



BUDGET SECTION

Thursday, September 17, 2020

Due to public health considerations and in accordance with Executive Order 2020-16, a meeting room will not be available to the public for this meeting. A live stream of the meeting will be available to the public at: <http://video.legis.nd.gov>.

Committee members have the option of attending the meeting remotely or in person. Each committee member is asked to notify the Legislative Council at bradylarson@nd.gov at least 1 week before the meeting date to indicate whether the member plans to attend the meeting remotely or in person. Staff will provide committee members with call-in or meeting room information before the meeting.

- 9:00 a.m. Call to order
Roll call
Consideration of the [minutes of the August 13, 2020, meeting](#)
- 9:05 a.m. [Presentation](#) by a representative of the Office of Management and Budget regarding:
- Status of the general fund
 - Revised 2019-21 and 2021-23 biennium revenue forecasts
 - The number of agency budget requests submitted by the July 15, 2020, statutory deadline, the number submitted to date, the number of extensions granted, and new submission deadlines
 - Irregularities in the fiscal practices of the state pursuant to North Dakota Century Code Section 54-14-03.1
 - Reports from state agencies applying for federal grants estimated to be \$25,000 or more pursuant to Section 54-27-27
 - Status of state agency expenditures from the federal Coronavirus Relief Fund and other federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding approved by the Budget Section
- *9:30 a.m. Consideration of the following state agency requests pursuant to Chapter 54-16 which have been authorized by the Emergency Commission and require consideration by the Budget Section:
- **Department of Veterans' Affairs (Request #2007)** - The request is to increase federal funds spending authority by \$400,000 in the grants - transportation program line item to increase total funding available for the program to \$1.2 million.
 - **North Dakota University System office (Request #2008)** - The request is to increase appropriation authority by \$2.5 million from federal Governor's Emergency Education Relief (GEER) Fund to create the Higher Education COVID Impact Grants program.

- **Department of Public Instruction (Request #2009)** - The request is to increase federal funds spending authority by \$950,000 in the operating expenses line item to accept and expend federal GEER funds for a remote learning digital platform and a special education teacher scholarship program.
- **Department of Public Instruction (Request #2010)** - The request is to increase federal funds spending authority by \$500,000 in the grants - other grants line item to accept and expend funds from the Information Technology Department to provide grants to school districts to support the broadband needs of students and distance education.
- **Department of Trust Lands (Request #2011)** - The request is to authorize 1 full-time equivalent position to assist with minerals management.
- **Department of Human Services (Request #2013)** - The request is to increase federal funds spending authority by \$17.5 million to accept and expend funds for the foster care and subsidized adoption programs (\$500,000) and for medical assistance grants (\$17 million) to continue the temporary increase of 6.2 percent in the state's federal medical assistance percentage (FMAP) through December 2020.
- **Bank of North Dakota (Request #2014)** - The [request](#) is to repurpose up to \$50 million of the \$200 million appropriated to the Bank of North Dakota from the federal Coronavirus Relief Fund to establish a new program to provide one-time grants to businesses to assist with interest expenses on debt that was issued prior to the Coronavirus (COVID-19) emergency.
- **Veterans' Home (Request #2015)** - The request is to increase federal funds spending authority by \$385,400 in the CARES Act line item for expenses related to the COVID-19 pandemic, including the purchase of personal protective equipment, medical supplies, cleaning supplies, and testing supplies; installation of hands-free toilet flushers, faucets, and door openers; and COVID-19-related salary expenditures for temporary employees.
- **Department of Environmental Quality (Request #2016)** - The request is to increase federal funds spending authority by \$182,500 in the salaries and wages line item (\$160,500) and the operating expenses line item (\$22,000) to accept and expend funds from the Federal Emergency Management Agency for reimbursement of costs related to the COVID-19 pandemic.
- **Office of Management and Budget (Request #2017)** - The request is for a line item transfer of \$5,932,707 of GEER funds provided in the CARES Act from the grants line item to a special line item.
- **Department of Public Instruction (Request #2021)** - The request is to increase federal funds spending authority by \$30 million in the grants - other grants line item to expend funds from the federal Coronavirus Relief Fund to reimburse school districts for additional staffing needs caused by the COVID-19 pandemic.

