

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1008 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Public Service Commission			
Salaries and wages	\$9,495,560	\$9,991,488	\$495,928
Operating expenses	1,763,826	1,801,570	37,744
Capital assets	25,000	145,000	120,000
Grants	20,000	20,000	
Abandoned mined lands contractual	6,000,000	6,000,000	
Rail rate complaint case	900,000	900,000	
Railroad safety program	589,018	614,724	25,706
Specialized legal services	94,000	420,000	326,000
Total all funds	\$18,887,404	\$19,892,782	\$1,005,378
Less estimated income	12,172,476	13,461,695	1,289,219
General fund	\$6,714,928	\$6,431,087	(\$283,841)
FTE	43.00	43.00	0.00
Bill total			
Total all funds	\$18,887,404	\$19,892,782	\$1,005,378
Less estimated income	12,172,476	13,461,695	1,289,219
General fund	\$6,714,928	\$6,431,087	(\$283,841)
FTE	43.00	43.00	0.00

House Bill No. 1008 - Public Service Commission - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,495,560	\$199,086	\$9,694,646
Operating expenses	1,763,826	2,744	1,766,570
Capital assets	25,000	120,000	145,000
Grants	20,000		20,000
Abandoned mined lands contractual	6,000,000		6,000,000
Rail rate complaint case	900,000		900,000
Railroad safety program	589,018	24,608	613,626
Specialized legal services	94,000	326,000	420,000
Total all funds	\$18,887,404	\$672,438	\$19,559,842
Less estimated income	12,172,476	1,206,850	13,379,326
General fund	\$6,714,928	(\$534,412)	\$6,180,516
FTE	43.00	0.00	43.00

Department 408 - Public Service Commission - Detail of House Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Underfunds Salaries and Wages³	Provides Funding for Pipeline Inspector⁴	Increases Funding for Specialized Legal Services⁵	Reduces Funding for Operating Expenses⁶
Salaries and wages	\$15,404	\$201,134	(\$150,000)	\$132,548		
Operating expenses				35,000		(\$32,256)
Capital assets						
Grants						
Abandoned mined lands contractual						
Rail rate complaint case						
Railroad safety program	(5,289)	9,897				
Specialized legal services					\$326,000	
Total all funds	\$10,115	\$211,031	(\$150,000)	\$167,548	\$326,000	(\$32,256)
Less estimated income	(65,384)	84,086	550,000	167,548	336,000	0
General fund	\$75,499	\$126,945	(\$700,000)	\$0	(\$10,000)	(\$32,256)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Railroad Inspector Training⁷	Adds One-time Funding for Equipment⁸	Total House Changes
Salaries and wages			\$199,086
Operating expenses			2,744
Capital assets		\$120,000	120,000
Grants			
Abandoned mined lands contractual			
Rail rate complaint case			
Railroad safety program	\$20,000		24,608
Specialized legal services			326,000
Total all funds	\$20,000	\$120,000	\$672,438
Less estimated income	20,000	114,600	1,206,850
General fund	\$0	\$5,400	(\$534,412)
FTE	0.00	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250 for both years, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	General Fund	Other Funds	Total
Salary increase	\$125,687	\$83,201	\$208,888
Health insurance increase	1,258	885	2,143
Total	\$126,945	\$84,086	\$211,031

³ Underfunds salaries and wages by reducing funding from the general fund (\$700,000) and increasing funding from other funds \$550,000 received from a public utility assessment, increased weights and measures fees, and the addition of an administrative fee charged to an applicant in the siting process.

⁴ Funding from federal funds is added for the reclassification of an unfunded administrative support FTE position to a natural gas pipeline inspector position (\$132,548) and related operating expenses (\$35,000).

⁵ Funding from the general fund for specialized legal services is reduced by \$10,000 and federal funding is increased by \$336,000.

⁶ Funding from the general fund is reduced for travel (\$20,000) and professional development (\$16,993) and increased for Microsoft Office 365 license expenses (\$4,737).

⁷ Funding of \$20,000 from federal funds is added for annual railroad inspector training.

⁸ One-time funding is added from the general fund (\$5,400) and federal funds (\$114,600) to purchase surveying equipment.

