

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 4, after the semicolon insert "to create and enact two new sections to chapter 54-59 of the North Dakota Century Code, relating to required information technology services and duties of the information technology department;" and replace the second "section" with "sections 54-35-18, 54-35-18.1, and 54-35-18.2, subsection 2 of section 54-44.1-06, and sections 54-44.1-12, 54-59-05, 54-59-09, and"

Page 1, line 5, replace "suspending" with "the electric industry competition committee, preparation of budget data, budget allotments, powers and duties of the information technology department, information technology standards, and"

Page 1, line 7, remove "a statement"

Page 1, line 8, remove "of", after "intent" insert "; to require an examination of mineral severance tax application to federal lands and lands of quasi-federal entities; to require reports to the legislative assembly; to provide an exception to section 54-44.1-06 of the North Dakota Century Code, relating to the preparation of certain appropriation bills; to provide for reports to the budget section; to provide for legislative council studies; to provide for the transfer of state agency information technology positions; to provide for the transfer of higher education information technology functions; to provide an appropriation", and replace "provide an expiration date" with "declare an emergency"

Page 1, line 16, replace "15,404,949" with "15,533,036"

Page 1, line 17, replace "11,461,745" with "10,573,616"

Page 1, line 19, replace "179,000" with "179,000"

Page 1, after line 19, insert:

"Technology critical needs pool 1,000,000"

Page 1, line 20, replace "27,778,694" with "28,018,652"

Page 1, line 21, replace "7,891,748" with "7,915,492"

Page 1, line 22, replace "19,886,946" with "20,103,160"

Page 2, remove line 17

Page 2, line 20, replace "special funds" with "\$2,000,000", replace "land" with "lands", and remove "in the amount of"

Page 2, line 21, remove "\$3,000,000"

Page 2, line 23, after "transfer" insert "\$14,300,000"

Page 2, line 24, replace "any balance remaining in" with "from" and remove "as of July 1, 2003"

Page 4, after line 2, insert:

**"SECTION 12. AMENDMENT.** Section 54-35-18 of the North Dakota Century Code is amended and reenacted as follows:

**54-35-18. (Effective through August 1, 2003 2007) Electric industry competition - Need for study.** The legislative council shall study the impact of competition on the generation, transmission, and distribution of electric energy within this state. The legislative assembly finds that the economy of this state depends on the availability of reliable, low cost, electric energy. There is a national trend toward competition in the generation, transmission, and distribution of electric energy and the legislative assembly acknowledges that this competition has both potential benefits and adverse impacts on this state's electric suppliers as well as on their shareholders and customers and the citizens of this state. The legislative assembly determines that it is in the best interests of the citizens of this state to study the effects of competition on the generation, transmission, and distribution of electric energy.

**SECTION 13. AMENDMENT.** Section 54-35-18.1 of the North Dakota Century Code is amended and reenacted as follows:

**54-35-18.1. (Effective through August 1, 2003 2007) Electric industry competition committee - Composition.**

1. The legislative council shall appoint a committee to study electric industry competition.
2. The committee shall study the impact of competition on the generation, transmission, and distribution of electric energy within this state and on the state's electric suppliers.
3. As used in sections 54-35-18 through 54-35-18.2, "electric suppliers" means public utilities regulated under title 49, rural electric cooperatives organized under chapter 10-13, municipal electric utilities organized under chapters 40-33 and 40-33.2, and power marketers.
4. The committee consists of:
  - a. ~~Three or four~~ Six members of the house of representatives, ~~no more than two of whom may be from the same political party~~ four of whom must be from the majority political party and two of whom must be from the minority political party.
  - b. ~~Three or four~~ Six members of the senate, ~~no more than two of whom may be from the same political party~~ four of whom must be from the majority political party and two of whom must be from the minority political party.
5. The chairman of the legislative council shall name one of the members as chairman.

**SECTION 14. AMENDMENT.** Section 54-35-18.2 of the North Dakota Century Code is amended and reenacted as follows:

**54-35-18.2. (Effective through August 1, 2003 2007) Electric industry competition committee - Study areas.** The electric industry competition committee shall study this state's electric industry competition and electric suppliers and shall

report to the legislative council in the same manner as do other interim legislative council committees, concerning the following issues:

1. Financial issues, including:
  - a. The interests of residential customers, including:
    - (1) Fairness of rates, terms, and conditions of service for services chosen.
    - (2) Affordability of rates, bills, and services.
    - (3) Stability and predictability of rates and bills.
    - (4) Reliability and quality of power supply.
    - (5) Assurance that rates, terms, and conditions are nondiscriminatory.
    - (6) Ability of customers to understand potential energy choices.
    - (7) Importance of a fair dispute resolution process.
    - (8) Potential for rates to reflect the customer's desired level of energy reliability and availability.
  - b. The interests of small business customers, large business customers, shareholders, and other stakeholders, including:
    - (1) Fairness of rates, terms, and conditions of service for the services chosen by customers.
    - (2) Affordability of rates, bills, and services for customers.
    - (3) Stability and predictability of customers' rates and bills.
    - (4) Assurance that rates, terms, and conditions are nondiscriminatory for all customers.
    - (5) Ability of customers to understand potential energy choices and the implications of these choices.
    - (6) Importance of a fair dispute resolution process for customers.
    - (7) Potential for rates to reflect the customer's desired level of energy reliability and availability.
  - c. Financial integrity of and cost of capital to electric power suppliers.
  - d. Taxes paid by electric suppliers, including franchise taxes, excise taxes, income taxes, ad valorem taxes, in lieu taxes, and real and personal property taxes.
  - e. Tax implications to local governments.
  - f. Quantification and recovery of stranded investments by electric power suppliers, including those resulting from:

