2015 SENATE APPROPRIATIONS

SB 2015

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015
1/22/2015
Job # 22365

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Doris E Retz for Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget. (OMB)

Minutes: See attached testimony # 1 - 12

Chairman Holmberg called the committee to order on Thursday, January 22, 2015, at 9:30 am in regards to SB 2015 the Office of Management and Budget. All committee members were present. Allen H. Knudson, Legislative Council and Lori Laschkewitsch, OMB, were also present.

Pam Sharp, Director of OMB (Office of Management and Budget), in favor of SB 2015 gave an overview of budget requests for 2015-17, written Testimony Attached # 1. Went thru page 2 of attachment, with Budget Request for General Fund Ongoing; General Fund One-time, with two proposed amendments: 1. Health Insurance Pool to reduce it from $5M to $2.5M; 2. Student Internship- to change it from One-time to Ongoing. The biggest part of the budget is remodel and addition to the Liberty Memorial building, new home for the Supreme Court. Energy Pool, one time fund as ongoing, repeating what the legislature did the last time, they took all the funds we had recommended in separate agency budgets, for increased costs for salaries and housing for employees in western ND, put it in the pool in OMB, recommended to do the same this year, some agencies support this. General fund for DOT this is the mechanism to get it from the general fund transfer to Highway Fund for infrastructure in western ND. Special roads fund transfer to DOT for improvement to roads to recreational area. Reduction in FTE count by 8 to transfer 7 OMB facility management to the Heritage Center, the eight position is for ITD (11:52- 12:58) Explained the distribution of monies as described on pages 2-5. WICHE is included in the budget. (13:15-21:30)

Chairman Holmberg: Does the Liberty Memorial remodel include repurposing the current Supreme Court area? A guesstimate of how much it would cost?

Pam Sharp it does not, because it would not happen until the next biennium, so we will deal with that in the next budget. The space the Supreme Court is using, we would try to repurpose it at no big cost.

Pam Sharp: **Senator Heckaman**, for student internships we have $200,000 ongoing. We want to increase it by $50,000. We do mean for that to be ongoing money.

Gerald W. VandeWalle, Chief Justice of Supreme Court, we knew we needed new space. My concern about the project was the integrity of the old building, that is a must, and if there would be enough space in the addition. The architects convinced me it could be done, if it is done well. I support it if it's done well and it will meet our space needs. I think it's a good project. This space needs study was done before the budget was proposed (22.34-28:10)

Sally Howega, Supreme Court: no written testimony, just to answer questions about the Supreme Court Space Analysis, Attachment # 2 Senator **Carlisle** on the sketch that we saw there will underground parking and 44 spaces in a small outside parking lot. Right now there is an existing parking lot, that will be dug out so half will be under the addition and the other half will be outside. (28:29 -30:12)

Ken Purdy, Director of HRMS (Human Resources Management Services) for OMB**,** Chair State Personnel Board, explained HRMS functions and duties which overlap and integrate in multiple areas with other agencies. Explained Budget request for the State Internship Program (pages 7 and 8 of testimony #1). (30:37-35:03)

Allen H. Knudson, Legislative Council, **Chairman Holmberg** we have a separate internship program with the law school, funding is different)

Sheila Peterson, Director of the Fiscal Management Division of OMB read her testimony (pages 10 - 11 of Testimony Attached # 1). regarding her division's area of responsibility, the budget categories, the only budget increase is the compensation package which is offset by decreases in data processing and auditing fees this biennium. ((35.54-37:50)

Tag Anderson, Director Risk Management Division of OMB read his testimony (pages 11-12 of Testimony Attached # 1) provided background on the Division, its staff, the requested budget for 2015-17 is all in special funds. (38:26- 40.16)

Sherry Neas, Director of Central Services Division of OMB gave her testimony on pages 13-14 of Testimony Attached # 1. Described her Division's duties, the specially funded programs, and its budget request. (40:35 - 42-01)

John Boyle, Director of the Facility Management Division in OMB gave his testimony on pages 16-17 of Testimony Attached # 1. Explained the division's budget request, most of the increase is attributable to the renovation and addition of the Liberty Memorial Building, the improvement of parking areas, the installation of new signs, upgrades to the capitol building and security enhancements. (42:15- 1:02:24) Answered questions from committee members:

Senator Carlisle: At the end of this biennium: $5.5M is in the Capitol Grounds Planning Commission Budget. $1.4M for identification signs for the capitol which will be: monumental signs, entrance signs to capitol complex, building identification signs, pathway signs, we

are talking about 17-18 signs. $1.4M is an architect provided estimate. Costs of moving the state library are not in there because it won't happen for at least 4 more years.

Senator Mathern: (52.19) we aren't putting all the parking underground because when you compare surface parking versus undergo urn parking, it is almost cost prohibitive. The heat source for the Liberty Memorial building would be geothermal

John Harris, President, CEO Prairie Public Broadcasting in support of this bill see Testimony Attached #3, and attachment #4 Capital Funding Request (1:02:32- 1:04:34)

Aaron Hummel, Administrative Services Commander, ND Highway Patrol, in support of this bill specially the rental assistance and oil patch differential funding Testimony attached # includes statements from oil patch residents and workers.(1:04:39 - 1;07:48) Answered questions from committee members regarding the $500 amount. **Sheila Peterson**, OMB, said data analysis was done to come up with that amount. (1:07:55- 1:11:37)

Terry Traynor, Executive Director ND Association of Counties, in support of funding for the public guardianships in the OMB budget, Testimony Attached # 6. (1:12.09- 1:15:52)

Michael H. Gunsch, Vice Chairman of Friends of Lake Sakakawea Testimony Attached # 7. Answered questions from committee members (1:16:14- 1:21:15)

Ken Tuppa, Friends of Lake Sakakawea, presented three letters, from **Kelly Sorge**, owner of Indian Hills Resort, **Shirley Brentrup**, McKenzie Bay Marine Club and **Bobby Kaplan** with the Sheyenne River Valley National Scenic Byway, Testimony Attached # 8 & 9 in support of transfer of $5M to the special roads fund. (1:21:23- 1:22:05)

Chairman Holmberg the sub-committee on this bill will consist, at this time of Chairman Holmberg, Senator Carlisle and Senator O'Connell

Lynn D Helms, Director, Dept. of Mineral Resources - Oil and Gas Division Testimony Attached # 10. In support of energy impact funding pool Answered questions from committee members (1:22:39-1:26:10)

Marcie Wuitschick, HR Director of Dept. of Human Services, testified in favor of SB 2015, Testimony Attached # 11, does not have prepared testimony handed out a turnover comparison of Human Service Centers for the last 4 years. (1:26:37 - 1:28:44)

Darcy Rosendahl, Deputy Director for DOT, in support of the energy development impact funding pool, Testimony Attached # 12. (1:29:15-1:31:30)

No additional testimony Chairman Holmberg closed the hearing on 2015.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015
2/2/2015
Job # 22972

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Dora E Perez

Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget. (OMB)

Minutes:

Legislative Council - Adam Mathiak
OMB - Sheila Peterson, Lori Laschkewitsch, and Pam Sharp

Chairman Holmberg called the sub-committee to order on SB 2015. Sub-committee members Senator Carlisle and Senator O'Connell were also present.

Chairman Holmberg: on the points for discussion we sense that we won't know what our numbers are. Folks keep talking about having triggers or flexibility within the budget. Have to be careful with triggers. Put on thinking caps: if we're going to have a series of potential triggers, what are they for (increased spending, reduction in taxes, etc.)? Is there a method to the madness, or are the 6 people on OMB going to do it all? Do we want to have a process to decide how to move? Need to be careful we don't turn over too much power to the budget section

Pam Sharp: triggers work best for one-timer projects rather than for operating expenditures.

Chairman Holmberg: I heard, **if** we take Governor's Budget as presented and flop on top of it new revenue forecasts, there are about 129, and look at the two major tax decreases - $4M. You are right on that the one timers are easier to plan for and do, at the same time they are more prone to whoever gets to sit at the table. Need method to do this as fairly as possible.

Senator Carlisle: Green sheet item #13, to build a new Governor's residence. $1.4M should come out from the $5M in Capitol Grounds Commission and leave $3.6M for residence. Why couldn't it be in SB 2304?

Chairman Holmberg SB 2304 is for the next biennium, they're not building until after the election.

Pam Sharp: Yes, there is $5M and the identification signs are a priority of the Capitol grounds commission.

Chairman Holmberg: Adam that is one item to look at, and at the projection for the end of this biennium.

Senator Carlisle: number 19, same page, special roads fund - shouldn't that be in DOT budget which is over in the House? (Inaudible portion of recording) Numbers 8, same page, if SB 2304 passes, the new residence passes, do you plan to do security improvements?

Chairman Holmberg not until 2017, **Pam** said it is mostly cameras for security and that sort of things

Chairman Holmberg: looking at number 15, $40M - to renovate the Liberty Memorial Building to house Supreme Court. We struggle right now on the one time funding category. House plans to remove 1-1 contribution to PERS. The point could be that if they are taking it out, in the compensation package there is money to help offset that.

Pam Sharp: That 1% for the state matches is just one year, about $4M. We made the compensation decision before we made the decision to do the 1-1, so it wasn't bumped up an extra % to pay for that 1% contribution of the state employees (Adam will check)

Chairman Holmberg if legislature removed the bump up in payment, the dollar amount we are saving state employees is only $4.somthingM in general fund.

Senator Carlisle: Capital Grounds - How did they get from $3M to over $5M; oil money?

Pam Sharp: Yes they get some royalties that is how it grows. At the end of 2015 it's projected to be $5.4M. In investments there is over 9 thousand surface acres located in 20 counties, 27,688 mineral acres located in 38 counties, it includes 2 wells in Montrail County, waiting completion and 4 currently being drilled. (11:50)

Chairman Holmberg was there estimation as to the amount of money that could come into the fund? Looking at the new governor's residence in 2017. Not on this sheet. There is a onetime funding for mechanical upgrades in the Heritage Center, #10 - why is that not in the Historical Society budget?

Pam Sharp: OMB has responsibility to keep the buildings on the capitol grounds running it's a heat pump that has lived way beyond it's years, needs to be updated.

Chairman Holmberg: the SOS with space trailer for Secretary of State?

Pam Sharp: Committee gave unanimous Do Not Pass

Chairman Holmberg: Elevators need work. (#12)
Pam: It will include everything the elevators need to be brought up to date.

Senator Carlisle: in #5 - why the plus $362,000 - for Prairie Public

Pam Sharp because there have been no adjustment to their ongoing operating money that the state provides to them for 10 years. Not even inflationary adjustments

Senator Carlisle #17 - energy pool? With oil declining prices, will that change?

Pam Sharp: this is the agency energy impact pool, pool that agencies go to if they need to pay their employees more just to keep them working (location employees) because they are so easily recruited away (FTEs in oil patch with high rents, etc.).

Chairman Holmberg: #14, parking lot, were we doing anything with underground parking?

Senator Carlisle: all improvements (no construction) are already done

Pam Sharp remember amendment for (#16) the health insurance pool (20:00)

Chairman Holmberg: WICHE -we will make sure that money human services refused to pay is reflected in the OMB money, that it is covered. Hope they don't turn around and send a bill to Human Services.

Lori Laschkewitsch Maggie is aware that they may get that and will send that here.

Chairman Holmberg - NCSL is paid. Council of State Governments is just our dues. In the legislative budget there is money to help support the Midwest conference next summer, $350,000.

Senator Carlisle there's 60 some businesses - where the checks come from. It's looking good. We're going to put on quite a show.

Chairman Holmberg: the Historical Society issue of 7FTEs is a net zero increase for the state because it is an OMB transfer of employees to the Historical Society. Human Services has vacancies because historically you underfund their salary package because there is going to be huge turnover. Legislative Council has new FTEs- 4 in fiscal. (He mentioned the long standing vacancies within different offices/agencies). We will coordinate with the house on transfers. Closed the hearing on SB 2015.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015
2/17/2015
Job # 23993
☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Emmery Brattey for Rox Laning

Explanation or reason for introduction of bill/resolution:

Minutes: *Attachments: #1*

Legislative Council - Adam Mathiak
OMB - Lori Laschkewitsch

Chairman Holmberg called the sub-committee to order on SB 2015 & SB 2227. **Senator Carlisle** and **Senator O'Connell** were also present.

Chairman Holmberg stated that the subcommittee was looking at melding 2015 & 2227 together. He mentioned looking at OMBs bill and add funding to that. OMB has $187,000; this bill has $300,000 in it.

Pam Sharp Director of OMB (Office of Management and Budget): We have $187,000 times two.

Senator Carlisle: If you're looking for figures, I'd be comfortable with that $500,000 total figure for community development. Our district uses those alot and sentences people to community service. We have to go to $125,000 in the OMB because we're at $375,000 now.

Chairman Holmberg: Adam can you put that down as an addition? We want a total of $500,000 in this budget. How are they divided out?

Pam Sharp: This is the allocation that we got from the community services groups. I presume if you're going increase it to $500,000 total we would just want to allocate the difference equally.

Chairman Holmberg: Adam can you see that that's done appropriately? At the time downstairs, we would take SB 2227 and eliminate it and then hold it until after we had SB 2015 on the floor. Adam, do you have a list of things up to this point?

Adam Mathiak, Legislative Council: It's still a working list. We talked about #13 on the green sheet (see attachment #1) and changing it to the capital building fund rather than the general fund. #18 & #19 on the green sheet would be taken care of in the DOT bill. The House Governemtn Operations is going to wait to finalize the DOT budget until after the Surge funding bill.

Senator Carlisle: The $1.4M, is that the signage? Is the money in there? Yes

Chairman Holmberg: Yes. As I recall, the money was in there and if at the end of the session, the legislature decides to do the governor's residence, the money will then be there.

Chairman Holmberg: Is #16 the correct the amount needed?

Pam Sharp: We can cut both of those amounts in half, so we'd need a total of $2.5M for the general fund and $2.5M for special funds.

Chairman Holmberg: We are going to remove #15 from the bill which is the renovation and expansion of the liberty memorial building.
The significant audit findings related to lack of reconciliation in the surplus property division, can you tell us about that? (see attachment #1, page 3)

Pam Sharp: The issue has been resolved.

Senator Carlisle: #8 on the Securities system, we can do that at the end if they don't build a new one? Or how do you want to handle that?

Chairman Holmberg: I thought that was something of a critical nature because of the security issue.

Pam Sharp: It's for cameras.

Senator Carlisle: The special roads fund (#19), did we decide to send it over to the DOT budget?

Chairman Holmberg: Yes. We also already talked about the capital elevators that need work. Is it the original motors?

Pam Sharp: They are maintained but outdated.

Chairman Holmberg: The FTE is not a concern, you are transferring over to the Heritage Center people who have already been working for the state. Their salaries went over to their budget.

Senator Carlisle: I wrote down for #10 Heat pump, does that relate to the Heritage Center?

Senator O'Connell: That's the heating and cooling system of the Heritage Center.

Chairman Holmberg: What's the square footage of the old versus the new Heritage Center?

Lori Laschkewitsch, OMB: The new more than double the size so we can find out.

Chairman Holmberg: The Energy Impact funding pool, the 6, 2, 8, and 5, you're still comfortable with that number as being appropriate? And when was the last time job service issued their costs?

Sheila Peterson, Director of the Fiscal Management Division of OMB: Yes. There are two different pieces: (1) The DOT has done the housing survey ever six months. (2) The salary data which came from Job Service ND by county was an analysis that was required to compare the average salary of oil counties vs. non-oil. We did that just at the beginning of the biennium.

Pam Sharp: The Association of Counties did offer an amendment.

Terry Traynor, Executive Director ND Association of Counties: Last session the legislature matched the money with the counties to move towards a state reimbursement of the indigent guardianships. The OMB honored the legislative commitment to go to a full state appropriation: 100% - both halves from the last biennium. We did see and grew from 180 indigent wards and we expect to hit 225 by the end of this biennium. If this continues, we'll hit 357 by the end of the biennium. Based on the current rate that we reimburse the guardians across the state which is $8.33/day to take care of these individuals, we'll be $198,000 short.

Terry Traynor: What I put in there was $308,000 at a 4% increase. It's $280,600 at a 3-3.

Senator O'Connell: Page 3, the management of school funds. I need to be refreshed, I can't remember what happened to that.

Pam Sharp: It's just an outdated statute that we don't do that anymore. It should be repealed.

