

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2014 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Industrial Commission			
Salaries and wages	\$23,409,450	\$23,698,119	\$288,669
Operating expenses	5,830,227	5,125,558	(704,669)
Capital assets		100,660	100,660
Grants - Bond payments	10,508,767	22,040,721	11,531,954
Contingencies	229,544		(229,544)
Oil and gas research fund			
Total all funds	\$39,977,988	\$50,965,058	\$10,987,070
Less estimated income	12,723,790	24,369,185	11,645,395
General fund	\$27,254,198	\$26,595,873	(\$658,325)
FTE	112.25	108.25	(4.00)
Bank of North Dakota			
Capital assets	\$1,510,000	\$1,510,000	
Bank of North Dakota operations	62,847,799	66,281,179	\$3,433,380
Bond proceeds			
Total all funds	\$64,357,799	\$67,791,179	\$3,433,380
Less estimated income	64,357,799	67,791,179	3,433,380
General fund	\$0	\$0	\$0
FTE	181.50	173.00	(8.50)
Housing Finance Agency			
Salaries and wages	\$8,509,015	\$9,556,272	\$1,047,257
Operating expenses	5,346,276	6,144,060	797,784
Capital assets		150,000	150,000
Grants	33,466,600	42,975,200	9,508,600
HFA contingencies	100,000	100,000	
Housing incentive fund		9,500,000	9,500,000
Total all funds	\$47,421,891	\$68,425,532	\$21,003,641
Less estimated income	47,421,891	58,925,532	11,503,641
General fund	\$0	\$9,500,000	\$9,500,000
FTE	44.00	49.00	5.00
Mill and Elevator			
Salaries and wages	\$46,447,824	\$50,560,209	\$4,112,385
Operating expenses	29,837,000	36,817,000	6,980,000
Contingencies	500,000	500,000	
Agriculture promotion	210,000	500,000	290,000
Total all funds	\$76,994,824	\$88,377,209	\$11,382,385
Less estimated income	76,994,824	88,377,209	11,382,385
General fund	\$0	\$0	\$0
FTE	156.00	156.00	0.00
Bill total			
Total all funds	\$228,752,502	\$275,558,978	\$46,806,476
Less estimated income	201,498,304	239,463,105	37,964,801
General fund	\$27,254,198	\$36,095,873	\$8,841,675
FTE	493.75	486.25	(7.50)

Senate Bill No. 2014 - Industrial Commission - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$23,409,450	\$536,548	\$23,945,998
Operating expenses	5,830,227	(704,669)	5,125,558
Capital assets		100,660	100,660
Grants - Bond payments	10,508,767	11,531,954	22,040,721
Contingencies	229,544	(229,544)	
Oil and gas research fund		14,000,000	14,000,000
Total all funds	\$39,977,988	\$25,234,949	\$65,212,937
Less estimated income	12,723,790	11,647,897	24,371,687
General fund	\$27,254,198	\$13,587,052	\$40,841,250
FTE	112.25	(4.00)	108.25

Department 405 - Industrial Commission - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Removes FTE Positions³	Adjusts Funding for Salaries and Wages⁴	Adjusts Funding for Operating Expenses⁵	Increases Funding for Bond Payments⁶
Salaries and wages	\$326,885	\$641,580	(\$402,917)	(\$29,000)		
Operating expenses					(\$710,269)	
Capital assets						
Grants - Bond payments						\$11,531,954
Contingencies			(229,544)			
Oil and gas research fund						
Total all funds	\$326,885	\$641,580	(\$632,461)	(\$29,000)	(\$710,269)	\$11,531,954
Less estimated income	34,876	41,325	0	31,000	8,742	11,531,954
General fund	\$292,009	\$600,255	(\$632,461)	(\$60,000)	(\$719,011)	\$0
FTE	0.00	0.00	(4.00)	0.00	0.00	0.00