- *10:00 a.m. Presentation by the Legislative Council staff of a [memorandum](#) regarding block grant hearings required during the 2021 legislative session and a [resolution draft](#) authorizing the Budget Section to hold any legislative block grant hearings required during the 2021-22 interim
- 10:05 a.m. Presentation by the Legislative Council staff of:
 - The [2020 North Dakota Finance Facts](#) pocket brochure
 - A [memorandum](#) on federal funds estimated to be received by state agencies during the 2019-21 and 2021-23 bienniums
- 10:15 a.m. [Presentation](#) by a representative of the Department of Commerce regarding annual audits of renaissance fund organizations pursuant to Section 40-63-07(9)

- 10:25 a.m. [Presentation](#) by a representative of the State Treasurer's office regarding warrants and checks outstanding for more than 90 days and less than 3 years pursuant to Section 54-11-01
- 10:35 a.m. [Presentation](#) by a representative of the Industrial Commission regarding a report on the North Dakota outdoor heritage fund pursuant to Section 54-17.8-07
- 10:50 a.m. [Presentation](#) by a representative of the Department of Corrections and Rehabilitation on the department's prison population management plan, inmate admissions, and the number of inmates the department has not admitted after sentencing pursuant to Section 54-23.3-11
- 11:05 a.m. [Presentation](#) by a representative of the Board of University and School Lands of a report regarding fund investment performance pursuant to Section 6 of House Bill No. 1013 (2019)
- 11:20 a.m. [Presentation](#) by a representative of the Department of Human Services regarding a report of any department transfers in excess of \$50,000 made during the 2019-21 biennium between line items in each subdivision and line item transfers made between subdivisions pursuant to Sections 10 and 11 of Senate Bill No. 2012 (2019)
- 11:30 a.m. [Presentation](#) by a representative of the Adjutant General's office pursuant to Section 37-03-18 regarding the status of the North Dakota National Guard service member, veteran, family, and survivor support program
- 11:40 a.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
- *11:55 a.m. [Presentation](#) by a representative of the State Water Commission of a request pursuant to Section 14 of Senate Bill No. 2020 (2019) for Budget Section to approve the certification of items to be accomplished relating to the Red River Valley Water Supply Project
- 12:10 p.m. Presentation by the Legislative Council staff regarding preparations for the 2021 legislative session, including estimated costs
- 12:25 p.m. Distribution of [reports](#) submitted by the Governor's office regarding federal and other funds received by the office pursuant to Section 3 of Senate Bill No. 2001 (2019)
- 12:30 p.m. Committee discussion and staff directives
- 12:35 p.m. Adjourn

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

Committee Members

Senators: Terry M. Wanzek (Chairman), Brad Bekkedahl, Dick Dever, Robert Erbele, John Grabinger, Joan Heckaman, David Hogue, Ray Holmberg, Jerry Klein, Karen K. Krebsbach, Gary A. Lee, Tim Mathern, Dave Oehlke, Nicole Poolman, Larry J. Robinson, Ronald Sorvaag, Rich Wardner

Representatives: Bert Anderson, Thomas Beadle, Larry Bellew, Tracy Boe, Josh Boschee, Mike Brandenburg, Jeff Delzer, Karla Rose Hanson, Richard G. Holman, Michael Howe, Keith Kempenich, Lawrence R. Klemin, Gary Kreidt, Scott Louser, Bob Martinson, Lisa Meier, Corey Mock, David Monson, Mike Nathe, Jon O. Nelson, Chet Pollert, Mark Sanford, Mike Schatz, Jim Schmidt, Randy A. Schobinger, Don Vigesaa

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