



EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Executive budget recommendation	13.00	\$5,543,838	\$921,300	\$6,465,138
Base level	7.00	1,988,930	0	1,988,930
Increase (decrease)	6.00	\$3,554,908	\$921,300	\$4,476,208
Percentage increase (decrease)	85.7%	178.7%	N/A	225.1%

NOTE:

More detailed information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

Selected Highlights

- Salary increases of up to 4 percent effective July 1, 2025, and 3 percent effective July 1, 2026
- Health insurance increase of \$250 per month (15.23 percent), from \$1,643 to \$1,893, per employee
- Adds salary equity funding of \$100,000
- Transfers \$858,397 of special funds and 4 FTE unclaimed property positions from the Department of Trust Lands to transfer the administration of unclaimed property
- Adds \$597,551 from the general fund and 2 FTE cash management positions and provides \$500,000 from the general fund for cash management software, including \$400,000 of one-time funding
- Adds \$50,000 of one-time funding from the general fund for an office remodel to accommodate the new FTE positions
- Adds \$2 million from the general fund for payments in lieu of taxes related to carbon dioxide pipelines

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Agency Fees

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has 11 fees. The agency did not recommend any changes to the fees.

Major Related Legislation

As of the date of this report, there is no major related legislation for this agency.

NOTE:

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930
2025-27 Ongoing Funding Changes				
Salary increase		\$104,589	\$38,882	\$143,471
Health insurance increase		54,048	24,021	78,069
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090
Salary equity funding		100,000		100,000
Transfers \$14,372 from operating to salaries - Base				0
FTE unclaimed property positions	4.00		858,397	858,397
FTE cash management positions	2.00	597,551		597,551
Cash management software fees		100,000		100,000
Information technology rate adjustments		13,630		13,630
Coal severance shortfall payments		4,000		4,000
Carbon dioxide in lieu of tax payments		2,000,000		2,000,000
Total ongoing funding changes	6.00	\$2,994,908	\$921,300	\$3,916,208
One-Time Funding Items				
Information technology projects		\$110,000		\$110,000
Cash management software setup		400,000		400,000
Office remodel for new FTE positions		50,000		50,000
Total one-time funding changes	0.00	\$560,000	\$0	\$560,000
Total Changes to Base Level Funding	6.00	\$3,554,908	\$921,300	\$4,476,208
2025-27 Total Funding	13.00	\$5,543,838	\$921,300	\$6,465,138

Federal funds included in other funds \$0

Total ongoing changes - Percentage of base level 85.7% 150.6% N/A 196.9%

Total changes - Percentage of base level 85.7% 178.7% N/A 225.1%

Other Sections in State Treasurer - Budget No. 120

Section Description	Executive Budget
Salary of State Treasurer	Section 3 would provide the statutory changes necessary to increase the State Treasurer's salary by 4 percent on July 1, 2025, and by 3 percent on July 1, 2026.
Full-time equivalent (FTE) position adjustments	Section 4 would authorize the State Treasurer to increase or decrease authorized FTE positions subject to the availability of funds.
Transfer of unclaimed property administration	Sections 5 through 16 would change the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.

Sixty-ninth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1005
(Governor's Recommendation)

Introduced by

Appropriations Committee

(At the request of the Governor)

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer; to amend and reenact sections 54-11-13 of the North Dakota Century Code, relating to the salary of the state treasurer, to amend and reenact subsection 2, 7 and 9 of section 47-30.2-01, section 47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section 47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section 47-30.2-28, subsection 2 of section 47-30.2-44, subdivision c of subsection 2 of section 47-30.2-50, subsection 1 of section 47-30.2-56, subdivision c of subsection 2 of section 47-30.2-57, subsection 1 and subsection 2 of section 47-30.2-66, and subsection 4 of section 47-30.2-67, and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury not otherwise appropriated, and from special funds derived from other income, to the state treasurer for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,605,584	\$1,812,950	\$3,418,534
Operating expenses	265,346	659,258	924,604
In lieu of tax payments	0	2,000,000	2,000,000
Coal severance payments	<u>118,000</u>	<u>4,000</u>	<u>122,000</u>
Total all funds	<u>\$1,988,930</u>	<u>\$4,476,208</u>	<u>\$6,465,138</u>
Less estimated income	<u>0</u>	<u>921,300</u>	<u>921,300</u>
Total general fund	<u>\$1,988,930</u>	<u>\$3,554,908</u>	<u>\$5,543,838</u>
Full-time Equivalent Positions	7.00	6.00	13.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
Information technology costs	\$27,825	\$110,000
Cash management system	0	400,000
Office remodeling costs	<u>0</u>	<u>50,000</u>
Total all funds	<u>\$27,825</u>	<u>\$560,000</u>
Less estimated income	<u>0</u>	<u>0</u>
Total general fund	<u>\$27,825</u>	<u>\$560,000</u>

SECTION 3. AMENDMENT. Section 54-11-13 of the North Dakota Century Code is amended and reenacted as follows:

54-11-13. Salary of state treasurer. The annual salary of the state treasurer is one hundred ~~thirty-four~~ thousand six hundred eight dollars through June 30, ~~2024~~2026, and one hundred ~~thirty-five~~thirty-five thousand ~~two~~eight hundred ~~twenty-six~~ dollars thereafter.

