

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1018 - Funding Summary

	Base Budget	House Changes	House Version
State Historical Society			
Salaries and wages	\$16,832,853	\$3,313,454	\$20,146,307
New and vacant FTE pool		934,276	934,276
Operating expenses	3,443,236	6,484,415	9,927,651
Capital assets	1,330,184	84,437,649	85,767,833
Grants	928,340	3,692,500	4,620,840
Cultural heritage grants	500,000	(500,000)	
America's 250th celebration		2,000,000	2,000,000
Total all funds	\$23,034,613	\$100,362,294	\$123,396,907
Less estimated income	2,434,264	97,551,416	99,985,680
General fund	\$20,600,349	\$2,810,878	\$23,411,227
FTE	83.50	2.00	85.50
Bill total			
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Department 701 - State Historical Society - Detail of House Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds Funding for FTE Positions ³	Adds Funding to Replace 2023-25 New and Vacant FTE Pool ⁴	Transfers Funding for 2025-27 New and Vacant FTE Pool ⁵	Adds Funding for Temporary Staff Salaries and Operating ⁶
Salaries and wages	(\$306,652)	\$1,148,305	\$388,876	\$1,768,392	(\$1,223,573)	\$1,491,646
New and vacant FTE pool					934,276	
Operating expenses			9,280			16,200
Capital assets						
Grants						
Cultural heritage grants						
America's 250th celebration						
Total all funds	(\$306,652)	\$1,148,305	\$398,156	\$1,768,392	(\$289,297)	\$1,507,846
Less estimated income	(218,735)	117,076	0	849,189	(25,551)	172,402
General fund	(\$87,917)	\$1,031,229	\$398,156	\$919,203	(\$263,746)	\$1,335,444
FTE	0.00	0.00	2.00	0.00	0.00	0.00

	Adjusts Base Level Funding ⁷	Removes Funding for Cultural Heritage Grants ⁸	Adds One- Time Funding for Temporary Salaries and Operating ⁹	Adds One- Time Funding for Pembina State Museum ¹⁰	Adds One- Time Funding for the Military Gallery Expansion Project ¹¹	Adds One- Time Funding for Medora Area Planning ¹²
Salaries and wages			\$46,460			
New and vacant FTE pool						
Operating expenses	\$280,159		190,776	\$638,000	\$4,900,000	\$450,000
Capital assets	(634,375)				78,744,524	3,120,000
Grants	42,500					
Cultural heritage grants		(\$500,000)				
America's 250th celebration						
Total all funds	(\$311,716)	(\$500,000)	\$237,236	\$638,000	\$83,644,524	\$3,570,000
Less estimated income	27,500	0	127,011	638,000	83,644,524	3,570,000
General fund	(\$339,216)	(\$500,000)	\$110,225	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One- Time Funding for Storage Upgrades and Structure Improvement ¹³	Adds One- Time Funding for Grants ¹⁴	Adds One- Time Funding for America 250 Celebration Activities ¹⁵	Total House Changes
Salaries and wages				\$3,313,454
New and vacant FTE pool				934,276
Operating expenses				6,484,415
Capital assets	\$3,207,500			84,437,649
Grants		\$3,650,000		3,692,500
Cultural heritage grants				(500,000)
America's 250th celebration			\$2,000,000	2,000,000
Total all funds	\$3,207,500	\$3,650,000	\$2,000,000	\$100,362,294
Less estimated income	3,000,000	3,650,000	2,000,000	97,551,416
General fund	\$207,500	\$0	\$0	\$2,810,878
FTE	0.00	0.00	0.00	2.00

¹ Funding is adjusted for base payroll changes.

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	Other Funds	Total
Salary increase	\$572,726	\$65,130	\$637,856
Health insurance increase	458,503	51,946	510,449
Total	\$1,031,229	\$117,076	\$1,148,305

³ Funding for FTE positions is added as follows:

	General Fund
Exhibition preparator	\$190,080
Tribal liaison	208,076
Total	\$398,156

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

	General Fund	Other Funds	Total
New FTE positions	\$360,978	\$770,038	\$1,131,016
Vacant FTE positions	558,225	79,151	637,376
Total	\$919,203	\$849,189	\$1,768,392

⁵ Funding of \$1,223,573 for new FTE positions and estimated savings from vacant FTE positions is removed and funding of \$934,276 is added for a 2025-27 new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
New FTE positions	(\$388,876)	\$0	(\$388,876)
Vacant FTE positions	<u>(749,528)</u>	<u>(85,169)</u>	<u>(834,697)</u>
Total	(\$1,138,404)	(\$85,169)	(\$1,223,573)
Funding pool line item	<u>874,658</u>	<u>59,618</u>	<u>934,276</u>
Net savings	(\$263,746)	(\$25,551)	(\$289,297)

⁶ Funding for temporary staff salaries and operating expenses is added as follows:

	General Fund	Federal Funds	Total
Adds funding for temporary salaries	\$945,088	\$0	\$945,088
Adds funding for compliance with the Native American Graves Protection and Repatriation Act, including temporary salaries of \$376,436 and operating expenses of \$13,920	390,356	0	390,356
Adds funding for a temporary historic preservation specialist position, of which \$170,122 is for temporary salaries and \$2,280 is for operating expenses	<u>0</u>	<u>172,402</u>	<u>172,402</u>
Total	\$1,335,444	\$172,402	\$1,507,846