Chairman Holmberg: You're supposed to keep a separate account of the school fund and of the interest and income and that's not done by you.

Pam Sharp: Yes, we should repeal it because it doesn't make sense anymore.

Chairman Holmberg: If you go to the 2nd page of OMB testimony, it goes to the request for increases, discussion of the FTE reductions that we have, and then they talk about the various different items. #4 the language transferring $700M from the strategic investment fund to the general fund, is that part of what is being considered the Surge bill now?

Pam Sharp: Transferring that money from the strategic investment fund to the general fund was part of how we funded all of the onetime expenditures. The governor's surge bill

spent a smaller amount, but $700M was available for transferring to the general fund. If the surge bill goes out the way it's proposed, the $700M will not be there.

Chairman Holmberg: We will know what they have agreed to in the near future and then we can adjust this. Are there any other sections that need adjusting because of what the legislature has already done?

Senator O'Connell: #6 is basically shoring up special road funds instead of having the interest from the DOT checking account, or is that a different road fund?

Pam Sharp: Section 6 relates to $5M coming out of the general fund or the special road fund to fix up the roads leading to recreational areas because the highway funding and counties do not cover that.

Senator O'Connell: That would still be in conjunction with the 85% of the interest that the DOT gets, that would also go into that fund, or would part of that funding be eliminated?

Pam Sharp: This doesn't have anything to do with anything else, this just takes $5M from the general fund to help pay for those roads to recreational areas. We're talking about different compensation package, that is reflected in this bill.

Chairman Holmberg: That is on our list. Section 14 would have to be adjusted. That talks about the 2-5%.

Adam Mathiak: There was a typo in section 13, there was a reference to section #11. We can update that correction.

Senator Carlisle: What kind of time frame do you need?

Chairman Holmberg: We have to wait to start looking at impact of Surge funding that is being proposed.

The committee discussed the Surge bill and funding.

Lori Laschkewitsch: The old Heritage Building was 120,000 sq. feet. The new addition is 97,000 sq.

Chairman Holmberg: We will visit with Adam Mathiak to put together amendments.

Chairman Holmberg closed the hearing on SB 2015.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015
2/23/2015
Job # 24237

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

This is a vote on the budget of the Office of Management and Budget.

Minutes: Attachment 1 - 2.

Legislative Council - Adam Mathiak & Sheila Sandness
OMB - Lori Laschkewitsch

Chairman Holmberg handed out the Base Level Funding Changes - Attachment 1. Then handed out amendment 15.8148.01003 - Attachment 2.

Senator Carlisle moved amendment 15.8148.01003.

Chairman Holmberg went over the amendment and said there weren't many changes. There were the same changes in all budgets of the salary increases, the market equity and the insurance contribution. There was a funding change on the capitol entrance and building signage and recommended $1.4M from the general fund. We have a Capitol Grounds Fund that has plenty of money for capitol grounds and signage. Removed the $40M for the Liberty Memorial building.

Adam Mathiak, Legislative Council said a new amendment will be coming down with a correction. The new amendment will be .01004.

Senator Carlisle moved amendment 15.8148.01004
Senator Sorvaag seconded.
Voice vote carried.

Senator Mathern had some questions about building projects whether to wait because the economy is in a turn down or go ahead and build by securing a bond.

Chairman Holmberg said they discussed that with some building projects that had been put on hold. Sometimes building the whole building now rather than in phases would be better.
Asked Sheila about bonding.

Sheila Peterson, OMB: Statue allows for up to 1/10 of 1% of sales tax to be dedicated to paying off bonds. We haven't issued bonds for many years. The capacity for bonding in 2015-2017 and still staying within that 10% of 1 cent sales tax is just under $370M. That can be found on page 97 of the Governor's Executive Recommendation.

Voice vote approval on amendment.

Senator Carlisle moved Do Pass as Amended.
Senator O'Connell seconded.

A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 0

Senator Holmberg carry the bill on the floor.

15.8148.01004
Title.02000
Fiscal No. 2

Prepared by the Legislative Council staff for
Senator Holmberg
February 23, 2015

TV
2/23/15

PROPOSED AMENDMENTS TO SENATE BILL NO. 2015

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	$19,803,315	$313,779	$20,117,094
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	5,278,944	7,530,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	1,109,200	1,937,800
Prairie public broadcasting	1,337,138	1,862,862	3,200,000
State student internship program	200,000	50,000	250,000
Energy impact funding pool	0	14,700,000	14,700,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$27,719,370	$68,196,688
Less estimated income	8,730,630	10,894,705	19,625,335
Total general fund	$31,746,688	$16,824,665	$48,571,353"

Page 2, remove lines 13 through 31

Page 3, replace lines 1 through 3 with:

"Capitol complex parking lot repairs	$4,000,000	$0
Health insurance pool	2,000,000	0
Exterior restoration of legislative and j-wing	1,500,000	0
Repair and cleaning capitol and j-wing	1,200,000	0
Capitol south entrance	1,000,000	0
Prairie public broadcasting	600,000	1,500,000
North Dakota 125th anniversary coordinator	190,000	0
Energy impact funding	8,500,000	0
Transfer to property tax relief	315,210,000	0
Information technology hardware relocation study	200,000	0
Student internship	0	50,000
Facility projects	0	2,205,000
Signage on the capitol grounds	0	1,400,000
West parking lot repair	0	1,300,000
ACA health insurance	0	5,000,000
Energy impact pool	0	14,700,000
Total all funds	$334,400,000	$26,155,000
Less estimated income	5,500,000	12,400,000
Total general fund	$328,900,000	$13,755,000"

Page 3, remove lines 14 through 31

Page 4, replace lines 1 and 2 with:

"**SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND.** The estimated income line item in section 1 of this Act includes $1,400,000 from the capitol building fund for capitol building entrance and signage projects."

Page 4, line 5, replace "$375,000" with "$500,000"

Page 4, replace lines 10 through 24 with:

"Barnes County	$12,121
Bismarck (urban)	27,057
Bismarck (rural)	14,223
Devils Lake	14,329
Dickinson	16,911
Fargo	32,169
Grand Forks	26,404
Jamestown	18,511
Minot	21,592
Richland County	13,241
Rugby	15,543
Sargent County	10,781
Wells County	10,919
Williston	16,199
Total	$250,000"

Page 5, line, 29, replace "11" with "12"

Page 6, line 4, replace "three to five" with "two to four"

Page 6, remove lines 5 and 6

Page 6, line 7, remove "employee whose salary is in the second quartile of the employee's assigned salary range"

Page 6, line 12, remove "market and"

Page 6, line 19, after "employees" insert ", excluding employees under the control of the state board of higher education,"

Page 6, line 20, replace "three to five" with "two to four"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Office of Management and Budget - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	$19,803,315	$313,779	$20,117,094
Operating expenses	14,356,788	(150,003)	14,206,785
Capital assets	2,251,065	5,278,944	7,530,009
Grants	430,000	125,000	555,000
Emergency commission contingency fund	700,000		700,000
Prairie public broadcasting	1,337,138	1,862,862	3,200,000
State student internship program	200,000	50,000	250,000
Guardianship grants	828,600	1,109,200	1,937,800
Accrued leave payments	570,412	(570,412)	
Health insurance pool - temp employees		5,000,000	5,000,000
Energy impact funding pool		14,700,000	14,700,000

Total all funds	$40,477,318	$27,719,370	$68,196,688
Less estimated income	8,730,630	10,894,705	19,625,335
General fund	$31,746,688	$16,824,665	$48,571,353
FTE	130.50	(8.00)	122.50

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

	Adjusts Funding for Base Payroll Changes[1]	Adds Funding for Salary and Benefit Increases[2]	Adjusts Base Level Funding[3]	Adds Funding for Facility Management Projects[4]	Adds Funding for Central Services Equipment[5]	Adds Funding for Utility Increases[6]
Salaries and wages	($913,409)	$1,227,188				
Operating expenses	1		(800,004)			650,000
Capital assets			(2,251,065)	2,425,009	200,000	
Grants						
Emergency commission contingency fund						
Prairie public broadcasting						
State student internship program						
Guardianship grants						
Accrued leave payments	(570,412)					
Health insurance pool - temp employees						
Energy impact funding pool						
Total all funds	($1,483,820)	$1,227,188	($3,051,069)	$2,425,009	$200,000	$650,000
Less estimated income	(1,477,206)	202,895	(430,984)	0	200,000	0
General fund	($6,614)	$1,024,293	($2,620,085)	$2,425,009	$0	$650,000
FTE	(8.00)	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Prairie Public Broadcasting[7]	Increases Funding for Guardianship Grants[8]	Increases Funding for Community Service Supervision Grants[9]	Adds Funding for One-Time Items[10]	Total Senate Changes
Salaries and wages					$313,779
Operating expenses					(150,003)
Capital assets				4,905,000	5,278,944
Grants			125,000		125,000
Emergency commission contingency fund					
Prairie public broadcasting	1,862,862				1,862,862
State student internship program				50,000	50,000
Guardianship grants		1,109,200			1,109,200
Accrued leave payments					(570,412)
Health insurance pool - temp employees				5,000,000	5,000,000
Energy impact funding pool				14,700,000	14,700,000
Total all funds	$1,862,862	$1,109,200	$125,000	$24,655,000	$27,719,370
Less estimated income	0	0	0	12,400,000	10,894,705
General fund	$1,862,862	$1,109,200	$125,000	$12,255,000	$16,824,665
FTE	0.00	0.00	0.00	0.00	(8.00)

[1] Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

[2] The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	$599,321	$118,363	$717,684
Health insurance increase	424,972	84,532	509,504
Total	$1,024,293	$202,895	$1,227,188

[3] Base level funding is reduced from the general fund ($2,620,085) and special funds ($430,984) related to the removal of prior biennium project funding.

[4] Funding is increased by $2,425,009 from the general fund for the Facility Management Division of the Office of Management and Budget relating to heat pump, carpet replacement, and other maintenance projects.

[5] Funding of $200,000 from special funds is added for central services equipment.

[6] Funding of $650,000 from the general fund is added for utility rate increases.

[7] Funding is added for Prairie Public Broadcasting ongoing operating costs, of which $362,862 is ongoing funding and $1.5 million is one-time funding.

[8] Funding is added for guardianship grants to provide a total of $1,937,800.

[9] Funding is added for community service supervision grants to provide a total of $500,000.

[10] One-time funding is added for the following:

	General Fund	Other Funds	Total
Mailroom equipment upgrades	$30,000		$30,000
Governor's residence security enhancements	175,000		175,000
Student internship program	50,000		50,000
Mechanical upgrades in Heritage Center	600,000		600,000
Capitol elevator upgrade	1,400,000		1,400,000
Capitol entrance and building signs (Capitol building fund)		$1,400,000	1,400,000
West parking lot repair	1,300,000		1,300,000
Health insurance pool for temporary employees	2,500,000	2,500,000	5,000,000
Energy impact funding pool	6,200,000	8,500,000	14,700,000
Total	$12,255,000	$12,400,000	$24,655,000

This amendment includes sections to provide the following:

- A $657 million transfer from the property tax relief sustainability fund to the general fund;
- Guidelines for the distribution of community service supervision grants;
- Carryover authority for funding appropriated in the 2013-15 biennium for the fiscal management division;
- Authorization to transfer funds appropriated for the state student internship program to other agencies;
- Authorization to transfer funds appropriated from the energy development impact funding pool line item to other agencies;
- Authorization to transfer funds to eligible state agencies from the temporary employee health insurance pool;
- Authorization for state agencies to transfer funding between line items for the 2015-17 biennium compensation increases;
- Legislative intent for a 2 to 4 percent annual performance compensation adjustment for state employees; and
- The repeal of North Dakota Century Code Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.

This amendment also removes three sections related to the following transfers:

- $700 million from the strategic investment and improvements fund;
- $904,115,558 from the general fund to the highway fund; and

- $5 million from the general fund to the special roads fund.

Date: 2-23-15
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2015

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 15.8148.~~01003~~ 01004 (New one will be delivered)

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Carlisle Seconded By Sorvaag.

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Heckaman		
Senator Bowman			Senator Mathern		
Senator Krebsbach			Senator O'Connell		
Senator Carlisle			Senator Robinson		
Senator Sorvaag					
Senator G. Lee					
Senator Kilzer					
Senator Erbele					
Senator Wanzek					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Voice Vote carried

Date: 2-23-15
Roll Call Vote #: 2

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2015

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description:

Recommendation: ☐ Adopt Amendment
☑ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☑ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐

Motion Made By Carlisle Seconded By O'Connell

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Heckaman	✓	
Senator Bowman	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator O'Connell	✓	
Senator Carlisle	✓		Senator Robinson	✓	
Senator Sorvaag	✓				
Senator G. Lee	✓				
Senator Kilzer	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No

Absent

Floor Assignment Holmberg

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2015: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2015 was placed on the Sixth order on the calendar.

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	$19,803,315	$313,779	$20,117,094
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	5,278,944	7,530,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	1,109,200	1,937,800
Prairie public broadcasting	1,337,138	1,862,862	3,200,000
State student internship program	200,000	50,000	250,000
Energy impact funding pool	0	14,700,000	14,700,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$27,719,370	$68,196,688
Less estimated income	8,730,630	10,894,705	19,625,335
Total general fund	$31,746,688	$16,824,665	$48,571,353"

Page 2, remove lines 13 through 31

Page 3, replace lines 1 through 3 with:

"Capitol complex parking lot repairs	$4,000,000	$0
Health insurance pool	2,000,000	0
Exterior restoration of legislative and j-wing	1,500,000	0
Repair and cleaning capitol and j-wing	1,200,000	0
Capitol south entrance	1,000,000	0
Prairie public broadcasting	600,000	1,500,000
North Dakota 125th anniversary coordinator	190,000	0
Energy impact funding	8,500,000	0
Transfer to property tax relief	315,210,000	0
Information technology hardware relocation study	200,000	0
Student internship	0	50,000
Facility projects	0	2,205,000
Signage on the capitol grounds	0	1,400,000
West parking lot repair	0	1,300,000
ACA health insurance	0	5,000,000
Energy impact pool	0	14,700,000
Total all funds	$334,400,000	$26,155,000
Less estimated income	5,500,000	12,400,000
Total general fund	$328,900,000	$13,755,000"

Page 3, remove lines 14 through 31

Page 4, replace lines 1 and 2 with:

"**SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND.** The estimated income line item in section 1 of this Act includes $1,400,000 from the capitol building fund for capitol building entrance and signage projects."

Page 4, line 5, replace "$375,000" with "$500,000"

Page 4, replace lines 10 through 24 with:

"Barnes County	$12,121
Bismarck (urban)	27,057
Bismarck (rural)	14,223
Devils Lake	14,329
Dickinson	16,911
Fargo	32,169
Grand Forks	26,404
Jamestown	18,511
Minot	21,592
Richland County	13,241
Rugby	15,543
Sargent County	10,781
Wells County	10,919
Williston	16,199
Total	$250,000"

Page 5, line, 29, replace "11" with "12"

Page 6, line 4, replace "three to five" with "two to four"

Page 6, remove lines 5 and 6

Page 6, line 7, remove "employee whose salary is in the second quartile of the employee's assigned salary range"

Page 6, line 12, remove "market and"

Page 6, line 19, after "employees" insert ", excluding employees under the control of the state board of higher education,"

Page 6, line 20, replace "three to five" with "two to four"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Office of Management and Budget - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	$19,803,315	$313,779	$20,117,094
Operating expenses	14,356,788	(150,003)	14,206,785
Capital assets	2,251,065	5,278,944	7,530,009
Grants	430,000	125,000	555,000
Emergency commission contingency fund	700,000		700,000
Prairie public broadcasting	1,337,138	1,862,862	3,200,000
State student internship program	200,000	50,000	250,000
Guardianship grants	828,600	1,109,200	1,937,800
Accrued leave payments	570,412	(570,412)	
Health insurance pool - temp employees		5,000,000	5,000,000
Energy impact funding pool		14,700,000	14,700,000
Total all funds	$40,477,318	$27,719,370	$68,196,688
Less estimated income	8,730,630	10,894,705	19,625,335
General fund	$31,746,688	$16,824,665	$48,571,353
FTE	130.50	(8.00)	122.50

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

	Adjusts Funding for Base Payroll	Adds Funding for Salary and Benefit	Adjusts Base Level Funding[3]	Adds Funding for Facility Management	Adds Funding for Central Services	Adds Funding for Utility Increases[6]

	Changes[1]	Increases[2]		Projects[4]	Equipment[5]	
Salaries and wages	($913,409)	$1,227,188				
Operating expenses	1		(800,004)			650,000
Capital assets			(2,251,065)	2,425,009	200,000	
Grants						
Emergency commission contingency fund						
Prairie public broadcasting						
State student internship program						
Guardianship grants						
Accrued leave payments	(570,412)					
Health insurance pool - temp employees						
Energy impact funding pool						
Total all funds	($1,483,820)	$1,227,188	($3,051,069)	$2,425,009	$200,000	$650,000
Less estimated income	(1,477,206)	202,895	(430,984)	0	200,000	0
General fund	($6,614)	$1,024,293	($2,620,085)	$2,425,009	$0	$650,000
FTE	(8.00)	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Prairie Public Broadcasting[7]	Increases Funding for Guardianship Grants[8]	Increases Funding for Community Service Supervision Grants[9]	Adds Funding for One-Time Items[10]	Total Senate Changes
Salaries and wages					$313,779
Operating expenses					(150,003)
Capital assets				4,905,000	5,278,944
Grants			125,000		125,000
Emergency commission contingency fund					
Prairie public broadcasting	1,862,862				1,862,862
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General fund	$1,862,862	$1,109,200	$125,000	$12,255,000	$16,824,665
FTE	0.00	0.00	0.00	0.00	(8.00)

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2015 HOUSE APPROPRIATIONS

SB 2015

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

SB2015
3/12/2015
Recording Job# 24705

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to repeal section 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; and to provide legislative intent.

