

PROPOSED AMENDMENTS TO SENATE BILL NO. 2004

Page 1, line 2, after "health" insert "; to amend and reenact section 23-01-02 of the North Dakota Century Code, relating to compensation of members of the health council; to provide for a report; and to provide for a legislative management study"

Page 1, replace lines 10 through 24 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$37,719,574	\$3,523,648	\$41,243,222
Operating expenses	32,398,526	(2,063,983)	30,334,543
Capital assets	2,164,813	481,580	2,646,393
Grants	53,257,292	1,991,853	55,249,145
Tobacco prevention	12,902,064	508,177	13,410,241
Women, infants, and children food payments	19,780,000	120,000	19,900,000
COVID-19	0	106,813,177	106,813,177
Total all funds	\$158,222,269	\$111,374,452	\$269,596,721
Less estimated income	121,951,679	103,577,792	225,529,471
Total general fund	\$36,270,590	\$7,796,660	\$44,067,250
Full-time equivalent positions	204.00	8.50	212.50"

Page 2, line 1, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY"

Page 2, line 2, after "biennium" insert "and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 4 through 9 with:

"Microbiology laboratory capital improvements	\$1,220,000	\$0
Microbiology laboratory technology upgrades	483,000	0
Women, infants, and children system upgrade	354,554	0
COVID-19 response	0	84,232,061
COVID-19 increased effort	0	11,644,708
Forensic examiner upgrades	0	910,000
Total all funds	\$2,057,554	\$96,786,769
Less estimated income	1,967,554	91,129,724
Total general fund	\$90,000	\$5,657,045

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The state department of health shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. COVID-19 BORROWING AUTHORITY - APPROPRIATION. The state department of health, subject to the approval of the emergency commission, may borrow up to \$25,000,000 from the Bank of North Dakota for the purposes of responding to the COVID-19 public health emergency. Any moneys borrowed from the Bank of North Dakota pursuant to this section are appropriated and may be spent by the state department of health for testing, contact tracing, and other costs related to

responding and mitigating the COVID-19 public health emergency for the biennium beginning July 1, 2021, and ending June 30, 2023. If the state department of health does not have sufficient funds to repay the Bank of North Dakota, the department shall request a deficiency appropriation from the sixty-eighth legislative assembly sufficient for repayment of the amount borrowed plus interest. The funding in this section is considered one-time funding."

Page 2, remove lines 13 through 17

Page 2, line 19, replace "\$10,824,000" with "\$18,337,620"

Page 2, line 20, remove ". Of this amount, \$200,000 is for the behavioral health loan repayment program,"

Page 2, replace lines 21 through 24 with:

"for the following programs:

Behavioral risk factor survey	\$200,000
Behavioral health loan repayment	234,500
Domestic violence prevention	300,000
Women's way	329,500
Dentists' loan repayment	360,000
Local public health state aid	525,000
Cancer programs	580,324
Local public health pandemic response grants	4,515,296
Tobacco prevention and control	5,043,000
Tobacco prevention and control grants to local public health units	<u>6,250,000</u>
Total community health trust fund	\$18,337,620

SECTION 6. AMENDMENT. Section 23-01-02 of the North Dakota Century Code is amended and reenacted as follows:

23-01-02. Health council - Members, terms of office, vacancies, compensation, officers, meetings.

The health council consists of nine members appointed by the governor including four persons from the health care field, and five persons representing consumer interests. The governor may select members to the council from recommendations submitted by trade, professional, and consumer organizations. On the expiration of the term of any member, the governor, in the manner provided by this section, shall appoint for a term of three years, persons to take the place of members whose terms on the council are about to expire. The officers of the council must be elected annually. Any state agency may serve in an advisory capacity to the health council at the discretion of the council. The council shall meet at least twice each year and at other times as the council or its chairman may direct. The health council shall have as standing committees any committees the council may find necessary. The chairman of the council shall select the members of these committees. The members of the council are entitled to receive ~~sixty-two dollars and fifty cents~~ as compensation ~~per day~~ at the rate set for a member of the legislative assembly under subsection 1 of section 54-03-20 and their necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09 while attending council meetings or in the performance of any special duties as the council may direct. The per diem and expenses must be audited and paid in the manner in which the expenses of state officers are audited and paid. The compensation provided for in this section may not be paid to any member of the council who received salary or other compensation as a

regular employee of the state, or any of its political subdivisions, or any institution or industry operated by the state.