- (1) Customers who have a legal obligation to bear certain costs, who find a way to avoid those obligations, and who leave without paying costs incurred on the customer's behalf; and
  - (2) The costs of investments that exceed their value in the competitive market.
- g. Pricing of transmission and distribution services.
- h. Pricing and rate subsidies for all classes of customers.
- i. Unbundling of costs of services.
2. Legal issues, including:
  - a. State, tribal, and federal jurisdiction.
  - b. State statutory and regulatory constraints and oversight of the electric industry.
  - c. Those related to the federal energy regulatory commission.
  - d. Commerce clause constraints.
  - e. Review of existing state laws, rules, and constitutional provisions that affect the generation, transmission, and distribution of electric energy, including the need and appropriateness of regulatory reforms for services that will continue to be provided by a regulated utility.
  - f. Interstate reciprocity and the regional nature of the industry.
  - g. Continuing obligations of an electric supplier to serve customers.
  - h. Use and protection of proprietary information in a competitive market.
3. Social issues, including:
  - a. Planning and operation of electric suppliers, including integrated resource planning.
  - b. Efficiency and sufficiency of an aggregate supply of energy.
  - c. Environmental impacts.
  - d. Impact on the development and use of renewable resources.
  - e. Appropriate and proper method of recovery of the cost of social, low income, and noneconomic renewable energy programs in order to ensure that costs are fairly and equitably shared among all customers of electric energy.
4. Issues related to system planning, operation, and reliability, including:
  - a. Electric system reliability.
  - b. Provisions by which customers would be permitted to have a choice of generation providers.
  - c. Applicability of regulatory reliability criteria to nonutility market participants.

- d. Form and requirements of contracts for the sale and purchase of electric energy.
  - e. Requirements for metering energy usage at the customer's location.
  - f. Designation and regulation of ancillary services.
5. Identification and review of potential market structures, including:
- a. Possible market structures for a deregulated generation market and transmission market and whether these structures should be mandated or allowed to form voluntarily.
  - b. Formation of market segments in response to customer requirements.
  - c. Impact on the investment stability of the electric utility industry.
  - d. Impact on multipurpose entities.
  - e. Potential to improve economic efficiency.
  - f. Size of the market and the extent to which its size impacts the level of benefits for customers or groups of customers.
  - g. Ability of participants with control over the electricity generation and transmission system to exercise market power over pricing or the need for controls to prevent the exercise of market power.
  - h. Controls or bans on corporate relationships between regulated utilities and emerging competitive sectors.
  - i. Barriers to achieving nondiscriminatory competition among electric suppliers, including review of federal and state tax issues, availability of federal subsidies to certain energy suppliers, application of federal laws that impose regulatory requirements on the electric utility industry, and jurisdiction of the federal energy regulatory commission over competitors.
  - j. Viability of all customers to participate in and benefit from a competitive electricity market, including:
    - (1) Risks and responsibilities that customers or classes of customers incur by participating in a competitive market.
    - (2) Costs of gathering, processing, and managing information on the price and quality of electricity.
    - (3) Benefits to customers or classes of customers from participation in a competitive electricity market.
6. Whether and to what extent power produced by the Garrison dam should be taxed by the state.
7. The source and cost of power supplied to the state's Indian reservations.
8. Other issues related to the generation, transmission, and distribution of electric energy.

**SECTION 15. AMENDMENT.** Subsection 2 of section 54-44.1-06 of the North Dakota Century Code is amended and reenacted as follows:

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statement of unappropriated surplus for the general fund must reflect any projected deficiency appropriations relating to expenditures from the general fund for the present biennium. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.

**SECTION 16. AMENDMENT.** Section 54-44.1-12 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-12. Control over rate of expenditures.** The director of the budget shall exercise continual control over the execution of the budget affecting the departments and agencies of state government, with the exception of the legislative and judicial branches. Execution means the analysis and approval of all commitments for conformity with the program provided in the budget, frequent comparison of actual revenues and budget estimates, and on the basis of these analyses and comparisons control the rate of expenditures through a system of allotments. The allotment must be made by specific fund and all departments and agencies that receive moneys from that fund must be allotted on a uniform percentage basis, except that appropriations to the department of public instruction for foundation aid, transportation aid, and special education aid may only be allotted to the extent that the allotment can be offset by transfers from the foundation aid stabilization fund. Any allotment must be made to the extent necessary to address any projected deficiency appropriations for agencies receiving moneys from the fund. Before an allotment is made which will reduce the amount of funds which can be disbursed pursuant to an appropriation or before an allotment disallowing a specific expenditure is made, the director shall find one or more of the following circumstances to exist:

1. The moneys and estimated revenues in a specific fund from which the appropriation is made are insufficient to meet all legislative appropriations from the fund.
2. The payment or the obligation incurred is not authorized by law.
3. The expenditure or obligation is contrary to legislative intent as recorded in any reliable legislative records, including:
  - a. Statements of legislative intent expressed in enacted appropriation measures or other measures enacted by the legislative assembly; and
  - b. Statements of purpose of amendment explaining amendments to enacted appropriation measures, as recorded in the journals of the legislative assembly.
4. Circumstances or availability of facts not previously known or foreseen by the legislative assembly which make possible the accomplishment of the purpose of the appropriation at a lesser amount than that appropriated.

**SECTION 17.** Two new sections to chapter 54-59 of the North Dakota Century Code are created and enacted as follows:

**Required use of electronic mail, file and print server administration, data base administration, desktop personal computer support, and application server and hosting services.** Each state agency and institution, excluding the institutions under the control of the board of higher education, that desires electronic mail, file and

print server administration, data base administration, desktop personal computer support, disaster recovery, and application server and hosting services shall obtain those services from the department. The chief information officer may exempt from the application of this section any agency that demonstrates its current services are more appropriate for the specific needs of that agency than the services available from the department.

**Department shall establish certain standards for agencies - Advisory committee - Exceptions.** The department shall appoint an advisory committee consisting of representatives of state agencies for the purposes of prioritizing major computer software projects and establishing policies, standards, and guidelines for executive branch state agencies and agencies of the judicial and legislative branches with respect to the purchase of computer software and computer systems. The chief information officer shall submit recommendations of the advisory committee regarding major software projects to the information technology committee for consideration by the committee and the drafting of appropriate legislation to implement the recommendations. The chief information officer may exempt an agency from the policies, standards, and guidelines established by the committee to address situations unique to that agency. Before an executive branch state agency may purchase or contract for computer software or computer systems associated with electronic mail, file and print services hosting and support, desktop personal computers and desktop support services, mainframe and distributed computing hosting services, or services for disaster recovery of critical systems, the department shall review the proposed purchase and approve of the purchase.