Minutes: See attachments A and B

Chairman Thoreson: Opened the hearing on SB2015.

Pam Sharp, Director, ND Office of Management and Budget: See testimony attachment A.

Jerry VandeWalle, Chief Justice, ND Supreme Court: Testified in support of SB2015.

Vice Chairman Brandenburg: Is there any way that you can get some round pillars on the new building?

Pam Sharp: It's not necessarily what the building will look like; it's an architect's interpretation.

Vice Chairman Brandenburg: So you're just looking for dollars?

Pam Sharp: That's right.

Representative Glassheim: Can you go through your need for this now as opposed to four years from now?

Jerry VandeWalle: I would assume that it's going to take four years to build. Our need is right now and it's going to grow. That's why we're looking for some temporary space in the judicial wing.

Pam Sharp continued with her presentation.

Vice Chairman Brandenburg: This is the total cost?

Pam Sharp: This is the increased cost.

Vice Chairman Brandenburg: What's the total cost?

Pam Sharp: The Senate appropriations committee added a little money; so now I think it's $2 million.

Lori Laschkewitsch, Fiscal Analyst, ND Office of Management and Budget: That's correct. It was $1.7 million and they added $280,000.00.

Pam Sharp continued with her presentation.

Vice Chairman Brandenburg: The new style building doesn't match up with the old building. You should have something that would match.

Pam Sharp: We asked for just a rendering of what it could potentially look like. We didn't have any money to spend. We needed to get a cost estimate for it and an idea of what it could look like.

Vice Chairman Brandenburg: The size might be like but how it would look might be totally different.

Pam Sharp: Right.

Representative Boehning: We have $40 million for the supreme court; how much is it going to take to move the library. Do we have any estimates on that?

Pam Sharp: If this would go forward, the library would stay there for two more years. The library would not have to move out until next biennium.

Representative Boehning: We're not moving at a $40 million building; we're looking at $60 million. We need to have some estimates on that because we're not just looking at $40 million here.

Pam Sharp: I don't see building a new building for the library. I see moving them into some space in the state capitol or renting some space for a library. It could be that the books are in some storage place that's accessible to them and then we'd rent a smaller space for the actual library staff.

Representative Boehning: A lot of people use the library. I think we should be looking at what we're going to do with the library before we make a decision on this.

Pam Sharp continued with her presentation.

Representative Kempenich: Do you have breakdowns of the last energy pool we put together?

Pam Sharp: We do.

Pam Sharp continued with her presentation.

Vice Chairman Brandenburg: So you're taking these FTE's and moving them over to the heritage center. Do you need to replace them back in OMB?

Pam Sharp: We don't need to replace them. Right now they're employed by facility management but they're working full time at the heritage center.

Pam Sharp continued with her presentation.

Representative Kempenich: What happened with the historical society? Did they keep all six of the additional ones that they're asking for?

Pam Sharp: I don't know what the status of their FTE's are right now.

Pam Sharp continued with her presentation.

Vice Chairman Brandenburg: What did they do with the transfers from the general fund to the highway tax distribution fund to the special road fund? There was always a double entry there. What changed?

Pam Sharp: In our budget recommendation we had recommended that $909 million be transferred from the general fund to the highway tax distribution fund and then DOT would be able to spend out of their highway tax distribution fund. They just eliminated that transfer. I believe they eliminated some of that funding as well. The way it's sitting in the DOT bill is it's a direct appropriation from the general fund.

Vice Chairman Brandenburg: It went from $904 million to $504 million. The road fund went from $5 million to $1 million. You're trying to eliminate the double entry?

Pam Sharp: The transfer language is in DOT's bill not OMB's bill anymore.

Vice Chairman Brandenburg: It looks like they got twice the money when you look at their budget. Is the double entry what you're trying to eliminate?

Pam Sharp: No. We have to have a transfer from the general fund to the highway tax distribution fund; and then they need to have authority to spend that money out of the highway tax distribution fund. That would be special fund authority.

Vice Chairman Brandenburg: You're giving them authority right away?

Pam Sharp: Yes, it looks like it.

Pam Sharp continued with her presentation.

Representative Kempenich: You're increasing the contingency on the emergency commission?

Pam Sharp: We're keeping that at the same level.

Vice Chairman Brandenburg: Looking at the authorization that you have for some funds and some that you don't; we may have to have some more explanation on that.

Pam Sharp: Absolutely.

Representative Kempenich: What does that guardianship program entail?

Pam Sharp: That was authorized last biennium and it's in conjunction with the association of counties. It's to provide funding for guardianships.

Representative Kempenich: The courts have initiatives also.

Pam Sharp: The courts have been involved in that as well.

Ken Purdy, Director, ND Office of Management and Budget Human Resource Management Services: See testimony attachment A and B.

Representative Hogan: On your internship program you provide the 50% match for state agencies?

Ken Purdy: Right.

Representative Hogan: Then the agency has to come up with the other 50% or does it come from the universities at all?

Ken Purdy: The agencies have to fund the other 50%. Either they planned for some internship work or they use temporary salary dollars to do that.

Representative Hogan: In many of our hearings we're hearing about the workforce shortage and the difficulty of recruiting/training employees. Are there particular areas where this internship has been particularly helpful?

Ken Purdy: I think all those areas you mentioned. It's in a wide variety of occupations.

Representative Hogan: Across the board?

Ken Purdy: Across the board; it's wide ranging.

Representative Kempenich: Some of these agencies are still upside down. How do you work with them?

Ken Purdy: That is the thrust of the targeted market. We identified several agencies in the situation you're describing. That's one of the focuses of that targeted occupation. The other was zeroing in on some occupations where we found huge turnover or market disparity issues.

Representative Glassheim: Is there a specific pool in the budget for these things you're talking about?

Ken Purdy: It was in the executive budget recommendation.

Representative Glassheim: How much was that for?

Ken Purdy: About $12 million for a dozen agencies.

Representative Glassheim: The Senate took it out?

Ken Purdy: Yes. The Senate took it out of the agency budget.

Representative Kempenich: The landscape changed quite a bit but we're still going to have to deal with it.

Ken Purdy: The landscape is changing.

Sheila Peterson, Director of Fiscal Management, ND Office of Management and Budget: See testimony attachment A.

Tag Anderson, Director of Risk Management, ND Office of Management and Budget: See testimony attachment A.

Representative Skarphol: I see you have an increase in your premiums of 23.1% based on what you're requesting. Is that a correct assumption?

Tag Anderson: I'm not sure I'm following.

Representative Skarphol: The dollars appropriated for the risk management worker's compensation fund are increasing by 23.1%. This biennium it's $288,260.00 to $354,835.00; I'm wondering if you're anticipating that kind of increase in your worker's compensation costs.

Tag Anderson: The premium dollars that are billed to each individual agency is determined by WSI; then we take our discount program and reduce it.

Representative Skarphol: I'm puzzled why you need the increase if there's not an increased cost associated with WSI? If there's an increased cost, should employers anticipate something similar?

Tag Anderson: The increase is on our budget for our staff. It's not the actual amount for everyone.

Sherry Neas, Director Central Services Division, ND Office of Management and Budget: See testimony attachment A.

Representative Hogan: We've had significant growth in state government but you're able to reduce an FTE. Can you tell us how that happened?

Sherry Neas: We were able to consolidate duties in central duplicating. We looked at both the general fund and special fund; and consolidated some administrative duties.

Chairman Thoreson: Recessed the hearing.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

SB2015
3/12/2015
Recording Job# 24715

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to repeal section 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; and to provide legislative intent.

Minutes: Attachment A, C, D, E, F

Chairman Thoreson: Reopened the hearing on SB2015.

John Boyle, Director Facility Management, ND Office of Management and Budget: See testimony attachment A.

Chairman Thoreson: It does or doesn't reflect?

John Boyle: It does reflect.

Chairman Thoreson: If we were to continue with that it would $19,489,698.00.

John Boyle: That's correct.

John Boyle continued with his presentation.

Chairman Thoreson: Was there not a plan to build a mirror building across the capitol grounds for the court?

John Boyle: The master plan does call for a building on the west side of the mall opposite of the Liberty Memorial building. That concept went away when workforce safety built their building. That 110,000 sq. ft. building was a replacement of that building.

Chairman Thoreson: Has there been any looking at building a new building instead?

John Boyle: There was; the cost of that would have been closer to $70 million. So we thought for $40 million we could achieve the same thing.

Representative Skarphol: The $70 million project you said parking and everything. Tell us about the parking.

John Boyle: The new building probably wouldn't have a prominent location on the capitol mall. The master plan calls for two new buildings east of the DOT and east of the J-wing building; each with a gross square footage of 80,000 sq. ft. You'd build that building and then you'd have a parking garage.

Representative Skarphol: There never was an estimate of the mirror image of the existing library?

John Boyle: No there wasn't. That's one of the most beautiful areas of the capitol grounds. We haven't really looked at that as an option.

Representative Skarphol: The rumor I heard was they were going to build a new building with underground parking with a tunnel into the capitol; and make the current legislative parking lot into that walking area.

John Boyle: To connect a tunnel that far would be an exorbitant amount of money.

John Boyle continued with his presentation.

Chairman Thoreson: Do you have a diagram?

John Boyle: I can show that to you

Representative Boehning: What's the life expectancy of a parking ramp?

John Boyle: Because it's built out of concrete, it should last 100 years. If you look at the total cost of maintaining paved parking lots; you're going to replace them every 20 years.

Representative Boehning: I've heard that they're only good for 25 years.

John Boyle: When the planning commission put together the whole parking plan, it was a phase 3 project. Things have changed.

Representative Skarphol: Is the second level covered?

John Boyle: No it's not. As you drive out to 4th street you're driving down hill. We would just dig out the closest part by the capitol and pour a pad and do just one level above it. It is designed to add a third level; it's an additional $1.2 million out of the $13 million.

Representative Glassheim: Is there any possibility that out of the capitol ground funds, they could pay for part of the Supreme Court expansion? Isn't that an appropriate use of that money?

John Boyle: At the end of this current biennium, it's estimated that there will be $5.5 million in that fund. With the Senate taking the sign program and allocating $1.4 million of that; it leaves about $4.1 million. The fund has been growing at a very fast pace.

Representative Glassheim: By 2017 would that $4 million likely grow to $7 million or $9 million? What do you anticipate?

John Boyle: There is another bill for a new governor's residence. I have heard that the estimate is $8.5 million by 2017. I can get that information for you.

Representative Skarphol: I would like to know what it's going to cost to have a blueprint by next session so we would have a good idea of what it's going to look like.

John Boyle: The intent is to get all the money now. It will be at least a 4 year project. The first couple of years we would be meeting with the justices and getting to the bid stage. It's probably $4 million to $5 million to get to that stage.

Representative Skarphol: If we were to appropriate the $40 million this time, would you accomplish any more than that by the next legislative session? How long would it take to complete the project after the next legislative session if we appropriated the $4 million to do the design? Would we not shorten that time frame substantially?

John Boyle: It all depends. When we're working with the Supreme Court, if we come to a resolution in 10 months; there is the potential that we could go out to bid and sign contracts.

John Boyle continued with his presentation.

Chairman Thoreson: That's the same fund that the governor's residence was coming from. Correct?

John Boyle: That's correct.

John Boyle continued with his presentation.

Representative Skarphol: Do you have any idea how many trips the elevators make a day?

John Boyle: I don't know; but I know it's an exorbitant number.

Chairman Thoreson: What about when the lunchroom was at the top of the capitol?

John Boyle: They were used a lot more. He records how many times it's called.

Representative Skarphol: That may be what he was referring to were the call times.

Chairman Thoreson: How many other elevators do we have?

John Boyle: The J-wing has 2 elevators also.

John Harris, President and CEO, Prairie Public Broadcasting: See testimony attachment C.

Chairman Thoreson: As far as the Warren System; since that's a kind of presidential alert, is there any funding that goes with that on the national level?

John Harris: We received $2.5 million to beef up redundancy.

Chairman Thoreson: You would be able to have a signal going out should other systems go down?

John Harris: Yes.

Terry Traynor, Assistant Executive Director, ND Association of Counties: See testimony attachment D.

Chairman Thoreson: You said there are five corporate and five individual on page 2 of your testimony. What's the difference between the two?

Terry Traynor: Essentially it's a volume issue.

Representative Hogan: How's our balance around the state? The program was supposed to be available rural and urban. Has that happened pretty well?

Terry Traynor: It has. The latest statistics are that there are guardianships in over 30 counties throughout the state. The counties that have nursing homes and state facilities tend to have higher numbers.

Representative Hogan: Do you have a breakdown of how many guardians are just for financial or just for medical; or how many are a combination of both?

Terry Traynor: I can get that for you.

Audrey Uhrich, Program Director, Guardian and Protective Services, Inc: See testimony attachment E.

Darcy Rosendahl, Deputy Director, ND Department of Transportation: See testimony attachment F.

Chairman Thoreson: If they're using the rental assistance program, does the money go to the employee or to the rental facility?

Darcy Rosendahl: The money goes to the employee themselves. Working with OMB we come up with a rental survey each year and we determine a statewide average without the three western districts. Whatever their rent is, we subtract the statewide average and that's the amount they are reimbursed.

Chairman Thoreson: For these 23 what's an average reimbursement?

Darcy Rosendahl: I can get that information to you.

Chairman Thoreson: Recessed the hearing.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

SB2015
3/12/2015
Recording Job# 24733

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to repeal section 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; and to provide legislative intent.

Minutes: Attachments G, H, I and J

Chairman Thoreson: Reopened the hearing.

Aaron Hummel, Administrative Services Commander, ND Highway Patrol: See testimony attachment G.

Representative Skarphol: Why don't you share with the committee the story you told me about the trooper that's put in for a transfer to Wahpeton and his reasons why.

Aaron Hummel: We do have a trooper that's receiving both programs. They're living in an apartment and would like to stay in Williston; but, they would like to move into a house but financially they can't do that.

Representative Skarphol: Have you or OMB done any research as to the cost of owning a home in Williston or Dickinson vs Wahpeton? Can they buy a home cheaper in the east than they can in the west? Is it the overall cost of the home to begin with?

Aaron Hummel: I believe it's the overall cost of the home. We haven't done any studies to evaluate costs of homes in different areas of the state.

Representative Skarphol: There's probably a larger availability of starter homes in the other parts of the state.

Aaron Hummel: I believe it's just an availability issue. In the Williston area we are finding it easier to find places for people to live.

Representative Kempenich: The cost of an apartment is still an issue in Williams and McKenzie counties.

Lynn Helms, Director, ND Department of Mineral Resources: See testimony attachment H

Chairman Thoreson: The people who you've interviewed or asked about that, are they currently living in that part of the state? Are they coming from other areas and have just heard about what's coming on?