SECTION 7. LEGISLATIVE MANAGEMENT STUDY - STATE DEPARTMENT OF HEALTH. During the 2021-22 interim, the legislative management shall consider studying the roles of the state health officer, health council, medical advisory board, and governor as they relate to the administration of the state department of health. The study must include consideration of the role of the health council if the governor seeks to terminate the appointment of the state health officer or to adjust the salary of or take punitive action against the state health officer. Additionally, the study must include whether the orders of the state health officer regarding public health directives have primacy over orders issued by the governor. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$37,719,574	\$3,523,648	\$41,243,222
Operating expenses	32,398,526	(2,063,983)	30,334,543
Capital assets	2,164,813	481,580	2,646,393
Grants	53,257,292	1,991,853	55,249,145
Tobacco prevention	12,902,064	508,177	13,410,241
WIC food payments	19,780,000	120,000	19,900,000
COVID 19		106,813,177	106,813,177
COVID 19 Line of Credit		25,000,000	25,000,000
Total all funds	\$158,222,269	\$136,374,452	\$294,596,721
Less estimated income	121,951,679	128,577,792	250,529,471
General fund	\$36,270,590	\$7,796,660	\$44,067,250
FTE	204.00	8.50	212.50

Department 301 - State Department of Health - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Decreases Funding for Salaries and Wages ³	Increases Funding for Life, Safety, Construction Plans Review ⁴	Transfers FTE for IT Unification ⁵	Adds Positions Related to COVID-19 Response ⁶
Salaries and wages	\$3,440,720	\$889,512	(\$362,706)	\$312,706	(\$756,584)	
Operating expenses					806,896	
Capital assets						
Grants						
Tobacco prevention	76,190	27,954			(30,534)	
WIC food payments						
COVID 19		97,836				\$10,838,572
COVID 19 Line of Credit						
Total all funds	\$3,516,910	\$1,015,302	(\$362,706)	\$312,706	\$19,778	\$10,838,572
Less estimated income	5,356,027	508,507	0	312,706	17,643	6,378,806
General fund	(\$1,839,117)	\$506,795	(\$362,706)	\$0	\$2,135	\$4,459,766
FTE	0.00	0.00	0.00	0.00	(4.00)	12.50

