

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 2, remove "to create and"

Page 1, remove line 3

Page 1, line 4, remove "political subdivisions submitting budget information to the state budget database website;"

Page 1, line 5, replace "section" with "sections"

Page 1, line 5, after "15.1-27-25" insert "and 48-10-02"

Page 1, line 6, after "royalties" insert "and the capitol building fund"

Page 1, line 7, after the first semicolon insert "to provide for a budget section report; and"

Page 1, line 7, after "for" insert "a"

Page 1, line 7, remove "studies; and to provide an effective"

Page 1, line 8, replace "date" with "study"

Page 1, remove lines 18 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	\$18,477,763	\$2,341,310	\$20,819,073
Operating expenses	13,755,254	991,534	14,746,788
Emergency commission contingency fund	700,000	0	700,000
Capital assets	5,190,143	4,760,922	9,951,065
Grants	430,000	0	430,000
Prairie public broadcasting	1,000,000	1,037,138	2,037,138
State student internship program	200,000	0	200,000
Health insurance pool - temporary employees	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total all funds	\$39,753,160	\$11,130,904	\$50,884,064
Less estimated income	<u>10,514,461</u>	<u>(734,162)</u>	<u>9,780,299</u>
Total general fund	\$29,238,699	\$11,865,066	\$41,103,765"

Page 2, replace line 13 with:

"Capitol complex parking lot repairs	800,000	4,000,000"
--------------------------------------	---------	------------

Page 2, replace lines 19 through 21 with:

"Prairie public broadcasting	0	700,000
Health insurance pool	0	2,000,000
Land use study	0	50,000
Repair and cleaning capitol and j-wing	<u>0</u>	<u>1,200,000</u>
Total all funds	\$478,354,000	\$10,640,000
Less estimated income	<u>0</u>	<u>1,000,000</u>
Total general fund	\$478,354,000	\$9,640,000"

Page 2, after line 31, insert:

"SECTION 4. COMMUNITY SERVICE SUPERVISION GRANTS - FUNDING ALLOCATIONS - ADDITIONAL INCOME APPROPRIATION. The grants line item in section 1 of this Act includes the sum of \$375,000 from the general fund for the purpose of providing community service supervision grants. The office of management and budget shall distribute the grant funds on or before August first during each year of the biennium beginning July 1, 2013, and ending June 30, 2015, to North Dakota community corrections association regions as follows:

Barnes County	\$9,091
Bismarck (urban)	20,293
Bismarck (rural)	10,667
Devils Lake	10,747
Dickinson	12,683
Fargo	24,127
Grand Forks	19,803
Jamestown	13,883
Minot	16,194
Richland County	9,931
Rugby	11,657
Sargent County	8,086
Wells County	8,189
Williston	<u>12,149</u>
Total	\$187,500

Any moneys in the community service supervision fund are appropriated to the office of management and budget for distribution to community corrections association regions on or before August first of each year during the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 5. MISSOURI RIVER CORRECTIONAL CENTER STUDY - BUDGET SECTION REPORT. The operating expenses line item in section 1 of this Act includes the sum of \$50,000 from the general fund which must be used by the office of management and budget to contract for a land use study of the Missouri River correctional center site. The study must review options to relocate the center to another site, options to develop all or a portion of the current site into a day park, and options to continue agriculture activities on the current site. The study may not include a review of options to develop the land for residential, commercial, or industrial purposes. During the 2013-14 interim, the office of management and budget shall provide a report to the budget section regarding the results of the study."

Page 3, line 18, replace "8" with "10"

Page 3, line 19, remove "However, agencies may not transfer appropriation authority"

Page 3, line 20, remove "from the accrued leave payments line item under authority granted in this section."

Page 3, remove lines 22 through 30

Page 4, replace lines 1 through 31 with:

"SECTION 10. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES. It is the intent of the sixty-third legislative assembly that 2013-15 biennium compensation adjustments for classified state employees are to be in a range

of one to four percent for employees below the market policy point and in a range of three to five percent based on documented performance. Increases for classified state employees are not to be the same percentage increase for each employee. The market and performance increases are to be given beginning with the month of July 2013, to be paid in August 2013, and beginning with the month of July 2014, to be paid in August 2014.