This amendment also:

- Creates a new section in North Dakota Century Code Chapter 49-01 to establish the Public Service Commission program fund for the purpose of defraying the expenses of the commission. This section also requires fees collected from weights and measures, public utility assessment, and siting administrative fees, and investment income to be deposited in the Public Service Commission program fund. This section also requires the Office of Management and Budget to transfer any balance in excess of twice the current biennium self-funding appropriation to the general fund at the end of each biennium.
- Creates a new section in Chapter 49-01 to create a fee to be assessed to each electric and gas utility. The assessment may not exceed \$225,000 per biennium. This section requires electric and gas public utilities to file gross receipts each year with the commission, from which the assessment is applied.
- Provides the statutory changes to increase the Public Service Commissioners' salaries. The Public Service Commissioners' annual salaries are increased from the current level of \$113,600 to \$115,304, effective July 1, 2021, and to \$117,034, effective July 1, 2022, to reflect the 1.5 percent annual salary increase.
- Creates new subsections to Sections 49-22-22 and 49-22.1-22 relating to siting process expense recovery. These provisions establish an administrative fee, on every applicant of \$100 for every \$1 million of original investment, not to exceed \$25,000. The fee must be deposited in the Public Service Commission program fund.
- Amends Section 57-43.2-19 relating to the distribution of funds in the highway tax distribution fund to continue the allocation to the rail safety fund and to increase the allocation amount from \$294,509 per year to \$296,813 per year.
- Amends Section 64-02-10 to increase all fees to test or calibrate weighing and measuring devices.
- Amends Section 64-02-12 to deposit fees collected by the commission in the Public Service Commission program fund rather than the general fund, resulting in an estimated general fund revenue reduction of \$90,000 for the 2021-23 biennium.

House Bill No. 1008 - Public Service Commission - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,495,560	\$9,694,646	\$296,842	\$9,991,488
Operating expenses	1,763,826	1,766,570	35,000	1,801,570
Capital assets	25,000	145,000		145,000
Grants	20,000	20,000		20,000
Abandoned mined lands contractual	6,000,000	6,000,000		6,000,000
Rail rate complaint case	900,000	900,000		900,000
Railroad safety program	589,018	613,626	1,098	614,724
Specialized legal services	94,000	420,000		420,000
Total all funds	\$18,887,404	\$19,559,842	\$332,940	\$19,892,782
Less estimated income	12,172,476	13,379,326	(142,631)	13,236,695
General fund	\$6,714,928	\$6,180,516	\$475,571	\$6,656,087
FTE	43.00	43.00	0.00	43.00

Department 408 - Public Service Commission - Detail of Senate Changes

	Adds Funding for Salary and Benefit Increases ¹	Restores Funding for Salaries and Wages ²	Provides Funding for Pipeline Inspector ³	Total Senate Changes
Salaries and wages	\$14,295	\$150,000	\$132,547	\$296,842
Operating expenses			35,000	35,000
Capital assets				
Grants				
Abandoned mined lands contractual				
Rail rate complaint case				
Railroad safety program	1,098			1,098
Specialized legal services				
Total all funds	\$15,393	\$150,000	\$167,547	\$332,940
Less estimated income	7,369	(150,000)	0	(142,631)
General fund	\$8,024	\$300,000	\$167,547	\$475,571
FTE	0.00	0.00	0.00	0.00

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² Funding of \$300,000 from the general fund is restored for salaries and wages and other funds of \$150,000 received from siting administrative fees is reduced to allow the Public Service Commission program fund to develop a balance for future appropriations from the fund. The House reduced funding from the general fund by \$700,000 and added funding from revenues deposited in the Public Service Commission program fund by \$550,000.

³ In addition to \$167,548 of federal funds provided by the House, matching funds from the general fund are added for the reclassification of an unfunded administrative support FTE position to a natural gas pipeline inspector position (\$132,547) and related operating expenses (\$35,000). The House provided funding from federal funds for the reclassification for the natural gas pipeline inspector position (\$132,548) and related operating expenses (\$35,000).