Lynn Helms: They live in different parts of the state, Minnesota or Wisconsin and being asked to move to one of these areas. The most recent hire lives in Menoken and is looking to move to Minot. Minot is the best in terms of the three city's housing market.

Vice Chairman Brandenburg: You said Minot is the best place to park these people. Is it because you have a good highway going to the west?

Lynn Helms: I think it has more to do with the fact that Minot was a larger city going into this and managed to somewhat keep up.

Vice Chairman Brandenburg: You have all that housing out at the air base so now all that housing is available at better terms.

Lynn Helms: Yes.

Representative Skarphol: Do you have people living in Minot that normally would be living in Williston?

Lynn Helms: That is the case. With the most recent hires we've been trying to hire pipeline inspectors. What we've had to settle for is for people to live in Minot or Stanley and commute to northwest of Williston in order to do the inspections.

Corinne Hofmann, Director of Policy and Operations, Project & Advocacy Project: See testimony attachment I.

Dell Horne, President, Community Corrections: Testified in support of SB2015.

Chairman Thoreson: You're working on an amendment for this bill?

Lori Laschkewitsch: Yes.

Chairman Thoreson: Just bring it to us and we can work on that.

Paul Olson, Superintendent, ND Vision Services/School for the Blind: See testimony attachment J

Chairman Thoreson: You said as of December 31, 2014 you had a 22% turnover. When was the beginning of the period?

Paul Olson: That would be for the biennium.

Chairman Thoreson: Have you had any retirements or people who have left to take other jobs?

Paul Olson: We've had people leave for other jobs.

Troy Seidel, Commissioner, ND Labor and Human Rights Department: Testified in support of SB2015.

Mike Ressler, CIO, ND Information Technology Department: HB1053 was heard in the Senate GVA and there was more testimony by agencies in opposition. They didn't kill it and didn't pass it and closed the hearing.

Vice Chairman Brandenburg: I've heard a lot of agencies come in here and every one of them say they have to have all new desktop computers if you take over. Is that true?

Mike Ressler: We wouldn't do that. We would determine how old their laptop or desktop is and we would follow the life cycle that they're following today.

Representative Skarphol: PERS was in here yesterday and they just replaced all their computers. You charge so much per employee per month to an agency and then they're in a normal replacement cycle. When their computers need to be replaced, that cost has been covered; is that a correct assumption?

Mike Ressler: Instead of per person we would charge per device.

Representative Skarphol: In the case of PERS, where they just bought new computers; is that fee still going to be the same fee or should it be reduced because they have all new equipment vs an agency on a two year replacement cycle. Are you just using an average on a per device basis that you're hoping will work out?

Mike Ressler: Our first attempt at the fiscal note was to try and do that calculation and then have their install fee; which would be the cost to pay for the brand new pc to be prorated based on that. We thought it would be simpler to charge an install fee; which would be for the cost of a brand new device. We would only charge that once we get to that agency and actually roll out the service. It would include the install fee; but the monthly fee would take care of ever seeing another one-time install fee.

Representative Kempenich: The securities department just replaced their computers also and they had $3000.00 and had to replace one more device. You're charging $132.00 for the desktop per employee?

Mike Ressler: It's $100.00 per desktop and $130.00 per laptop; that will include everything.

Representative Kempenich: I'd like to have a breakdown of this $46,805.00 in securities of what that is.

Mike Ressler: I can get that for you.

Vice Chairman Brandenburg: Section 5. In your comments you talked about your authorization and the changes made by Senate appropriations where it eliminates the transfer from the general fund to the highway tax distribution fund and special road fund. Why are we eliminating the transfer? You have to give the authorization to the DOT for that fund. Is this money going directly to the highway tax distribution fund?

Pam Sharp: In the governor's proposal, we had proposed $1.3 billion for DOT; $450 million was in SB2126 which was killed. In SB2103, the SURGE bill, was passed with $450 million going to DOT. That is all self-contained in that bill. We had proposed that the remaining $900 million be transferred from the general fund to the highway distribution fund and we had that transfer language in OMB's bill. The $904 million was dropped to $504 million. I haven't looked how that bill reads now.

Vice Chairman Brandenburg: It has a general fund transfer but also gives you the authorization for it.

Pam Sharp: If it's a transfer, OMB will still make the transfer but the language lives in the DOT bill.

Vice Chairman Brandenburg: Do you give the transfer or the authorization?

Pam Sharp: I haven't seen that bill.

Representative Kempenich: The SURGE money took the transfer because the money is gone. There's nothing to transfer so it doesn't show up in the Senate version.

Chairman Thoreson: Closed the hearing.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

SB2015
4/3/2015
Recording Job# 25806

☐ Subcommittee
☐ Conference Committee

Sheri Lewis

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to repeal section 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; and to provide legislative intent.

Minutes:

Chairman Thoreson: Opened the discussion on SB2015.

Vice Chairman Brandenburg: Made a motion to take out the mechanical upgrades in the Heritage Center for $600,000.00.

Representative Boehning: Seconded the motion.

Representative Glassheim: Can we find out what the purpose was for this and what happens if you take it out?

John Boyle, Director, Facility Management: That project is part of the original Heritage Center museum gallery. That was not upgraded as part of the state museum expansion project; the $51.7 million project. It's about $600,000.00 to upgrade that mechanical unit which is from 1981.

Representative Boehning: Did the Heritage Center come in under budget or over budget?

John Boyle: It came in under budget when we opened the bids.

Representative Boehning: Why wasn't that addressed at that time when you had extra funds available?

John Boyle: We sat down and itemized and prioritized additional projects that could be funded and this was one that we felt that it would be facility management's responsibility to pay for it and not the Heritage Center as it's behind the scenes.

Representative Skarphol: Is all of the $51.7 million committed?

John Boyle: All the general fund money has been spent. The only money that hasn't been spent is the $12 million that was appropriated, that is to be raised by the foundation.

Representative Skarphol: Is all of that $12 million still available?

John Boyle: There is some money that is available. The Historical Society has prioritized certain projects of how they would like to spend that money.

Representative Skarphol: Every agency prioritizes money that does necessarily mean we agree with it.

Representative Glassheim: What happens if we wait another two years?

John Boyle: We'll manage to make it work for another two years.

Voice vote made and carried.

Vice Chairman Brandenburg: Moving down to number 11; onetime funding for Prairie Public broadcasts $1.5 million dollars. I make a motion to remove that.

Representative Vigesaa: Seconded the motion.

Representative Glassheim: Every year we try to take this out and then we argue about whether it does or doesn't do good work and then we put it back in.

Representative Hogan: I'd hate to cut it all. Would you be willing to look at $750,000.00?

Voice vote made and carried.

Vice Chairman Brandenburg: Made a motion to remove $1.4 million for the elevators.

Chairman Thoreson: These are the four elevators in the tower, is that correct?

John Boyle: That's correct.

Chairman Thoreson: Is it to replace them or just to upgrade them?

John Boyle: The majority is replacing the technology of the four elevators. The last upgrade was in 1990. Otis Elevator Corporation is having a hard time finding the replacement parts. These parts aren't manufactured any more.

Chairman Thoreson: Is there any safety concern to what is currently in there and will it continue to work?

John Boyle: We can get by two more years but there are no safety concerns.

Voice vote made and carried.

Chairman Thoreson: Before we go any further we do have the amendment that was distributed by Representative Kempenich, this is dealing with the electrical repairs. Apparently there was an incident in the last week or so in part of the building here. John are you aware of what happened?

John Boyle: The weekend of crossover one of the light fixtures in the Senate majority leaders started smoking. It was basically a manufacture issue so it didn't have to do with the age of the light fixture. What has happened now is that it has gone from that to replacing some of the electrical wiring, adding panels on the west end of the facility, replacing ceilings in the House and Senate Majority and Minority Leaders offices. This $310,000.00 would add panels on the west end, run new wiring, take a load off of the east end so those wires wouldn't be used.

Chairman Thoreson: This would be for the entire legislative wing or is it mostly on the House side or the Senate side?

John Boyle: It's on both sides.

Vice Chairman Brandenburg: You're looking at running a 200 amp or 400 amp service, put in some panel boxes.

John Boyle: That's correct.

Vice Chairman Brandenburg: So the main cost is bringing those wires in and those panel boxes. How far do you have to come with the wires?

John Boyle: The main cost is the new panels which is $100,000.00 to $310,000.00. There are six or seven components of the $310,000.00. There is over 7,000 sq. ft. of ceiling so that is $50,000.00 right there. There are actually three separate projects this is just one of them. Another one that I believe they are going to put in legislative counsel's budget is the electrical things that are on your desk, they are old, they are plastic and haven't been replaced since the 1980's that is $170,000.00. The other component is to look at, during the next legislative session redoing the mechanical and the electrical throughout both chambers. That of course would be multiple millions of dollars.

Representative Skarphol: I would move amendment .02001 to SB 2015.

Vice Chairman Brandenburg: Seconded the motion.

Voice vote made and carried.

Representative Glassheim: Made a motion to adjust the health insurance.

Representative Vigesaa: Seconded the motion.

Voice vote made and carried.

Representative Vigesaa: Made a motion to remove the $1.3 million for the west lot repair.

Vice Chairman Brandenburg: Seconded the motion.

Representative Boehning: I think we do need some repairs in that parking lot. I think if we put in like $50,000.00 anyway to get some of those holes fixed up because it is in bad shape.

Representative Vigesaa: I would assume that there is some funding somewhere where there is routine maintenance done that would take care of some of the pot holes that we are talking about here.

John Boyle: There isn't unless it's appropriated by the legislature.

Vice Chairman Brandenburg: What do we need to put a little tar in the holes?

John Boyle: There are approximately 400 parking spaces; the asphalt and the sub-base is so gone that the $1.3 million is necessary.

Vice Chairman Brandenburg: I would agree with you but we're going to put a parking ramp out there some day. If we have to fix a few holes, what would be a good number?

John Boyle: You're only seeing the holes that are there today.

Representative Boehning: We do need to do something, but I don't want to spend the $1.3 million and come back in two or three session and tear it all up and waste all that money. I think $50,000.00 would be a fairly decent number in there.

Vice Chairman Brandenburg: Withdrew his second.

Representative Vigesaa: Withdrew his motion.

Representative Boehning: Made a motion to put $50,000.00 for parking lot repair on the west lot.

Representative Glassheim: Seconded the motion.

Voice vote made and carried.

Vice Chairman Brandenburg: Made a motion to remove $14.7 million onetime funding for state agency at energy impact funding.

Representative Vigesaa: Seconded the motion.

Representative Hogan: Is this the salary impact fund?

Vice Chairman Brandenburg: Yes. There will be some discussion on this and there certainly are some impacts but they have kind of backed off from where it was.

Representative Hogan: This will take all of that money out?

Vice Chairman Brandenburg: Yes.

Representative Glassheim: Was that for salary differentials and housing?

Vice Chairman Brandenburg: Yes.

Representative Glassheim: I would assume there was some rationale behind the numbers.

Sheila Peterson, Director of Fiscal Management, ND Office of Management and Budget: This biennium there was a pool of $8.5 million; $4 million of that being general fund and $4.5 million being non-general fund with the biggest user in the non-general fund category being DOT dollars. Almost all of it has been spent Going forward we asked the agencies to individual their plans as to what classifications they have and that $14.7 million is based on those plans that came in the budget requests from the individual agencies.

Representative Skarphol: I would suggest to you that in today's world that this number is different. I would suggest that we are going to take it out and you are going to be asked to come up with a new number and some guidelines for practices. It might be worthwhile in advance to prepare yourself for that.

Voice vote made and carried.

Representative Vigesaa: On the health insurance pool for temporary employees, if we did nothing with that would that be adjusted because of our new health plan?

Adam Mathiak, Fiscal Analyst, ND Legislative Council: If you did nothing I don't think that particular item would be adjusted for the health insurance premiums. That is more to the full time FTE's. This is a pool of funding for the temporary employees.

Representative Skarphol: That money is only eligible to be used for temporary employees, correct?

Adam Mathiak: I'd have to double check but I think it's pretty clear on that item that it is specifically just for the temporary employee's health insurance.

Lori Laschkewitsch, Fiscal Analyst, ND Office of Management and Budget: It is in a special line so we can only be using it for the temporary health insurance. We wouldn't have any authority to be moving that around to any other line.

Representative Skarphol: You have $175,000.00 in one-time funding designated for the governor's residence security enhancements. Can you enlighten us on what that means?

John Boyle: It's for additional security cameras throughout the complex and to upgrade what's existing at the governor's residence right now.

Representative Skarphol: Can you give us a number for the split?

John Boyle: I don't know off hand but I'd say about $5,000.00 is for the residence.

Chairman Thoreson: There is still a bill floating around in our full committee for a new governor's residence. If that were to go forward this bill still needs to be done for the most part.

John Boyle: It's probably more 50/50. Fifty percent of the $175,000.00 would be at the residence.

Representative Vigesaa: I see on the west entrance in signage the Senate took it from general funds to the building fund. How far along is that project and when would you expect that signage in the project would be complete?

John Boyle: The capitol grounds planning commission has already approved the design of each of the signs. All we have to do is hire an architect to put together the specifications and go out to bid so the hope was to have it all done in the 2015-2017 biennium.

Vice Chairman Brandenburg: We're not going to lose any driveway or parking spots and if we build a parking ramp we won't have to tear it down and put is somewhere else?

John Boyle: That's all been figured in.

Representative Vigesaa: In preparation for this conference that's coming in July, are there any plans to spruce up the grounds?

John Boyle: We always do a big spring cleaning and repaint so yes that should all be done by mid-July.

Representative Boehning: Is that all exterior signage or are there signs inside as well?

John Boyle: It's all exterior signage. It is to help visitors with the flow of traffic and where to go.

Representative Boehning: What's it going to be built out of? Is it going to be the same exterior of the building or is it going to be gold plated?

John Boyle: The signs are made out of granite and with raised stainless steel letters that are back lit. I will email that to you.

Representative Hogan: I would like to have a little conversation with Pam about targeted equity. We've taken targeted equity out of most departments and that's a concern for small departments that have not been able to bring people to where they're supposed to be. Have you looked at putting a pool in this budget so that we can begin to address that problem?

Pam Sharp: We decided it was better to have it in the individual agencies. We identified the occupations that had the most turn over and we also looked at the smaller agencies that had the lowers COMPRA ratios. That's what the targeted equity money is for and it amounts to $12 million of general fund.

Representative Hogan: I would like to move the addition of the targeted equity fund in the OMB budget of $12 million; so that we can address that.

Representative Glassheim: Seconded the motion

Representative Kempenich: I'm probably going to resist this for now. You might have a better discussion if we do this in the full lcommittee.

Representative Glassheim: I'm not aware that these targeted equity pools are percentage increases.

Representative Kempenich: They are not. I'm talking about the salary increases in general. We're doing a 3% and 3% for the whole state. It seems like when you take a big number and put 3% against it you get a big number.

Representative Glassheim: Each year we don't do something about it, it gets worse.

Voice vote made and failed.

Representative Skarphol: There's $200,000.00 in the ongoing funding for central services equipment and its listed as other funds. Can you help me understand what the other funds are?

Pam Sharp: It's in the central duplicating portion and they only use the funds that they earn through their services to buy the equipment. Those special funds would be the sales.

Representative Skarphol: It's irrelevant if it's in ongoing or one time funding?

Pam Sharp: It probably is, because it is in other funds and they are only going to purchase this equipment once.

Vice Chairman Brandenburg: Made a motion to remove section 11.

Representative Boehning: Seconded the motion.

Adam Mathiak: When OMB does their compensation package, sometimes they lump it into one line item. Certain agencies will have salaries and budgets in a program line item. The

agencies need to be able to move that to their specific program line item; once everything is done in the budgeting process. It's a procedural thing that is in the budget on a regular basis.

Representative Skarphol: So it does not provide for unlimited transfer, this merely pertains to the salary issue.

Representative Boehning: Withdrew his second.

Vice Chairman Brandenburg: Withdrew his motion.

Chairman Thoreson: Section 13 of the engrossed bill is a repealer for section 54-44-06 of the Century Code. Why is that repealer added in this bill and what will happen if we take out that section code?

Sheila Peterson: Nothing will happen. I think this statue goes back to the 1950's and so when the state auditor's office was auditing us this last time they ran across it and none of us have any idea of what it actually means, there isn't anything that we do in OMB with the school fund so the auditor's office recommendation was to have it repealed.

