

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Tentative Agenda

BUDGET SECTION

Wednesday, December 7, 2016
Senate Chamber, State Capitol
Bismarck, North Dakota

- 11:00 a.m. Call to order
Roll call
Consideration of the minutes of the September 29, 2016, meeting
- * 11:05 a.m. Budget Section consideration of state agency requests pursuant to North Dakota Century Code Chapter 54-16 that have been authorized by the Emergency Commission and require consideration by the Budget Section:
- **Parks and Recreation Department (Request #1890)** - Request is to increase special funds spending authority by \$284,300 to accept passthrough funds from the Department of Emergency Services for expenses relating to the Dakota Access Pipeline protest. Of the total, \$200,000 is in the natural resources line item and \$84,300 is in the recreation line item
 - **State Department of Health (Request #1891)** - Request is to increase special funds spending authority by \$1,936,800 to accept passthrough funds from the Department of Emergency Services for salaries and wages (\$741,630) and operating expenses (\$1,195,170) for medical and food services provided by the State Department of Health to law enforcement and first responders relating to the Dakota Access Pipeline protest
 - **Department of Transportation (Request #1892)** - Request is to increase special funds spending authority by \$162,350 to accept passthrough funds from the Department of Emergency Services for salaries and wages (\$132,325) and operating expenses (\$30,025) for costs related to the unlawful activity associated with the construction of the Dakota Access Pipeline for damages to a bridge, roadways, guardrails, etc.
 - **Department of Corrections and Rehabilitation (Request #1893)** - Request is to increase special funds spending authority by \$297,300 to accept passthrough funds from the Department of Emergency Services in the adult services line item for overtime, employee travel, and professional supplies expenses associated with law enforcement costs relating to the protest of the construction of the Dakota Access Pipeline
 - **Highway Patrol (Request #1894)** - Request is to increase special funds spending authority by \$2,267,000 in the field operations line item to accept passthrough funds from the Department of Emergency Services. The funds are for additional law enforcement costs relating to the protest of the construction of the Dakota Access Pipeline.
 - **Game and Fish Department (Request #1895)** - Request is to increase special funds spending authority by \$200,500 to accept passthrough funds from the Department of Emergency Services for salaries and wages (\$109,400) and operating expenses (\$91,100) for costs related to the unlawful activity associated with the construction of the Dakota Access Pipeline for overtime hours, pilot hours, travel/per diem/lodging, professional supplies, and for hourly rate for use of aircraft, boats, and utility task vehicles

- **Office of Management and Budget (Request #1896)** - Request is to increase special funds spending authority by \$1.5 million from the unemployment fund for the salaries and wages line item to reimburse Job Service North Dakota for unemployment claims paid to eligible recipients who were previously employed by the state

11:15 a.m. Presentation by representatives of the Office of Management and Budget regarding:

- Status of the general fund
- Executive budget revenue forecast for the 2017-19 biennium

11:25 a.m. Presentation by a representative of Moody's Analytics regarding:

- North Dakota economic outlook, including oil prices and agricultural commodity prices
- Projections for the value of the dollar and its effect on the North Dakota economy
- Economic assumptions included in the executive budget revenue forecast for the remainder of the 2015-17 biennium and the 2017-19 biennium

12:15 p.m. Luncheon recess

1:15 p.m. Presentation by representatives of the Office of Management and Budget regarding:

- Ongoing and one-time revenues, including beginning balance, deficiency requests, and proposed statutory changes affecting revenues
- Estimated general fund turnback for the 2015-17 biennium
- Schedule for preparing and presenting the legislative revenue forecast during the regular session
- Irregularities in the fiscal practices of the state pursuant to Section 54-14-03.1
- Reports from state agencies that applied for federal grants estimated to be \$25,000 or more pursuant to Section 54-27-27
- Report regarding specified commodities and services exempted from the procurement requirements of Section 54-44.4-02.2

1:35 p.m. Presentation by a representative of the Office of Management and Budget on the 2017-19 biennium executive budget recommendations for:

- Ongoing revenues and appropriations
- One-time revenues and appropriations
- Tax changes
- Changes to tax distribution formulas
- State employee compensation and benefits
- Elementary, secondary, and career and technical education
- Higher education institutions and the North Dakota University System office
- State Department of Health and Department of Human Services
- Public safety agencies, including the Department of Corrections and Rehabilitation
- Agricultural and economic development agencies, including the Department of Commerce, the North Dakota State University (NDSU) Extension Service, and the Agricultural Experiment Station
- Natural resource agencies, including the State Water Commission and the Game and Fish Department
- Department of Transportation

- Other state agencies and institutions
- Information technology projects
- Capital projects
- Use of bonding for capital projects

- * 2:50 p.m. Budget Section consideration of the executive budget revenue forecast for the 2017-19 biennium
- 2:55 p.m. Presentation by a representative of the Three Affiliated Tribes of the Fort Berthold Reservation regarding fees, expenses, and charges the tribe imposes on the oil industry and essential infrastructure projects (and each project's cost) completed by the Three Affiliated Tribes of the Fort Berthold Reservation using oil and gas tax receipts pursuant to Section 57-51.2-02
- 3:10 p.m. Presentation of a report from the Legacy and Budget Stabilization Fund Advisory Board regarding the development of investment policies for the legacy fund and budget stabilization fund pursuant to Section 21-10-11
- 3:20 p.m. Presentation by representatives of the University System regarding an annual report on full-time equivalent position adjustments made for the NDSU Extension Service, Northern Crops Institute, Upper Great Plains Transportation Institute, NDSU Main Research Center, branch research centers, and Agronomy Seed Farm pursuant to Section 15 of 2015 House Bill No. 1020 and Sections 4-05.1-05 and 4-08-10
- 3:30 p.m. Presentation by representatives of the Department of Commerce regarding:
 - Annual audits of centers of excellence recipients awarded funds pursuant to Chapter 15-69
 - Annual audits of the centers of research excellence recipients awarded funds pursuant to Chapter 54-65
- 3:40 p.m. Presentation by a representative of the Housing Finance Agency regarding the progress being made to reduce the overall number of housing units owned, master leased, or subsidized by cities, school districts, or other employers of essential service workers pursuant to Section 54-17-40
- 3:50 p.m. Distribution of written reports from hub cities on use of funding received from oil and gas gross production tax allocations under Section 57-51-15 for fiscal years 2015 and 2016 including Williston, Dickinson, Minot, Mandan, Bismarck, West Fargo, Jamestown, Fargo, and Grand Forks
- 3:55 p.m. Committee discussion and staff directives
- 4:20 p.m. Adjourn

***This item includes a request for Budget Section action.**

Committee Members

Committee membership will be announced during the legislative organizational session, December 5-7, 2016.

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