	Adds One-Time Funding for Equipment⁷	Transfer to Oil and Gas Research Fund⁸	Total Senate Changes
Salaries and wages			\$536,548
Operating expenses	\$5,600		(704,669)
Capital assets	100,660		100,660
Grants - Bond payments			11,531,954
Contingencies			(229,544)
Oil and gas research fund		\$14,000,000	14,000,000
Total all funds	\$106,260	\$14,000,000	\$25,234,949
Less estimated income	0	0	11,647,897
General fund	\$106,260	\$14,000,000	\$13,587,052
FTE	0.00	0.00	(4.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	General Fund	Other Funds	Total
Salary increase	\$595,410	\$41,008	\$636,418
Health insurance increase	4,845	317	5,162
Total	\$600,255	\$41,325	\$641,580

³ The following FTE positions and related funding are removed:

	<u>FTE Positions</u>	<u>General Fund</u>
Removes a computer network specialist position	(1.00)	(\$222,366)
Removes an engineering technician position	(1.00)	(180,551)
Removes contingent positions	<u>(2.00)</u>	<u>(229,544)</u>
Total	(4.00)	(\$632,461)

⁴ Funding is adjusted for other salaries and wages changes as follows:

- Decreases funding from the general fund by \$60,000 for temporary salaries; and
- Increases funding from special funds by \$31,000 for a position reclassification with the Public Finance Authority.

⁵ Funding is adjusted for operating expenses as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Adjusts funding for operating expenses, primarily related to a decrease in travel	(\$730,400)	\$8,124	(\$722,276)
Increases funding for Microsoft Office 365 licensing expenses	<u>11,389</u>	<u>618</u>	<u>12,007</u>
Total	(\$719,011)	\$8,742	(\$710,269)

⁶ Funding is increased for bond payments to provide total funding of \$22,040,721.

⁷ One-time funding of \$106,260 is added from the general fund for paleontology and geology equipment, including wireless technology, scanners and printers, drones, scopes and cameras, dust collection, and shelving.

⁸ One-time funding of \$14 million is appropriated from the general fund, derived from 2019-21 biennium legacy fund earnings, for a transfer to the oil and gas research fund for an underground energy storage study.

This amendment also includes the following changes related to the Industrial Commission:

- Updates a section identifying bond payments.
- Adds a section to transfer \$14 million from the general fund, derived from 2019-21 biennium legacy fund earnings, to the oil and gas research fund for an underground energy storage study.
- Removes a section identifying contingent funding and FTE positions.
- Adds a section to increase 2021-23 biennium oil and gas tax revenue allocations to the oil and gas research fund by \$6 million, from \$10 million to \$16 million, for additional research projects.
- Adds sections to authorize the Public Finance Authority to issue up to \$100 million of bonds to support the long-term care facility loan fund.
- Adds sections to clarify the provisions of the long-term care facility loan fund and to transfer the loan repayments to the general fund rather than maintaining the fund as a revolving loan fund.
- Adds sections to remove the expiration dates for the state energy research center and its related funding source from oil and gas tax revenue allocations.
- Adds a section to decrease the oil and gas tax revenue allocation limit for the North Dakota outdoor heritage fund from \$20 million per fiscal year to \$7.5 million per fiscal year, but only for the 2021-23 biennium.
- Adds a section to provide an exemption allowing the Industrial Commission to continue unspent prior biennium appropriation authority for a survey review during the 2021-23 biennium.

Senate Bill No. 2014 - Industrial Commission - House Action

	<u>Base Budget</u>	<u>Senate Version</u>	<u>House Changes</u>	<u>House Version</u>
Salaries and wages	\$23,409,450	\$23,945,998	(\$247,879)	\$23,698,119
Operating expenses	5,830,227	5,125,558		5,125,558
Capital assets		100,660		100,660
Grants - Bond payments	10,508,767	22,040,721		22,040,721
Contingencies	229,544			
Oil and gas research fund		14,000,000	(14,000,000)	
Total all funds	\$39,977,988	\$65,212,937	(\$14,247,879)	\$50,965,058
Less estimated income	12,723,790	24,371,687	(2,502)	24,369,185
General fund	<u>\$27,254,198</u>	<u>\$40,841,250</u>	<u>(\$14,245,377)</u>	<u>\$26,595,873</u>
FTE	112.25	108.25	0.00	108.25

Department 405 - Industrial Commission - Detail of House Changes

	Adjusts Funding for Salary Increases ¹	Underfunds Salaries and Wages ²	Adjusts Oil and Gas Research Transfer ³	Total House Changes
Salaries and wages	(\$33,519)	(\$214,360)		(\$247,879)
Operating expenses				
Capital assets				
Grants - Bond payments				
Contingencies				
Oil and gas research fund			(\$14,000,000)	(14,000,000)
Total all funds	(\$33,519)	(\$214,360)	(\$14,000,000)	(\$14,247,879)
Less estimated income	(2,502)	0	0	(2,502)
General fund	(\$31,017)	(\$214,360)	(\$14,000,000)	(\$14,245,377)
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 Senate provided salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300, and 2 percent on July 1, 2022.