Chairman Thoreson: Is there still such a fund or is it just gone?

Sheila Peterson: There is not a fund called the school fund. The department of trust lands are the ones that manage the common schools trust fund. All of those that might have been called the school fund back then; we don't do those and we assume chapter 15 relating to the school funds is straightened out.

Representative Skarphol: With the recent discussion we've had about the lack of need for the K-12 silo in HB1377 is section 3 necessary?

Pam Sharp: It is still necessary if you want to spend that money on anything.

Representative Skarphol: So the property tax relief fund as proposed in HB1377 does it have $657 million?

Pam Sharp: This $657 million is sitting in the property tax relief fund right now and that is made up of the $342 million of oil tax revenue that flowed through to the fund plus an additional $314 million that the legislature required be transferred from the general fund to the property tax relief fund in the current biennium with the intent that it is transferred to the general fund next biennium.

Representative Skarphol: That's a result of how the silos were configured in this biennium.

Pam Sharp: Correct.

Representative Skarphol: That will probably change in the next biennium because that fund will be significantly different and used for a different purpose. Correct?

Pam Sharp: It potentially could be.

Representative Skarphol: So in this biennium that $657 million accumulated from oil revenues.

Pam Sharp: And general fund revenues; $342 million from oil and the balance was a general fund transfer to the property tax relief.

Vice Chairman Brandenburg: I know that the $342 million comes from the oil and $314 million is imbedded in general fund. Is it a general fund appropriation or general fund transfer? Where is the transfer coming from; is it general fund money?

Pam Sharp: You're talking about the property tax relief that is integrated into the K-12 school formula.

Vice Chairman Brandenburg: The $341 million would be that but it is the other portion that I am a little lost on.

Pam Sharp: The $342 million is just a statutory number that says when the oil tax revenues flows through the bucket $342 million will go into that bucket. Originally that property tax relief fund began when property tax relief started in 2009 and it was created to set money aside so that we would have it for the next time for property tax relief when it was considered one time funding. In the last session, the funding that was passed for property tax relief was part of this integrated formula in K-12 funding. It is funded with ongoing revenue; so it's part of our appropriations.

Vice Chairman Brandenburg: The funding mechanism for that 60 mil buy down was actually a general fund appropriation and ongoing?

Pam Sharp: Yes it is in our ongoing appropriation that is correct.

Vice Chairman Brandenburg: This money for the education would come before any other authorization whether it be DOT, etc? I want to make sure that the education money is not soft.

Pam Sharp: The education money is solid and our philosophy is always to fund ongoing appropriations with ongoing revenues and that is how it is in the current biennium and that is how it is in all the schedules for next biennium

Representative Glassheim: How will the $657 million be spent in the 2015-2017 biennium? What is the relationship between the $657 million and the $715 million floating someplace else? How do they compliment each other?

Pam Sharp: I think you are talking about the $712 million and I am not sure where that number came from. I'm thinking that it might be some kind of number that was backed into to see how much of the funding in K-12 related to property tax relief.

Representative Glassheim: The $657 million will be spent how?

Pam Sharp: Ongoing appropriations funded by ongoing revenues and one-time appropriations funded by one-time revenues. The $657 million is a one-time revenue and it is available for spending for the one-time appropriations.

Representative Glassheim: For 2015-2017 but it has no relationship to education.

Pam Sharp: It's not directly tied to that anymore.

Representative Glassheim: Next session it will come from somewhere; but it will come from ongoing revenues.

Pam Sharp: It will come from ongoing revenues.

Representative Skarphol: When you say ongoing revenue is going to pay the cost of K-12 there is absolutely no oil revenue transferred or otherwise to create that ongoing revenue stream, is that what you are telling us?

Pam Sharp: The oil revenue as part of the ongoing revenue stream amounts to the $300 million transfer to the general fund.

Representative Skarphol: That $300 million that is in the silo bill that exists out there and so the total cost of that K-12 funding that we used to have a bucket for in the silo bill is covered by ongoing revenue which includes that $300 million and no more oil revenue. So any other oil revenue may flow into the buckets or the silos that are created.

Pam Sharp: That is correct.

Representative Kempenich: The $657 million is for the 2015-2017 biennium that money is there. We have a bucket of $200 million that goes to the general fund. Then we have another $100 million in a bucket that fills general fund. The $342 million is from extraction and gross production tax also which is filling up the property tax relief fund.

Representative Skarphol: That's why I asked the question the way I asked it, because I was reassured by the office of management and budget that that $342 millionis no longer needed from oil, because it is all going to come from ongoing revenues that are not oil other than the $300 million that is in the $200 and $100 million bucket.

Pam Sharp: As far as the funding for the K-12 property tax relief is in there funded. As far as the bucket goes for the $342 million for the next biennium, in my personal opinion it probably would be appropriate to continue that bucket and reserve at least as much money as you are sending out in the property tax buy down, that 12 percent. That would still be appropriate but you do not need to reserve money for the amount of property tax relief that is part of the K-12.

Representative Skarphol: That's what I wanted to be reassured of, because that way we can still talk about the oil revenue with the exception of the $300 million and $250 million for property tax relief is available for one-time funding as it has been in the past, is that correct?

Pam Sharp: Yes, the transfer from oil money to the general fund is available for one-time spending.

Representative Skarphol: There should be money flowing into the SIIF if the $712 million silo is not necessary.

Pam Sharp: Yes.

Vice Chairman Brandenburg: The $712 million is just an estimate of what it will be in the following session. That is not a solid number but it is somewhere in that range.

Representative Glassheim: Do we have that?

Vice Chairman Brandenburg: I think the Senate took it out.

Representative Kempenich: The $712 million is a percentage increase of the cost to continue to do this. That's just to continue even if we don't do any increases. We still need $300 million of new revenue just to do what we did two years ago.

Representative Skarphol: While there is a cost to increases; that's not part of the silo bill. That's a whole separate issue. I believe it's the responsibility of the office of management and budget to come up with the money; that ongoing general fund revenue. It should not be a function of HB1377.

Pam Sharp: The cost to continue for K-12 education as it exists right now it is completely in our base so what we need to consider for cost to continue for that, over and above our base would be just the growth of student enrollment and any kind of inflationary increase that you want to put on per pupil increase.

Chairman Thoreson: Closed the discussion.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

SB2015
4/6/2015
Recording Job# 25823

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Sheri Lewis

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to repeal section 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; and to provide legislative intent.

Minutes: "Click to enter attachment information."

Chairman Thoreson: Opened the discussion on SB2015.

Representative Kempenich: Made a motion to remove $1.3987 million from the guardianship program.

Vice Chairman Brandenburg: Seconded the motion.

Representative Hogan: This particular guardianship program started two years ago to address those individuals who are not developmentally disabled. This covers vulnerable adults, people with mental illness and the original plan was that the counties would fund it for one year with a share of their mil levy with the understanding that it would be done at the end of this current biennium. By cutting this, the counties could discontinue doing it.

Representative Kempenich: I don't disagree on parts of it. The budget was put in at $8.28 million; the Senate went to $1.1 million. We won't get a conversation if we just cut the $1.1 million. We could leave $500,000.00 in it.

Representative Hogan: I don't know where the $1.1 million number came from; but I know there would be pretty significant consequences for very vulnerable adults if we eliminated it. I'd be happy if you would consider an alternative motion to reduce that number.

Vice Chairman Brandenburg: Withdrew his second.

Representative Kempenich: Withdrew his motion and amended his motion to leave $828,600.00 in the guardianship grants.

Lori Lasckewitsch, Fiscal Analyst, ND Office of Management and Budget: In the executive recommendation we had $828,600.00 in the 2013-2015 biennium. It was supposed to be funded 50% by the counties for the first biennium and then the state would pay 100% in the 2015-2017 biennium. In the executive recommendation we had $1,657,000.00 included. The Senate added money to account for the 3% and 3% provider increase; that's how they got to the $1.9 million.

Vice Chairman Brandenburg: Seconded the motion.

Representative Hogan: Do you know if that increase that was in the original budget anticipated client growth as well as the 3% and 3%?

Lori Lasckewitsch: It did not include it; it included the case load as it is today.

Representative Hogan: There's a significant need with aging population.

Representative Kempenich: That's where we need the bigger discussion. The court is aiming at roughly the same population.

Representative Skarphol: Are we removing the $1.09 million and leaving only the base budget?

Chairman Thoreson: You're motion was to remove the $1,109,200.00 and leave the amount of $828,600.00. Is that correct?

Representative Kempenich: Yes.

Representative Hogan: This is the direct provision of service dollars and what the courts are asking for is positions to monitor the thoroughness and accuracy of the guardianship. The court will not directly do guardianships; they will only supervise.

Representative Skarphol: You said the counties were supposed to contribute half; did they?

Lori Laskewitsch: Yes, they did.

Representative Vigesaa: Why is something like this in the OMB budget and not either in the courts or human services?

Chairman Thoreson: I can't answer that question.

Lori Laskewitsch: It would be for impartiality. The courts didn't feel that they should have this in their budget because they felt there was a conflict since they're the ones that award the guardianships. Human services has the adult protective services; which is like the regulatory piece of it; so the courts didn't feel that it should be in human services budget. They decided that they would put the grant in OMB's budget. We work with the association of counties who is actually the entity that provides the funding out to the counties. They put

a request into OMB for the amount on a quarterly basis and they do the administration piece with the counties.

Representative Hogan: The association of counties administers it because the requests come from the counties. The actual provision of services is done by private agencies and private individuals.

Representative Skarphol: Why did the Senate do the 3% and 3%? We don't do this with other grants; obviously there are people involved that were paying for and they think they the 3% and 3%.

Lori Lashkewitsch: They're grants but they are payments to providers for the guardianship services; they're providers like all of the different human services providers. The counties requested that they also be included in the 3% and 3% inflationary increase.

Representative Skarphol: Similar to what we do for the DD providers?

Lori Laskewitsch: That's correct.

Voice vote made and carried.

Vice Chairman Brandenburg: Section 18 talking about $504 million. I think we need to have some discussion about this. We should have some discussion in the full committee to change that number. There's discussion about other numbers that need to be changed in other places.

Representative Glassheim: We know it's significantly reduced from what the right number should be. Where would it come from?

Representative Kempenich: We know we're not going to get to $904 million this session. That's going to be a conversation we're going to have in the full committee.

Representative Glassheim: I found on my desk a proposed amendment from Senator Heckaman. If we go over 1.2 million barrels a day we go to 40% instead of 30% on the distribution and some larger amount is distributed to nonoil producing county roadwork for DOT.

Representative Kempenich: Is that Heckaman and Mathern? I know the Senate is working on changing the buckets on HB1377 and putting some triggers in place.

Representative Skarphol: Does OMB or human resources do any kind of exit analysis on FTE's granted? When we give them an FTE, they may or may not use it for the purpose it was requested. Does anyone ever check to see whether or not FTE's that are granted are utilized for the purpose intended or if they're utilized for purposes of the rollup?

Pam Sharp, Director, ND Office of Management and Budget: When an agency gets an FTE, they have to send it to HRMS and get classified. It would have to go through the classification process at HRMS. I don't believe that they would classify it for a different

position than what it was authorized for. Whether it's never classified would be a different story. I would have to check with them and see if they go back to an agency and see if all the positions were classified.

Representative Skarphol: Let's say that an entity has 10 FTE's for a given purpose and they only have 4 of them on staff and the other 6 positions are vacant. What type of feedback do you request as to whether or not the dollars for those vacant positions are still available? Does OMB ever follow up on that or is there just an assumption that everybody's acting appropriately?

Pam Sharp: The analysts look, when they're analyzing the agency budgets, at the positions that are vacant, what positions they are, positions that have been granted and if they're full.

Representative Skarphol: When we see a vacant position in an agency, do you feel comfortable that we can feel assured the money for that position is still there?

Pam Sharp: I do. If it's vacant, I would presume if it's a position that was given to you they're working on filling it.

Representative Skarphol: Let's say they've been vacant for some time.

Pam Sharp: You're talking about any position?

Representative Skarphol: There's some real angst about the fact that we do or don't give FTE's. You lose confidence that what we do is always followed completely through. I don't feel that we as a legislature do much of an exit analysis to ensure that what we did in the last session has been followed up on.

Pam Sharp: I would add that in some positions that are hard to fill, that they may be advertising and readvertising. I can find out with HRMS what kind of follow up we did.

Representative Kempenich: I think what does happen is that those positions get prorated. The money is there but if it's for a two year pay package and it doesn't get filled until 18 months, there's 6 months that I question whether that 6 month money is there. I think it happens pretty continuously that there's dollars getting moved around there.

Pam Sharp: When agencies do the budget for next time, if they want to request funding for that positon, we generally request a hold even budget. If they have used that money somewhere else and they only have money for one or two months left of the biennium for that position; if they want to request full funding for the next biennium, they have to find it somewhere else in their budget. Then it would come to our attention if they're moving money between lines; that would come to the attention of a budget analyst's attention right away.

Representative Skarphol: Let's say the agency has 30 FTE's and they have 29 of those positions filled. When the budget is prepared for the next biennium, the total amount of money for salaries is determined by how much you're paying each filled position?

Pam Sharp: That's right.

Representative Skarphol: If there isn't enough money for that 30th position, they only get 29?

Pam Sharp: If there isn't enough money for that 30th position, in their budget request they'll either need to take some money out of operating and move it up into their salary line or else they're going to request more money in their salary line for positions that they don't have enough funding for.

Representative Skarphol: How do we find that out as legislators? How do we find out if that movement actually happened?

Pam Sharp: I think the auditor's office is one that frequently does that. When they come to do their budget request, they have a request for additional funding to make their salary funding whole. It's because they left some positions open but spent the money.

Representative Skarphol: That would happen in the office of management and budget so that your analysts would know that; but the legislative council people may not. Is that a correct statement?

Lori Laschkewitsch: We provide the information to legislative council as to what we allow for them to pay their salaries in that budget. Then the same analysis that we do to look at their budget to see where their individuals are and if they have vacancies and if they need additional money may or may not be done at legislative council when they're doing the analysis of the budgets after they get the executive recommendation.

Representative Boehning: After we leave here and the budgets go into effect, how long does it take for an agency to be able to hire those FTE's? How many months? Is it automatic or do they have a process?

Pam Sharp: It could take several months. They need to get the position classified through HRMS, advertise, interview, offer the job, that person has to give some notice. It could take anywhere from a short period of time if they have the position classified to several months. Depending on how hard a position it is to fill, how much notice they have to give their other employer.

Representative Boehning: We could look at two months to get the classification and whatever it takes to hire and advertise.

Pam Sharp: Unless they start working with HRMS right away to get it classified or maybe it's a position that they know what the classification is going to be then they don't have to go through that process.

Representative Hogan: I would like to go back to Representative Brandenburg's discussion. In the Senate they took out all those sections; sections 4, 5, and 6 regarding

transfers. Is there any reason we should add a section about transferring some money to roads?

Representative Kempenich: We're going to have to at some point if that's what we're going to do.

Pam Sharp: The Senate took out that section on transferring money for DOT. The House had put the transfer language in DOT's budget; not in OMB's budget. Right now there isn't anything in there.

Representative Glassheim: Made a motion for an additional $200 million for DOT.

Representative Kempenich: Seconded the motion.

Adam Mathiak, Fiscal Analyst, ND Legislative Council: Could I have some clarification to the funding source?

Representative Glassheim: Section 3 the transfer from property tax relief sustainability fund to the general fund is $657 million. I believe that money is available for capitol projects and this road fund. That would be a source of the money.

Adam Mathiak: It would be $200 million from the general fund to the highway fund?

Vice Chairman Brandenburg: Do we need language for the appropriation transfer?

Voice vote made and carried.

Representative Glassheim: Made a motion requiring a performance audit of the legislature by the audit department.

Representative Skarphol: Seconded the motion.

Representative Glassheim: It's to make sure that they're following the rules, the laws, are conference committees only submitting things pertinent.

Representative Kempenich: It isn't a bad debate but usually our citizens give us a performance audit. I probably won't support it but that's what the ballot box is about.

Representative Glassheim: That's a really good point in favor of this. It's a question of the public knowing about what goes on.

Representative Skarphol: It would point out that there's a real need for annual sessions.

Representative Kempenich: If we were more full time it probably would show performance wise that we do rehash a lot of what happened the previous session the current session that we're in.

