		Base Level	Enhancements	Appropriation
16	Salaries and wages	\$79,576,340	\$11,134,861	\$90,711,201
17	Operating expenses	24,524,619	3,006,722	27,531,341
18	Capital assets	0	4,742,216	4,742,216
19	Judges' retirement	177,340	(13,666)	163,674
20	Total all funds	\$104,278,299	\$18,870,133	\$123,148,432
21	Less other funds	830,318	(11,320)	818,998
22	Total general fund	\$103,447,981	\$18,881,453	\$122,329,434
23	Salaries and wages	\$79,576,340	\$13,235,292	\$92,811,632
24	Operating expenses	24,524,619	3,767,875	28,292,494
25	Capital assets	0	5,528,916	5,528,916
26	Judges' retirement	177,340	(13,666)	163,674
27	Total all funds	\$104,278,299	\$22,518,417	\$126,796,716
28	Less other funds	830,318	4,643,380	5,473,698
29	Total general fund	\$103,447,981	\$17,875,037	\$121,323,018

30 Subdivision 3.

31 JUDICIAL CONDUCT COMMISSION AND DISCIPLINARY BOARD

Sixty-ninth
Legislative Assembly

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Judicial conduct commission and	<u>\$1,399,862</u>	<u>\$155,643</u>	<u>\$1,555,505</u>
—disciplinary board			
Total all funds	<u>\$1,399,862</u>	<u>\$155,643</u>	<u>\$1,555,505</u>
Less other funds	<u>512,317</u>	<u>(2,779)</u>	<u>509,538</u>
Total general fund	<u>\$887,545</u>	<u>\$158,422</u>	<u>\$1,045,967</u>
Judicial conduct commission and	<u>\$1,399,862</u>	<u>\$191,985</u>	<u>\$1,591,847</u>
disciplinary board			
Total all funds	<u>\$1,399,862</u>	<u>\$191,985</u>	<u>\$1,591,847</u>
Less other funds	<u>512,317</u>	<u>7,860</u>	<u>520,177</u>
Total general fund	<u>\$887,545</u>	<u>\$184,125</u>	<u>\$1,071,670</u>

Subdivision 4.

Office of Guardianship and Conservatorship

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Office of guardianship and conservatorship	<u>\$0</u>	<u>\$936,405</u>	<u>\$936,405</u>
Total general fund	<u>\$0</u>	<u>\$936,405</u>	<u>\$936,405</u>

Subdivision 5.

TOTAL - SECTION 1

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Grand total all funds	<u>\$129,697,412</u>	<u>\$22,006,920</u>	<u>\$151,704,332</u>
Grand total other funds	<u>1,440,428</u>	<u>(67,763)</u>	<u>1,372,665</u>
Grand total general fund	<u>\$128,256,984</u>	<u>\$22,074,683</u>	<u>\$150,331,667</u>
Full-time equivalent positions	<u>384.00</u>	<u>12.00</u>	<u>396.00</u>
Grand total all funds	<u>\$129,697,412</u>	<u>\$26,424,460</u>	<u>\$156,121,872</u>
Grand total other funds	<u>1,440,428</u>	<u>5,463,676</u>	<u>6,904,104</u>
Grand total general fund	<u>\$128,256,984</u>	<u>\$20,960,784</u>	<u>\$149,217,768</u>
Full-time equivalent positions	<u>384.00</u>	<u>14.00</u>	<u>398.00</u>

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

<u>One-Time Funding Description</u>	<u>General Fund</u>
Information technology equipment lease	\$874,216
Case management software cloud migration	758,000
Clerk filing software	1,250,000
Court records access system	960,000
Cloud-based storage fees	866,100
Courtroom audio and video equipment	800,000
Cass County courtroom equipment	100,000
Total	\$5,608,316

<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Funds</u>
Information technology equipment	\$874,216	\$0	\$874,216
lease			
Case management software cloud	0	758,000	758,000
migration			
Clerk filing software	0	1,250,000	1,250,000
Court records access system	0	960,000	960,000
Cloud-based storage fees	0	866,100	866,100
Courtroom audio and video equipment	0	1,586,700	1,586,700
Cass County courtroom equipment	0	100,000	100,000
Total	\$874,216	\$5,520,800	\$6,395,016

SECTION 3. NEW AND VACANT FTE POOL - BUDGET SECTION REPORT.

1. The supreme court may not spend funding from the new and vacant FTE funding pool line item in subdivision 1 of section 1 of this Act, but may transfer funds from this line item to the salaries and wages line items within subdivisions 1 and 2 of this Act, to the guardianship and conservatorship line item within subdivision 1 of this Act, and to the

1 judicial conduct commission and disciplinary board line item within subdivision 3 of
2 this Act, as necessary to provide funding for:

- 3 a. Filling a new position from the date of hire through the end of the biennium; or
4 b. Salaries and wages if actual salaries and wages savings from vacant positions
5 and employee turnover, adjusted for other uses, are less than the estimate used
6 by the sixty-ninth legislative assembly in the development of the appropriation.