² Funding for salaries and wages is reduced for anticipated savings from vacant positions and employee turnover.

³ A transfer of \$14 million from the general fund to the oil and gas research fund, which was added by the Senate, is removed and replaced with a transfer of \$9.5 million from the strategic investment and improvements fund to the oil and gas research fund.

This amendment also:

- Removes authorization added by the Senate for the Public Finance Authority to issue up to \$100 million of bonds to support the long-term care facility loan fund.
- Provides a transfer of \$9.5 million from the strategic investment and improvements fund to the oil and gas research fund. The Senate provided a transfer of \$14 million from the general fund.
- Adjusts the transfer for administrative services related to salary increases to provide \$1,214,768. The Senate provided \$1,215,980.
- Clarifies the Public Finance Authority may make administrative agreements when distributing bond proceeds for loans or grants.
- Allows the Industrial Commission to issue bonds to support North Dakota Transmission Authority projects with a limit of 30 percent of the total project cost or 30 percent of the appraised value, whichever is greater.
- Clarifies the fees for the carbon dioxide storage facility fund and the carbon dioxide trust fund to reflect the impact of a storage facility and the source of carbon dioxide. The Senate did not include the clarification related to carbon dioxide storage fees.
- Retains the June 30, 2023, expiration date on the State Energy Research Center by removing sections added by the Senate, which removed the expiration date.
- Removes an increase of \$6 million related to oil and gas tax revenue allocations to the oil and gas research fund and maintains the current level of \$10 million of oil allocations per biennium. The senate increased the allocations to the oil and gas research fund by \$6 million, from \$10 million to \$16 million.
- Provides for the State Energy Research Center to conduct a study of hydrogen during the 2021-23 biennium. The Senate did not include this study.

Senate Bill No. 2014 - Industrial Commission - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$23,409,450	\$23,945,998	(\$247,879)	\$23,698,119	\$23,698,119	
Operating expenses	5,830,227	5,125,558		5,125,558	5,125,558	
Capital assets		100,660		100,660	100,660	
Grants - Bond payments	10,508,767	22,040,721		22,040,721	22,040,721	
Contingencies	229,544					
Oil and gas research fund		14,000,000	(14,000,000)			
Total all funds	\$39,977,988	\$65,212,937	(\$14,247,879)	\$50,965,058	\$50,965,058	\$0
Less estimated income	12,723,790	24,371,687	(2,502)	24,369,185	24,369,185	0
General fund	\$27,254,198	\$40,841,250	(\$14,245,377)	\$26,595,873	\$26,595,873	\$0
FTE	112.25	108.25	0.00	108.25	108.25	0.00

Department 405 - Industrial Commission - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Underfunds Salaries and Wages ²	Adjusts Oil and Gas Research Transfer ³	Total Conference Committee Changes
Salaries and wages	(\$33,519)	(\$214,360)		(\$247,879)
Operating expenses				
Capital assets				
Grants - Bond payments				
Contingencies				
Oil and gas research fund			(\$14,000,000)	(14,000,000)
Total all funds	(\$33,519)	(\$214,360)	(\$14,000,000)	(\$14,247,879)
Less estimated income	(2,502)	0	0	(2,502)
General fund	(\$31,017)	(\$214,360)	(\$14,000,000)	(\$14,245,377)
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 House. The Senate provided salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300, and 2 percent on July 1, 2022.

² Funding for salaries and wages is reduced for anticipated savings from vacant positions and employee turnover, the same as the House. The Senate did not underfund salaries and wages.