Probationary employees are not entitled to the market and performance increases. However, probationary employees may be given all or a portion of the increases effective in July, paid in August, or upon completion of probation, at the discretion of the appointing authority.

The office of management and budget shall develop guidelines for use by state agencies for providing compensation adjustments for regular classified employees. The guidelines must follow section 54-44.3-01.2, the compensation philosophy statement, and the compensation system initiatives included in House Bill No. 1031, as approved by the sixty-second legislative assembly.

Compensation adjustments for regular nonclassified state employees are to be in a range of three to five percent based on market and documented performance and are not to be the same percentage increase for each employee.

Employees whose overall documented performance level does not meet standards are not eligible for any salary increase.

SECTION 11. OFFICE OF MANAGEMENT AND BUDGET - TEMPORARY EMPLOYEE HEALTH INSURANCE POOL - TRANSFER AUTHORITY. The office of management and budget may transfer to each eligible agency appropriation authority from the health insurance pool - temporary employees line item contained in section 1 of this Act. Transfers may be made for the purpose of providing temporary employee health insurance adjustments for state employees, including institutions of higher education, determined to be full time based on guidelines developed by the office of management and budget in accordance with the shared responsibility provisions of the Affordable Care Act for the biennium beginning July 1, 2013, and ending June 30, 2015."

Page 6, remove lines 9 through 31

Page 7, replace lines 1 through 13 with:

"SECTION 13. AMENDMENT. Section 48-10-02 of the North Dakota Century Code is amended and reenacted as follows:

48-10-02. Capitol building fund to be administered by the capitol grounds planning commission - Continuing appropriation - Procedure for expenditure of certain funds.

The capitol grounds planning commission shall have general powers to superintend the administration of the capitol building fund, its interest and income fund, and its investments and properties. It may cause any lands now held in such funds to be sold at market value, direct the conversion of any securities now held by such funds to cash, approve expenditures from such funds subject to law and legislative appropriations, and to do all other things necessary to carry out the intent and purposes of this section. The board of university and school lands or its designee, on the commission's behalf, shall see to the investment and management of the capitol

building fund and its interest and income fund and shall account to the commission concerning these funds at the commission's request.

Provided further, all moneys and other property in the capitol building fund, except as otherwise appropriated, are hereby dedicated and reserved to the exclusive purpose of the construction of an addition to the legislative wing of the state capitol building, and the capitol grounds planning commission shall take necessary steps to accumulate and conserve the money and property in the capitol building fund for such purpose.

The commission may, during any biennium, expend from the interest and income fund of the capitol building fund a sum not to exceed fifty percent of the unencumbered balance on the first day of any biennium, and such amount is hereby appropriated to the capitol grounds planning commission. The expenditure may be made, after consideration of the capitol grounds master plan, for projects or planning but shall ~~may~~ not exceed ~~one hundred~~ two hundred fifty thousand dollars per biennium. The expenditure may only be made upon approval by two-thirds of the total membership of the commission. The expenditure must be made upon a voucher, or vouchers, prepared by the office of management and budget at the direction of the commission."

Page 7, remove lines 20 and 21

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1015 - Office of Management and Budget - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$20,904,344	\$19,719,302	\$1,099,771	\$20,819,073
Operating expenses	14,696,788	14,226,788	520,000	14,746,788
Capital assets	9,796,065	5,796,065	4,155,000	9,951,065
Grants	430,000	430,000		430,000
Emergency Commission contingency fund	700,000	1,000,000	(300,000)	700,000
Prairie Public Broadcasting	2,037,138	1,537,138	500,000	2,037,138
State student internship program	200,000	200,000		200,000
Health insurance pool - temp employees	2,000,000		2,000,000	2,000,000
Accrued leave payments		570,412	(570,412)	
Transfer to property tax fund		373,210,000		373,210,000
Total all funds	\$50,764,335	\$416,689,705	\$7,404,359	\$424,094,064
Less estimated income	9,589,395	8,669,598	1,110,701	9,780,299
General fund	\$41,174,940	\$408,020,107	\$6,293,658	\$414,313,765
FTE	131.50	130.50	0.00	130.50