**SECTION 18. AMENDMENT.** Section 54-59-05 of the North Dakota Century Code is amended and reenacted as follows:

**54-59-05. Powers and duties of department.** The department:

1. Shall provide, supervise, and regulate information technology of all executive branch state entities, excluding the institutions under the control of the board of higher education.
2. Shall provide network services in a way that ensures the network requirements of a single entity do not adversely affect the functionality of the whole network, facilitates open communications with the citizens of the state, minimizes the state's investment in human resources, accommodates an ever-increasing amount of traffic, supports rapid detection and resolution of problems, protects the network infrastructure from damage and security breaches, provides for the aggregation of data, voice, video, and multimedia into a statewide transport mechanism or backbone, and provides for the network support for the entity to carry out its mission.
3. May review and approve additional network services that are not provided by the department.
4. May purchase, finance the purchase, or lease equipment or software or replace, including by trade or resale, equipment or software as may be necessary to carry out this chapter. An agreement to finance the purchase of software, equipment, or implementation services may not exceed a period of three years. The department shall submit any intended financing proposal for the purchase of software, equipment, or implementation services under this subsection, which is in excess of one million dollars, to the budget section of the legislative council before executing a financing agreement. If the budget section does not approve the execution of a financing agreement, the department may not proceed with the proposed financing arrangement. The department may finance the purchase of software, equipment, or implementation services only to the extent the

purchase amount does not exceed the amount appropriated to the department during that biennium for equipment.

5. Each executive branch agency or institution, ~~except~~ excluding the institutions under the control of the board of higher education with respect to academic and research uses of information technology, shall submit to the department, in accordance with guidelines established by the department, a written request for the lease, purchase, or other contractual acquisition of information technology. The department shall review requests for conformance with the requesting entity's information technology plan and compliance with statewide policies and standards. If the request is not in conformance or compliance, the department may disapprove the request or require justification for the departure from the plan or statewide policy or standard.
- ~~5-~~ 6. Shall provide information technology, including assistance and advisory service, to the executive, legislative, and judicial branches. If the department is unable to fulfill a request for service from the legislative or judicial branch, the information technology may be procured by the legislative or judicial branch within the limits of legislative appropriations.
- ~~6-~~ 7. May request information on or review information technology, applications, system development projects, and application development projects of executive branch agencies.
- ~~7-~~ 8. Shall study emerging technology and evaluate its impact on the state's system of information technology.
- ~~8-~~ 9. Shall develop guidelines for reports to be provided by each executive branch agency, institution, or department, the institutions under the control of the board of higher education, and agencies of the judicial and legislative branches on information technology in those entities.
- ~~9-~~ 10. Shall review the information technology management of executive branch agencies or institutions, ~~including institutions under the control of the board of higher education as provided in section 54-59-13.~~
- ~~10-~~ 11. Shall perform all other duties necessary to carry out this chapter.

**SECTION 19. AMENDMENT.** Section 54-59-09 of the North Dakota Century Code is amended and reenacted as follows:

**54-59-09. Information technology standards.** Based on information from state agencies and institutions, the department shall develop statewide information technology policies, standards, and guidelines. The policies, standards, and guidelines must recognize the uniqueness of certain agencies and state which agencies are included or exempted from the policies, standards, and guidelines. The policies, standards, and guidelines must be approved by the state information technology advisory committee. Unless an exemption is granted by the ~~department chief~~ information officer, each executive branch state agency and institution, excluding the institutions under the control of the board of higher education with respect to academic and research uses of information technology, shall comply with the policies and standards developed by the department. Unless an exemption is granted by the ~~department chief~~ information officer, each entity receiving wide area network services provided by the department shall comply with the policies and standards developed by the department with respect to access to or use of wide area network services.

**SECTION 20. TRANSFER OF STATE AGENCY INFORMATION TECHNOLOGY EMPLOYEE POSITIONS - CONSOLIDATION OF INFORMATION TECHNOLOGY FUNCTIONS.** On November 1, 2003, the following number of



authorized full-time equivalent employee positions relating to information technology services, including electronic mail, file and print server administration, data base administration, desktop personal computer support, disaster recovery, and application server and hosting services must be transferred from the named agencies to the information technology department, unless reduced by the chief information officer:

| AGENCY   | FULL-TIME EQUIVALENT<br>EMPLOYEE POSITIONS |
|--|--|
| Secretary of state                                 | 1  |
| Office of management and budget                    | 2  |
| State auditor's office                             | 1  |
| Attorney general                                   | 3  |
| Tax department                                     | 4  |
| Legislative branch                                 | 3  |
| Judicial branch                                    | 3  |
| Retirement and investment office                   | 1  |
| Public employees retirement system                 | 2  |
| Department of public instruction                   | 2  |
| Land department                                    | 1  |
| School for the deaf                                | 1  |
| Vision services - school for the blind             | 1  |
| State board for vocational and technical education | 1  |
| State department of health                         | 3  |
| Veterans' home                                     | 1  |
| Department of human services                       | 31   |
| Job service North Dakota                           | 11   |
| Industrial commission                              | 3  |
| Public service commission                          | 1  |
| Bank of North Dakota                               | 7  |
| Housing finance agency                             | 2  |
| Mill and elevator                                  | 1  |
| Workers compensation bureau                        | 5  |
| Highway patrol                                     | 3  |
| Department of corrections and rehabilitation       | 3  |
| Department of commerce                             | 1  |
| Game and fish department                           | 2  |
| Parks and recreation department                    | 1  |
| State water commission                             | 2  |
| Department of transportation                       | 7  |

The agencies shall retain funding relating to the transferred employee positions and related costs, which is contained in the agencies' respective appropriations bill. Each of the agencies shall establish an information technology services line item consisting of funding related to the salaries and wages for the transferred employee positions and related funding for equipment, training, office rent, travel, contracted services, or other related costs for electronic mail, file and print server administration, data base administration, desktop personal computer support, disaster recovery, and application server and hosting services. Agencies shall develop documentation supporting the related funding transferred to the information technology services line item. Any line item transfer must be reported to the office of management and budget. Each of the agencies shall use the funding contained in the information technology services line item to purchase information technology services from the information technology department. Each of the agencies shall make arrangements with the information technology department for the transfer of equipment and material related to the transferred employee positions and services from the respective agency to the department. The information technology department may receive any funding relating to the purchase of information technology services under this section, which is hereby appropriated. Each agency is entitled to receive from the information technology department the equivalent in services that would have been performed by employees in

the transferred positions at a cost not exceeding the amounts transferred to the agency's information technology services line item.