⁷ Base level funding is adjusted as follows:

	General Fund	Federal Funds	Total
Adds funding for information technology (IT) increases	\$71,996	\$0	\$71,996
Adds funding for operating expenses, including insurance, IT, and utilities	186,163	0	186,163
Adds funding for Pembina State Museum marketing expenses	37,000	0	37,000
Transfers \$15,000 of federal funds from the operating expense line item to the grants line item for National Historical Publications and Records Commission (NHPRC) grants	<u>0</u>	<u>0</u>	<u>0</u>
Removes funding for bonds	(592,375)	0	(592,375)
Reduces funding for capital assets	(42,000)	0	(42,000)
Adds funding for NHPRC grants	<u>0</u>	<u>27,500</u>	<u>27,500</u>
Total	(\$339,216)	\$27,500	(\$311,716)

⁸ Funding of \$500,000 from the general fund is removed for cultural heritage grants, eliminating the program.

⁹ One-time funding is added as follows:

	General Fund	Federal Funds	Total
Temporary archeology collections specialist position, including \$46,460 for salaries and \$3,540 for operating expenses	\$0	\$50,000	\$50,000
New FTE position operating expenses	10,225	2,011	12,236
Operating expenses for Native American Graves Protection and Repatriation Act compliance	100,000	0	100,000
Underrepresented community program	<u>0</u>	<u>75,000</u>	<u>75,000</u>
Total	\$110,225	\$127,011	\$237,236

¹⁰ One-time funding of \$638,000 is added from the strategic investment and improvements fund (SIIF) for the Pembina State Museum for the purchase of exhibit objects and the installation of a new gallery design in the permanent gallery of the museum (\$600,000), replacement of carpeting (\$13,000), a photo gallery exhibit (\$20,000), and advertising expenses (\$5,000).

¹¹ One-time funding of \$83,644,524 from other funds is added as follows:

	SIIF	Bank of North Dakota Line of Credit	Donations	Total
Military gallery expansion project	\$20,000,000	\$20,000,000	\$38,744,524	\$78,744,524
Repayment of a 2023-25 biennium Bank of North Dakota line of credit for the military gallery expansion project	0	0	4,200,000	4,200,000
Inspiration gallery updates at the North Dakota Heritage Center after completion of the military gallery expansion project	<u>350,000</u>	<u>0</u>	<u>350,000</u>	<u>700,000</u>
Total	\$20,350,000	\$20,000,000	\$43,294,524	\$83,644,524

¹² One-time funding of \$3.57 million added from SIIF for Medora area planning.

¹³ One-time funding is added for archive storage upgrades at the Heritage Center (\$207,500 from the general fund) and improvements to historical structures and buildings (\$3 million from SIIF).

¹⁴ One-time funding for grants is added as follows:

	Federal Funds	SIIF	Total
Paul Bruhn historical revitalization grants	\$750,000	\$0	\$750,000
Historic theater restoration grant	0	1,100,000	1,100,000
Historic opera house restoration grant	0	250,000	250,000
Historic museum repairs grant	0	200,000	200,000
Historic movie theater improvement grant	0	250,000	250,000
Medora transportation improvement grant	0	1,000,000	1,000,000
Historic armory restoration grant	0	100,000	100,000
Total	\$750,000	\$2,900,000	\$3,650,000

¹⁵ One-time funding of \$2,000,000 is added from SIIF for America's 250th celebration activities, including \$1,825,000 for the governor's gallery exhibit, \$50,000 for temporary salaries, \$75,000 for professional programming, and \$50,000 for repairs.

House Bill No. 1018 - Other Changes - House Action

This amendment also adds sections to:

- Provide for the use of funding in the new and vacant FTE pool line item.
- Identify \$32,458,000 appropriated in Section 1 from SIIF, of which \$638,000 is for Pembina State Museum exhibit designs and objects, \$20 million is for the military gallery expansion project, \$350,000 is for an update to the inspiration gallery at the North Dakota Heritage Center, \$3.57 million is for Medora area planning, \$3 million is for improvements to historical structures and buildings, \$1.1 million is for a historic theater restoration grant, \$250,000 is for a historic opera house restoration grant, \$200,000 is for a historic museum repairs grant, \$250,000 is for a historic movie theater improvement grant, \$1 million is for a Medora transportation improvement grant, \$100,000 is for a historic armory restoration grant, and million is for America's 250th celebration activities. Funding for the historic theater restoration grant requires \$1 of matching funds from grant recipients for every \$2 provided from the state.
- Identify \$20 million appropriated in Section 1 from a Bank of North Dakota line of credit for the military gallery expansion project.
- Identify \$43,294,524 appropriated in Section 1 is from other funds derived from donations, of which \$38,744,524 is for the military gallery expansion project, \$4.2 million is for the repayment of a 2023-25 biennium Bank of North Dakota line of credit for the military gallery expansion project, and \$350,000 is to update the inspiration gallery at the North Dakota Heritage Center.
- Provide an exemption for funding appropriated from SIIF for critical repairs to historic site structures (\$3.25 million) and for creating new and repairing existing exhibits (\$300,000) during the 2023-25 biennium to continue into the 2025-27 biennium.