7 2. The supreme court shall report to the budget section regarding the use of funding in
8 the pool, including information on:

- 9 a. New FTE positions, including the date hired;
10 b. Vacant FTE positions, including information regarding positions that become
11 vacant and positions filled, salaries and wages savings resulting from vacant
12 positions and employee turnover, and the use of salaries and wages savings for
13 other purposes; and
14 c. Additional salaries and wages funding needed due to savings from vacant
15 positions being less than anticipated.

16 3. If funding in the new and vacant FTE pool line item is insufficient to provide the
17 necessary salaries and wages funding for the biennium, the supreme court may
18 request a deficiency appropriation from the seventieth legislative assembly.

19 **SECTION 4. APPROPRIATION.** There are appropriated any funds received by the supreme
20 court, district courts, and judicial conduct commission and disciplinary board, not otherwise
21 appropriated, pursuant to federal acts and private gifts, grants, and donations for the purpose
22 as designated in the federal acts or private gifts, grants, and donations for the period beginning
23 July 1, 2025, and ending June 30, 2027.

24 **SECTION 5. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**

25 The grand total other funds line item in section 1 of this Act includes the sum of \$5,520,800 from
26 the strategic investment and improvements fund for one-time projects and programs as follows:

27 Case management software cloud migration	\$758,000
28 Clerk filing software	1,250,000
29 Court records access system	960,000
30 Cloud-based storage fees	866,100
31 Courtroom audio and video equipment	1,586,700

1	Cass County courtroom equipment	<u>100,000</u>
2	Total	\$5,520,800

3 **SECTION 6. AMENDMENT.** Section 27-02-02 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **27-02-02. Salaries of justices of supreme court.**

6 The annual salary of each justice of the supreme court is ~~one hundred seventy-nine~~
7 ~~thousand three hundred twelve dollars through June 30, 2024, and one hundred eighty-six~~
8 ~~thousand four hundred eighty-four dollars thereafter~~two hundred two thousand three hundred
9 ~~thirty-five dollars~~two hundred seven thousand two hundred forty-nine dollars. The chief justice of
10 the supreme court is entitled to receive an additional ~~five thousand seventy-one dollars per~~
11 ~~annum through June 30, 2024, and five thousand two hundred seventy-four~~six thousand six
12 ~~hundred eighty-one~~seven thousand six hundred forty-seven dollars per annum thereafter.

13 **SECTION 7. AMENDMENT.** Section 27-05-03 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **27-05-03. Salaries and expenses of district judges.**

16 The annual salary of each district judge is ~~one hundred sixty-four thousand five hundred~~
17 ~~thirty-two dollars through June 30, 2024, and one hundred seventy-one thousand one hundred~~
18 ~~thirteen dollars thereafter~~one hundred eighty-three thousand ninety-one dollars
19 eighty-four thousand three hundred sixty-six dollars. Each district judge is entitled to travel
20 expenses, including mileage and subsistence while engaged in the discharge of official duties
21 outside the city in which the judge's chambers are located. The salary and expenses are
22 payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled
23 to receive an additional ~~four thousand six hundred seventy-five~~five thousand two hundred
24 ~~two~~five thousand one hundred sixty-two dollars per annum through June 30, 2024, and four
25 ~~thousand eight hundred sixty-two~~ dollars thereafter.

26 **SECTION 8.** A new subsection to section 54-06-08.2 of the North Dakota Century Code is
27 created and enacted as follows:

28 The judicial branch may charge a reasonable fee not exceeding the discount charged
29 by the credit or debit card issuer. The fee may be added to a payment as a service
30 charge for the acceptance of a payment made by a credit or debit card. The state

1 court administrator shall determine which nationally recognized cards will be accepted
2 for payments made to the judicial branch under this section.

3 **SECTION 9. EXEMPTION - TRANSFERS.** Notwithstanding section 54-16-04, the director
4 of the office of management and budget shall transfer appropriation authority between line items
5 in section 1 of this Act, as requested by the supreme court upon a finding by the court that the
6 nature of the duties of the court and its staff requires the transfers to carry on properly the
7 functions of the judicial branch of government.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2002 - Summary of House Action**

