

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1001 - Funding Summary

	Base Budget	House Changes	House Version
Governor's Office			
Salaries and wages	\$4,426,244	\$1,425,905	\$5,852,149
New and vacant FTE pool		117,387	117,387
Operating expenses	509,331	205,714	715,045
Contingencies	10,000		10,000
Rough Rider Awards	10,800	4,200	15,000
Governor's salary	310,621	(310,621)	
Children's cabinet		65,000	65,000
Total all funds	\$5,266,996	\$1,507,585	\$6,774,581
Less estimated income	0	0	0
General fund	\$5,266,996	\$1,507,585	\$6,774,581
FTE	19.00	0.00	19.00
Bill total			
Total all funds	\$5,266,996	\$1,507,585	\$6,774,581
Less estimated income	0	0	0
General fund	\$5,266,996	\$1,507,585	\$6,774,581
FTE	19.00	0.00	19.00

House Bill No. 1001 - Governor's Office - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$4,426,244	\$1,425,905	\$5,852,149
New and vacant FTE pool		117,387	117,387
Operating expenses	509,331	205,714	715,045
Contingencies	10,000		10,000
Rough Rider Awards	10,800	4,200	15,000
Governor's salary	310,621	(310,621)	
Children's cabinet		65,000	65,000
Total all funds	\$5,266,996	\$1,507,585	\$6,774,581
Less estimated income	0	0	0
General fund	\$5,266,996	\$1,507,585	\$6,774,581
FTE	19.00	0.00	19.00

Department 101 - Governor's Office - Detail of House Changes

	Adjusts Budget Including Removal of Governor's Salary Line Item¹	Adds Funding for Salary and Benefit Increases²	Increases Salaries and Wages Funding³	Adds Funding to Replace 2023-25 New and Vacant FTE Pool⁴	Transfers Funding for 2025-27 New and Vacant FTE Pool⁵	Adds Funding for Fargo Position and Rent⁶
Salaries and wages	\$225,448	\$319,313	\$196,000	\$648,839	(\$167,695)	\$204,000
New and vacant FTE pool					117,387	
Operating expenses	85,186					22,500
Contingencies						
Rough Rider Awards						
Governor's salary	(310,621)					
Children's cabinet						
Total all funds	\$13	\$319,313	\$196,000	\$648,839	(\$50,308)	\$226,500
Less estimated income	0	0	0	0	0	0
General fund	\$13	\$319,313	\$196,000	\$648,839	(\$50,308)	\$226,500
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Operating Funding ⁷	Increases Funding for Roughrider Awards. ⁸	Adds Funding for Children's Cabinet ⁹	Total House Changes
Salaries and wages				\$1,425,905
New and vacant FTE pool				117,387
Operating expenses	\$98,028			205,714
Contingencies				
Rough Rider Awards		\$4,200		4,200
Governor's salary				(310,621)
Children's cabinet			\$65,000	65,000
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Total all funds	\$98,028	\$4,200	\$65,000	\$1,507,585
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$98,028	\$4,200	\$65,000	\$1,507,585
FTE	0.00	0.00	0.00	0.00

¹ Agency base budget adjustments are made and the Governor's salary line item funding is transferred to the salaries and wages line item.

² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund
Salary increase	\$205,213
Health insurance increase	<u>114,100</u>
Total	\$319,313

³ Salaries and wages funding is increased for internships (\$20,000) and for other staff salaries (\$176,000).

⁴ Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	General Fund
Vacant FTE positions	\$147,031
New FTE positions	<u>501,808</u>
Total	\$648,839

⁵ Funding of \$167,695 is removed for estimated savings from vacant 2025-27 FTE positions and \$117,387 is added for a new and vacant FTE pool line item resulting in net savings of \$50,308.

⁶ Funding is added for 18 months of salary costs (\$204,000) and rent costs (\$22,500) to locate an office employee in Fargo.

⁷ Operating funding is added to:

- Increase funding for travel by \$35,000 to provide total funding of \$100,000.
- Increase funding for professional development by \$15,000 to provide total funding of \$65,000.
- Increase funding for ongoing information technology costs (\$27,028) and for enhancements (\$21,000) to utilize artificial intelligence programs.

⁸ Funding for Roughrider Awards is added to provide total funding of \$15,000.

⁹ Ongoing funding of \$35,000 is added for operating costs of the Children's Cabinet and one-time funding of \$30,000 is added for consulting services for the cabinet.

House Bill No. 1001 - Other Changes - House Action

This amendment also:

- Adds a section regarding the use of funding in the new and vacant FTE pool line item.
- Provides the statutory changes needed to increase the Governor's and Lieutenant Governor's salaries by 3 percent on July 1, 2025, and July 1, 2026.