

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1004 - Funding Summary

	Base Budget	Final Legislative Action	Comparison To Base Budget
State Department of Health			
Salaries and wages	\$54,757,510	\$62,634,787	\$7,877,277
Operating expenses	37,305,014	44,266,688	6,961,674
Capital assets	2,224,288	3,719,232	1,494,944
Grants	57,510,729	57,961,760	451,031
Tobacco prevention	5,544,251	6,910,177	1,365,926
WIC food payments	24,659,861	20,200,000	(4,459,861)
Accrued leave payments	2,223,289		(2,223,289)
Total all funds	\$184,224,942	\$195,692,644	\$11,467,702
Less estimated income	139,303,434	144,170,964	4,867,530
General fund	\$44,921,508	\$51,521,680	\$6,600,172
FTE	354.00	365.00	11.00
Bill Total			
Total all funds	\$184,224,942	\$195,692,644	\$11,467,702
Less estimated income	139,303,434	144,170,964	4,867,530
General fund	\$44,921,508	\$51,521,680	\$6,600,172
FTE	354.00	365.00	11.00

House Bill No. 1004 - State Department of Health - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$54,757,510	\$7,106,629	\$61,864,139
Operating expenses	37,305,014	3,300,313	40,605,327
Capital assets	2,224,288	1,264,522	3,488,810
Grants	57,510,729	(1,609,639)	55,901,090
Tobacco prevention	5,544,251	869,464	6,413,715
WIC food payments	24,659,861	(4,459,861)	20,200,000
Accrued leave payments	2,223,289	(2,223,289)	
Total all funds	\$184,224,942	\$4,248,139	\$188,473,081
Less estimated income	139,303,434	(982,563)	138,320,871
General fund	\$44,921,508	\$5,230,702	\$50,152,210
FTE	354.00	7.00	361.00

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

	Adds Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Adjusts Funding for Bond Payments, Extraordinary Repairs, and Equipment³	Adjusts Funding for Cost-to-Continue Programs⁴	Adjusts Funding for Cardiac Care System⁵	Increases Funding for Vaccines⁶
Salaries and wages	2,351,671	3,665,900				
Operating expenses				(245,963)	448,307	576,853
Capital assets			484,522			
Grants				352,349	(2,504,000)	
Tobacco prevention	(188,160)	46,521		1,011,103		
WIC food payments				(4,459,861)		
Accrued leave payments	(2,223,289)					
Total all funds	(\$59,778)	\$3,712,421	\$484,522	(\$3,342,372)	(\$2,055,693)	\$576,853
Less estimated income	(170,444)	1,547,495	821,785	(3,847,541)	(2,055,906)	0
General fund	\$110,666	\$2,164,926	(\$337,263)	\$505,169	\$213	\$576,853
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Autopsy Contract⁷	Increases Funding for Suicide Prevention Grants⁸	Increases Funding for Medical Loan Repayment Program⁹	Increases Funding for Local Public Health Units¹⁰	Increases Funding for Rural EMS Grants¹¹	Increases Funding for Domestic Violence and Rape Crisis Grants¹²
Salaries and wages						
Operating expenses	480,000					
Capital assets						
Grants		150,000	122,012	250,000	500,000	200,000
Tobacco prevention						
WIC food payments						
Accrued leave payments						
Total all funds	\$480,000	\$150,000	\$122,012	\$250,000	\$500,000	\$200,000
Less estimated income	0	0	0	0	0	0
General fund	\$480,000	\$150,000	\$122,012	\$250,000	\$500,000	\$200,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Mobile Dental Services Grant¹³	Adds Funding for EPA Lawsuit¹⁴	Adds Funding for Food & Lodging Inspector¹⁵	Adds Funding for Environmental Health Positions¹⁶	Increases Funding for Women's Way¹⁷	Decreases Funding for Operating Expenses¹⁸
Salaries and wages			130,479	848,579		
Operating expenses		500,000	27,924	197,582	13,500	(300,000)
Capital assets						
Grants	100,000					
Tobacco prevention						
WIC food payments						
Accrued leave payments						
Total all funds	\$100,000	\$500,000	\$158,403	\$1,046,161	\$13,500	(\$300,000)
Less estimated income	0	0	8,428	500,010	13,500	0
General fund	\$100,000	\$500,000	\$149,975	\$546,151	\$0	(\$300,000)
FTE	0.00	0.00	1.00	6.00	0.00	0.00

