

North Dakota Legislative Council

Prepared for the Budget Section Divisions LC# 25.9242.01000 June 2024

BUDGET SECTION DIVISIONS - BACKGROUND

During the March 20, 2024, Budget Section meeting, the Budget Section approved a motion to seek approval from the Legislative Management Chairman to establish Budget Section divisions for the purpose of reviewing agency-specific budget information and other budget-related areas to assist in preparing for the regular legislative session. The request was approved by the Legislative Management Chairman.

As a result of the implementation of term limits for legislators, legislative leaders and members of the Appropriations Committees likely will have less legislative experience and less involvement and familiarity with the state budget, the state's budget development process, and the state's financial systems. To address this lack of experience, the use of divisions will better prepare legislative leaders and members of the Appropriations Committees for developing the state budget in the limited time available during the legislative session. This will be accomplished by providing additional education and training for legislators during the interim. The additional education and training will focus on key areas of the state budget, including agency base budgets and agency budget requests and will expand legislative budget review and oversight.

The Budget Section will operate as it traditionally has, except in addition to meeting as a whole, its members have been assigned to serve on a division of the Budget Section, similar to the divisions of the Appropriations Committees during the legislative session. These divisions will meet immediately after each Budget Section meeting and may meet at other times. The divisions include:

- 1. Leadership Division which will focus on budget and fiscal trends, revenue forecasts and comparisons, budget outlooks, status of major special funds, and other topics;
- 2. Education and Environment Division;
- 3. Government Operations Division; and
- 4. Human Resources Division.

The non-leadership divisions will be assigned agencies and are to:

- 1. Review agency base budgets and programs;
- 2. Receive updates on the status of agency budgets and implementation of legislative initiatives;
- 3. Review agency budget requests;
- 4. Conduct tours of selected state facilities; and
- 5. Receive information on other budget-related areas.

The divisions are to report to the Budget Section regarding agency and other budget areas reviewed. The divisions' reports will be included in the Budget Section final report submitted to the Legislative Management.