	Base Budget	Senate Version	House Changes	House Version
Supreme Court				
Total all funds	\$24,019,251	\$26,063,990	\$732,914	\$26,796,904
Less estimated income	97,793	44,129	866,100	910,229
General fund	<u>\$23,921,458</u>	<u>\$26,019,861</u>	<u>(\$133,186)</u>	<u>\$25,886,675</u>
FTE	45.50	44.50	0.50	45.00
District Courts				
Total all funds	\$104,278,299	\$123,148,432	\$3,648,284	\$126,796,716
Less estimated income	830,318	818,998	4,654,700	5,473,698
General fund	<u>\$103,447,981</u>	<u>\$122,329,434</u>	<u>(\$1,006,416)</u>	<u>\$121,323,018</u>
FTE	334.00	341.00	1.50	342.50
Judicial Conduct Commission				
Total all funds	\$1,399,862	\$1,555,505	\$36,342	\$1,591,847
Less estimated income	512,317	509,538	10,639	520,177
General fund	<u>\$887,545</u>	<u>\$1,045,967</u>	<u>\$25,703</u>	<u>\$1,071,670</u>
FTE	4.50	4.50	0.00	4.50
Guardianship and Conservatorship				
Total all funds	\$0	\$936,405	\$0	\$936,405
Less estimated income	0	0	0	0
General fund	<u>\$0</u>	<u>\$936,405</u>	<u>\$0</u>	<u>\$936,405</u>
FTE	0.00	6.00	0.00	6.00
Bill total				
Total all funds	\$129,697,412	\$151,704,332	\$4,417,540	\$156,121,872
Less estimated income	1,440,428	1,372,665	5,531,439	6,904,104
General fund	<u>\$128,256,984</u>	<u>\$150,331,667</u>	<u>(\$1,113,899)</u>	<u>\$149,217,768</u>
FTE	384.00	396.00	2.00	398.00

Senate Bill No. 2002 - Supreme Court - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$12,363,778	\$13,419,705	\$432,156	\$13,851,861
New and vacant FTE pool	8,740,214	8,671,500	272,650	8,944,150
Operating expenses	2,915,259	3,106,685	28,108	3,134,793
Capital assets		866,100		866,100
Total all funds	\$24,019,251	\$26,063,990	\$732,914	\$26,796,904
Less estimated income	97,793	44,129	866,100	910,229
General fund	<u>\$23,921,458</u>	<u>\$26,019,861</u>	<u>(\$133,186)</u>	<u>\$25,886,675</u>
FTE	45.50	44.50	0.50	45.00

Department 181 - Supreme Court - Detail of House Changes

	Increases Funding for Salary Equity ¹	Adds Funding for Administrative Assistant Position ²	Transfers Funding for 2025-27 New and Vacant FTE Pool ³	Increases Funding for Operating Costs ⁴	Adjusts Funding for Cloud-Based Storage Fees ⁵	Total House Changes
Salaries and wages	\$423,170	\$74,147	(\$65,161)			\$432,156
New and vacant FTE pool			272,650			272,650
Operating expenses				\$28,108		28,108
Capital assets						
Total all funds	\$423,170	\$74,147	\$207,489	\$28,108	\$0	\$732,914
Less estimated income	0	0	0	0	866,100	866,100
General fund	\$423,170	\$74,147	\$207,489	\$28,108	(\$866,100)	(\$133,186)
FTE	0.00	0.50	0.00	0.00	0.00	0.50

¹ Funding is added as follows for Supreme Court salary equity:

	Senate Version	House Changes	Total General Fund
Supreme Court justices salaries increase of 11.1 percent and chief justice salary increase of 12.1 percent	\$200,219	\$63,386	\$263,605
Pay plan 3 percent salary adjustment	0	359,784	359,784
Total	\$200,219	\$423,170	\$623,389

² Funding of \$74,147 is added by the House to increase a part-time administrative assistant position to a full-time position.

³ Funding of \$65,161 for an increased administrative assistant position is removed from the Supreme Court salaries and wages line item and funding of \$272,650 is added for the judicial branch 2025-27 new and vacant FTE pool line item as follows:

	General Fund
New FTE positions	(\$65,161)
Funding pool line item	58,645
Supreme Court net savings	(\$6,516)
Funding pool line item from district courts	214,005
Net impact on Supreme Court	\$207,489

⁴ Funding of \$28,108 from the general fund is added by the House to provide a total of \$56,217 for increased miscellaneous operating costs.

⁵ One-time funding for cloud-based storage fees is adjusted by the House to provide the funding from the strategic investment and improvements fund (SIIF). The Senate provided the funding from the general fund.