	Removes Funding for Regional Public Health Network Grants¹⁹	Removes Funding for Contingent Family Violence Grant²⁰	Adds One-Time Funding for WIC System Upgrade²¹	Adds One-Time Funding for Equipment²²	Total House Changes
Salaries and wages			110,000		7,106,629
Operating expenses			1,602,110		3,300,313
Capital assets				780,000	1,264,522
Grants	(700,000)	(80,000)			(1,609,639)
Tobacco prevention					869,464
WIC food payments					(4,459,861)
Accrued leave payments					(2,223,289)
Total all funds	(\$700,000)	(\$80,000)	\$1,712,110	\$780,000	\$4,248,139
Less estimated income	0	0	1,712,110	488,000	(982,563)
General fund	(\$700,000)	(\$80,000)	\$0	\$292,000	\$5,230,702
FTE	0.00	0.00	0.00	0.00	7.00

¹ Funding is added for cost-to-continue 2013-15 biennium salary increases and retirement contribution increases.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$1,247,551	\$884,530	\$2,132,081
Health insurance increase	917,375	662,965	1,580,340
Total	\$2,164,926	\$1,547,495	\$3,712,421

³ Funding is adjusted for base budget changes related to bond payments, extraordinary repairs, and equipment.

⁴ Funding is adjusted for base budget changes relating to the cost-to-continue programs, including operating expenses, grants, tobacco prevention, and WIC food payments.

⁵ Funding is adjusted for the cardiac care system.

⁶ Funding for the universal vaccine program is increased by \$576,853 to provide a total of \$3,076,853 from the general fund.

⁷ Funding is added to contract with the University of North Dakota School of Medicine and Health Sciences to provide a total of \$480,000 from the general fund to perform autopsies in the eastern part of the state, the same as the 2013-15 biennium appropriation.

⁸ Funding for suicide prevention grants is increased by \$150,000 to provide a total of \$830,000 from the general fund.

⁹ Funding for the medical loan repayment program is increased by \$122,012 to provide a total of \$698,800 from the general fund.

¹⁰ Funding for grants to local public health units is increased by \$250,000 to provide a total of \$4,250,000 from the general fund.

¹¹ Funding is increased by \$500,000 from the general fund for rural emergency medical services grants to provide a total of \$7.84 million, of which \$1.25 million is from the insurance tax distribution fund.

¹² Funding is increased by \$200,000 from the general fund for domestic violence and rape crisis grants to provide a total of \$2,250,000, of which \$1,910,000 is from the general fund and \$340,000 is from special funds.

¹³ Funding of \$100,000 from the general fund is added for a mobile dental services grant.

¹⁴ Funding of \$500,000 from the general fund is added for costs related to the Environmental Protection Agency lawsuit.

¹⁵ Funding is added for 1 food and lodging inspector FTE position, including salaries and wages and operating expenses.

¹⁶ Funding is added for 6 FTE positions in the Environmental Health Section, including air quality (3 FTE positions), municipal facilities (1 FTE position), waste management (1 FTE position), and water quality (1 FTE position) to meet increased demands in oil-impacted areas, including salaries and wages and operating expenses.

¹⁷ Funding for Women's Way is increased by \$13,500 to provide a total of \$414,000 from the community health trust fund.

¹⁸ Funding for operating expenses is reduced agencywide by \$300,000 from the general fund.

¹⁹ Funding for regional public health network grants provided during the 2013-15 biennium is removed.

²⁰ Funding for a contingent family violence grant provided during the 2013-15 biennium is removed.

²¹ One-time funding from federal funds is added for WIC food payments system replacement, including salaries and wages and operating expenses.

²² One-time funding is added for equipment related to the 3 new air quality FTE positions and for laboratory equipment.

This amendment also:

- Corrects typographical errors in the section related to the environmental and rangeland protection fund.
- Removes a section included in the executive recommendation to amend North Dakota Century Code Section 43-28.1-01 to remove the limit on dentists eligible for the loan repayment program.
- Adds a section to require veterinarians that are accepted into the veterinarian loan repayment program be employed full-time in the private practice of veterinary medicine.