Representative Glassheim: I've had a growing concern that too many legislators are being appointed to executive branch functions. Our job is to pass laws and get out of the way. We're on executive committees that are the function of the executive branch.

Chairman Thoreson: It would have been better to have it on the legislative assembly and legislative council budget.

Representative Boehning: I think we need to see the amendment before we vote on it. I think we need to have a written amendment.

Representative Kempenich: I think we should see if it has the support first.

Chairman Thoreson: I would agree with that.

Voice vote made and failed.

Representative Glassheim: Made a motion for a study resolution to see if all the things referred to the budget section are necessary.

Vice Chairman Brandenburg: Seconded the motion.

Representative Boehning: If agencies come in when we're gone we're not going to fund any of the agencies when they come in with an emergency request?

Representative Glassheim: This is a study and people will talk about what you just said and what the limits are.

Representative Boehning: We leave and the executive branch says we need to appropriate $10 million to something; we have no say over it?

Vice Chairman Brandenburg: A lot of times when we're here for the full session and we've gone through the appropriation process; there are some projects that should go through the assembly and have the approval of the full appropriations as well as the chamber.

Representative Boehning: Why don't we put an amendment on it so we can't any more than so much until the next legislative assembly by budget section?

Representative Skarphol: The budget section can't spend money. It can't spend anything that has not been appropriated in the legislative session. If there are caveats in budgets that say if these conditions are met; then budget section can approve it. The appropriation has already taken place.

Voice vote made and carried.

Representative Skarphol: Made a motion for "Do Pass as Amended".

Representative Glassheim: Seconded the motion.

Roll call vote: 8 Yeas 0 Nays 0 Absent.

Representative Thoreson carried the bill.

Chairman Thoreson: Closed the discussion.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

SB2015
4/8/2015
Recording Job# 25915

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to repeal section 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; and to provide legislative intent.

Minutes: "Click to enter attachment information."

Chairman Thoreson: Opened the discussion on SB2015.

Representative Skarphol: Made a motion to reconsider action on SB2015.

Representative Glassheim: Seconded the motion.

Voice vote made and carried.

Vice Chairman Brandenburg: Made a motion to remove $1.4 million for the elevator upgrades.

Representative Boehning: Seconded the motion

Voice vote made and carried.

Representative Boehning: Made a motion to remove $600,000.00 from the facility management projects and move facility management's projects into one time funding.

Vice Chairman Brandenburg: Seconded the motion.

Representative Glassheim: Do we have some sense of what we're taking out and what's remaining?

Representative Boehning: In our earlier discussions the money left in there would be $1.8 million and would probably be available for the judicial wing remodeling.

Representative Kempenich: It's number 2 on the green sheet. It's relating to heat pump, carpet replacement and other maintenance projects. It's not really taking any away, it's moving some to one-time.

Representative Glassheim: We are taking away $600,000.00.

Representative Kempenich: It's moving to one-time

Representative Boehning: We're removing the $600,000.00 from the line item; from the $2.4 million. It will go down to $1.8 million and that will be moved into the one-time funding.

Representative Glassheim: If we need a heat pump and the carpet is fraying, there are other $50,000.00 maintenance projects that won't get done.

Chairman Thoreson: I'll support the motion. I think there will be more discussion on it.

Vice Chairman Brandenburg: The upgrade for that was $1.3 million or $1.4 million so there's still plenty of money left.

Voice vote made and carried.

Representative Glassheim: We have the $200 million that is transferred to the highway fund and I'm not sure if we want that in the distribution formula or if we want it in state roads. Could we discuss that a bit more?

Vice Chairman Brandenburg: It's putting $200 million into the highway fund to the DOT. That's where I think it should go into the highway fund.

Representative Glassheim: That's state roads?

Vice Chairman Brandenburg: That's correct.

Representative Skarphol: My assumption would be that it will be for state roads in nonoil counties. We have designated monies for the state roads in oil counties. Had there been more federal dollars available, it was intended that that money would be spent in the balance of the state.

Chairman Thoreson: Do we need to have language?

Vice Chairman Brandenburg: I don't think we have to because we took the $400 million out and that came out of the nonoil section and the oil money stayed in the $450 million that went out.

Representative Kempenich: There's $632 million that's coming through the formula on the highway distribution; that was the normal highway money. There was $1.3 billion that was proposed, $450 million went out in the SURGE money and there was $904 million that was headed for the western part of the state; we took the $400 million out of the $904

million. There's $500 million for the western part of the state, $5 million for special roads and $632 million was for the rest of the state.

Vice Chairman Brandenburg: I think we can settle this in the DOT where it's going to go in conference committee.

Representative Skarphol: Made a motion for a "Do Pass as Amended."

Representative Glassheim: Seconded the motion.

Roll call vote: 8 Yeas 0 Nays 0 Absent

Representative Thoreson carried the bill

Chairman Thoreson: Closed the discussion.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2015
4/10/2015
26036

☐ Subcommittee
☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

Appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; and to provide legislative intent.

Minutes:

Chairman Jeff Delzer: Opened the meeting.

Representative Thoreson: Amendment 15.8148.02005 to SB 2015 on the bottom of page 1 there was small amendment made by Representative Glassheim in our subsection for an addition 200 million dollars which will go to the highway fund during the biennium. As you know we had the DOT budget in the first half and had the amount of 504 million in it and the original request was 904 million so this would add an addition 200 million to the DOT.

Chairman Jeff Delzer: DOT wanted a total of 1.35. I think the issue was if we have extra one-time funding after we get our 200 million dollars of ongoing ending fund balance the question is where do we go? Do we go back in somewhere else, do we do buildings do we do roads and this does but the discussion in front of us in conference committees with this committee saying that if there is extra money some of it should go for roads.

Representative Thoreson: Continued on the amendment. If you go to page 2 there is that language there also dealing with the money for the highway fund for 200 million dollars.

Chairman Jeff Delzer: One of them gives them to the highway fund the other one gives it to the highway department to appropriate out of the highway fund.

Representative Thoreson: Correct. Section15, which is legislative management study of budget section functions. This was also proposed by Representative Glassheim. What his does, it says during the 2015-2016 interim legislative management will study the functions of budget sections and report its findings to the next legislative assembly. I know there

have been questions in the past about actions taken during the interim by the budget section and so this language was added to provide a legislative management study. Page 3 we did do the change with the health insurance premium there is also a reduction in guardian ship grants. There are explanations of this on page 4, but there was an amount of 828,600 dollars the base level. The Senate had added an addition 1.1 million dollars from the general fund for guardian ship grants. In our discussion we thought maybe we should have a further discussion with the senate as to why they had made that change so we did remove that from SB 2015. Also we did remove onetime funding for project in the amount of 3.5 million dollars and of that that is mechanical upgrades to the heritage center. There is an issue with an older part of the building with heating and cooling. There is also onetime funding for projects with Prairie Public Broadcasting in the amount of 1.5 million dollars. We did remove that and also capital elevator upgrades for 1.4 million. These would be the elevators in the tower which again the equipment is aging and some of it is the actual programming. Item number 4 is the onetime energy impact funding for the amount of 14,700,000 dollars. We did remove that again this is the pool that was put in place and we took the money out of there to perhaps have a further discussion as to whether that is necessary or not. Item number 6 is an addition of funding for legislative wing repairs. This is with some issue for electrical and ceiling repairs.

Vice Chairman Keith Kempenich: In the senate AG committee there are some wiring issues.

Chairman Jeff Delzer: I do have to ask, the Senate added a bunch of money for repairs in 1001 as well.

Representative Thoreson: That may be something we have to discuss in conference with the senate on both his bill and 1001. I know leadership had brought forward this so we did add it.

Representative Brandenburg: They need more power the boxes are getting so over loaded that they are heating up and knocking out breakers.

Representative Thoreson: We will certainly have further discussion if there is some money in the legislative budget that would show up there. So those are the changes and on the back side there is the explanation of those and I will move amendment .02005 to SB 2015.

Representative Skarphol: Second.

Representative Monson: On the removal of the 1.5 million of onetime funding for Prairie Public Broadcasting, what did they want that for?

Representative Thoreson: They did have some requests for lighting issues and some other areas.

Chairman Jeff Delzer: There was a pretty large increase in their ongoing contribution did you guys take that out or not? I don't know that it is the sates job to do upgrades for Prairie Public.

Representative Thoreson: I know that we have had discussion in the past concerning Prairie Public and we knew when this amount was taken out that we would have further discussions with the Senate on that. I do have testimony here form John Harris the president and CEO but we wills certainly discuss that with them when it comes to conference time.

Chairman Jeff Delzer: I would have gone back to the million dollars we did last year especially when you look at the difference in how our budget is.

Representative Nelson: It's good to be a road in North Dakota in this session because we can't give enough money to roads but we scrutinize every other agency and every other dollar that goes through this committee and I know there are needs in roads but there other needs in this state too and I wish some of those needs had as much consideration given to them as roads in this state.

Chairman Jeff Delzer: Part of the reason I will support this for right now, is to have the discussion on if there is any extra onetime money. Part of the problem with our other needs is they are not onetime expenditures.

Motion to Adopt Amendment .02005.
Motion made by Representative Thoreson.
Seconded by Representative Skarphol.
Voice vote.
Motion carries.

Representative Martinson: I passed out amendment .02004 a proposal that I have talked to many of you about and no one seemed to think it was a bad idea. If you look at page 2 the amendment is very simple, it transfers the food service in the capital cafeteria from current ownership to Bismarck State College food services. I would move that amendment.

Representative Schmidt: Second.

Chairman Jeff Delzer: I have to ask, it seems to me that we have passed language before that colleges could not cater and could not run restaurant concession but this one here it looks like you automatically transfer it instead of leaving it up to a bid situation, is that what you are doing?

Representative Martinson: Yes.

Representative Nelson: They are eligible to bid are they not?

Representative Martinson: Maybe, I don't know.

Chairman Jeff Delzer: I'm not sure they are eligible to bid and I don't know does your bill be what you consider the exception that would allow them to do this?

Representative Martinson: I just asked the legislative counsel to draft it and a couple of the reasons are that BSC food services might be able to help a little bit more with staffing. When we have the rush hours it is possible that they could have work study students up here from 10:30 to 1:30 or something and help with the employment situation.

Motion to further amend .02004 which would switch the food service to BSC in July 2016.
Motion made by Representative Martinson.
Seconded by Representative Schmidt.
Total yes 10. No 12. Absent 1.
Motion failed.

Chairman Jeff Delzer: The one I am handing out right now deals with the bill we passed the other day for IPAT for their assisted technology for the 160,000 dollars. This would list it as onetime funding in the budget. I think we had the discussion about it saying we wanted to go forward with that.

Representative Thoreson: I move amendment .02006.

Representative Kempenich: Second.

Motion to adopt amendment .02006.
Motion made by Representative Thoreson.
Seconded by Representative Kempenich.
Voice vote.
Motion carries.

Chairman Jeff Delzer: I do have one other one that has Representative Skarphols name on it. This would be an appropriation out of the special funds to drive from other income from fees charged to the North Dakota university system not otherwise appropriated. A sum of 200,000 or so much of the sum that maybe necessary the state auditor could purpose of conducting IT security audits of 11 institutions in the university systems during the next biennium.

Representative Skarphol: We have done security audits the state government for the last several years; in fact we do every year now as opposed to every other year. Higher education has had some issues with their security and it is obvious that they need to have the same scrutiny by an independent third party as state government does. I know that there is somebody in higher education IT system that would like to have it done. With that i would move amendment .02008.

Representative Kempenich: Second

Representative Streyle: I read the report that they did six months ago and it was a really good report, it was done well and these things need to be done on a biennial basis period.

Motion to further Amend SB 2015 with amendment .02008.
Motion made by Representative Skarphol.
Seconded by Representative Kempenich.

Voice vote.
Motion carries.
Representative Thoreson: I move a Do Pass As Amended on SB 2015.

Representative Kempenich: Second.

Motion for a Do Pass As Amended on SB 2015.
Motion made by Representative Thoreson.
Seconded by Representative Kempenchi.
Total yes 22. No 0. Absent 1.
Motion carries.
Floor assignment Representative Thoreson.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2015
4/23/2015
26389

☐ Subcommittee
☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

Appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; and to provide legislative intent.

Minutes:

Chairman Jeff Delzer: Called meeting to order. We have two bills left, one of them we put a do pass on.

Representative Skarphol: I make a motion to reconsider SB 2015 and to further amend with amendment .02010.

Representative Thoreson: Second.

Motion to Reconsider SB 2015 and further amend with amendment .02010.
Motion made by Representative Skarphol.
Seconded by Representative Thoreson.
Total yes 15. No 0. Absent 8.
Motion carries.

Chairman Jeff Delzer: I have handed out the reconsidered bill with amendment .02010. I have an amendment that I have been handed .02021. This has to do with the fact that 1002 passed today and they are talking about remodeling some rooms in IT. We did discuss it with counsel they sent out a letter saying they need another 157,965 dollars to do audio, video, chairs, tables and equipment for those rooms that are going to be legislative rooms. We put in the amendment 160,000 dollars we also have some language about who controls the rooms and who has to use them. I think this is probably something we should do.

Representative Skarphol: I move amendment .02021.

Representative Thoreson: Second.

Motion to Further Amend with Amendment .02021.
Motion made by Representative Skarphol.
Seconded by Representative Thoreson.
Voice vote.
Motion Carries.

Representative Skarphol: what this is is an amendment that would state as it does "notwithstanding any policy adopted by the board the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of transfer of positions from the state board of higher education to the attorney general's office as provided in HB 1003."

Chairman Jeff Delzer: Seems to me what you are trying to get at there is they aren't just transferred its just like any other agency when someone changes from one to another they actually resign or quit and then are rehired and you don't want this to be a case where they are paid severance to do that.

Representative Skarphol: That is correct. That is the full intent and I would move amendment .02009.

Representative Brandenburg: Second.

Motion to Futher Amend SB 2015 with amendment .02009.
Motion made by Representative Skarphol.
Seconded by Representative Brandenburg.
Voice vote.
Motion carries.

Representative Skarphol: Amendment .02015, this amendment the new language says "the board shall adopt a policy that provides that each vice chancellor in the university system office is considered to resign the invidious position as a vice chancellor upon the appointment of a commissioner of higher education." This is not without precedence in state government, because when a new governor takes office every board and commission member and appointee is considered to have resigned and this is to simulate that so that when a new chancellor takes office they have the opportunity to hire whoever they wish to fill those positions that are going to be subordinate to him in that office. IF he chooses to rehire people that his option. I move amendment t.02015.

Representative Streyle: Second.

Representative Hogan: I am going to oppose this motion, because I am not certain what conditions of employment were hired when those individuals were hired and I don't know that we could really apply any conditions to existing positions that weren't clear at the point of hiring and I think this is an unfair interference with human resource management.

Vice Chairman Keith Kempenich: Are those classified or unclassified employees?

Representative Skarphol: Unclassified.

Chairman Jeff Delzer: If they are unclassified my understanding is that they serve at the pleasure of the commissioner.

Representative Dosch: How many vice chancellors are there?

Representative Skarphol: I can't honestly answer that but there is several.

Motion to Further Amend with amendment .2015
Motion made by Representative Skarphol.
Seconded by Representative Streyle.
Voice vote.
Motion Carried.

Representative Skarphol: I have one more and probably the most pleasant amendment I have ever introduce in my legislative career. This particular amendment is to take care of a couple of people who have served all of us whenever we have served here. A couple of ladies who have worked down in the cafeteria they have never been state employees. One of them has worked since 1969 and another one has worked there for 22 years. This would make them state employees retroactively. They would be in the PERS program, they would have all the benefits of a state employee. They would be obligated to work for two more years as agreed to by the language in this bill. The IRS was heavily involved in doing this. Putting this language together complies with all the rules and regulations required by them and I think it is the right thing for us to do.

Chairman Jeff Delzer: My understanding, even though there is some appropriation authority in here I think it is actually going to come from some turn back from OMB that is available. Do they have to pay any additional amount or does this cover everything?

Representative Skarphol: This would cover everything and the dollar amount you see reflected here is their salary for two years. The amount of money that OMB has to deposit into their account as of yet is still undetermined and that is why it's not reflected on here.

Chairman Jeff Delzer: I did hesitate about this one, we are also having discussion with the Senate and this is defiantly going to go to conference committee. There is some consideration going on for an amendment to be place during conference that would do two things that dealt with retirement systems.