³ A transfer of \$14 million from the general fund to the oil and gas research fund, which was added by the Senate, is removed and replaced with a transfer of \$9.5 million from the strategic investment and improvements fund to the oil and gas research fund. The House also removed the \$14 million transfer from the general fund and replaced it with a transfer of \$9.5 million from the strategic investment and improvements fund.

This amendment also:

- Removes authorization added by the Senate for the Public Finance Authority to issue up to \$100 million of bonds to support the long-term care facility loan fund. The House also removed this bonding authorization.
- Adjusts the transfer for administrative services related to salary increases to provide \$1,214,768, the same as the House. The Senate provided \$1,215,980.
- Amends a section from House Bill No. 1431 to maintain the interest rates for the infrastructure revolving loan fund at 2 percent rather than increasing them every 5 years up to a maximum rate of 5 percent. Neither the House nor the Senate included this change.
- Amends a section from House Bill No. 1431 to increase the administrative fee charged by the Bank on certain water loans from one-quarter of 1 percent to one-half of 1 percent. Neither the House nor the Senate included this change.
- Amends a section from House Bill No. 1431 to clarify the bonds issued by the Public Finance Authority for infrastructure projects and programs are not a debt of the state. Neither the House nor the Senate included this change.

- Amends a section from House Bill No. 1431 to clarify the bond limit applies to the amount authorized for transfer to other funds or programs and does not include bonding costs. Neither the House nor the Senate included this change.
- Clarifies the Public Finance Authority may make administrative agreements when distributing bond proceeds for loans or grants, the same as the House. The Senate did not provide this clarification.
- Allows the Industrial Commission to issue bonds to support North Dakota Transmission Authority projects with a limit of 30 percent of the total project cost or the appraised value, whichever is greater.
- Clarifies the fees for the carbon dioxide storage facility fund and the carbon dioxide trust fund to reflect the impact of a storage facility and the source of carbon dioxide, the same as the House. The Senate did not include the clarification related to carbon dioxide storage fees.
- Extends the expiration date on the State Energy Research Center to June 2027, from June 2023. The Senate removed the expiration date, and the House retained the expiration date.
- Provides an increase of \$4.5 million related to oil and gas tax revenue allocations to the oil and gas research fund, of which \$4 million is available for additional research projects and \$500,000 is designated for the Energy and Environmental Research Center to conduct a study of hydrogen energy. The Senate increased the allocations to the oil and gas research fund by \$6 million, from \$10 million to \$16 million. The House did not provide an increase and maintained the current level of \$10 million.
- Adds a Legislative Management study regarding long-term care facility debt, which was not included by the Senate nor the House.

Senate Bill No. 2014 - Bank of North Dakota - Senate Action

	Base Budget	Senate Changes	Senate Version
Capital assets	\$1,510,000		\$1,510,000
Bank of North Dakota operations	62,847,799	\$3,246,572	66,094,371
Bond proceeds		100,000,000	100,000,000
Total all funds	\$64,357,799	\$103,246,572	\$167,604,371
Less estimated income	64,357,799	103,246,572	167,604,371
General fund	\$0	\$0	\$0
FTE	181.50	(10.00)	171.50

Department 471 - Bank of North Dakota - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Transfers FTE Positions for IT Unification ³	Adds FTE Positions ⁴	Increases Funding for Operating Expenses ⁵	Decreases Contingency Funding ⁶
Capital assets						
Bank of North Dakota operations	\$175,686	\$834,768	\$83,343	\$819,302	\$1,833,473	(\$500,000)
Bond proceeds						
Total all funds	\$175,686	\$834,768	\$83,343	\$819,302	\$1,833,473	(\$500,000)
Less estimated income	175,686	834,768	83,343	819,302	1,833,473	(500,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(16.00)	6.00	0.00	0.00

	Adds Funding for Bond Proceeds ⁷	Total Senate Changes
Capital assets		
Bank of North Dakota operations		\$3,246,572
Bond proceeds	\$100,000,000	100,000,000
Total all funds	\$100,000,000	\$103,246,572
Less estimated income	100,000,000	103,246,572
General fund	\$0	\$0
FTE	0.00	(10.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	Other Funds
Salary increase	\$827,017
Health insurance increase	<u>7,751</u>
Total	\$834,768

³ Sixteen FTE positions are transferred to the Information Technology Department for the IT unification initiative, reducing salary-related funding by \$3,287,172 and increasing operating-related expenses by \$3,370,515.

