

Sixty-sixth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2008

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the public service
2 commission; to amend and reenact sections 49-01-05 and 57-43.2-19 of the North Dakota
3 Century Code, relating to the salary of the commissioners and the transfer, deposit, and
4 distribution of funds in the highway tax distribution fund; to provide for a study; to provide for a
5 report; and to provide for a transfer.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the public service commission for the purpose of defraying the expenses of the
11 public service commission, for the biennium beginning July 1, 2019, and ending June 30, 2021,
12 as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---|-------------------------|--|-------------------------|
| 15 Salaries and wages | \$9,197,284 | \$866,541 | \$10,063,825 |
| 16 Operating expenses | 1,829,826 | 54,000 | 1,883,826 |
| 17 Capital assets | 10,000 | 15,000 | 25,000 |
| 18 Grants | 20,000 | 0 | 20,000 |
| 19 Abandoned mined lands contractual | 6,000,000 | 0 | 6,000,000 |
| 20 Rail rate complaint case | 900,000 | 0 | 900,000 |
| 21 Railroad safety program | 564,668 | 24,642 | 589,310 |
| 22 Specialized legal services | 94,000 | 336,000 | 430,000 |
| 23 Total all funds | \$18,615,778 | \$1,296,183 | \$19,911,961 |
| 24 Less estimated income | 11,985,016 | 529,658 | 12,514,674 |

| | | | | |
|----|---|------------------------|----------------------|------------------------|
| 1 | Total general fund | \$6,630,762 | \$766,525 | \$7,397,287 |
| 2 | Full-time equivalent positions | 45.00 | 1.00 | 46.00 |
| 3 | Salaries and wages | \$9,197,284 | \$298,276 | \$9,495,560 |
| 4 | Operating expenses | 1,829,826 | (66,000) | 1,763,826 |
| 5 | Capital assets | 10,000 | 15,000 | 25,000 |
| 6 | Grants | 20,000 | 0 | 20,000 |
| 7 | Abandoned mined lands contractual | 6,000,000 | 0 | 6,000,000 |
| 8 | Rail rate complaint case | 900,000 | 0 | 900,000 |
| 9 | Railroad safety program | 564,668 | 24,350 | 589,018 |
| 10 | Specialized legal services | 94,000 | 336,000 | 430,000 |
| 11 | Total all funds | \$18,615,778 | \$607,626 | \$19,223,404 |
| 12 | Less estimated income | 11,985,016 | 523,460 | 12,508,476 |
| 13 | Total general fund | \$6,630,762 | \$84,166 | \$6,714,928 |
| 14 | Full-time equivalent positions | 45.00 | (2.00) | 43.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 biennium one-time funding items included in the appropriation in section 1 of this Act:

| 19 | <u>One-Time Funding Description</u> | <u>2017-19</u> | <u>2019-21</u> |
|----|-------------------------------------|------------------|------------------|
| 20 | Specialized legal services | <u>\$436,000</u> | <u>\$336,000</u> |
| 21 | Total all funds | \$436,000 | \$336,000 |
| 22 | Total special funds | <u>436,000</u> | <u>336,000</u> |
| 23 | Total general fund | \$0 | \$0 |

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The public service commission shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. TRANSFER AND REPAYMENT - BEGINNING FARMER REVOLVING LOAN FUND. The Bank of North Dakota shall transfer from the beginning farmer revolving loan fund to the public service commission the sum of \$900,000, or so much of the sum as may be necessary, included in the estimated income line item in section 1 of this Act to pay for costs

1 associated with a rail rate complaint case. Transfers must be made during the biennium
2 beginning July 1, 2019, and ending June 30, 2021, upon order of the commission. If any
3 amounts are spent pursuant to this section, the public service commission shall reimburse the
4 beginning farmer revolving loan fund using amounts available from damages or proceeds
5 received, net of legal fees, from a successful outcome of a rail complaint case.

6 **SECTION 4. APPROPRIATION - GRAIN INSOLVENCY LITIGATION.** There is
7 appropriated from special funds derived from other income to be received from the agriculture
8 commissioner, the sum of \$100,000, or so much of the sum as may be necessary, to the public
9 service commission, for the purpose of continuing to provide, in consultation with the agriculture
10 commissioner, services related to grain insolvency litigation initiated prior to July 1, 2019. The
11 funding provided in this section is considered a one-time funding item.

12 **SECTION 5. AMENDMENT.** Section 49-01-05 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **49-01-05. Salary of commissioners.**

15 The annual salary of a commissioner is one hundred ~~fiveten~~ thousand ~~four~~ hundred
16 ~~ninety-one~~~~twenty-nine~~ dollars through June 30, ~~2016~~2020, and one hundred
17 ~~eight~~~~fourteen~~~~thirteen~~ thousand ~~six~~~~one~~ hundred ~~fifty-six~~~~fifty-four~~ dollars thereafter. All fees
18 received or charged by any commissioner for any act or service rendered in any official capacity
19 must be accounted for and paid over by the commissioner monthly to the state treasurer and
20 must be credited to the general fund of the state.

21 **SECTION 6. AMENDMENT.** Section 57-43.2-19 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **57-43.2-19. Transfer, deposit, and distribution of funds. (Effective July 1, 2015,**
24 **through June 30, ~~2019~~2021)**

25 All taxes, license fees, penalties, and interest collected under this chapter must be
26 transferred to the state treasurer who shall deposit moneys in a highway tax distribution fund,
27 except all special fuels excise taxes collected on sales of diesel fuel to a railroad under section
28 57-43.2-03 of up to two hundred ~~eighty-five~~~~ninety-four~~ thousand ~~six hundred fifty-five~~
29 ~~hundred nine~~ dollars per year must be transferred to the state treasurer who shall deposit the
30 moneys in the rail safety fund. The highway tax distribution fund must be distributed in the
31 manner as prescribed by section 54-27-19.

1 **Transfer, deposit, and distribution of funds. (Effective after June 30, 2019)2021)** All
2 taxes, license fees, penalties, and interest collected under this chapter must be transferred to
3 the state treasurer who shall deposit moneys in the highway tax distribution fund. The highway
4 tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.

5 **SECTION 7. RAILROAD INSPECTION STUDY.** During the 2019-20 interim, the public
6 service commission shall study technology available to create efficiencies to reduce costs for
7 railroad equipment and track inspections. The commission shall report its findings and any
8 related budget recommendations to the appropriations committees of the sixty-seventh
9 legislative assembly.