This amendment also:

- Provides the statutory changes to increase the salary of the Public Service Commissioners. The Public Service Commissioners' annual salary would increase from the current level of \$113,600 to \$115,304, effective July 1, 2021, and to \$117,610, effective July 1, 2022, to reflect the 1.5 percent and 2 percent salary increase respectively. The House provided for a 1.5 percent annual salary increase.
- Amends North Dakota Century Code Section 57-43.2-19 relating to the distribution of funds in the highway tax distribution fund to continue the allocation to the rail safety fund and to increase the allocation amount from \$294,509 per year to \$297,362 per year and removes the expiration date. The House provided \$296,813 per year and provided an expiration date for the allocation.

House Bill No. 1008 - Public Service Commission - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$9,495,560	\$9,694,646	\$296,842	\$9,991,488	\$9,991,488	
Operating expenses	1,763,826	1,766,570	35,000	1,801,570	1,801,570	
Capital assets	25,000	145,000		145,000	145,000	
Grants	20,000	20,000		20,000	20,000	
Abandoned mined lands contractual	6,000,000	6,000,000		6,000,000	6,000,000	
Rail rate complaint case	900,000	900,000		900,000	900,000	
Railroad safety program	589,018	613,626	1,098	614,724	614,724	
Specialized legal services	94,000	420,000		420,000	420,000	
Total all funds	\$18,887,404	\$19,559,842	\$332,940	\$19,892,782	\$19,892,782	\$0
Less estimated income	12,172,476	13,379,326	82,369	13,461,695	13,236,695	225,000
General fund	\$6,714,928	\$6,180,516	\$250,571	\$6,431,087	\$6,656,087	(\$225,000)
FTE	43.00	43.00	0.00	43.00	43.00	0.00

Department 408 - Public Service Commission - Detail of Conference Committee Changes

	Adds Funding for Salary and Benefit Increases ¹	Restores Funding for Salaries and Wages ²	Provides Funding for Pipeline Inspector ³	Total Conference Committee Changes
Salaries and wages	\$14,295	\$150,000	\$132,547	\$296,842
Operating expenses			35,000	35,000
Capital assets				
Grants				
Abandoned mined lands contractual				
Rail rate complaint case				
Railroad safety program	1,098			1,098
Specialized legal services				
Total all funds	\$15,393	\$150,000	\$167,547	\$332,940
Less estimated income	7,369	75,000	0	82,369
General fund	\$8,024	\$75,000	\$167,547	\$250,571
FTE	0.00	0.00	0.00	0.00

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022, the same as the Senate. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² Funding of \$75,000 from the general fund is restored for salaries and wages and other funds are increased by \$75,000 relating to the self-funding of the agency. The House had reduced funding from the general fund by \$700,000 and added funding from revenues deposited in the Public Service Commission program fund by \$550,000. The Senate restored \$300,000 from the general fund and reduced other funds by \$150,000.

³ In addition to \$167,548 of federal funds provided by the House, matching funds from the general fund are added for the reclassification of an unfunded administrative support FTE position to a natural gas pipeline inspector position (\$132,547) and related operating expenses (\$35,000), the same as the Senate version. The House had provided funding from federal funds for the reclassification for the natural gas pipeline inspector position (\$132,548) and related operating expenses (\$35,000).

This amendment also:

- Provides the statutory changes to increase the salary of the Public Service Commissioners. The Public Service Commissioners' annual salary would increase from the current level of \$113,600 to \$115,304, effective July 1, 2021, and to \$117,610, effective July 1, 2022, to reflect the 1.5 percent and 2 percent salary increase respectively, the same as the Senate. The House provided for a 1.5 percent annual salary increase.
- Amends North Dakota Century Code Section 57-43.2-19 relating to the distribution of funds in the highway tax distribution fund to continue the allocation to the rail safety fund and to increase the allocation amount from \$294,509 per year to \$297,362 per year and adds an expiration date of June 30, 2025. The Senate had removed the expiration date. The House provided \$296,813 per year and provided an expiration date for the allocation.
- Changes the public utilities assessments maximum from \$225,000 to \$300,000. Both the Senate and the House included an assessment maximum of \$225,000.
- Declares Sections 4, 7, 8, and 12 to be an emergency relating to the deposit of certain revenues in the Public Service Commission program fund rather than the general fund. Neither the Senate nor the House included an emergency clause. This change will result in an estimated reduction to 2019-21 biennium general fund revenues of \$12,000.