⁴ Funding and authorization is added for 6 new undesignated FTE positions to support future growth in the Bank of North Dakota's operations.

⁵ Funding for operating expenses is increased by \$1,833,473 from special funds related to an increase in information technology costs (\$1,811,661) and Microsoft Office 365 licensing expenses (\$21,812).

⁶ Funding is decreased by \$500,000 for Bank of North Dakota contingencies to provide total contingency funding of \$3 million.

⁷ Funding of \$100 million from bond proceeds is added for transfer to the long-term care facility loan fund to support loans for long-term care facility construction projects.

This amendment also includes the following related to the Bank of North Dakota:

- Maintains the transfers from Bank profits to the general fund (\$140 million), the partnership in assisting community expansion (PACE) fund (\$26 million), and the biofuels PACE fund (\$1 million).
- Increases the transfer from Bank profits to the Ag PACE fund by \$1 million, from \$4 million to \$5 million.
- Increases the transfer from Bank profits to the beginning farmer revolving loan fund by \$2 million, from \$6 million to \$8 million.
- Adds a section related to the infrastructure revolving loan fund to expand the types of eligible projects; to increase the maximum term of a loan to 40 years for certain water projects; to increase the maximum loan amount to \$40 million for most types of projects, excluding certain water projects which are not limited; and to require the Department of Transportation and State Water Commission respectively to approve road and water projects.

Senate Bill No. 2014 - Bank of North Dakota - House Action

	Base Budget	Senate Version	House Changes	House Version
Capital assets	\$1,510,000	\$1,510,000		\$1,510,000
Bank of North Dakota operations	62,847,799	66,094,371	(\$291,119)	65,803,252
Bond proceeds	_____	100,000,000	(100,000,000)	_____
Total all funds	\$64,357,799	\$167,604,371	(\$100,291,119)	\$67,313,252
Less estimated income	<u>64,357,799</u>	<u>167,604,371</u>	<u>(100,291,119)</u>	<u>67,313,252</u>
General fund	\$0	\$0	\$0	\$0
FTE	181.50	171.50	(2.00)	169.50

Department 471 - Bank of North Dakota - Detail of House Changes

	Adjusts Funding for Salary Increases ¹	Removes FTE Positions ²	Removes Bonding Proceeds ³	Total House Changes
Capital assets				
Bank of North Dakota operations	(\$18,018)	(\$273,101)		(\$291,119)
Bond proceeds			(\$100,000,000)	(100,000,000)
Total all funds	(\$18,018)	(\$273,101)	(\$100,000,000)	(\$100,291,119)
Less estimated income	(18,018)	(273,101)	(100,000,000)	(100,291,119)
General fund	\$0	\$0	\$0	\$0
FTE	0.00	(2.00)	0.00	(2.00)

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 Senate provided salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300, and 2 percent on July 1, 2022.

² Two new undesignated FTE positions and \$273,101 are removed to provide a total of 4 new undesignated FTE positions and \$546,201. The Senate added 6 new undesignated FTE positions and \$819,302 to support future growth in the Bank of North Dakota's operations.

³ Funding of \$100 million from bond proceeds is removed. The Senate authorized bonds to be issued for transfer to the long-term care facility loan fund to support loans for long-term care facility construction projects.

This amendment also:

- Removes a section added by the Senate to expand the infrastructure revolving loan fund, which included additional eligible projects, longer loan terms, increases in the loan amounts, and approval by the Department of Transportation and the State Water Commission for road and water projects, respectively; and
- Authorizes up to \$2.5 million from the school construction assistance revolving loan fund to continue interest rate buydowns on school construction loans held by the Bank of North Dakota.

