

**Public Service Commission
Budget 408
Senate Bill No. 2008**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriation (original)	46.00	\$7,935,207 ¹	\$14,300,575	\$22,235,782
2013-15 legislative appropriation	<u>44.00</u>	<u>7,091,740</u>	<u>13,387,469</u>	<u>20,479,209</u>
2015-17 appropriation increase (decrease) to 2013-15 appropriation	2.00	\$843,467	\$913,106	\$1,756,573
2015-17 general fund budget allotment (4.05 percent)	<u>0</u>	<u>(\$321,376)</u>	<u>\$0</u>	<u>(\$321,376)</u>
Adjusted 2015-17 appropriation after budget allotment	46.00	\$7,613,831	\$14,300,575	\$21,914,406

¹The original legislative appropriation amount includes \$414,000 of one-time funding from the general fund. Excluding this amount, the agency's original ongoing general fund appropriation is \$7,521,207.

Item Description

General fund budget allotment - In February 2016 the Governor ordered a 4.05 percent general fund budget allotment for state agencies.

FTE changes - The 2015-17 biennium appropriation includes funding for 46 FTE positions, an increase of 2 FTE positions from the 2013-15 authorized level of 44 FTE positions. The new FTE positions include a public utility analyst position and a railroad safety inspector position.

One-time funding - In Section 2 of 2015 Senate Bill No. 2008, the Legislative Assembly identified \$414,000 of one-time funding from the general fund for specialized legal services.

Railroad safety pilot program - Section 3 of Senate Bill No. 2008 provides that \$523,345 of the department's special fund appropriation is from the rail safety fund, of which \$253,345 relates to salaries and wages, \$70,000 to operating expenses, and \$200,000 to a railroad safety pilot program temporary employee. Section 7 of the bill amended North Dakota Century Code Section 57-43.2-19 regarding deposits into the highway tax distribution fund, providing up to \$275,000 of special fuels excise taxes collected on sales of diesel fuel to a railroad deposited instead into the rail safety fund each year.

Status/Result

The budget allotment reduced general fund appropriations for the Public Service Commission by \$321,376. The agency reduced its operating expenses (\$82,000), weights and measures temporary employee (\$200,000), and specialized legal services (\$39,376). The operating expense savings are the result of reduced travel and equipment expenses.

The Public Service Commission filled the public utility analyst position in July 2015 and the railroad safety inspector position in August 2015.

The following is a summary of the status of the funding for specialized legal services:

2015-17 Appropriation	Allotment	Expenditures as of April 14, 2016	Balance
\$414,000	\$39,376	\$59,954	\$314,670

The railroad safety inspector position was filled in August 2015 and the individual completed Federal Railroad Administration track safety inspector training in March 2016. The railroad safety temporary employee position was filled in December 2015 and the individual is currently in the process of completing the Federal Railroad Administration mechanical safety inspector training.

Rail rate complaint case - The 2015 Legislative Assembly provided for a transfer of \$900,000 from the Bank of North Dakota beginning farmer revolving loan fund to the Public Service Commission to pay for costs associated with a rail rate complaint case. If any amount is spent, the commission is to reimburse the beginning farmer revolving loan fund using the amount from damages or proceeds, net of legal fees, received from a successful outcome of a rail rate complaint case.

Weights and measures temporary employee - The 2015 Legislative Assembly provided a \$200,000 appropriation from the general fund for a weights and measures temporary employee.

A rail rate complaint case has not been filed. The Public Service Commission believes readily accessible funding to pursue regulatory relief against the railroad industry has limited abusive rail industry practices.

The Public Service Commission was not able to fill the position by February 2015 and subsequently used the \$200,000 of unexpended funding for the position to meet the agency's allotment requirements.