	Adjusts Funding for Cost to Continue⁷	Adjusts Funding for Tobacco Prevention and Control⁸	Increases Funding for Local Public Health Unit Tobacco Prevention Grants⁹	Adjusts Funding for Professional State Loan Repayment Programs¹⁰	Adjusts Funding for an Increase in the Federal Indirect Rate¹¹	Decreases Funding for Private Foundations¹²
Salaries and wages						
Operating expenses	(\$2,710,082)					(\$745,000)
Capital assets						
Grants	2,289,508			(\$167,655)		(230,000)
Tobacco prevention	(50,433)	\$88,000	\$397,000			
WIC food payments	120,000					
COVID 19						
COVID 19 Line of Credit						
Total all funds	(\$351,007)	\$88,000	\$397,000	(\$167,655)	\$0	(\$975,000)
Less estimated income	(2,241,952)	1,196,000	397,000	70,500	1,060,000	(975,000)
General fund	\$1,890,945	(\$1,108,000)	\$0	(\$238,155)	(\$1,060,000)	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	Adds Funding for Automatic External Defibrillators¹³	Adds Funding for State Laboratory Equipment¹⁴	Adds Funding for Grants to Long-Term Care Facilities¹⁵	Increases Funding for Forensic Examiner Contract¹⁶	Increases Funding for Microsoft Office 365 Licenses¹⁷	Decreases Funding for Bond and Capital Payments¹⁸
Salaries and wages						
Operating expenses	\$327,500			\$105,270	\$91,433	
Capital assets		\$200,000				(\$297,064)
Grants			\$100,000			
Tobacco prevention						
WIC food payments						
COVID 19						
COVID 19 Line of Credit						
Total all funds	\$327,500	\$200,000	\$100,000	\$105,270	\$91,433	(\$297,064)
Less estimated income	327,500	200,000	100,000	0	69,891	(22,999)
General fund	\$0	\$0	\$0	\$105,270	\$21,542	(\$274,065)
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	Adjusts Funding for Extraordinary Repairs¹⁹	Adjusts Funding for Equipment and IT Equipment²⁰	Adds One-Time Funding for COVID-19 Response²¹	Adds One-Time Funding for Increased Effort Related to COVID-19²²	Adds One-Time Funding for Forensic Examiner Upgrades²³	Adds BND Borrowing Authority for COVID-19 Response²⁴
Salaries and wages						
Operating expenses					\$60,000	
Capital assets	\$8,841	(\$280,197)			850,000	
Grants						
Tobacco prevention						
WIC food payments						
COVID 19			\$84,232,061	\$11,644,708		
COVID 19 Line of Credit						\$25,000,000
Total all funds	\$8,841	(\$280,197)	\$84,232,061	\$11,644,708	\$910,000	\$25,000,000
Less estimated income	8,841	(315,402)	79,485,016	11,644,708	0	25,000,000
General fund	\$0	\$35,205	\$4,747,045	\$0	\$910,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total Senate Changes
Salaries and wages	\$3,523,648
Operating expenses	(2,063,983)
Capital assets	481,580
Grants	1,991,853
Tobacco prevention	508,177
WIC food payments	120,000
COVID 19	106,813,177
COVID 19 Line of Credit	25,000,000
Total all funds	\$136,374,452
Less estimated income	128,577,792
General fund	<u>\$7,796,660</u>
 FTE	 8.50

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$500,723	\$502,492	\$1,003,215
Health insurance increase	<u>6,072</u>	<u>6,015</u>	<u>12,087</u>
Total	\$506,795	\$508,507	\$1,015,302

³ Funding is decreased for salaries and wages. The department may determine the specific areas to reduce.

⁴ Funding for costs related to the plans review program within the Life, Safety, and Construction Division is increased.

⁵ Four FTE information technology (IT) positions are transferred to the Information Technology Department for the IT unification initiative, including a decrease in salaries and wages and tobacco prevention, and an increase in operating expenses.

⁶ Funding for COVID-19 response is added to the COVID-19 line item in the department's budget as follows:

	<u>General Fund</u>	<u>Special Funds</u>	<u>Total</u>
12.5 FTE positions	\$354,336	\$1,798,907	\$2,153,243
10 temporary positions	436,496	1,402,653	1,839,149
Other operating expenses	<u>3,668,934</u>	<u>3,177,246</u>	<u>6,846,180</u>
Total	\$4,459,766	\$6,378,806	\$10,838,572

The 12.5 FTE positions added include:

