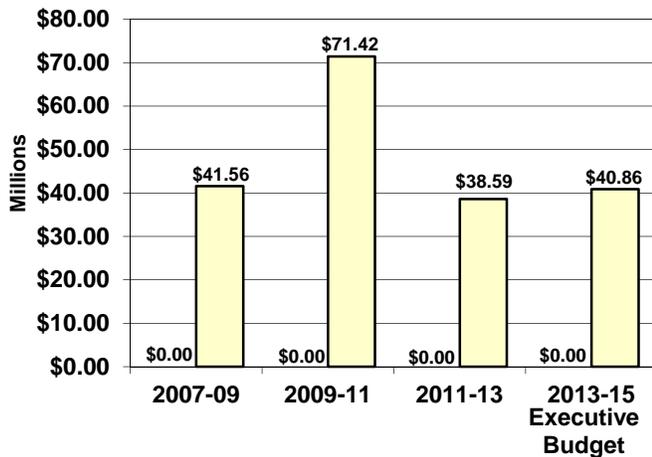


**Department 473 - Housing Finance Agency  
 Senate Bill No. 2014**

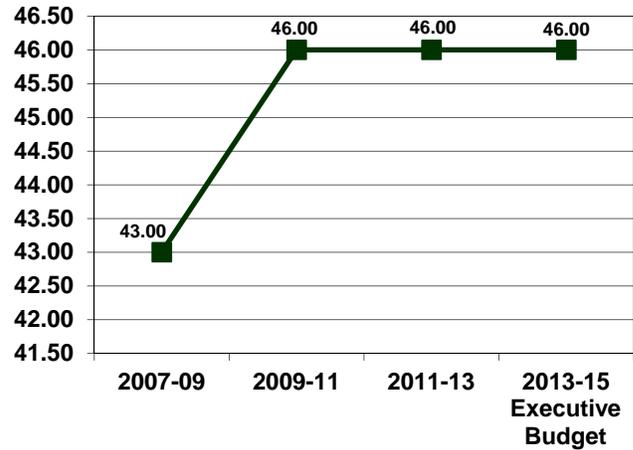
	FTE Positions	General Fund	Other Funds	Total
2013-15 Executive Budget	46.00	\$0	\$40,862,039	\$40,862,039
2011-13 Legislative Appropriations	46.00	0	38,590,046 <sup>1</sup>	38,590,046
Increase (Decrease)	0.00	\$0	\$2,271,993	\$2,271,993

<sup>1</sup>The 2011-13 appropriation amounts do not include \$7,932,400 of additional special funds authority, of which \$991,400 is from federal stimulus fund carryover, \$4,000,000 is from additional funding from the neighborhood stabilization program, and \$2,941,000 is from the law enforcement pilot project.

**Agency Funding**



**FTE Positions**



■ General Fund □ Other Funds

**First House Action**

Attached is a summary of first house changes.

**Executive Budget Highlights  
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Decreases federal funds received for housing and urban development grants		(\$2,709,120)	(\$2,709,120)
2. Increases funding for program outreach		\$131,000	\$131,000
3. Removes 2011-13 <b>one-time funding</b> for the law enforcement pilot program		(\$2,950,000)	(\$2,950,000)
4. Decreases funding for costs associated with agency loans		(\$1,293,545)	(\$1,293,545)
5. Provides funding for state employee salary increases of which \$352,248 relates to performance increases and \$117,900 is for market equity adjustments. <b>The Senate added \$7,868 to correct the executive compensation package.</b>		\$470,148	\$470,148

**Other Sections in Bill**

**Housing incentive fund** - Section 11 provides for a **one-time** transfer of \$30 million from the general fund to the housing incentive fund. The transfer is to be made prior to June 30, 2013. **The Senate provided for the transfer to be made during the 2013-15 biennium.**

**Continuing Appropriations**

There are no continuing appropriations for this agency.

**Significant Audit Findings**

There are no significant audit findings for this agency.

### **Major Related Legislation**

**House Bill No. 1029** - This bill continues the housing incentive fund and provides for a total of \$20 million to be deposited in fund. The bill also provides for an income tax credit in an amount equal to a contribution to the housing incentive fund.