Senate Bill No. 2002 - District Courts - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$79,576,340	\$90,711,201	\$2,100,431	\$92,811,632
Operating expenses	24,524,619	27,531,341	761,153	28,292,494
Capital assets		4,742,216	786,700	5,528,916
Judges' retirement	177,340	163,674		163,674
Total all funds	\$104,278,299	\$123,148,432	\$3,648,284	\$126,796,716
Less estimated income	830,318	818,998	4,654,700	5,473,698
General fund	\$103,447,981	\$122,329,434	(\$1,006,416)	\$121,323,018
FTE	334.00	341.00	1.50	342.50

Department 182 - District Courts - Detail of House Changes

	Increases Funding for Salary Equity ¹	Adds Funding for Juvenile Court Positions ²	Transfers Funding for 2025-27 New and Vacant FTE Pool ³	Adds Funding for Treatment Courts ⁴	Adjusts Operating Funding ⁵	Adjusts One- Time Funding ⁶
Salaries and wages	\$1,819,586	\$258,852	(\$237,783)	\$259,776		
Operating expenses				113,700	\$647,453	
Capital assets						\$786,700
Judges' retirement						
Total all funds	\$1,819,586	\$258,852	(\$237,783)	\$373,476	\$647,453	\$786,700
Less estimated income	0	0	0	0	0	4,654,700
General fund	\$1,819,586	\$258,852	(\$237,783)	\$373,476	\$647,453	(\$3,868,000)
FTE	0.00	1.50	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	\$2,100,431
Operating expenses	761,153
Capital assets	786,700
Judges' retirement	
Total all funds	\$3,648,284
Less estimated income	4,654,700
General fund	(\$1,006,416)
FTE	1.50

¹ Funding is added as follows for district courts salary equity:

	Senate Version	House Changes	Total General Fund
District court judges salaries increase of 7.7 percent	\$1,641,973	\$173,290	\$1,815,263
Pay plan 3 percent salary adjustment	0	1,646,296	1,646,296
Total	\$1,641,973	\$1,819,586	\$3,461,559

² Funding of \$258,852 from the general fund is added by the House for 1 new FTE administrative assistant position and to increase a part-time administrative assistant position to a full-time position.

³ Funding of \$237,783 from the general fund added by the Senate for new FTE position salaries and wages is removed and \$214,005 is added to the Supreme Court new and vacant FTE pool line item resulting in a net savings of \$23,778.

⁴ Funding of \$373,476 from the general fund is added for three new treatment courts. The Senate did not include funding for new treatment courts.

⁵ Operating funding is adjusted as follows:

	Senate Version	House Changes	Total General Fund
Credit card processing and bank fees	\$200,000	(\$200,000)	\$0
Interpreters	60,000	65,500	125,500
Family mediation program	0	138,200	138,200
Guardian ad litem program	470,000	465,768	935,768
Miscellaneous operating adjustments	168,284	177,985	346,269
Total	\$898,284	\$647,453	\$1,545,737

⁶ One-time funding is increased by \$786,700 to provide a total of \$1,586,700 for courtroom audio and video equipment. The House is providing \$4,654,700 from SIIF for one-time funding items, including a case management system, clerk filing software, court records access system, courtroom audio and video equipment, and Cass County courtroom equipment. The Senate provided \$3,868,000 from the general fund for these items.

Senate Bill No. 2002 - Judicial Conduct Commission - House Action

	Base Budget	Senate Version	House Changes	House Version
Judicial Conduct Commission	\$1,399,862	\$1,555,505	\$36,342	\$1,591,847
Total all funds	\$1,399,862	\$1,555,505	\$36,342	\$1,591,847
Less estimated income	512,317	509,538	10,639	520,177
General fund	\$887,545	\$1,045,967	\$25,703	\$1,071,670
FTE	4.50	4.50	0.00	4.50

Department 183 - Judicial Conduct Commission - Detail of House Changes

	Adds Funding for Salary Equity ¹	Adds funding for Operating Costs ²	Total House Changes
Judicial Conduct Commission	\$32,736	\$3,606	\$36,342
Total all funds	\$32,736	\$3,606	\$36,342
Less estimated income	10,639	0	10,639
General fund	\$22,097	\$3,606	\$25,703
FTE	0.00	0.00	0.00

¹ Funding of \$32,736, including \$22,097 from the general fund and \$10,639 from other funds, is added for a pay plan adjustment of 3 percent. The Senate did not include additional funding for a pay plan adjustment.

² Funding of \$3,606 from the general fund is added by the House to provide a total increase of \$19,384 for miscellaneous operating costs, including \$7,213 from the general fund and \$12,171 from other funds.

Senate Bill No. 2002 - Guardianship and Conservatorship - House Action

	Base Budget	Senate Version	House Changes	House Version
Guardianship and conservatorship		\$936,405		\$936,405
Total all funds	\$0	\$936,405	\$0	\$936,405
Less estimated income	0	0	0	0
General fund	\$0	\$936,405	\$0	\$936,405
FTE	0.00	6.00	0.00	6.00

Senate Bill No. 2002 - Other Changes - House Action

This amendment also:

- Adds a section to identify \$5,520,800 from SIIF for various one-time appropriations.
- Amends sections relating to the salaries of Supreme Court justices and district court judges.
- Adds a section to authorize the judicial branch to charge a fee as a service charge for the acceptance of a payment made by a credit or debit card.