Senate Bill No. 2014 - Bank of North Dakota - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Capital assets	\$1,510,000	\$1,510,000		\$1,510,000	\$1,510,000	
Bank of North Dakota operations	62,847,799	66,094,371	\$186,808	66,281,179	65,803,252	\$477,927
Bond proceeds		100,000,000	(100,000,000)			
Total all funds	\$64,357,799	\$167,604,371	(\$99,813,192)	\$67,791,179	\$67,313,252	\$477,927
Less estimated income	64,357,799	167,604,371	(99,813,192)	67,791,179	67,313,252	477,927
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	181.50	171.50	1.50	173.00	169.50	3.50

Department 471 - Bank of North Dakota - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Adds FTE Positions ²	Removes Bonding Proceeds ³	Total Conference Committee Changes
Capital assets				
Bank of North Dakota operations	(\$18,018)	\$204,826		\$186,808
Bond proceeds			(\$100,000,000)	(100,000,000)
Total all funds	(\$18,018)	\$204,826	(\$100,000,000)	(\$99,813,192)
Less estimated income	(18,018)	204,826	(100,000,000)	(99,813,192)
General fund	\$0	\$0	\$0	\$0
FTE	0.00	1.50	0.00	1.50

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 House. The Senate provided salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300, and 2 percent on July 1, 2022.

² One and one-half new undesignated FTE positions and \$204,826 are added to provide a total of 7.5 new undesignated FTE positions and \$1,024,128 to support future growth in the Bank of North Dakota's operations. The Senate added 6 new undesignated FTE positions and \$819,302. The House provided 4 new undesignated FTE positions and \$546,201.

³ Funding of \$100 million from bond proceeds is removed, the same as the House. The Senate authorized bonds to be issued for transfer to the long-term care facility loan fund to support loans for long-term care facility construction projects.

This amendment also:

- Expands the infrastructure revolving loan fund to include additional eligible projects, longer loan terms, increases in the loan amounts, and approval by the Department of Transportation and the State Water Commission for road and water projects, respectively. The Senate included a similar expansion of the infrastructure revolving loan fund, but the House removed the expansion.
- Authorizes up to \$2.5 million from the school construction assistance revolving loan fund to continue interest rate buydowns on school construction loans held by the Bank of North Dakota, the same as the House. The Senate did not provide funding for the interest rate buydowns.
- Requires the Bank of North Dakota to report to the Legislative Management regarding the status of the infrastructure revolving loan fund, the legacy infrastructure revolving loan fund, and the water infrastructure revolving loan fund. Neither the Senate nor the House included this report.

Senate Bill No. 2014 - Housing Finance Agency - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$8,509,015	\$1,128,509	\$9,637,524
Operating expenses	5,346,276	797,784	6,144,060
Capital assets		150,000	150,000
Grants	33,466,600	9,508,600	42,975,200
HFA contingencies	100,000		100,000
Housing incentive fund		15,000,000	15,000,000
Total all funds	\$47,421,891	\$26,584,893	\$74,006,784
Less estimated income	47,421,891	11,584,893	59,006,784
General fund	\$0	\$15,000,000	\$15,000,000
FTE	44.00	5.00	49.00

Department 473 - Housing Finance Agency - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Transfers the HOME Program ³	Transfers Mortgage Loans from BND ⁴	Increases Funding for a Position Change ⁵	Increases Funding for Operating Expenses ⁶
Salaries and wages	(\$1)	\$229,859	\$356,421	\$471,233	\$70,997	
Operating expenses			236,950	244,883		\$242,071
Capital assets			50,000			
Grants			7,700,000			
HFA contingencies						
Housing incentive fund						
Total all funds	(\$1)	\$229,859	\$8,343,371	\$716,116	\$70,997	\$242,071
Less estimated income	(1)	229,859	8,343,371	716,116	70,997	242,071
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	2.00	3.00	0.00	0.00

	Adds Funding for Multifamily Housing Software⁷	Adds Funding for Grants⁸	Transfer to Housing Incentive Fund⁹	Total Senate Changes
Salaries and wages				\$1,128,509
Operating expenses	\$73,880			797,784
Capital assets	100,000			150,000
Grants		\$1,808,600		9,508,600
HFA contingencies				
Housing incentive fund			\$15,000,000	15,000,000
Total all funds	\$173,880	\$1,808,600	\$15,000,000	\$26,584,893
Less estimated income	173,880	1,808,600	0	11,584,893
General fund	\$0	\$0	\$15,000,000	\$15,000,000
FTE	0.00	0.00	0.00	5.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	Other Funds
Salary increase	\$227,522
Health insurance increase	<u>2,337</u>
Total	\$229,859

³ The federal HOME program is transferred from the Department of Commerce, including 2 FTE positions, \$356,421 for salaries and wages, \$236,950 for operating expenses, \$50,000 for capital assets, and \$7,700,000 for grants.