**Senate Bill No. 2079** - Authorizes the Housing Finance Agency to act as a wholesale servicing mortgage lender

ATTACH:1

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2014 - Funding Summary**

	<b>Executive Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
<b>Industrial Commission</b>			
Salaries and wages	\$17,710,630	\$172,713	\$17,883,343
Operating expenses	6,330,576		6,330,576
Capital assets	5,800		5,800
Grants - Lignite research	19,500,000		19,500,000
Grants - Bond payments	<u>19,809,969</u>		<u>19,809,969</u>
Total all funds	\$63,356,975	\$172,713	\$63,529,688
Less estimated income	<u>40,937,857</u>	<u>13,817</u>	<u>40,951,674</u>
General fund	\$22,419,118	\$158,896	\$22,578,014
FTE	98.75	0.00	98.75
<b>Bank of North Dakota</b>			
Capital assets	\$745,000		\$745,000
BND operations	<u>51,707,928</u>	<u>153,480</u>	<u>51,861,408</u>
Total all funds	\$52,452,928	\$153,480	\$52,606,408
Less estimated income	<u>52,452,928</u>	<u>153,480</u>	<u>52,606,408</u>
General fund	\$0	\$0	\$0
FTE	179.50	0.00	179.50
<b>Housing Finance Agency</b>			
Salaries and wages	\$7,437,231	\$7,868	\$7,445,099
Operating expenses	3,791,758		3,791,758
Grants	29,533,050		29,533,050
HFA contingencies	100,000		100,000
Housing incentive fund		<u>30,000,000</u>	<u>30,000,000</u>
Total all funds	\$40,862,039	\$30,007,868	\$70,869,907
Less estimated income	<u>40,862,039</u>	<u>7,868</u>	<u>40,869,907</u>
General fund	\$0	\$30,000,000	\$30,000,000
FTE	46.00	0.00	46.00
<b>Mill and Elevator</b>			
Salaries and wages	\$29,849,124		\$29,849,124
Operating expenses	21,796,000		21,796,000
Contingencies	400,000		400,000
Agriculture promotion	<u>210,000</u>		<u>210,000</u>
Total all funds	\$52,255,124	\$0	\$52,255,124
Less estimated income	<u>52,255,124</u>	<u>0</u>	<u>52,255,124</u>
General fund	\$0	\$0	\$0
FTE	135.00	0.00	135.00
<b>Commerce Department</b>			
Market Study		<u>\$500,000</u>	<u>\$500,000</u>
Total all funds	\$0	\$500,000	\$500,000
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$0	\$500,000	\$500,000
FTE	0.00	0.00	0.00
<b>Bill Total</b>			
Total all funds	\$208,927,066	\$30,834,061	\$239,761,127
Less estimated income	<u>186,507,948</u>	<u>175,165</u>	<u>186,683,113</u>
General fund	\$22,419,118	\$30,658,896	\$53,078,014
FTE	459.25	0.00	459.25

**Senate Bill No. 2014 - Industrial Commission - Senate Action**

	<b>Executive Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$17,710,630	\$172,713	\$17,883,343
Operating expenses	6,330,576		6,330,576
Capital assets	5,800		5,800
Grants - Lignite research	19,500,000		19,500,000
Grants - Bond payments	19,809,969		19,809,969
Total all funds	<u>\$63,356,975</u>	<u>\$172,713</u>	<u>\$63,529,688</u>
Less estimated income	<u>40,937,857</u>	<u>13,817</u>	<u>40,951,674</u>
General fund	\$22,419,118	\$158,896	\$22,578,014
FTE	98.75	0.00	98.75

**Department 405 - Industrial Commission - Detail of Senate Changes**

	<b>Corrects Executive Compensation Package<sup>1</sup></b>	<b>Total Senate Changes</b>
Salaries and wages	172,713	172,713
Operating expenses		
Capital assets		
Grants - Lignite research		
Grants - Bond payments		
Total all funds	<u>\$172,713</u>	<u>\$172,713</u>
Less estimated income	<u>13,817</u>	<u>13,817</u>
General fund	\$158,896	\$158,896
FTE	0.00	0.00

<sup>1</sup> Funding is added due to a calculation error in the executive compensation package.

