

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2016

That the House recede from its amendments as printed on pages 1249-1252 of the Senate Journal and pages 1344-1347 of the House Journal and that Engrossed Senate Bill No. 2016 be amended as follows:

Page 1, line 2, after "Dakota" insert "; to provide a statement of legislative intent; to provide for a legislative management study; to provide for a study by the office of management and budget; to provide an appropriation to the office of management and budget; and to declare an emergency"

Page 1, replace lines 12 through 21 with:

"Salaries and wages	\$39,604,238	(\$12,448,672)	\$27,155,566
Operating expenses	13,479,157	(1,977,902)	11,501,255
Capital assets	20,000	100,000	120,000
Grants	5,404,326	54,245	5,458,571
Workforce 20/20	1,441,225	(1,441,225)	0
Reed Act - unemployment insurance	<u>12,407,000</u>	<u>(1,197,443)</u>	<u>11,209,557</u>
computer modernization			
Total all funds	\$72,355,946	(\$16,910,997)	\$55,444,949
Less estimated income	<u>70,467,866</u>	<u>(15,568,710)</u>	<u>54,899,156</u>
Total general fund	\$1,888,080	(\$1,342,287)	\$545,793"

Page 1, after line 22, insert:

"SECTION 2. HEALTH INSURANCE INCREASES. The salaries and wages line item in section 1 of this Act includes the sum of \$421,951, of which \$2,827 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 1, line 23, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 1, line 24, after "biennium" insert "and the 2017-19 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 2 through 6 with:

"Oil and gas employment study	\$80,000	\$0
Virtual OneStop application	9,500	0
Renovation of Bismarck regional office	<u>0</u>	<u>100,000</u>
Total all funds	\$89,500	\$100,000
Total special funds	<u>0</u>	<u>0</u>
Total general fund	\$89,500	\$100,000

The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. Job service North Dakota shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, line 9, replace "\$11,210,286" with "\$11,209,557"

"SECTION 6. ESTIMATED INCOME - RENT REVENUE. The estimated income line item in section 1 of this Act includes \$750,000 of estimated rent revenue as a result of job service North Dakota leasing the Minot regional office and a portion of the Bismarck central office to other state agencies. Any revenue collected must be deposited in the job service North Dakota operating fund for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 7. ONE-TIME FUNDING - BISMARCK REGIONAL OFFICE RENOVATION - RELOCATION COSTS. Section 1 of this Act includes \$100,000 of one-time funding from the general fund, for defraying the expenses of job service North Dakota relocating from the Bismarck central office to the Bismarck regional office and for costs associated with renovations of the Bismarck regional office necessary for normal business operations for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 8. NEW JOBS TRAINING. During the biennium beginning July 1, 2017, and ending June 30, 2019, job service North Dakota may not award more than \$2,500,000 for new agreements related to the new jobs training program under chapter 52-02.1.

SECTION 9. LEGISLATIVE MANAGEMENT STUDY - JOB SERVICE NORTH DAKOTA PROPERTIES. During the 2017-18 interim, the legislative management shall consider studying office space cost and value of properties owned by job service North Dakota in Fargo, Rolla, Minot, and Bismarck with input from the office of management and budget. If job service North Dakota sells or leases any property identified in this section before July 1, 2017, the property may not be included in the study. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly.

SECTION 10. APPROPRIATION - STUDY AND LEASE OF JOB SERVICE NORTH DAKOTA BISMARCK PROPERTY - JOB SERVICE NORTH DAKOTA RELOCATION - BUDGET SECTION REPORT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of contracting with a qualified consultant by June 30, 2017, to conduct a study of the most cost-effective use for the job service North Dakota property Parcel# 0485-010-045; Lot# N.50; of L 3, ALL 4-6, ALL L 17-19; Block# 10; Addition - TIBESAR's first in the city of Bismarck, Burleigh County, North Dakota. The funding appropriated in this section is considered one-time funding. The office of management and budget, in consultation with the attorney general and job service North Dakota, shall determine the most cost-effective use of the property described in this section. The term "cost-effective" means savings to the general fund, including any costs associated with relocation, rental costs related to the job service North Dakota Bismarck regional office, and remodeling of office space for job service North Dakota and the attorney general's office. The office of management and budget shall complete its study by September 30, 2017. If the office of management and budget determines it is more cost-effective for the attorney general's office to lease a portion of the property described in this section, job service North Dakota shall lease the number of square feet that is determined the most cost-effective, up to seventy-five percent of the building, to the attorney general, no later than March 31, 2018. Job service North Dakota shall continue to occupy at least twenty-five percent of the building. As a result

of the study provided for in this section and upon the lease of a portion of the property described in this section, job service North Dakota may relocate a portion of its central office operations to another suitable location. The office of management and budget shall report the findings and results of its study to the budget section prior to the lease of the job service North Dakota central office building and subsequent relocation of job service North Dakota to the Bismarck regional office or other office space.

SECTION 11. LEGISLATIVE INTENT. If the attorney general's office relocates a portion of its operations to the job service North Dakota central office, it is the intent of the sixty-fifth legislative assembly any funds appropriated to lease office space it is vacating are no longer appropriated for said purpose.