House Bill No. 1004 - State Department of Health - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$54,757,510	\$61,864,139	\$2,604,537	\$64,468,676
Operating expenses	37,305,014	40,605,327	4,001,211	44,606,538
Capital assets	2,224,288	3,488,810	230,422	3,719,232
Grants	57,510,729	55,901,090	3,060,670	58,961,760
Tobacco prevention	5,544,251	6,413,715	500,000	6,913,715
WIC food payments	24,659,861	20,200,000		20,200,000
Accrued leave payments	2,223,289			
Total all funds	\$184,224,942	\$188,473,081	\$10,396,840	\$198,869,921
Less estimated income	139,303,434	138,320,871	5,600,093	143,920,964
General fund	\$44,921,508	\$50,152,210	\$4,796,747	\$54,948,957
FTE	354.00	361.00	6.00	367.00

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

	Adjusts Funding for Health Insurance Premium Increases¹	Adds Funding for Targeted Equity²	Adds Funding for Food & Lodging Inspectors³	Adds Funding for Environmental Health Positions⁴	Adds Funding for Environmental Health Section Legal Fees⁵	Adds One-Time Funding for Forensic Examiner Equipment⁶
Salaries and wages	(254,175)	1,559,659	270,638	560,582		
Operating expenses			55,850	117,936	270,000	
Capital assets						44,000
Grants						
Tobacco prevention						
WIC food payments						
Accrued leave payments						
Total all funds	(254,175)	\$1,559,659	\$326,488	\$678,518	\$270,000	\$44,000
Less estimated income	(108,257)	0	150,000	0	0	0
General fund	<u>(145,918)</u>	<u>\$1,559,659</u>	<u>\$176,488</u>	<u>\$678,518</u>	<u>\$270,000</u>	<u>\$44,000</u>
FTE	0.00	0.00	2.00	4.00	0.00	0.00

	Adjusts Funding for Women's Way⁷	Increases Funding for Rural EMS Grants⁸	Increases Funding for Tobacco Prevention⁹	Adds Funding for Federal Grants¹⁰	Increases Funding for Local Public Health Units¹¹	Adds Funding for Cardiac System of Care¹²
Salaries and wages				467,833		
Operating expenses				3,357,425		200,000
Capital assets				186,422		
Grants		1,100,000		1,460,670	500,000	
Tobacco prevention			500,000			
WIC food payments						
Accrued leave payments						
Total all funds	\$0	\$1,100,000	\$500,000	\$5,472,350	\$500,000	\$200,000
Less estimated income	(414,000)	0	500,000	5,472,350	0	0
General fund	<u>\$414,000</u>	<u>\$1,100,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$500,000</u>	<u>\$200,000</u>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total Senate Changes
Salaries and wages	2,604,537
Operating expenses	4,001,211
Capital assets	230,422
Grants	3,060,670
Tobacco prevention	500,000
WIC food payments	
Accrued leave payments	
Total all funds	\$10,396,840
Less estimated income	5,600,093
General fund	<u>\$4,796,747</u>
FTE	6.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month and to reflect FTE adjustments made by the Senate.

² Funding for targeted equity is added, the same as the executive recommendation.

³ Funding is added for 2 food and lodging inspector FTE positions to provide a total of 3 new food and lodging inspector FTE positions, 2 less than the executive recommendation. Funding is provided for salaries and wages (\$260,958), related salary increase funding (\$9,680), and operating expenses (\$55,850). The funding source is also changed to provide \$150,000 of the cost of the 2 FTE positions is provided from special funds available as a result of fee increases.