The information technology department shall determine the number of full-time equivalent positions necessary to provide the related information technology functions to state agencies. The department may employ the number of necessary employees and require all persons interested in filling the employee positions to apply with the department. In filling the employee positions, the department shall give preference to current state employees working in information technology. The department may make arrangements with the agency from which an employee was transferred to transfer any leave accrued by that employee.

**SECTION 21. INFORMATION TECHNOLOGY FUNCTION CONSOLIDATION - ACCUMULATED SAVINGS - TRANSFER TO THE GENERAL FUND.** The information technology department shall achieve efficiencies during the biennium beginning July 1, 2003, and ending June 30, 2005, relating to the required consolidation of information technology functions, including electronic mail, file and print server administration, data base administration, desktop personal computer support, disaster recovery, and application server and hosting services. The information technology department through efficiencies resulting from this consolidation shall achieve accumulated net savings totaling \$4,000,000 for the 2003-05 biennium. The director of the office of management and budget shall transfer the savings accumulated as a result of these efficiencies in the amount of \$4,000,000 to the general fund by June 30, 2005.

**SECTION 22. INFORMATION TECHNOLOGY SERVICE - REPORTS TO THE INFORMATION TECHNOLOGY COMMITTEE AND THE BUDGET SECTION.** The information technology department shall document information relating to the delivery of the consolidated services to agencies, including service dependability, agency complaints, and information technology department responsiveness, and shall report that information and the status of the accumulated savings to the information technology committee and the budget section as requested. Any agency receiving consolidated services may provide information to the information technology committee with respect to service availability, service dependability, complaints of the agency or of persons receiving services from the agency or the department, department responsiveness, and any additional costs incurred by the agency as a result of the consolidated services.

**SECTION 23. INFORMATION TECHNOLOGY LEGISLATIVE COUNCIL STUDY - APPROPRIATION - REPORTS TO THE BUDGET SECTION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$350,000, or so much of the sum as may be necessary, to the legislative council for the biennium beginning July 1, 2003, and ending June 30, 2005, for the purpose of contracting with consultants to conduct an information technology consolidation and an information technology management study and to provide assistance with the preparation of the request for proposals and consultant oversight. The studies must be completed by October 1, 2003, and periodic progress reports on the status of studies must be provided to the information technology committee. A final report must be presented to the budget section upon completion of the studies.

The information technology consolidation study must address the consolidation of information technology functions, including a review and identification of:

1. The cost of providing electronic mail administration, file and print server administration, seat management and desktop personal computer support, mainframe and distributed computing hosting services, consolidated storage management and disaster recovery, and software development.
2. The roles and responsibilities of agency personnel providing information technology services and the positions to be consolidated.

3. The positions and competencies needed by the information technology department to provide the information technology services on a centralized basis, including the organizational changes required within the department to provide the centralized services.
4. The human resource management issues, including change management, training, and employee compensation, to be addressed for a successful consolidation.
5. The adequacy and quality of the services as currently provided and proper performance measures.
6. The comparison of current costs to industry data and data from other states.
7. The costs and benefits of providing the services on a centralized basis and the cost of an agency providing the services on an individual basis.
8. Information technology services appropriate to be performed by individual agencies.
9. A plan to consolidate the services identified, including the reorganization tasks, personnel transfers, and the changes required for information technology budgeting and cost allocation processes.

The information technology management study must include a review of:

1. The technology management processes of other states and private industry with respect to prioritizing state agency information technology budget requests, establishing information technology standards and policies, and overseeing information technology expenditures.
2. The role of other states in providing information technology services to nonstate government entities.
3. The level of information technology outsourcing in other state governments and the private sector and the applicability to the state of North Dakota.
4. The trends that will impact technology deployment and spending in the next five to ten years.
5. The level of coordination in the management of enterprise initiatives, such as the state wide area network, the enterprise resource planning system initiative, the geographic information systems initiative, and the criminal justice information sharing initiative, compared to other states, including a recommendation regarding the appropriate governance structure to provide the maximum benefits to the state.

**SECTION 24. TRANSFER OF APPROPRIATION AUTHORITY BETWEEN LINE ITEMS.** Notwithstanding section 54-16-04, the director of the office of management and budget and the state treasurer shall make transfers of funds between line items for state agencies, departments, and institutions as may be requested to accommodate information technology funding reductions made by the fifty-eighth legislative assembly. The office of management and budget shall report to the budget section regularly on transfers made pursuant to this section.

**SECTION 25. CONSOLIDATION OF HIGHER EDUCATION INFORMATION TECHNOLOGY FUNCTIONS.** The North Dakota university system shall consolidate full-time equivalent employee positions relating to information technology services, including electronic mail, file and print server administration, data base administration,

desktop personal computer support, disaster recovery, and application server and hosting services.

The North Dakota university system shall determine the number of full-time equivalent positions necessary to provide the related information technology functions to higher education institutions. The university system may employ the number of necessary employees and require all persons interested in filling the employee positions to apply with the system.

**SECTION 26. HIGHER EDUCATION INFORMATION TECHNOLOGY FUNCTION CONSOLIDATION - ACCUMULATED SAVINGS - APPROPRIATION.** The North Dakota university system shall achieve during the biennium beginning July 1, 2003, and ending June 30, 2005, efficiencies relating to required consolidation of information technology services, including electronic mail, file and print server administration, data base administration, desktop personal computer support, disaster recovery, and application server and hosting services. The North Dakota university system, through efficiencies resulting from this consolidation, shall achieve accumulated savings totaling \$2,000,000 for the 2003-05 biennium. The director of the office of management and budget shall transfer the savings accumulated as a result of these efficiencies in the amount of \$2,000,000 to the general fund by June 30, 2005.

**SECTION 27. HIGHER EDUCATION INFORMATION TECHNOLOGY SERVICE - REPORTS TO THE INFORMATION TECHNOLOGY COMMITTEE AND THE BUDGET SECTION.** The North Dakota university system shall document information relating to the delivery of the consolidated services to higher education institutions, including service dependability, higher education institution complaints, and university system responsiveness, and shall report that information to the information technology committee. The North Dakota university system shall also document information regarding the related savings from the consolidation and report on the status of the accumulated net savings to the information technology committee and the budget section as requested.

