

PROPOSED AMENDMENTS TO SENATE BILL NO. 2011

Page 1, line 2, after "department" insert "; and to amend and reenact subsection 5 of section 10-04-03 of the North Dakota Century Code, relating to collection of fees, civil penalties, and other moneys collected under the Securities Act"

Page 1, replace lines 9 through 16 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,848,667	\$315,896	\$2,164,563
Operating expenses	<u>506,047</u>	<u>23,514</u>	<u>529,561</u>
Total all funds	\$2,354,714	\$339,410	\$2,694,124
Less estimated income	<u>170,000</u>	<u>2,524,124</u>	<u>2,694,124</u>
Total general fund	\$2,184,714	(\$2,184,714)	\$0
Full-time equivalent positions	9.00	1.00	10.00

SECTION 2. AMENDMENT. Subsection 5 of section 10-04-03 of the North Dakota Century Code is amended and reenacted as follows:

5. A special fund is established in the state treasury and designated as the securities department special fund. All fees, civil penalties, or other moneys collected under this chapter must be deposited in the general fund of the state treasury securities department special fund, except funds permitted to be deposited into the investor education and technology fund under subsection 4 or civil penalties collected from enforcement actions for the purpose of distribution to aggrieved investors, which may be deposited in the investor restitution fund. Funds in the investor restitution fund are appropriated to the securities commissioner on a continuing basis for distribution to aggrieved investors.
 - a. The moneys deposited in the securities department special fund are reserved for use by the securities department to defray the expenses of the department in the discharge of administrative and regulatory powers and duties of the department as prescribed by law. Deposits under this subdivision are subject to the applicable laws relating to the appropriations of state funds and to the deposit and expenditure of state moneys. The securities commissioner is responsible for the proper expenditure of these moneys as provided by law.
 - b. The office of management and budget shall transfer any balance in the securities department special fund in excess of the amounts necessary for department expenditures pursuant to the department's biennial appropriation to the general fund."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2011 - Securities Department - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$1,848,667	\$315,896	\$2,164,563
Operating expenses	506,047	23,514	529,561
Total all funds	\$2,354,714	\$339,410	\$2,694,124
Less estimated income	170,000	2,524,124	2,694,124
General fund	\$2,184,714	(\$2,184,714)	\$0
FTE	9.00	1.00	10.00

Department 414 - Securities Department - Detail of Senate Changes

	Adds Funding for Salary and Benefit Increases ¹	Adds Financial Technology Research and Investigation Position ²	Adds Funding for Microsoft Office 365 ³	Changes Agency from General Fund to Special Funds ⁴	Total Senate Changes
Salaries and wages	\$106,602	\$209,294			\$315,896
Operating expenses		23,000	\$514		23,514
Total all funds	\$106,602	\$232,294	\$514	\$0	\$339,410
Less estimated income	0	0	0	2,524,124	2,524,124
General fund	\$106,602	\$232,294	\$514	(\$2,524,124)	(\$2,184,714)
FTE	0.00	1.00	0.00	0.00	1.00

¹ The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund
Salary increase	\$61,982
Health insurance increase	<u>44,620</u>
Total	\$106,602

² Funding for 1 FTE financial technology research and investigation position (\$209,294) and related operating expenses (\$23,000) is added.

³ Adds funding for Microsoft Office 365 licensing.

⁴ Changes the agency to a special fund agency.

Adds a section amending subsection 5 of Section 10-04-03 of North Dakota Century Code, relating to collection of fees, civil penalties, and other moneys collected under the Securities Act to facilitate the change from being a general fund agency to a special fund agency, resulting in a decrease of \$2,184,714 of departmental collections deposited in the general fund.