Representative Holman: I am assuming this is a unique situation and not precedence any?

Representative Skarphol: It is certainly not intended to be precedence setting. I move amendment .02019.

Representative Thoreson: Second.

Representative Dosch: These are not state employees now?

Representative Skarphol: They have never been state employees in anyway shape or form. I fully understand the uniqueness in doing something like this.

Representative Dosch: I certainly understand that but when you say are we setting precedence here, we are setting precedence. All the sudden we are providing state benefits to non-state employees but not only that, we are making it retro.

Representative Hogan: This goes out on bids this summer too and if a different company got the bid would this be applicable?

Chairman Jeff Delzer: If this passed they become state employees so that would probably go with the bid I would guess.

Representative Skarphol: The back says it's an emergency clause.

Chairman Jeff Delzer: It definitely is precedent setting.

Motion to Adopt Amendment .02019.
Motion made by Representative Skarphol.
Seconded by Representative Thoreson.
Total yes 11. No 9. Absent 3.
Motion carries.

Representative Thoreson: I move a Do Pass As Amended and Further Amended on SB 2015.

Representative Skarphol: Second.

Motion for a Do Pass on 2015.
Motion made by Representative Thoreson.
Seconded by Representative Skarphol.
Total yes 17. No 3. Absent 3.
Motion carries.
Floor assignment Representative Thoreson.

15.8148.02001
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Representative Carlson
April 1, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, replace line 19 with:

"Capital assets	2,251,065	5,588,944	7,840,009"

Page 2, replace lines 3 through 5 with:

"Total all funds	$40,477,318	$28,029,370	$68,506,688
Less estimated income	8,730,630	11,204,705	19,935,335
Total general fund	$31,746,688	$16,824,665	$48,571,353"

Page 2, replace lines 27 through 30 with:

"Energy impact pool	0	14,700,000
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$26,465,000
Less estimated income	5,500,000	12,710,000
Total general fund	$328,900,000	$13,755,000"

Page 3, line 12, replace the first "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Office of Management and Budget - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$19,803,315	$20,117,094		$20,117,094
Operating expenses	14,356,788	14,206,785		14,206,785
Capital assets	2,251,065	7,530,009	310,000	7,840,009
Grants	430,000	555,000		555,000
Emergency commission contingency fund	700,000	700,000		700,000
Prairie public broadcasting	1,337,138	3,200,000		3,200,000
State student internship program	200,000	250,000		250,000
Guardianship grants	828,600	1,937,800		1,937,800
Accrued leave payments	570,412			
Health insurance pool - temp employees		5,000,000		5,000,000
Energy impact funding pool		14,700,000		14,700,000
Total all funds	$40,477,318	$68,196,688	$310,000	$68,506,688
Less estimated income	8,730,630	19,625,335	310,000	19,935,335
General fund	$31,746,688	$48,571,353	$0	$48,571,353
FTE	130.50	122.50	0.00	122.50

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

	Adds Funding for Legislative Wing Repairs[1]	Total House Changes
Salaries and wages		
Operating expenses		
Capital assets	310,000	310,000
Grants		
Emergency commission contingency fund		
Prairie public broadcasting		
State student internship program		
Guardianship grants		
Accrued leave payments		
Health insurance pool - temp employees		
Energy impact funding pool		
Total all funds	$310,000	$310,000
Less estimated income	310,000	310,000
General fund	$0	$0
FTE	0.00	0.00

[1] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs.

15.8148.02003
Title.

Fiscal No. 2

Prepared by the Legislative Council staff for
House Appropriations - Government
Operations Division Committee
April 7, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of transportation;"

Page 1, line 4, after the third semicolon insert "to provide for a legislative management study;"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	2,338,944	4,590,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	0	828,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$7,381,330	$47,858,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,691,570	$36,438,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$7,015,000
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$2,805,000"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, which the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and

budget shall transfer the funds provided in this section at the request of the director of the department of transportation.

SECTION 5. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Page 3, line 12, replace the first "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "13"

Page 6, after line 1, insert:

"**SECTION 15. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS.** During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Office of Management and Budget				
Total all funds	$40,477,318	$68,196,688	($20,338,040)	$47,858,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,133,095)	$36,438,258
Department of Transportation				
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
Bill total				
Total all funds	$40,477,318	$68,196,688	$379,661,960	$447,858,648
Less estimated income	8,730,630	19,625,335	191,795,055	211,420,390
General fund	$31,746,688	$48,571,353	$187,866,905	$236,438,258

Senate Bill No. 2015 - Office of Management and Budget - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254

Operating expenses	14,356,788	14,206,785		14,206,785
Capital assets	2,251,065	7,530,009	(2,940,000)	4,590,009
Grants	430,000	555,000		555,000
Emergency commission contingency fund	700,000	700,000		700,000
Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000
State student internship program	200,000	250,000		250,000
Guardianship grants	828,600	1,937,800	(1,109,200)	828,600
Accrued leave payments	570,412			
Health insurance pool - temp employees		5,000,000		5,000,000
Energy impact funding pool		14,700,000	(14,700,000)	
Total all funds	$40,477,318	$68,196,688	($20,338,040)	$47,858,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,133,095)	$36,438,258
FTE	130.50	122.50	0.00	122.50

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Removes One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(1,109,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(14,700,000)	
Total all funds	($88,840)	($1,109,200)	($3,500,000)	($1,250,000)	($14,700,000)	$310,000
Less estimated income	(14,945)	0	0	0	(8,500,000)	310,000
General fund	($73,895)	($1,109,200)	($3,500,000)	($1,250,000)	($6,200,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	($88,840)
Operating expenses	
Capital assets	(2,940,000)
Grants	
Emergency commission contingency fund	
Prairie public broadcasting	(1,500,000)
State student internship program	
Guardianship grants	(1,109,200)
Accrued leave payments	
Health insurance pool - temp employees	
Energy impact funding pool	(14,700,000)
Total all funds	($20,338,040)
Less estimated income	(8,204,945)
General fund	($12,133,095)

FTE	0.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $828,600, which is the same as the base level. The Senate added funding of $1,109,200 from the general fund.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1,500,000), and capitol elevator upgrades ($1,400,000).

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund. The Senate version provided $1,300,000 from the general fund.

[5] One-time funding is removed for the energy impact funding pool.

[6] One-time funding is added from the capitol building fund for legislative wing electrical and ceiling repairs.

This amendment also adds a section to provide for a Legislative Management study of the functions of the Budget Section.

Senate Bill No. 2015 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Capital assets			$200,000,000	$200,000,000
Transfers			200,000,000	200,000,000
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
FTE	0.00	0.00	0.00	0.00

Department No. 801 - Department of Transportation - Detail of House Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total House Changes
Capital assets		$200,000,000	$200,000,000
Transfers	200,000,000		200,000,000
Total all funds	$200,000,000	$200,000,000	$400,000,000
Less estimated income	0	200,000,000	200,000,000
General fund	$200,000,000	$0	$200,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $200 million from the general fund to the highway fund.

[2] One-time funding is added from the highway fund for enhanced state highway investments.

15.8148.02005
Title.

Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations - Government
Operations Division Committee
April 8, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of transportation;"

Page 1, line 4, after the third semicolon insert "to provide for a legislative management study;"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	0	828,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$6,781,330	$47,258,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,091,570	$35,838,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, which the office of management and budget shall transfer to the highway fund during the biennium

beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall transfer the funds provided in this section at the request of the director of the department of transportation.

SECTION 5. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Page 3, line 12, replace the first "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "13"

Page 6, after line 1, insert:

"SECTION 15. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Office of Management and Budget				
Total all funds	$40,477,318	$68,196,688	($20,938,040)	$47,258,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,733,095)	$35,838,258
Department of Transportation				
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
Bill total				
Total all funds	$40,477,318	$68,196,688	$379,061,960	$447,258,648
Less estimated income	8,730,630	19,625,335	191,795,055	211,420,390
General fund	$31,746,688	$48,571,353	$187,266,905	$235,838,258

Senate Bill No. 2015 - Office of Management and Budget - House Action

Base Budget	Senate Version	House Changes	House Version

Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254
Operating expenses	14,356,788	14,206,785		14,206,785
Capital assets	2,251,065	7,530,009	(3,540,000)	3,990,009
Grants	430,000	555,000		555,000
Emergency commission contingency fund	700,000	700,000		700,000
Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000
State student internship program	200,000	250,000		250,000
Guardianship grants	828,600	1,937,800	(1,109,200)	828,600
Accrued leave payments	570,412			
Health insurance pool - temp employees		5,000,000		5,000,000
Energy impact funding pool		14,700,000	(14,700,000)	
Total all funds	$40,477,318	$68,196,688	($20,938,040)	$47,258,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,733,095)	$35,838,258
FTE	130.50	122.50	0.00	122.50

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Removes One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(1,109,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(14,700,000)	
Total all funds	($88,840)	($1,109,200)	($3,500,000)	($1,250,000)	($14,700,000)	$310,000
Less estimated income	(14,945)	0	0	0	(8,500,000)	310,000
General fund	($73,895)	($1,109,200)	($3,500,000)	($1,250,000)	($6,200,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Facility Management Projects[7]	Total House Changes
Salaries and wages		($88,840)
Operating expenses		
Capital assets	(600,000)	(3,540,000)
Grants		
Emergency commission contingency fund		
Prairie public broadcasting		(1,500,000)
State student internship program		
Guardianship grants		(1,109,200)
Accrued leave payments		
Health insurance pool - temp employees		
Energy impact funding pool		(14,700,000)
	($600,000)	($20,938,040)

Total all funds		
Less estimated income	0	(8,204,945)
General fund	($600,000)	($12,733,095)
FTE	0.00	0.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $828,600, which is the same as the base level. The Senate added funding of $1,109,200 from the general fund.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1,500,000), and Capitol elevator upgrades ($1,400,000).

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund. The Senate version provided $1.3 million from the general fund.

[5] One-time funding is removed for the enegery impact funding pool.

[6] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs.

[7] This amendment reduces the funding for facility management projects to provide total funding of $1,825,009 and identifies this funding as one-time funding. The Senate provided $2,425,009 from the general fund as ongoing funding.

This amendment also adds a section to provide for a Legislative Management study of the functions of the Budget Section.

Senate Bill No. 2015 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Capital assets			$200,000,000	$200,000,000
Transfers			200,000,000	200,000,000
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
FTE	0.00	0.00	0.00	0.00

Department No. 801 - Department of Transportation - Detail of House Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total House Changes
Capital assets		$200,000,000	$200,000,000
Transfers	200,000,000		200,000,000
Total all funds	$200,000,000	$200,000,000	$400,000,000
Less estimated income	0	200,000,000	200,000,000
General fund	$200,000,000	$0	$200,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $200 million from the general fund to the highway fund.

[2] One-time funding is added from the highway fund for enhanced state highway investments.

Prepared by the Legislative Council staff for
Representative Martinson
April 8, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact sections 48-09-01 and 54-21-18 of the North Dakota Century Code, relating to restaurant concessions at the state capitol;"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Section 48-09-01 of the North Dakota Century Code is amended and reenacted as follows:

48-09-01. Granting of concessions for cafes, restaurants, and confectioneries on public buildings and grounds.

~~Any~~Except as otherwise provided in section 54-21-18, any state official, board, or commission, any county official, board, or commission, and any municipal officer, board, or commission, having the supervision, control, and management of any state, county, or municipal building and adjacent grounds, for the public benefit and good, may grant a concession in the building or on the grounds for any cafe, restaurant, or confectionery, by renting, leasing, and licensing a concession to the highest responsible bidder at a reasonable rental per month, for a period not exceeding eight years, and may reject any and all bids for the concession. However, the board of directors of any North Dakota fair association or board of county park commissioners may grant a concession under this chapter without letting bids.

SECTION 14. AMENDMENT. Section 54-21-18 of the North Dakota Century Code is amended and reenacted as follows:

54-21-18. Custody of office building - Considered part of capitol building - Director has control of public property - Restaurant concession - Rules - Penalty.

1. The director of the office of management and budget shall control, manage, and maintain the state office building. The building must be considered a part of the state capitol building within the meaning of statutes relating to the custody, maintenance, and control of the state capitol building and grounds, and within the meaning of statutes requiring state departments or agencies to maintain their offices in the state capitol building.

2. Except as otherwise provided by law, the director of the office of management and budget has charge and control of the executive mansion, the capitol, and the park and public grounds connected therewith. Except as provided by sections 39-10-48, 39-10-50, 44-08-18, and 54-21-17.1, the director may adopt rules to promote the health, safety, and general welfare, to prohibit disturbances and disorderly assemblies, to keep the peace, and to regulate nuisances on the capitol grounds and in any of the buildings located on the capitol grounds. The rules may include regulation of public assemblies and accessibility to the buildings and grounds, obstructions, fees, insurance, forms, indemnification by users, and waiver of insurance and indemnity requirements by the director. A person who

violates a rule adopted by the director under this section is guilty of an infraction.

3. The director of the office of management and budget shall enter an agreement with Bismarck state college for the operation and management of a restaurant and associated food services concessions within the capitol."

Renumber accordingly

15.8148.02006
Title.

Prepared by the Legislative Council staff for
Representative Delzer
April 9, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 4, after "fund" insert "; to designate one-time funding"

Page 5, after line 31, insert:

"**SECTION 13. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding appropriated in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment designates $160,000 from the general fund appropriated to the Department of Human Services for assistive technology services in 2015 Senate Bill No. 2289 as one-time funding for the 2015-17 biennium.

Prepared by the Legislative Council staff for
Representative Skarphol
April 9, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the state auditor;"

Page 3, after line 4, insert:

"**SECTION 3. APPROPRIATION - STATE AUDITOR.** There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an appropriation of $200,000 from income from fees charged to the North Dakota University System for the State Auditor to conduct information technology security audits of the University System.

SK 4/13/15 1/5

15.8148.02010
Title.03000
Fiscal No. 4

Prepared by the Legislative Council staff for
House Appropriations Committee
April 10, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of transportation; to provide an appropriation to the state auditor;"

Page 1, line 4, after the third semicolon insert "to provide for a legislative management study;"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	0	828,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$6,781,330	$47,258,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,091,570	$35,838,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, which the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and

budget shall transfer the funds provided in this section at the request of the director of the department of transportation.

SECTION 5. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 6. APPROPRIATION - STATE AUDITOR. There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 3, line 12, replace "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "14"

Page 6, after line 1, insert:

"**SECTION 16. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding appropriated to the department of human services in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 17. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Office of Management and Budget				
Total all funds	$40,477,318	$68,196,688	($20,938,040)	$47,258,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,733,095)	$35,838,258

State Auditor				
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
Department of Transportation				
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
Bill total				
Total all funds	$40,477,318	$68,196,688	$379,261,960	$447,458,648
Less estimated income	8,730,630	19,625,335	191,995,055	211,620,390
General fund	$31,746,688	$48,571,353	$187,266,905	$235,838,258

Senate Bill No. 2015 - Office of Management and Budget - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254
Operating expenses	14,356,788	14,206,785		14,206,785
Capital assets	2,251,065	7,530,009	(3,540,000)	3,990,009
Grants	430,000	555,000		555,000
Emergency commission contingency fund	700,000	700,000		700,000
Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000
State student internship program	200,000	250,000		250,000
Guardianship grants	828,600	1,937,800	(1,109,200)	828,600
Accrued leave payments	570,412			
Health insurance pool - temp employees		5,000,000		5,000,000
Energy impact funding pool		14,700,000	(14,700,000)	
Total all funds	$40,477,318	$68,196,688	($20,938,040)	$47,258,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,733,095)	$35,838,258
FTE	130.50	122.50	0.00	122.50

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Removes One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(1,109,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(14,700,000)	
Total all funds	($88,840)	($1,109,200)	($3,500,000)	($1,250,000)	($14,700,000)	$310,000
Less estimated income	(14,945)	0	0	0	(8,500,000)	310,000
General fund	($73,895)	($1,109,200)	($3,500,000)	($1,250,000)	($6,200,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Facility Management Projects[7]	Total House Changes
Salaries and wages		($88,840)
Operating expenses		
Capital assets	(600,000)	(3,540,000)
Grants		
Emergency commission contingency fund		
Prairie public broadcasting		(1,500,000)
State student internship program		
Guardianship grants		(1,109,200)
Accrued leave payments		
Health insurance pool - temp employees		
Energy impact funding pool		(14,700,000)
Total all funds	($600,000)	($20,938,040)
Less estimated income	0	(8,204,945)
General fund	($600,000)	($12,733,095)
FTE	0.00	0.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $828,600, which is the same as the base level. The Senate added funding of $1,109,200 from the general fund.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1,500,000), and Capitol elevator upgrades ($1,400,000).