**SECTION 28. TECHNOLOGY CRITICAL NEEDS POOL - BUDGET SECTION APPROVAL.** The information technology critical needs pool appropriation included in section 1 of this Act is for addressing state agencies, departments, and institutions critical information technology needs. State agencies, departments, and institutions requesting critical needs funding shall submit a written request detailing the purpose and need for the funding to the chief information officer of the information technology department. Requests approved by the information technology department must be forwarded to the office of management and budget which shall transfer funding from the critical needs pool to agencies, departments, and institutions upon approval of the request by the budget section."

Page 4, line 8, overstrike "sixty-two" and insert immediately thereafter "sixty-six" and after "million" insert "six hundred forty-one thousand"

Page 4, line 10, overstrike "At the end of the 1995-97 biennium all revenue deposited in the"

Page 4, overstrike lines 11 through 13

Page 4, line 14, overstrike "permanent oil tax trust fund."

Page 4, line 19, overstrike "sixty-two" and insert immediately thereafter "sixty-six" and after "million" insert "six hundred forty-one thousand"

Page 4, remove lines 29 and 30

**"SECTION 32. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$30,000, or so much of the sum as may be necessary, to the legislative council for the biennium beginning July 1, 2003, and ending June 30, 2005, for the purpose of upgrading sound systems in the house and senate chambers.

**SECTION 33. EXAMINATION OF MINERAL SEVERANCE TAX APPLICATION TO FEDERAL LANDS - REPORT TO LEGISLATIVE COUNCIL.** During the 2003-04 interim, the tax commissioner shall cause an examination to be made of all mineral production from lands under the ownership or control of federal or quasi-federal entities, including farm credit services or its predecessor federal land bank, to assure that taxes imposed by chapters 57-51, 57-51.1, and 57-61 are being imposed, collected, and reported as required by law. The tax commissioner shall also ascertain whether mineral severance taxes are being imposed on these properties to the fullest extent allowed under section 5 of article X of the Constitution of North Dakota and recommend any legislation necessary to accomplish that objective. Before September 1, 2004, the tax commissioner shall report the findings and recommendations under this section, together with any legislation necessary to implement the recommendations, to a committee designated by the legislative council.

**SECTION 34. 2005-07 EXECUTIVE BUDGET - STUDENT LOAN TRUST FUND.** Any proposal to transfer or spend moneys from the student loan trust fund included as part of the 2005-07 biennium executive budget must be included in a separate bill introduced for consideration by the fifty-ninth legislative assembly.

**SECTION 35. STATE AGENCY CONTINUING APPROPRIATIONS - REPORTS TO FIFTY-NINTH LEGISLATIVE ASSEMBLY.** The head of each executive branch agency, institution, or department shall report during the budget presentation to the appropriations committees of the fifty-ninth legislative assembly on statutory provisions authorizing the agency, institution, or department to spend funds pursuant to a continuing appropriation. The report must include justification for continuing the authority, and expenditures made pursuant to the continuing appropriation and related revenues and fund balances for the 1999-2001 biennium, the 2001-03 biennium, the 2003-05 biennium to date, and projections for the 2005-07 biennium.

**SECTION 36. CERTAIN APPROPRIATION BILLS - EXECUTIVE BUDGET RECOMMENDATION.** Notwithstanding North Dakota Century Code section 54-44.1-06, the legislative council shall submit for introduction to the fifty-ninth legislative assembly the 2005-07 appropriation bills for the department of public instruction, department of corrections and rehabilitation, state treasurer, and secretary of state based on the same funding amounts, line items, and employee levels authorized by the fifty-eighth legislative assembly for the 2003-05 biennium. Any budget changes recommended by the office of the budget for these departments for the 2005-07 biennium must be presented to the appropriations committees of the fifty-ninth legislative assembly as a recommendation for amendment to the bill as introduced.

**SECTION 37. STATE EMPLOYEE REDUCTIONS - BUDGET SECTION REPORT.** The number of full-time equivalent state employees must be reduced by employee retirements, employee turnover, and vacant employee positions during the biennium beginning July 1, 2003, and ending June 30, 2005, as follows:

|  |     |
|--|-----|
| Executive branch agencies and<br>the office of the governor, excluding<br>other offices of state elected officials<br>and higher education | 155 |
| State elected officials, excluding the governor  | 13  |
| Judicial branch  | 8   |
| Legislative branch   | .6  |

One-half of this total reduction must be accomplished by December 31, 2003. The additional reductions must be accomplished by December 31, 2004. Agencies shall report employee positions eliminated to the office of management and budget. The office of management and budget shall provide periodic reports on the employee positions eliminated by agency to the budget section of the legislative council.

**SECTION 38. APPROPRIATION - STATE EMPLOYEE COMPENSATION - JANUARY 1, 2004.** The sums hereinafter listed, or so much thereof as may be necessary, are appropriated from the general fund and from special funds or moneys derived from federal funds or other income in the state treasury, not otherwise appropriated, as indicated to the agencies and institutions of state government for the purpose of providing compensation adjustments to employees of the various agencies and institutions in accordance with section 40 of this Act for the period beginning January 1, 2004, and ending June 30, 2005.

