



**EXECUTIVE BUDGET RECOMMENDATION**  
**2025-27 BIENNIUM**

**Budget Summary**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Executive budget recommendation	12.00	\$0	\$4,877,907	\$4,877,907
Base level	10.00	0	3,169,193	3,169,193
Increase (decrease)	2.00	\$0	\$1,708,714	\$1,708,714
Percentage increase (decrease)	20.0%	N/A	53.9%	53.9%

**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.

**Integration with the Department of Financial Institutions**

The executive budget recommends integrating the Securities Department with the Department of Financial Institutions. The new agency would be overseen by the Department of Financial Institutions Commissioner and would include a division for banking and credit union examinations and a division for overseeing securities. In addition, a new third division would be added to oversee digital finance and fraud including cryptocurrency transactions.

**Selected Financial 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 \$665,135 from special funds for positions in the new digital finance and fraud division including 1 FTE deputy position and 1 FTE examiner position
- Adds \$732,492 from special funds for cryptocurrency software, cryptocurrency consulting, and operating expenses of the new digital finance and fraud division

**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 30 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.



**Securities Department - Budget No. 414**  
**Agency Worksheet - House Bill No. 1011**

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
<b>2025-27 Biennium Base Level</b>	10.00	\$0	\$3,169,193	\$3,169,193
<b>2025-27 Ongoing Funding Changes</b>				
Base budget adjustments			\$17,326	\$17,326
Salary increase			155,537	155,537
Health insurance increase			72,062	72,062
Funding to replace 2023-25 vacant FTE pool			66,162	66,162
Deputy position	1.00		402,502	402,502
Examiner position	1.00		262,633	262,633
Cryptocurrency software and operating expenses			732,492	732,492
<b>Total ongoing funding changes</b>	<b>2.00</b>	<b>\$0</b>	<b>\$1,708,714</b>	<b>\$1,708,714</b>
<b>One-Time Funding Items</b>				
No one-time funding items				\$0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Changes to Base Level Funding</b>	<b>2.00</b>	<b>\$0</b>	<b>\$1,708,714</b>	<b>\$1,708,714</b>
<b>2025-27 Total Funding</b>	<b>12.00</b>	<b>\$0</b>	<b>\$4,877,907</b>	<b>\$4,877,907</b>

*Federal funds included in other funds* \$0

<i>Total ongoing changes - Percentage of base level</i>	20.0%	N/A	53.9%	53.9%
<i>Total changes - Percentage of base level</i>	20.0%	N/A	53.9%	53.9%

**Other Sections in Securities Department - Budget No. 414**

Section Description	Executive Budget
FTE position adjustments	Section 3 would allow the Securities Department to increase or decrease the authorized level of FTE positions subject to the availability of funds.

Sixty-ninth  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1011  
(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 securities department.

**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 securities department special fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, to the securities department of 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	\$2,412,763	\$1,089,481	\$3,502,244
Operating Expenses	<u>756,430</u>	<u>619,233</u>	<u>1,375,663</u>
Total All Funds	\$3,169,193	\$1,708,714	\$4,877,907
Less Estimated Income	<u>3,163,193</u>	<u>1,708,714</u>	<u>4,877,907</u>
Total General Fund	\$ 0	\$ 0	\$ 0
Full-time Equivalent Positions	10.00	2.00	10.00

**SECTION 2. ONE-TIME FUNDING – EFFECT ON BASE BUDGET – REPORT TO SEVENTIETH LEGISLATIVE ASSEMBLY.** 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 one-time funding items included in the appropriation of section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
Technology investments	<u>\$ 150,000</u>	<u>\$ 0</u>
Total General Fund	\$0	\$0

The 2025-27 biennium one-time funding amounts are not part of the entity’s base budget for the 2027-29 biennium. The securities department shall report to the appropriations committees of the seventieth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2025, and ending June 30, 2027.

**SECTION 3. EXEMPTION – FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding any other provisions of the law, the securities commission 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 securities commission shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.