SECTION 12. EMERGENCY. Section 10 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Office of Management and Budget						
Total all funds	\$0	\$0	\$25,000	\$25,000	\$0	\$25,000
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$25,000	\$25,000	\$0	\$25,000
Job Service North Dakota						
Total all funds	\$72,355,946	\$55,130,142	\$314,807	\$55,444,949	\$55,444,949	\$0
Less estimated income	70,467,866	54,181,895	717,261	54,899,156	54,899,156	0
General fund	\$1,888,080	\$948,247	(\$402,454)	\$545,793	\$545,793	\$0
Bill total						
Total all funds	\$72,355,946	\$55,130,142	\$339,807	\$55,469,949	\$55,444,949	\$25,000
Less estimated income	70,467,866	54,181,895	717,261	54,899,156	54,899,156	0
General fund	\$1,888,080	\$948,247	(\$377,454)	\$570,793	\$545,793	\$25,000

Senate Bill No. 2016 - Office of Management and Budget - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			\$25,000	\$25,000		\$25,000
Total all funds	\$0	\$0	\$25,000	\$25,000	\$0	\$25,000
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$25,000	\$25,000	\$0	\$25,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

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

	Adds Funding for a Job Service North Dakota Property Study ¹	Total Conference Committee Changes
Operating expenses	\$25,000	\$25,000
Total all funds	\$25,000	\$25,000

Less estimated income	0	0
General fund	\$25,000	\$25,000
FTE	0.00	0.00

¹ One-time funding of \$25,000 is added from the general fund to the Office of Management and Budget for the purpose of contracting with a consultant to conduct a study to determine the most cost-effective use of the Job Service North Dakota Bismarck central office building.

Senate Bill No. 2016 - Job Service North Dakota - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$39,604,238	\$27,187,623	(\$32,057)	\$27,155,566	\$27,155,566	
Operating expenses	13,479,157	10,751,255	750,000	11,501,255	11,501,255	
Capital assets	20,000	20,000	100,000	120,000	120,000	
Grants	5,404,326	5,458,571		5,458,571	5,458,571	
Workforce 20/20	1,441,225	502,407	(502,407)			
Reed Act - Computer modernization	12,407,000	11,210,286	(729)	11,209,557	11,209,557	
Total all funds	\$72,355,946	\$55,130,142	\$314,807	\$55,444,949	\$55,444,949	\$0
Less estimated income	70,467,866	54,181,895	717,261	54,899,156	54,899,156	0
General fund	\$1,888,080	\$948,247	(\$402,454)	\$545,793	\$545,793	\$0
FTE	237.76	181.61	0.00	181.61	181.61	0.00

Department No. 380 - Job Service North Dakota - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance ¹	Eliminates Funding For Workforce 20/20 Program ²	Adds Funding for Estimated Rent Revenue ³	Adds One-Time Funding for Relocating and Office Renovations ⁴	Total Conference Committee Changes
Salaries and wages	(\$32,057)				(\$32,057)
Operating expenses			750,000		750,000
Capital assets				100,000	100,000
Grants					
Workforce 20/20	(174)	(502,233)			(502,407)
Reed Act - Computer modernization	(729)				(729)
Total all funds	(\$32,960)	(\$502,233)	\$750,000	\$100,000	\$314,807
Less estimated income	(32,739)	0	750,000	0	717,261
General fund	(\$221)	(\$502,233)	\$0	\$100,000	(\$402,454)
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect the revised premium rate.

² Funding is eliminated for the Workforce 20/20 program, the same as the House version. The Senate provided \$502,407 from the general fund for the program.

³ Funding for operating expenses is increased by \$750,000 of revenue to be collected as a result of Job Service North Dakota leasing the Minot regional office and Bismarck central office to other state agencies, the same as the House version. Revenue collected will be deposited in the Job Service North Dakota operating fund. The House also included these provisions.

⁴ One-time funding is added from the general fund for costs associated with Job Service North Dakota relocating from the Bismarck central office to the Bismarck regional office and for any related renovations

of the Bismarck regional office necessary for normal business operations, the same as the House version.

This amendment also:

- Adjusts the amount of funding for Reed Act funds in Section 4 of the bill, the same as the House version.
- Adds a section to identify an increase in special fund spending authority of \$750,000 due to estimated rent revenue to be collected as a result of leasing the Job Service North Dakota Minot regional office and Bismarck central office, the same as the House version.
- Adds a section to identify \$100,000 of one-time funding from the general fund for costs associated with Job Service North Dakota relocating to the Bismarck regional office and for related renovation costs of the property, the same as the House version.
- Adds a section limiting the amount Job Service North Dakota may award for new agreements under the new jobs training program to \$2.5 million during the 2017-19 biennium. The House repealed North Dakota Century Code Chapter 52-02.1, related to the new jobs training program and allowed Job Service North Dakota to honor any current obligations of the program. The Conference Committee did not repeal the chapter.
- Removes a section approved by the House to provide legislative intent regarding the study of Job Service North Dakota properties in Fargo, Rolla, Minot, and Bismarck.
- Adds a section providing for a Legislative Management study, with input from the Office of Management and Budget, related to Job Service North Dakota properties in Fargo, Rolla, Minot, and Bismarck. The House version included a similar section.
- Adds a section providing for a study by the Office of Management and Budget regarding the potential lease of the Job Service North Dakota central office in Bismarck. This section is declared to be an emergency measure.
- Adds a section providing legislative intent that upon the Attorney General's potential relocation to the Job Service North Dakota central office, funds appropriated to the Attorney General to lease office space in the 2017-19 biennium is no longer appropriated for that purpose.