| AGENCY OR INSTITUTION                      | GENERAL<br>FUND | SPECIAL<br>FUNDS | TOTAL     |
|--|-----------------|------------------|-----------|
| Governor                                   | \$13,572        |                  | \$13,572  |
| Secretary of state                         | 13,224          |                  | 13,224    |
| Office of management and budget            | 70,834          | \$16,253         | 87,087    |
| Information technology department          | 11,280          | 181,549          | 192,829   |
| State auditor                              | 25,958          | 11,890           | 37,848    |
| State treasurer                            | 3,899           |                  | 3,899     |
| Attorney general                           | 103,892         | 12,083           | 115,975   |
| Tax commissioner                           | 81,319          |                  | 81,319    |
| Administrative hearings office             |                 | 6,313            | 6,313     |
| Legislative council                        | 27,319          |                  | 27,319    |
| Judicial branch                            | 185,145         | 1,492            | 186,637   |
| Retirement and investment office           |                 | 11,578           | 11,578    |
| Public employees retirement system         |                 | 16,439           | 16,439    |
| Department of public instruction           | 21,665          | 39,170           | 60,835    |
| University system office                   | 21,712          |                  | 21,712    |
| Board of university and school lands       |                 | 12,119           | 12,119    |
| Forest service                             | 10,904          |                  | 10,904    |
| State library                              | 12,073          | 470              | 12,543    |
| School for the deaf                        | 29,682          |                  | 29,682    |
| Vision services - school for the blind     | 14,245          | 1,763            | 16,008    |
| Board for career and technical education   | 18,854          | 424              | 19,278    |
| State department of health                 | 66,663          | 129,890          | 196,553   |
| Veterans home                              | 30,591          | 13,013           | 43,604    |
| Indian affairs commission                  | 2,098           |                  | 2,098     |
| Department of veterans' affairs            | 2,507           | 204              | 2,711     |
| Children's services coordinating committee |                 | 357              | 357       |
| Department of human services               | 778,884         | 347,569          | 1,126,453 |
| Protection and advocacy project            | 6,600           | 8,499            | 15,099    |
| Job service North Dakota                   | 571             | 213,139          | 213,710   |
| Insurance commissioner                     |                 | 31,107           | 31,107    |
| Industrial commission                      | 37,476          | 3,811            | 41,287    |
| Labor commissioner                         | 4,700           | 1,511            | 6,211     |
| Public service commission                  | 20,627          | 11,169           | 31,796    |
| Aeronautics commission                     |                 | 4,256            | 4,256     |
| Department of financial institutions       |                 | 18,789           | 18,789    |
| Securities commissioner                    | 6,252           |                  | 6,252     |
| Bank of North Dakota                       |                 | 106,049          | 106,049   |
| Housing finance agency                     |                 | 25,294           | 25,294    |
| Workers compensation bureau                |                 | 151,377          | 151,377   |
| Highway patrol                             | 86,856          | 37,777           | 124,633   |

|   |             |                |                |
|---|-------------|----------------|----------------|
| Division of emergency management                | 4,702       | 7,206          | 11,908         |
| Department of corrections<br>and rehabilitation | 345,529     | 30,933         | 376,462        |
| Adjutant general                                | 25,680      | 57,382         | 83,062         |
| Department of commerce                          | 34,170      | 11,300         | 45,470         |
| Agriculture commissioner                        | 19,545      | 16,281         | 35,826         |
| Seed department                                 |             | 16,145         | 16,145         |
| Upper great plains transportation<br>institute  | 2,523       | 29,432         | 31,955         |
| Branch research centers                         | 44,713      | 9,356          | 54,069         |
| NDSU extension service                          | 112,216     | 70,775         | 182,991        |
| Northern crops institute                        | 3,830       | 3,051          | 6,881          |
| Main research station                           | 203,651     | 91,849         | 295,500        |
| Agronomy seed farm                              |             | 2,088          | 2,088          |
| Historical society                              | 31,843      |                | 31,843         |
| Council on the arts                             | 2,753       |                | 2,753          |
| Game and fish department                        |             | 99,070         | 99,070         |
| Parks and recreation department                 | 24,542      | 1,054          | 25,596         |
| Water commission                                | 58,829      | 1,107          | 59,936         |
| Department of transportation                    |             | <u>617,865</u> | <u>617,865</u> |
| Total   | \$2,623,928 | \$2,480,248    | \$5,104,176    |

**SECTION 39. APPROPRIATION - STATE EMPLOYEE COMPENSATION - JANUARY 1, 2005.** The sums hereinafter listed, or so much thereof as may be necessary, are appropriated from the general fund and from special funds or moneys derived from federal funds or other income in the state treasury, not otherwise appropriated, as indicated to the agencies and institutions of state government for the purpose of providing compensation adjustments to employees of the various agencies and institutions in accordance with section 40 of this Act for the period beginning January 1, 2005, and ending June 30, 2005.

| AGENCY OR INSTITUTION                    | GENERAL<br>FUND | SPECIAL<br>FUNDS | TOTAL   |
|--|-----------------|------------------|---------|
| Governor                                 | \$9,021         |                  | \$9,021 |
| Secretary of state                       | 8,757           |                  | 8,757   |
| Office of management and budget          | 46,955          | \$10,763         | 57,718  |
| Information technology department        | 7,471           | 120,273          | 127,744 |
| State auditor                            | 17,191          | 7,873            | 25,064  |
| State treasurer                          | 2,581           |                  | 2,581   |
| Attorney general                         | 68,802          | 8,001            | 76,803  |
| Tax commissioner                         | 53,866          |                  | 53,866  |
| Administrative hearings office           |                 | 4,181            | 4,181   |
| Legislative council                      | 18,199          |                  | 18,199  |
| Judicial branch                          | 125,088         | 994              | 126,082 |
| Retirement and investment office         |                 | 7,712            | 7,712   |
| Public employees retirement system       |                 | 10,924           | 10,924  |
| Department of public instruction         | 14,348          | 25,940           | 40,288  |
| University system office                 | 14,582          |                  | 14,582  |
| Board of university and school lands     |                 | 8,025            | 8,025   |
| Forest service                           | 7,221           |                  | 7,221   |
| State library                            | 7,996           | 311              | 8,307   |
| School for the deaf                      | 18,591          |                  | 18,591  |
| Vision services - school for the blind   | 9,434           | 1,168            | 10,602  |
| Board for career and technical education | 12,485          | 281              | 12,766  |
| State department of health               | 44,223          | 86,044           | 130,267 |
| Veterans home                            | 20,264          | 8,617            | 28,881  |
| Indian affairs commission                | 1,389           |                  | 1,389   |