- ⁴ Funding is added for 4 FTE positions in the Environmental Health Section, including municipal facilities (1 FTE position), waste management (1 FTE position), and water quality (2 FTE positions) to meet increased demands in oil-impacted areas, including salaries and wages (\$540,407), related salary increase funding (\$20,175), and operating expenses (\$117,936).
- ⁵ Funding is provided for increased legal fees in the Environmental Health Section of the department.
- ⁶ One-time funding is added for digital x-ray equipment for the forensic examiner.
- ⁷ Funding for the Women's Way program is adjusted to provide \$414,000 from the general fund, instead of the community health trust fund.
- ⁸ Funding is increased by \$1.1 million from the general fund for rural emergency medical services grants to provide a total of \$8.94 million, of which \$1.25 million is from the insurance tax distribution fund, the same as the executive recommendation.
- ⁹ Funding for tobacco prevention is increased to provide for a grant from the Tobacco Prevention and Control Executive Committee to be used for the Centers for Disease Control *Best Practices for Comprehensive Tobacco Prevention and Control Programs*.
- ¹⁰ Funding is added for federal grants anticipated by the department, including funding for colorectal cancer screening capacity, stroke prevention, and Ebola emergency preparedness, laboratory capacity, and hospital preparedness.
- ¹¹ Funding for grants to local public health units is increased by \$500,000 to provide a total of \$4.75 million from the general fund, \$250,000 less than the executive recommendation.
- ¹² Funding is added for cardiac system of care.

This amendment also adds:

- A section of legislative intent to provide the Division of Food and Lodging of the State Department of Health, based on risk and pursuant to audit recommendations, adjust food and lodging division license fees to generate up to \$150,000 of additional special fund revenue and that the department use the additional special fund revenue to fund a portion of the costs related to additional full-time equivalent inspection positions in the Division of Food and Lodging.
- A section to provide for a Legislative Management study of the feasibility and desirability of the University of North Dakota acquiring the building that houses the University of North Dakota Forensic Pathology Center.
- A section to provide for a Legislative Management study of onsite sewage disposal in the state, including areas of the state lacking environmental programs to address onsite sewage disposal, lack of uniform standards for disposal, regulation authority, and the impact of onsite sewage disposal and waste management on industry and the public.

House Bill No. 1004 - State Department of Health - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$54,757,510	\$61,864,139	\$770,648	\$62,634,787	\$64,468,676	(\$1,833,889)
Operating expenses	37,305,014	40,605,327	3,661,361	44,266,688	44,606,538	(339,850)
Capital assets	2,224,288	3,488,810	230,422	3,719,232	3,719,232	
Grants	57,510,729	55,901,090	2,060,670	57,961,760	58,961,760	(1,000,000)
Tobacco prevention	5,544,251	6,413,715	496,462	6,910,177	6,913,715	(3,538)
WIC food payments	24,659,861	20,200,000		20,200,000	20,200,000	
Accrued leave payments	2,223,289					
Total all funds	<u>\$184,224,942</u>	<u>\$188,473,081</u>	<u>\$7,219,563</u>	<u>\$195,692,644</u>	<u>\$198,869,921</u>	<u>(\$3,177,277)</u>
Less estimated income	<u>139,303,434</u>	<u>138,320,871</u>	<u>5,850,093</u>	<u>144,170,964</u>	<u>143,920,964</u>	<u>250,000</u>
General fund	<u>\$44,921,508</u>	<u>\$50,152,210</u>	<u>\$1,369,470</u>	<u>\$51,521,680</u>	<u>\$54,948,957</u>	<u>(\$3,427,277)</u>
FTE	354.00	361.00	4.00	365.00	367.00	(2.00)

Department 301 - State Department of Health - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases¹	Adds Funding for Environmental Health Positions²	Adds One-Time Funding for Forensic Examiner Equipment³	Adjusts Funding for Women's Way⁴	Adjusts Funding for Dental Loan Repayments⁵	Adjusts Funding for Behavioral Risk Factor State Survey⁶
Salaries and wages	(257,767)	560,582				
Operating expenses		117,936		(14,000)		
Capital assets			44,000			
Grants						
Tobacco prevention	(3,538)					
WIC food payments						
Accrued leave payments						
Total all funds	(\$261,305)	\$678,518	\$44,000	(\$14,000)	\$0	\$0
Less estimated income	(108,257)	0	0	(14,000)	0	0
General fund	(\$153,048)	\$678,518	\$44,000	\$0	\$0	\$0
FTE	0.00	4.00	0.00	0.00	0.00	0.00

	Increases Funding for Rural EMS Grants⁷	Increases Funding for Tobacco Prevention⁸	Adds Funding for Federal Grants⁹	Adds Funding for Cardiac System of Care¹⁰	Total Conference Committee Changes
Salaries and wages			467,833		770,648
Operating expenses			3,357,425	200,000	3,661,361
Capital assets			186,422		230,422
Grants	600,000		1,460,670		2,060,670
Tobacco prevention		500,000			496,462
WIC food payments					
Accrued leave payments					
Total all funds	\$600,000	\$500,000	\$5,472,350	\$200,000	\$7,219,563
Less estimated income	0	500,000	5,472,350	0	5,850,093
General fund	\$600,000	\$0	\$0	\$200,000	\$1,369,470
FTE	0.00	0.00	0.00	0.00	4.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month and to reflect FTE adjustments made by the Conference Committee.