		<u>General Fund</u>	<u>Special Funds</u>	<u>Total</u>
1.00	FTE research analyst IV position - Fiscal and Operations	\$133,786	\$85,794	\$219,580
1.00	FTE account/budget specialist II position - Fiscal and Operations	0	172,724	172,724
1.00	FTE research analyst II position - Fiscal and Operations	68,600	85,796	154,396
1.00	FTE epidemiologist II position - Medical Services	0	155,548	155,548
1.00	FTE health/human services program administrator III position - Medical Services	0	181,448	181,448
1.00	FTE epidemiologist II position - Medical Services	0	186,628	186,628
1.00	FTE health/human services program administrator III position - Medical Services	0	181,448	181,448
1.00	FTE administrative staff officer III position - Healthy and Safe Communities	0	171,376	171,376
0.50	FTE senior microbiologist position - Laboratory Services	0	135,494	135,494
1.00	FTE administrative assistant I position - Laboratory Services	0	135,691	135,691
1.00	FTE microbiologist I position - Laboratory Services	0	161,394	161,394
1.00	FTE laboratory technician I position - Laboratory Services	0	145,566	145,566
<u>1.00</u>	FTE administrative staff officer II position - Health Resources	<u>151,950</u>	<u>0</u>	<u>151,950</u>
12.50		\$354,336	\$1,798,907	\$2,153,243

⁷ Funding is adjusted for cost to continue, including a shift from professional fees to grants and adjustments to provide funding for certain items from the community health trust fund instead of the tobacco prevention and control trust fund.

⁸ Funding from the community health trust fund is increased for the tobacco prevention program, including funding for professional fees and grants.

⁹ Funding is increased for tobacco prevention and control grants to local public health units to provide a total of \$6.25 million from the community health trust fund.

¹⁰ Funding for grants for professional state loan repayment programs is adjusted, including an increase in funding from the community health trust fund.

¹¹ Funding sources are adjusted for an increase in the federal indirect rate to support agencywide costs.

¹² Funding for professional services and grants related to private and foundation grant opportunities is reduced.

¹³ Funding from the Helmsley Charitable Trust is added for training to continue increased access to automatic external defibrillators for law enforcement.

¹⁴ Funding from fees is added to purchase equipment in the State Laboratory.

¹⁵ Funding from civil penalties collected by the department is added for grants for long-term care facility improvements.

¹⁶ Funding for the University of North Dakota forensic examiner contract is increased to provide a total of \$625,270.

¹⁷ Funding for Microsoft Office 365 licensing expenses is increased.

¹⁸ Funding for bond and capital payments is reduced to provide a total of \$221,393, of which \$183,882 is from the general fund.

¹⁹ Funding for extraordinary repairs is adjusted to provide a total of \$136,500, of which \$30,650 is from the general fund.

²⁰ Funding for IT equipment and equipment over \$5,000 is adjusted to provide a total of \$1,238,500, of which \$40,000 is from the general fund.

²¹ One-time funding, including federal funds and \$4,515,296 from the community health trust fund, is added for costs related to COVID-19 response, including temporary salaries and wages, grants, and other operating expenses.

²² One-time funding from federal funds is added for increased effort required by federal grants related to COVID-19 response.

²³ One-time funding is added for operating expenses (\$60,000) and capital assets (\$850,000) for forensic examiner equipment and IT upgrades.

²⁴ One-time funding is added to allow the State Department of Health, subject to Emergency Commission approval, to borrow up to \$25 million from the Bank of North Dakota for the purpose of responding to the COVID-19 public health emergency. Funds borrowed from the Bank of North Dakota are appropriated to the department for testing, contact tracing, and other costs related to responding to and mitigating the COVID-19 public health emergency. If funds available to the State Department of Health does not have sufficient funds to repay the Bank of North Dakota, the department shall request a deficiency appropriation to repay the amount borrowed plus interest.

This amendment also:

- Adds a section to allow the State Department of Health, subject to Emergency Commission approval, to borrow up to \$25 million from the Bank of North Dakota and appropriates the funding for the purpose of responding to the COVID-19 public health emergency;
- Removes a section related to funding from the tobacco prevention and control trust fund;
- Amends a section related to funding from the community health trust fund;
- Adds a section to amend North Dakota Century Code Section 23-01-02 related to the compensation of members of the Health Council; and
- Adds a section to provide for a Legislative Management study of the roles of the State Health Officer, Health Council, Medical Advisory Board, and Governor as they relate to the administration of the State Department of Health.