|  |             |                |                |
|--|-------------|----------------|----------------|
| Department of veterans' affairs              | 1,660       | 135            | 1,795          |
| Children's services coordinating committee   |             | 237            | 237            |
| Department of human services                 | 516,164     | 230,273        | 746,437        |
| Protection and advocacy project              | 4,371       | 5,628          | 9,999          |
| Job service North Dakota                     | 378         | 141,153        | 141,531        |
| Insurance commissioner                       |             | 20,601         | 20,601         |
| Industrial commission                        | 24,855      | 2,524          | 27,379         |
| Labor commissioner                           | 3,112       | 1,001          | 4,113          |
| Public service commission                    | 13,660      | 7,396          | 21,056         |
| Aeronautics commission                       |             | 2,819          | 2,819          |
| Department of financial institutions         |             | 12,538         | 12,538         |
| Securities commissioner                      | 4,140       |                | 4,140          |
| Bank of North Dakota                         |             | 70,314         | 70,314         |
| Housing finance agency                       |             | 17,231         | 17,231         |
| Workers compensation bureau                  |             | 100,358        | 100,358        |
| Highway patrol                               | 57,521      | 25,018         | 82,539         |
| Division of emergency management             | 3,114       | 4,772          | 7,886          |
| Department of corrections and rehabilitation | 228,828     | 20,485         | 249,313        |
| Adjutant general                             | 17,093      | 38,001         | 55,094         |
| Department of commerce                       | 22,707      | 7,483          | 30,190         |
| Agriculture commissioner                     | 12,943      | 10,783         | 23,726         |
| Seed department                              |             | 12,023         | 12,023         |
| Upper great plains transportation institute  | 1,718       | 19,554         | 21,272         |
| Branch research centers                      | 24,957      | 6,196          | 31,153         |
| NDSU extension service                       | 74,225      | 46,897         | 121,122        |
| Northern crops institute                     | 2,570       | 2,021          | 4,591          |
| Main research station                        | 110,489     | 60,566         | 171,055        |
| Agronomy seed farm                           |             | 1,383          | 1,383          |
| Historical society                           | 21,088      |                | 21,088         |
| Council on the arts                          | 1,824       |                | 1,824          |
| Game and fish department                     |             | 65,609         | 65,609         |
| Parks and recreation department              | 16,254      | 699            | 16,953         |
| Water commission                             | 38,959      | 734            | 39,693         |
| Department of transportation                 |             | <u>409,288</u> | <u>409,288</u> |
| Total  | \$1,711,094 | \$1,644,827    | \$3,355,921    |

**SECTION 40. LEGISLATIVE INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.** It is the intent of the fifty-eighth legislative assembly that 2003-05 compensation adjustments for permanent state employees are to be increases of one percent, beginning with the month of January 2004, to be paid in February 2004, and two percent, beginning with the month of January 2005, to be paid in February 2005.

Employees whose documented performance levels do not meet standards are not eligible for the general increases.

Probationary employees are not entitled to the general increases. However, probationary employees may be given all or a portion of the increases upon completion of probation, at the discretion of the appointing authority.

During the biennium, no salary increase other than the one percent in January 2004 and the two percent in January 2005 may be given to an employee whose salary exceeds or would exceed the salary range maximum.

**SECTION 41. LEGISLATIVE COUNCIL STUDY - PUBLIC EMPLOYEE HEALTH INSURANCE BENEFITS.** The legislative council shall consider studying,



during the 2003-05 interim, public employee health insurance benefits. If conducted, the study must include options for providing health insurance for state employees, review of the availability of other health insurance plans, single versus family coverage, employee contributions, and unitization of premium rates for budgeting purposes. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

**SECTION 42. SPECIFIED EXEMPT COMMODITIES AND SERVICES - REPORT TO THE BUDGET SECTION.** The director of the office of management and budget shall report to the budget section in December of even-numbered years on specified commodities and services exempted by written directive of the director from the procurement requirements of chapter 54-44.4.

**SECTION 43. EMERGENCY.** Section 23 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2015 - Summary of House Action**

|  | EXECUTIVE<br>BUDGET | SENATE<br>VERSION | HOUSE<br>CHANGES | HOUSE<br>VERSION |
|--|---------------------|-------------------|------------------|------------------|
| Office of Management and Budget                |                     |                   |                  |                  |
| Total all funds                                | \$27,826,739        | \$27,778,694      | \$95,153         | \$27,873,847     |
| Less estimated income                          | 7,918,764           | 7,891,748         | (3,272)          | 7,888,476        |
| General fund                                   | \$19,907,975        | \$19,886,946      | \$98,425         | \$19,985,371     |
| Legislative Council - System upgrade and study |                     |                   |                  |                  |
| Total all funds                                | \$0                 | \$0               | \$380,000        | \$380,000        |
| Less estimated income                          |                     |                   |                  |                  |
| General fund                                   | \$0                 | \$0               | \$380,000        | \$380,000        |
| All agencies - Contingent salary increases     |                     |                   |                  |                  |
| Total all funds                                | \$0                 | \$0               | \$8,460,097      | \$8,460,097      |
| Less estimated income                          |                     |                   | 4,125,075        | 4,125,075        |
| General fund                                   | \$0                 | \$0               | \$4,335,022      | \$4,335,022      |
| Bill Total                                     |                     |                   |                  |                  |
| Total all funds                                | \$27,826,739        | \$27,778,694      | \$8,935,250      | \$36,713,944     |
| Less estimated income                          | 7,918,764           | 7,891,748         | 4,121,803        | 12,013,551       |
| General fund                                   | \$19,907,975        | \$19,886,946      | \$4,813,447      | \$24,700,393     |

**Senate Bill No. 2015 - Office of Management and Budget - House Action**

|                                | EXECUTIVE<br>BUDGET | SENATE<br>VERSION | HOUSE<br>CHANGES | HOUSE<br>VERSION |
|--------------------------------|---------------------|-------------------|------------------|------------------|
| Salaries and wages             | \$15,549,754        | \$15,404,949      | (\$16,718)       | \$15,388,231     |
| Operating expenses             | 11,364,985          | 11,461,745        | (888,129)        | 10,573,616       |
| Capital assets                 | 733,000             | 733,000           |                  | 733,000          |
| Grants                         | 179,000             | 179,000           |                  | 179,000          |
| Technology critical needs pool |                     |                   | 1,000,000        | 1,000,000        |
| Total all funds                | \$27,826,739        | \$27,778,694      | \$95,153         | \$27,873,847     |
| Less estimated income          | 7,918,764           | 7,891,748         | (3,272)          | 7,888,476        |
| General fund                   | \$19,907,975        | \$19,886,946      | \$98,425         | \$19,985,371     |
| FTE                            | 162.00              | 162.00            | 0.00             | 162.00           |