SECTION 4. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the state treasurer may increase or decrease authorized full-time equivalent positions as needed, subject to availability of funds, during the biennium beginning July 1, 2025, and ending June 30, 2027. The state treasurer shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.

SECTION 5. AMENDMENT. Subsection 2, 7 and 9 of section 47-30.2-01 of North Dakota Century Code is amended and reenacted as follows:

2. "Administrator's agent" means a person with which the ~~commissioner~~treasurer contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62 on behalf of the administrator. The term includes an independent contractor of the person and each individual participating in the examination on behalf of the person or contractor.

7. "~~Commissioner~~Treasurer" means the ~~commissioner of university and school lands~~state treasurer.

9. "Department" means the ~~department of trust lands~~office of the state treasurer.

SECTION 6. AMENDMENT. Section 47-30.2-03 of North Dakota Century Code is amended and reenacted as follows:

The ~~commissioner~~treasurer may adopt rules to implement and administer this chapter.

SECTION 7. AMENDMENT. Subdivision j of subsection 1 of section 47-30.2-22 of North Dakota Century Code is amended and reenacted as follows:

j. Contain other information the ~~commissioner~~treasurer prescribes by rules.

SECTION 8. AMENDMENT. Subsection 4 of section 47-30.2-23 of North Dakota Century Code is amended and reenacted as follows:

4. The ~~commissioner~~treasurer may grant an extension of the reporting date for good cause in the event of a national or state emergency.

SECTION 9. AMENDMENT. Subsection 1 of section 47-30.2-24 of North Dakota Century Code is amended and reenacted as follows:

1. A holder required to file a report under section 47-30.2-21 shall retain records for ten years after the later of the date the report was filed or the last date a timely report was due to be filed, unless a shorter period is provided by rule of the ~~commissioner~~treasurer.

SECTION 10. AMENDMENT. Subdivision b of subsection 3 of section 47-30.2-28 of North Dakota Century Code is amended and reenacted as follows:

b. Maintain a website or database accessible by the public and electronically searchable which contains the names reported to the administrator of apparent owners for whom property that meets or exceeds the searchable value as set by the ~~commissioner~~treasurer is being held by the administrator. Property that does not meet or exceed the searchable value must continue to be held by the administrator but may not appear in the searchable website or database.

SECTION 11. AMENDMENT. Subsection 2 of section 47-30.2-44 of North Dakota Century Code is amended and reenacted as follows:

2. The department shall maintain an account with an amount of funds the ~~commissioner~~treasurer reasonably estimates is sufficient to pay claims allowed under this chapter.

SECTION 12. AMENDMENT. Subdivision c of subsection 2 of section 47-30.2-50 of North Dakota Century Code is amended and reenacted as follows:

- c. The property has a value as provided by rules adopted by the ~~commissioner~~treasurer.

SECTION 13. AMENDMENT. Subsection 1 of section 47-30.2-56 of North Dakota Century Code is amended and reenacted as follows:

1. The ~~commissioner~~treasurer shall adopt rules governing an examination under section 47-30.2-55, including rules for use of an estimation, extrapolation, and statistical sampling in conducting an examination. An examination commenced after adoption of rules under this subsection must comply with the rules.

SECTION 14. AMENDMENT. Subdivision c of subsection 2 of section 47-30.2-57 of North Dakota Century Code is amended and reenacted as follows:

- c. May be disclosed at the discretion of the ~~commissioner~~treasurer, on request, to the person that administers the unclaimed property law of another state for that state's use in circumstances equivalent to circumstances described in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information is disclosed shall maintain the confidentiality and security of information obtained in a manner substantially equivalent to sections 47-30.2-71, 47-30.2-72, and 47-30.2-73;

SECTION 15. AMENDMENT. Subsection 1 and subsection 2 of section 47-30.2-66 of North Dakota Century Code is amended and reenacted as follows:

1. If a holder enters into a contract or other arrangement for the purpose of evading an obligation under this chapter or otherwise willfully fails to perform a duty imposed on the holder under this chapter, the ~~commissioner~~treasurer may require the holder to pay the administrator, in addition to interest as provided in subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is evaded or the duty is not performed, up to a cumulative maximum amount of twenty-five thousand dollars, plus twenty-five percent of the amount or value of property that should have been, but was not reported, paid, or delivered as a result of the evasion or failure to perform.

2. If a holder makes a fraudulent report under this chapter, the ~~commissioner~~treasurer may require the holder to pay to the administrator, in addition to interest under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for each day from the date the report was made until corrected, up to a cumulative maximum of twenty-five thousand dollars, plus twenty-five percent of the amount or value of any property that should have been reported, but was not included in the report or was underreported.

SECTION 16. AMENDMENT. Subsection 4 of section 47-30.2-67 of North Dakota Century Code is amended and reenacted as follows:

4. The ~~commissioner~~treasurer may waive up to twenty-five thousand dollars of the penalty or reduce interest. A request for a waiver or reduction of penalty in excess of twenty-five thousand dollars must be presented to the board, with the ~~commissioner's~~treasurer's recommendation, for review and decision.