This amendment provides for the following:

- Amends Section 57-51.1-07.3 to increase the amount allocated to the oil and gas research fund from \$4 million to \$10 million per biennium.
- Amends Section 57-51.1-07 to provide for 5 percent of the amount of oil extraction tax revenue allocated to the resources trust fund, not to exceed \$3 million per biennium, to be transferred to the renewable energy development fund. The executive recommendation provided for an allocation of one-half of 1 percent with no maximum.
- Amends Section 54-17.6-05 to reduce the size of the Oil and Gas Research Council from eight to seven members by removing the representative from an organization that is no longer active--the Northern Alliance of Independent Producers.
- Provides legislative intent relating to the oil and gas research fund and administrative rules for reserve pits.

**Senate Bill No. 2014 - Bank of North Dakota - Senate Action**

	<b>Executive Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Capital assets	\$745,000		\$745,000
BND operations	51,707,928	153,480	51,861,408
Total all funds	<u>\$52,452,928</u>	<u>\$153,480</u>	<u>\$52,606,408</u>
Less estimated income	<u>52,452,928</u>	<u>153,480</u>	<u>52,606,408</u>
General fund	\$0	\$0	\$0
FTE	179.50	0.00	179.50

**Department 471 - Bank of North Dakota - Detail of Senate Changes**

	<b>Corrects Executive Compensation Package<sup>1</sup></b>	<b>Total Senate Changes</b>
Capital assets BND operations	153,480	153,480
Total all funds	\$153,480	\$153,480
Less estimated income	153,480	153,480
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> Funding is added due to a calculation error in the executive compensation package.

**Senate Bill No. 2014 - Housing Finance Agency - Senate Action**

	<b>Executive Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$7,437,231	\$7,868	\$7,445,099
Operating expenses	3,791,758		3,791,758
Grants	29,533,050		29,533,050
HFA contingencies	100,000		100,000
Housing incentive fund		30,000,000	30,000,000
Total all funds	\$40,862,039	\$30,007,868	\$70,869,907
Less estimated income	40,862,039	7,868	40,869,907
General fund	\$0	\$30,000,000	\$30,000,000
FTE	46.00	0.00	46.00

**Department 473 - Housing Finance Agency - Detail of Senate Changes**

	<b>Corrects Executive Compensation Package<sup>1</sup></b>	<b>Provides Transfer to Housing Incentive Fund<sup>2</sup></b>	<b>Total Senate Changes</b>
Salaries and wages	7,868		7,868
Operating expenses			
Grants			
HFA contingencies			
Housing incentive fund		30,000,000	30,000,000
Total all funds	\$7,868	\$30,000,000	\$30,007,868
Less estimated income	7,868	0	7,868
General fund	\$0	\$30,000,000	\$30,000,000
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added due to a calculation error in the executive compensation package.

<sup>2</sup> This amendment provides for a transfer of \$30 million from the general fund to the housing incentive fund during the 2013-15 biennium. The executive budget provided for the transfer to occur during the 2011-13 biennium.

This amendment amends Section 11 of the bill to provide that the transfer of \$30 million from the general fund to the housing incentive fund be made during the period beginning with the effective date of the Act and ending June 30, 2015. The executive budget provided for the transfer to be made in the 2011-13 biennium.

**Senate Bill No. 2014 - Mill and Elevator - Senate Action**

The Senate did not change the executive recommendation for the Mill and Elevator.

**Senate Bill No. 2014 - Commerce Department - Senate Action**

	<b>Executive Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Market Study		\$500,000	\$500,000
Total all funds	\$0	\$500,000	\$500,000
Less estimated income	0	0	0
General fund	\$0	\$500,000	\$500,000
FTE	0.00	0.00	0.00

**Department 605 - Commerce Department - Detail of Senate Changes**

	<b>Adds Funding for a Value-Added Market Study<sup>1</sup></b>	<b>Total Senate Changes</b>
Market Study	500,000	500,000
Total all funds	\$500,000	\$500,000
Less estimated income	0	0
General fund	\$500,000	\$500,000
FTE	0.00	0.00

<sup>1</sup> This amendment adds an appropriation for the Department of Commerce to provide for a value-added market study on renewable energy resources and oil and gas.