**Dept. 110 - Office of Management and Budget - Detail of House Changes**

|                                | REMOVES<br>FUNDING FOR<br>WASHINGTON<br>LOBBYIST 1 | REDUCES<br>RECOMMENDED<br>FUNDING FOR<br>HEALTH<br>INSURANCE 2 | REDUCES<br>FUNDING FOR<br>INFORMATION<br>TECHNOLOGY<br>COSTS 3 | PROVIDES<br>FUNDING FOR<br>TECHNOLOGY<br>CRITICAL NEEDS<br>POOL 4 | TOTAL<br>HOUSE<br>CHANGES |
|--------------------------------|--|--|--|---|---------------------------|
| Salaries and wages             |  | (\$16,718)   |  |   | (\$16,718)                |
| Operating expenses             | (\$120,000)  |  | (\$768,129)  |   | (888,129)                 |
| Capital assets                 |  |  |  |   |                           |
| Grants                         |  |  |  |   |                           |
| Technology critical needs pool |  |  |  | \$1,000,000   | 1,000,000                 |
| Total all funds                | (\$120,000)  | (\$16,718)   | (\$768,129)  | \$1,000,000   | \$95,153                  |
| Less estimated income          |  | (3,272)  |  |   | (3,272)                   |
| General fund                   | (\$120,000)  | (\$13,446)   | (\$768,129)  | \$1,000,000   | \$98,425                  |
| FTE                            | 0.00   | 0.00   | 0.00   | 0.00  | 0.00                      |

1 This amendment removes \$120,000 from the general fund for funding a lobbyist in Washington, D.C.

2 This amendment reduces funding for state employee health insurance premiums from \$493 to \$488.70 per month.

3 This amendment reduces funding for information technology by \$768,129 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

4 This amendment provides funding of \$1 million from the general fund for a technology critical needs pool to address areas of critical technology needs. State agencies, departments, and institutions interested in obtaining critical needs funding must submit a written request detailing the purpose and need to the Information Technology Department, and the Office of Management and Budget may transfer funding from the pool to agencies, departments, and institutions upon approval of requests by the Budget Section.

The House amendment reduces the 2003-05 biennium transfer from the lands and minerals trust fund to the general fund from \$3 million to \$2 million and limits the transfer from the permanent oil tax trust fund to the general fund to \$14.3 million.

The House provided a \$30,000 general fund appropriation to the Legislative Council for upgrading the sound systems in the House and Senate chambers.

The House changed the membership and continued the Electric Industry Competition Committee through August 1, 2007.

The House amended North Dakota Century Code (NDCC) Section 54-44.1-06 to provide for the budget data presented by the director of the budget to include in the general fund budget status any deficiency appropriation relating to general fund expenditures for the current biennium.

The House removed the section in the bill providing for a contingent transfer of up to \$25 million of earnings and accumulated and undivided profits of the Bank of North Dakota to the general fund if general fund revenue collections will not meet revenues as forecasted in the March 2003 legislative forecast for the 2003-05 biennium.

The House amended NDCC Section 57-51.1-07.2 to provide that at the end of any biennium oil and gas production and extraction tax collections during any biennium in excess of \$66,641,000, rather than \$62 million, be transferred from the general fund to the permanent oil tax trust fund. This amendment would be effective starting with the 2003-05 biennium.

The House amended NDCC Section 54-44.1-12 to provide that any allotment ordered by the Governor must be made to the extent necessary to address any projected deficiency appropriations for agencies receiving moneys from the fund.

The House added a section providing for the Tax Commissioner to examine all mineral production from lands under the ownership or control of federal or quasi-federal entities to assure mineral severance taxes are being imposed, collected, and reported as required by law. The Tax Commissioner is to report the findings and recommendations from the examination to a committee designated by the Legislative Council.

The House added a section requiring the Governor to submit any proposal to spend or transfer moneys from the student loan trust fund included as part of the 2005-07 biennium budget in a separate bill.

The House added a section requiring executive branch agencies to report to the Appropriations Committees during the 2005 legislative session regarding expenditures made pursuant to continuing appropriations and justification for needing the continuing appropriation authority.

The House provided that the 2005-07 budgets for four agencies--the Department of Public Instruction, Department of Corrections and Rehabilitation, State Treasurer, and Secretary of State--be prepared based on the 2003-05 biennium budget as approved by the Legislative Assembly.

The House added sections providing for a reduction of 176.6 FTE positions during the 2003-05 biennium and providing for contingent state employee salary increases of 1 percent in January 2004 and 2 percent in January 2005.

The House added a section for a Legislative Council study of public employee health insurance benefits.

The House added a section for a report to the Budget Section on specified exempt commodities and services relating to procurement requirements in NDCC Chapter 54-44.4.

The House added sections providing for the establishment of an information technology advisory committee, to provide for an information technology consolidation study, to provide for consolidation of information technology positions and functions, and to recognize general fund revenue related to accumulated information technology savings of \$4 million from the Information Technology Department and \$2 million from the North Dakota University System to be transferred to the general fund.

**Senate Bill No. 2015 - Legislative Council - House Action**

|                       | EXECUTIVE BUDGET | SENATE VERSION | HOUSE CHANGES    | HOUSE VERSION    |
|-----------------------|------------------|----------------|------------------|------------------|
| Salaries and wages    |                  |                |                  |                  |
| Operating expenses    |                  |                | <u>\$380,000</u> | <u>\$380,000</u> |
| Total all funds       | \$0              | \$0            | \$380,000        | \$380,000        |
| Less estimated income |                  |                |                  |                  |
| General fund          | \$0              | \$0            | \$380,000        | \$380,000        |
| FTE                   | 0.00             | 0.00           | 0.00             | 0.00             |

**Dept. 160 - Legislative Council - Detail of House Changes**

|                       | PROVIDES FUNDING FOR UPGRADING SOUND SYSTEM <sup>1</sup> | PROVIDES FUNDING FOR INFORMATION TECHNOLOGY STUDY | TOTAL HOUSE CHANGES |
|-----------------------|--|---|---------------------|
| Salaries and wages    |  |   |                     |
| Operating expenses    | <u>\$30,000</u>  | <u>\$350,000</u>                                  | <u>\$380,000</u>    |
| Total all funds       | \$30,000   | \$350,000   | \$380,000           |
| Less estimated income |  |   |                     |
| General fund          | \$30,000   | \$350,000   | \$380,000           |
| FTE                   | 0.00   | 0.00  | 0.00                |

<sup>1</sup> This amendment adds a section to the bill providing a \$30,000 general fund appropriation to the Legislative Council for upgrading the sound systems in the House and Senate chambers.

**Senate Bill No. 2015 - All agencies - House Action**

Sections are added providing for a reduction of 176.6 FTE positions during the 2003-05 biennium and providing for state employee salary increases of 1 percent in January 2004 and 2 percent in January 2005. Funding of \$8,460,097, of which \$4,335,022 is from the general fund is added for all agencies.