Department No. 110 - Office of Management and Budget - Detail of Senate Changes

	Restores Executive Compensation Package¹	Removes Separate Line Item for Accrued Leave Payments²	Adjusts Line Item Funding for Central Services Operations³	Restores Funding to Contract with Auditors⁴	Adds Funding for Land Use Study⁵	Removes Funding for State Database Website⁶
Salaries and wages	\$654,359	\$570,412	(\$125,000)			
Operating expenses			(30,000)	600,000	50,000	(100,000)
Capital assets			155,000			
Grants						
Emergency Commission						

contingency fund						
Prairie Public Broadcasting						
State student internship program						
Health insurance pool - temp employees						
Accrued leave payments		(570,412)				
Transfer to property tax fund						
Total all funds	\$654,359	\$0	\$0	\$600,000	\$50,000	(\$100,000)
Less estimated income	110,701	0	0	0	0	0
General fund	\$543,658	\$0	\$0	\$600,000	\$50,000	(\$100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Restores Funding for Parking Lot Project ⁷	Reduces Funding for State Contingencies ⁸	Restores One-Time Funding for Prairie Public Broadcasting ⁹	Restores Health Insurance Pool for Temporary Employees ¹⁰	Total Senate Changes
Salaries and wages					\$1,099,771
Operating expenses					520,000
Capital assets	4,000,000				4,155,000
Grants					
Emergency Commission contingency fund		(300,000)			(300,000)
Prairie Public Broadcasting State student internship program			500,000		500,000
Health insurance pool - temp employees				2,000,000	2,000,000
Accrued leave payments					(570,412)
Transfer to property tax fund					
Total all funds	\$4,000,000	(\$300,000)	\$500,000	\$2,000,000	\$7,404,359
Less estimated income	0	0	0	1,000,000	1,110,701
General fund	\$4,000,000	(\$300,000)	\$500,000	\$1,000,000	\$6,293,658
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

² The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

³ Special funds authority added by the House for Central Services operations is adjusted among line items to reflect anticipated expenses.

⁴ Funding removed by the House to allow the Office of Management and Budget to contract with external auditors for certain audits is restored.

⁵ One-time funding is added for the Office of Management and Budget to contract for a land use study of the Missouri River Correctional Center site. A section is also added to the bill to provide guidelines for the study and to provide for a report to the Budget Section on the study.

⁶ Funding added by the House for costs associated with the implementation of a political subdivision-reporting component for the state database website is removed.

⁷ One-time funding from the general fund removed by the House for Capitol grounds parking lot projects is restored.

⁸ Funding for the state contingency fund is reduced from \$1,000,000 to \$700,000, the same amount as provided in the executive budget recommendation.

⁹ One-time funding of \$500,000 removed by the House for Prairie Public Broadcasting equipment upgrades is restored to provide total one-time funding of \$700,000.

¹⁰ Funding removed by the House for a health insurance pool for temporary employees is restored. A section is added to allow the Office of Management and Budget to transfer funds from the pool to other state agencies.

This amendment also:

- Adds a section to provide guidelines regarding the allocation of community service supervision grants and provides that any funding available in the community service supervision fund is appropriated to the Office of Management and Budget for distribution to community corrections association regions.
- Amends Section 48-10-02 to increase the continuing appropriation provided from the Capitol building fund to the Capitol Grounds Planning Commission from \$100,000 per biennium to \$250,000 per biennium.
- Restores state employee compensation guidelines to the executive budget recommendation. A section added by the House regarding the use of funding in the accrued leave payments line item is removed.
- Removes Section 11 of the bill which enacts a new statutory section for a political subdivision-reporting component to the state database website. Section 15 of the bill, which provided an effective date for the new statutory section, is also removed.
- Removes Sections 12 and 13 of the bill, which provided for studies of state agency facility needs and state employee compensation.