⁴ The residential mortgage program is transferred from the Bank of North Dakota. Three FTE positions are added to manage the loans. Funding is increased by \$716,116, including \$471,233 for salaries and wages and \$244,883 for operating expenses.

⁵ Funding is increased to reclassify a position due to an increase in mortgage loan servicing.

⁶ Funding is increased for operating expenses as follows:

	Other Funds
Increases funding for operating expenses, primarily related to information technology costs	\$122,224
Adds ongoing funding for a statewide housing needs assessment	80,000
Adds one-time funding for a statewide housing needs assessment	35,000
Increases funding for Microsoft Office 365 licensing expenses	<u>4,847</u>
Total	\$242,071

⁷ Funding of \$173,880 is added for multifamily housing software, including \$73,880 for operating expenses and \$100,000 for capital assets.

⁸ Funding is increased for federal Housing and Urban Development grants.

⁹ One-time funding of \$15 million is appropriated from the general fund for a transfer to the housing incentive fund.

This amendment also includes the following changes related to the Housing Finance Agency:

- Adds a section to transfer \$15 million from the general fund to the housing incentive fund.
- Adds a section to amend the housing incentive fund to decrease the amount of funding designated for small communities from 15 to 10 percent and to designate 10 percent for projects to prevent homelessness.

- Adds a section to create two new subsections to North Dakota Century Code Section 54-17-07.3 relating to a residential mortgage loan program and residential real estate loans.
- Adds a section to repeal authorization for the Housing Finance Agency to participate as a wholesale servicing mortgage lender.

Senate Bill No. 2014 - Housing Finance Agency - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$8,509,015	\$9,637,524	(\$155,829)	\$9,481,695
Operating expenses	5,346,276	6,144,060		6,144,060
Capital assets		150,000		150,000
Grants	33,466,600	42,975,200		42,975,200
HFA contingencies	100,000	100,000		100,000
Housing incentive fund		15,000,000	(15,000,000)	
Total all funds	\$47,421,891	\$74,006,784	(\$15,155,829)	\$58,850,955
Less estimated income	47,421,891	59,006,784	(155,829)	58,850,955
General fund	\$0	\$15,000,000	(\$15,000,000)	\$0
FTE	44.00	49.00	(1.00)	48.00

Department 473 - Housing Finance Agency - Detail of House Changes

	Adjusts Funding for Salary Increases¹	Removes FTE Positions²	Removes a Housing Incentive Fund Transfer³	Total House Changes
Salaries and wages	(\$6,675)	(\$149,154)		(\$155,829)
Operating expenses				
Capital assets				
Grants				
HFA contingencies				
Housing incentive fund			(\$15,000,000)	(15,000,000)
Total all funds	(\$6,675)	(\$149,154)	(\$15,000,000)	(\$15,155,829)
Less estimated income	(6,675)	(149,154)	0	(155,829)
General fund	\$0	\$0	(\$15,000,000)	(\$15,000,000)
FTE	0.00	(1.00)	0.00	(1.00)

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 Senate provided salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300, and 2 percent on July 1, 2022.

² One new FTE position and \$149,154 are removed to provide a total of 2 new FTE positions and \$566,962 to manage the residential mortgage loan program, which is being transferred from the Bank of North Dakota. The Senate added 3 new FTE positions and \$716,116 to manage the residential mortgage loan program.

³ A section transferring \$15 million from the general fund to the housing incentive fund is removed. The Senate provided the transfer to support the housing incentive fund.

This amendment also removes a section that adjusted the amount of funding in the housing incentive fund designated for developing communities and projects to prevent homelessness.