² Funding is added for 4 FTE positions in the Environmental Health Section, including municipal facilities (1 FTE position), waste management (1 FTE position), and water quality (2 FTE positions) to meet increased demands in oil-impacted areas, including salaries and wages (\$540,407), related salary increase funding (\$20,175), and operating expenses (\$117,936), the same as the Senate version.

³ One-time funding included in the executive recommendation for digital x-ray equipment for the forensic examiner is added, the same as the Senate version.

⁴ Funding for Women's Way is reduced to provide a total of \$400,000 from the community health trust fund, instead of from the general fund as proposed in the executive recommendation and included in the Senate version.

⁵ Funding for the dental loan repayment program (\$360,000) is provided from the student loan trust fund instead of the community health trust fund. Funding for the dental loan repayment program was provided from the community health trust fund in the executive recommendation and in the House and Senate versions.

⁶ Funding for the behavioral risk factor state survey is adjusted to provide \$24,500 from federal or other funds, and \$496,000 from the community health trust fund, instead of the total funding of \$520,500 provided from the community health trust fund as provided in the executive recommendation and the House and Senate versions.

⁷ Funding is increased by \$600,000 from the general fund for rural emergency medical services (EMS) grants to provide a total of \$8.44 million, of which \$1.25 million is from the insurance tax distribution fund and \$7.19 million is from the general fund. Funding is provided for training grants (\$940,000) and rural EMS grants (\$7,500,000). This level of funding is \$500,000 less than the executive recommendation of \$8.94 million. In addition, a section is added to provide that of the \$7.5 million provided for rural EMS grants, at least 85 percent be distributed to EMS providers that do not receive oil impact grant funding.

⁸ Funding for tobacco prevention is increased to provide for a grant from the Tobacco Prevention and Control Executive Committee to be used for the Centers for Disease Control and Prevention *Best Practices for Comprehensive Tobacco Prevention and Control Programs*, the same as the Senate version.

⁹ Federal funding authority is added for federal grants identified by the department, including funding for colorectal cancer screening capacity, stroke prevention, and Ebola emergency preparedness, laboratory capacity, and hospital preparedness, the same as the Senate version.

¹⁰ Funding is added for cardiac system of care, the same as the Senate version.

This amendment also adds:

- A section of legislative intent to provide that the additional \$250,000 from the general fund provided for grants to local public health units be made available to local public health units serving non-oil-producing counties in the state. This section was not included in the House or Senate version. The Conference Committee increased funding for grants to local public health units by \$250,000 from the general fund to provide a total of \$4,250,000, the same as the House version. This level of funding is \$500,000 less than the amount approved by the Senate and \$750,000 less than the executive recommendation.
- A section of legislative intent to provide that of the sum of \$7.5 million provided for rural emergency medical services grants, at least 85 percent is to be distributed to emergency medical services providers that do not receive oil impact grant funding. This section was not included in the House or Senate version.
- A section to provide for a Legislative Management study of the feasibility and desirability of the University of North Dakota acquiring the building that houses the University of North Dakota Forensic Pathology Center, the same as the Senate version.
- A section to provide for a Legislative Management study of onsite sewage disposal in the state, including areas of the state lacking environmental programs to address onsite sewage disposal, lack of uniform standards for disposal, regulation authority, and the impact of onsite sewage disposal and waste management on industry and the public, the same as the Senate version.

The Conference Committee removed a section included by the Senate to provide the State Department of Health increase license fees in the Division of Food and Lodging to generate additional revenue necessary to support a portion of the cost of additional FTE positions.

In addition, the Conference Committee did not include funding for 2 inspection FTE positions in the Division of Food and Lodging (\$326,488), targeted salary equity (\$1,559,659), or additional Environmental Health Section legal fees (\$270,000) included in the executive recommendation and the Senate version.