Senate Bill No. 2014 - Housing Finance Agency - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$8,509,015	\$9,637,524	(\$81,252)	\$9,556,272	\$9,481,695	\$74,577
Operating expenses	5,346,276	6,144,060		6,144,060	6,144,060	
Capital assets		150,000		150,000	150,000	
Grants	33,466,600	42,975,200		42,975,200	42,975,200	
HFA contingencies	100,000	100,000		100,000	100,000	
Housing incentive fund		15,000,000	(5,500,000)	9,500,000		9,500,000
Total all funds	\$47,421,891	\$74,006,784	(\$5,581,252)	\$68,425,532	\$58,850,955	\$9,574,577
Less estimated income	47,421,891	59,006,784	(81,252)	58,925,532	58,850,955	74,577
General fund	\$0	\$15,000,000	(\$5,500,000)	\$9,500,000	\$0	\$9,500,000
FTE	44.00	49.00	0.00	49.00	48.00	1.00

Department 473 - Housing Finance Agency - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Adjusts Funding for Salaries and Wages ²	Adjusts a Housing Incentive Fund Transfer ³	Total Conference Committee Changes
Salaries and wages	(\$6,675)	(\$74,577)		(\$81,252)
Operating expenses				
Capital assets				
Grants				
HFA contingencies				
Housing incentive fund			(\$5,500,000)	(5,500,000)
Total all funds	(\$6,675)	(\$74,577)	(\$5,500,000)	(\$5,581,252)
Less estimated income	(6,675)	(74,577)	0	(81,252)
General fund	\$0	\$0	(\$5,500,000)	(\$5,500,000)
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 House. The Senate provided salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300, and 2 percent on July 1, 2022.

² Funding of \$74,577 is removed for a new FTE position added by the Senate to provide a total of 3 new FTE positions and \$641,539 to manage the residential mortgage loan program, which is being transferred from the Bank of North Dakota. The Senate added 3 new FTE positions and \$716,116 to manage the residential mortgage loan program, and the House added 2 new FTE positions and \$566,962.

³ Funding of \$9.5 million from the general fund is transferred to the housing incentive fund. The Senate provided a transfer of \$15 million. The House removed the transfer.

This amendment also includes a section that adjusts the amount of funding in the housing incentive fund designated for developing communities and projects to prevent homelessness, the same as the Senate. The House removed the adjustment to the housing incentive fund.

Senate Bill No. 2014 - Mill and Elevator - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$46,447,824	\$4,112,385	\$50,560,209
Operating expenses	29,837,000	6,980,000	36,817,000
Agriculture promotion	210,000	290,000	500,000
Contingencies	500,000		500,000
Total all funds	\$76,994,824	\$11,382,385	\$88,377,209
Less estimated income	76,994,824	11,382,385	88,377,209
General fund	\$0	\$0	\$0
FTE	156.00	0.00	156.00

Department 475 - Mill and Elevator - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Benefit Increases²	Increases Funding for Overtime³	Increases Funding for Operating Expenses⁴	Increases Funding for Agriculture Promotion⁵	Total Senate Changes
Salaries and wages	\$2,360,168	\$7,457	\$1,744,760			\$4,112,385
Operating expenses				\$6,980,000		6,980,000
Contingencies						
Agriculture promotion					\$290,000	290,000
Total all funds	\$2,360,168	\$7,457	\$1,744,760	\$6,980,000	\$290,000	\$11,382,385
Less estimated income	2,360,168	7,457	1,744,760	6,980,000	290,000	11,382,385
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ Funding is adjusted for base payroll changes, including salary increases.

² Funding is added for increases in health insurance premiums from \$1,427 to \$1,429 per month.

³ Funding is increased for overtime expenses.

⁴ Funding for operating expenses is increased as follows:

	Other Funds
Increases funding for operating expenses, primarily related to insurance and repairs	\$3,680,000
Increases funding for mill capacity increases, primarily related to utilities and supplies	<u>3,300,000</u>
Total	\$6,980,000

⁵ Funding is increased for agriculture promotion by \$290,000, from \$210,000 to \$500,000.

This amendment does not include any other changes for the Mill and Elevator Association.

Senate Bill No. 2014 - Mill and Elevator - House Action

The House did not make any changes the Senate version.

Senate Bill No. 2014 - Mill and Elevator - Conference Committee Action

The Conference Committee did not make any changes the Senate version.