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund. The Senate version provided $1.3 million from the general fund.

[5] One-time funding is removed for the energy impact funding pool.

[6] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs.

[7] This amendment reduces the funding for facility management projects to provide total funding of $1,825,009 and identifies this funding as one-time funding. The Senate provided $2,425,009 from the general fund as ongoing funding.

This amendment also:

- Adds a section to provide for a Legislative Management study of the functions of the Budget Section; and
- Adds a section to identify the funding included in Senate Bill No. 2289 as one-time funding.

Senate Bill No. 2015 - State Auditor - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$200,000	$200,000
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0

FTE	0.00	0.00	0.00	0.00

Department No. 117 - State Auditor - Detail of House Changes

	Adds Funding for University System IT Audits[1]	Total House Changes
Operating expenses	$200,000	$200,000
Total all funds	$200,000	$200,000
Less estimated income	200,000	200,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding from fees charged to the North Dakota University System is added for information technology security audits of the 11 institutions in the University System.

Senate Bill No. 2015 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Capital assets			$200,000,000	$200,000,000
Transfers			200,000,000	200,000,000
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
FTE	0.00	0.00	0.00	0.00

Department No. 801 - Department of Transportation - Detail of House Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total House Changes
Capital assets		$200,000,000	$200,000,000
Transfers	200,000,000		200,000,000
Total all funds	$200,000,000	$200,000,000	$400,000,000
Less estimated income	0	200,000,000	200,000,000
General fund	$200,000,000	$0	$200,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $200 million from the general fund to the highway fund.

[2] One-time funding is added from the highway fund for enhanced state highway investments.

15.8148.02021
Title.

Prepared by the Legislative Council staff for
Representative Delzer
April 22, 2015

first Amend 4-23 Voice vote carried

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the legislative assembly; to amend and reenact section 48-08-04 of the North Dakota Century Code, relating to use of legislative meeting rooms;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide for legislative management reports"

Page 3, after line 4, insert:

"**SECTION 3. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS - REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $160,000 or so much of ~~the~~ sum as may be necessary, to the legislative assembly for the purpose of purchasing and installing audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002, for the biennium beginning July 1, 2015, and ending June 30, 2017.The funding appropriated in this section is considered a one-time funding item.

The state court administrator shall provide periodic reports to the legislative procedure and arrangements committee during the 2015-16 interim regarding the status of the facility space expansion authorized under House Bill No. 1002."

Page 5, after line 31, insert:

"**SECTION 14. AMENDMENT.** Section 48-08-04 of the North Dakota Century Code is amended and reenacted as follows:

48-08-04. Use of legislative assembly rooms and halls.

During the interim between legislative sessions, the committee rooms, halls, passageways, and other space in the capitol used by the legislative assembly, including the pioneer room and three additional meeting rooms comprising approximately four thousand square feet in the judicial wing of the capitol, may not be used without authorization of the legislative council."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates $160,000 from the general fund to the Legislative Assembly for the purchase and installation of audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002. The amendment also requires Legislative Council authorization for meeting room use during the interim between legislative sessions.

Prepared by the Legislative Council staff for
Representative Skarphol
April 15, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2003

That the House recede from its amendments as printed on pages 1434-1438 of the Senate Journal and pages 1576-1580 of the House Journal and that Engrossed Senate Bill No. 2003 be amended as follows:

Page 1, line 2, after the second semicolon insert "to provide legislative intent;"

Page 4, after line 2, insert:

"**SECTION 8. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION - SEVERANCE PAY.** Notwithstanding any policy adopted by the board, the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of the transfer of positions from the state board of higher education to the attorney general as provided in House Bill No. 1003 and this Act."

Page 8, line 20, replace "and section" with a comma

Page 8, line 20, after "4" insert ", and 8"

Renumber accordingly

15.8148.02015
Title.

Prepared by the Legislative Council staff for
Representative Skarphol
April 15, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code, relating to university system personnel;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

c. Appoint and remove all university system office personnel, fix their salaries within the limits of legislative appropriations, fix their terms of office, and prescribe their duties. The board shall adopt a policy that provides that each vice chancellor in the university system office is considered to have resigned the individual's position as a vice chancellor upon the appointment of a commissioner of higher education."

Page 6, after line 1, insert:

"**SECTION 15. EMERGENCY.** Section 13 of this Act is declared to be an emergency measure."

Renumber accordingly

15.8148.02019
Title.

Prepared by the Legislative Council staff for
Representative Skarphol
April 21, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact section 54-52-02.15 of the North Dakota Century Code, relating to participation by certain employees of the office of management and budget in the public employees retirement system;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $208,618, or so much of the sum as may be necessary, to the office of management and budget for the purpose of the addition of two full-time equivalent positions to provide concessions in the capitol for the period beginning with the effective date of this Act and ending June 30, 2017.

SECTION 5. TRANSFER. Notwithstanding section 54-16-04, the office of management and budget may transfer appropriation authority between line items for the purpose of purchasing service credit as provided in section 15 of this Act for the period beginning with the effective date of this Act, and ending June 30, 2017."

Page 5, line 9, replace "12" with "14"

Page 5, after line 31, insert:

"**SECTION 15.** Section 54-52-02.15 of the North Dakota Century Code is created and enacted as follows:

54-52-02.15. Participation by capitol concession employees of the office of management and budget.

After the effective date of this Act, the office of management and budget shall certify to the staff of the public employees retirement system the employment of individuals who are permanent employees providing a concession service in the capitol and who are otherwise eligible to participate in the public employees retirement system. Notwithstanding any other provision of law, the office of management and budget may purchase on behalf of these employees additional service credit, including credit for any employee contributions and contributions to the retiree health benefits fund, for all past employment providing a concession service in the state capitol for which the individual was employed an average of twenty hours or more per week and at least twenty weeks each year of employment, as determined by the director of the office of management and budget. If the office of management and budget purchases service credit under this section, the office of management and budget immediately shall transfer to the public employees retirement system the amount of funds necessary to pay the purchase price, which must be determined by the board on an actuarially equivalent basis taking into account the contributions necessary for the retirement program and the retiree health benefits fund."

Page 6, after line 1, insert:

"**SECTION 17. EMERGENCY.** Sections 4, 5, and 15 of this Act are declared to be an emergency measure."

Renumber accordingly

4/24/15
1/8

15.8148.02027
Title.04000
Fiscal No. 5

Prepared by the Legislative Council staff for
House Appropriations Committee
April 24, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of transportation; to provide an appropriation to the state auditor; to provide an appropriation to the legislative assembly; to create and enact section 54-52-02.15 of the North Dakota Century Code, relating to participation by certain employees of the office of management and budget in the public employees retirement system; to amend and reenact subdivision c of subsection 1 of section 15-10-17 and section 48-08-04 of the North Dakota Century Code, relating to North Dakota university system personnel and the use of legislative meeting rooms;"

Page 1, line 4, replace "and" with "to provide for a legislative management study;"

Page 1, line 5, after "provide" insert "a statement of"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	0	828,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$6,781,330	$47,258,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,091,570	$35,838,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009

Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009"

Page 3, after line 4, insert:

"**SECTION 3. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $208,618, or so much of the sum as may be necessary, to the office of management and budget for the purpose of the addition of two full-time equivalent positions to provide concessions in the state capitol for the period beginning with the effective date of this Act and ending June 30, 2017. The office of management and budget is authorized two full-time equivalent positions for this purpose.

SECTION 4. APPROPRIATION LINE ITEM TRANSFERS. Notwithstanding section 54-16-04, the office of management and budget may transfer appropriation authority between line items for the purpose of purchasing service credit as provided in section 20 of this Act for the period beginning with the effective date of this Act, and ending June 30, 2017."

Page 3, after line 10, insert:

"**SECTION 6. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, which the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall transfer the funds provided in this section at the request of the director of the department of transportation.

SECTION 7. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 8. APPROPRIATION - STATE AUDITOR. There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 9. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS - REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $160,000 or so much of the sum as may be necessary, to the legislative assembly for the purpose of purchasing and installing audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding appropriated in this section is considered a one-time funding item.

The state court administrator shall provide periodic reports to the legislative procedure and arrangements committee during the 2015-16 interim regarding the status of the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly."

Page 3, line 12, replace "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "17"

Page 5, after line 31, insert:

"**SECTION 18. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

c. Appoint and remove all university system office personnel, fix their salaries within the limits of legislative appropriations, fix their terms of office, and prescribe their duties. The board shall adopt a policy that provides that each vice chancellor in the university system office is considered to have resigned the individual's position as a vice chancellor upon the appointment of a commissioner of higher education.

SECTION 19. AMENDMENT. Section 48-08-04 of the North Dakota Century Code is amended and reenacted as follows:

48-08-04. Use of legislative assembly rooms and halls.

During the interim between legislative sessions, the committee rooms, halls, passageways, and other space in the capitol used by the legislative assembly, including the pioneer room and three additional meeting rooms comprising approximately four thousand square feet in the judicial wing of the capitol, may not be used without authorization of the legislative council.

SECTION 20. Section 54-52-02.15 of the North Dakota Century Code is created and enacted as follows:

54-52-02.15. Participation by capitol concession employees of the office of management and budget.

After the effective date of this Act, the office of management and budget shall certify to the staff of the public employees retirement system the employment of individuals who are permanent employees providing a concession service in the state capitol and who are otherwise eligible to participate in the public employees retirement system. Notwithstanding any other provision of law, the office of management and budget may purchase on behalf of these employees additional service credit, including credit for any employee contributions and contributions to the retiree health benefits fund, for all past employment providing a concession service in the state capitol for which the individual was employed an average of twenty hours or more per week and at least twenty weeks each year of employment, as determined by the director of the office of management and budget. If the office of management and budget purchases

service credit under this section, the office of management and budget immediately shall transfer to the public employees retirement system the amount of funds necessary to pay the purchase price, which must be determined by the board on an actuarially equivalent basis taking into account the contributions necessary for the retirement program and the retiree health benefits fund."

Page 6, after line 1, insert:

"**SECTION 22. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding appropriated to the department of human services in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 23. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 24. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION - SEVERANCE PAY. Notwithstanding any policy adopted by the board, the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of the transfer of positions from the state board of higher education to the attorney general as provided in House Bill No. 1003 as approved by the sixty-fourth legislative assembly.

SECTION 25. EMERGENCY. Sections 3, 4, 18, and 20 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Office of Management and Budget				
Total all funds	$40,477,318	$68,196,688	($20,729,422)	$47,467,266
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,524,477)	$36,046,876
State Auditor				
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
Legislative Assembly				
Total all funds	$0	$0	$160,000	$160,000
Less estimated income	0	0	0	0
General fund	$0	$0	$160,000	$160,000
Department of Transportation				
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000

General fund	$0	$0	$200,000,000	$200,000,000
Bill total				
Total all funds	$40,477,318	$68,196,688	$379,630,578	$447,827,266
Less estimated income	8,730,630	19,625,335	191,995,055	211,620,390
General fund	$31,746,688	$48,571,353	$187,635,523	$236,206,876

Senate Bill No. 2015 - Office of Management and Budget - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254
Operating expenses	14,356,788	14,206,785		14,206,785
Capital assets	2,251,065	7,530,009	(3,540,000)	3,990,009
Grants	430,000	555,000		555,000
Emergency commission contingency fund	700,000	700,000		700,000
Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000
State student internship program	200,000	250,000		250,000
Guardianship grants	828,600	1,937,800	(1,109,200)	828,600
Accrued leave payments	570,412			
Health insurance pool - temp employees		5,000,000		5,000,000
Energy impact funding pool		14,700,000	(14,700,000)	
Cafeteria operations			208,618	208,618
Total all funds	$40,477,318	$68,196,688	($20,729,422)	$47,467,266
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,524,477)	$36,046,876
FTE	130.50	122.50	2.00	124.50

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Removes One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(1,109,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(14,700,000)	
Cafeteria operations						
Total all funds	($88,840)	($1,109,200)	($3,500,000)	($1,250,000)	($14,700,000)	$310,000
Less estimated income	(14,945)	0	0	0	(8,500,000)	310,000
General fund	($73,895)	($1,109,200)	($3,500,000)	($1,250,000)	($6,200,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Facility Management Projects[7]	Adds Funding for FTE Positions[8]	Total House Changes
Salaries and wages			($88,840)

Operating expenses			
Capital assets	(600,000)		(3,540,000)
Grants			
Emergency commission contingency fund			
Prairie public broadcasting			(1,500,000)
State student internship program			
Guardianship grants			(1,109,200)
Accrued leave payments			
Health insurance pool - temp employees			
Energy impact funding pool			(14,700,000)
Cafeteria operations		208,618	208,618
Total all funds	($600,000)	$208,618	($20,729,422)
Less estimated income	0	0	(8,204,945)
General fund	($600,000)	$208,618	($12,524,477)
FTE	0.00	2.00	2.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $828,600, which is the same as the base level. The Senate added funding of $1,109,200 from the general fund.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1.5 million), and Capitol elevator upgrades ($1.4 million).

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund. The Senate version provided $1.3 million from the general fund.

[5] One-time funding is removed for the energy impact funding pool.

[6] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs.

[7] This amendment reduces the funding for facility management projects to provide total funding of $1,825,009 and identifies this funding as one-time funding. The Senate provided $2,425,009 from the general fund as ongoing funding.

[8] Adds two full-time equivalent positions and related funding from the general fund to assist with cafeteria operations in the Capitol.

This amendment also:

- Adds a section to provide for a Legislative Management study of the functions of the Budget Section.
- Adds a section to identify the funding included in Senate Bill No. 2289 as one-time funding.
- Adds a section of legislative intent to restrict the State Board of Higher Education from providing severance payments to employees who are transferred to the Attorney General's office.
- Adds a section to require the State Board of Higher Education to adopt a policy for the resignation of vice chancellors when a new Commissioner of Higher Education is appointed.
- Adds a section to allow individuals who are permanent employees providing a concession service in the Capitol to be eligible to participate in the Public Employees Retirement System.
- Clarifies the use of legislative meeting rooms during the interim.
- Provides an emergency clause for certain sections of the bill.

Senate Bill No. 2015 - State Auditor - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$200,000	$200,000
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00

Department No. 117 - State Auditor - Detail of House Changes

	Adds Funding for University System IT Audits[1]	Total House Changes
Operating expenses	$200,000	$200,000
Total all funds	$200,000	$200,000
Less estimated income	200,000	200,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding from fees charged to the North Dakota University System is added for information technology security audits of the 11 institutions in the University System.

Senate Bill No. 2015 - Legislative Assembly - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$160,000	$160,000
Total all funds	$0	$0	$160,000	$160,000
Less estimated income	0	0	0	0
General fund	$0	$0	$160,000	$160,000
FTE	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of House Changes

	Adds One-Time Funding for Meeting Room Furnishings[1]	Total House Changes
Operating expenses	$160,000	$160,000
Total all funds	$160,000	$160,000
Less estimated income	0	0
General fund	$160,000	$160,000
FTE	0.00	0.00

[1] Adds one-time funding from the general fund for equipment, tables, chairs, and other furnishings for legislative meeting rooms in the judicial wing.

Senate Bill No. 2015 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Capital assets			$200,000,000	$200,000,000
Transfers			200,000,000	200,000,000
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
FTE	0.00	0.00	0.00	0.00

Department No. 801 - Department of Transportation - Detail of House Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total House Changes
Capital assets		$200,000,000	$200,000,000
Transfers	200,000,000		200,000,000
Total all funds	$200,000,000	$200,000,000	$400,000,000
Less estimated income	0	200,000,000	200,000,000
General fund	$200,000,000	$0	$200,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $200 million from the general fund to the highway fund.

[2] One-time funding is added from the highway fund for enhanced state highway investments.

Date: April 6, 2015
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2015

House Appropriations - Government Operations Divison Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Kempenich Seconded By Rep Brandenburg

Representatives	Yes	No	Representatives	Yes	No

VOICE VOTE

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

To leave $828,600.00 in guardianship grants - Motion carried.

Date: April 6, 2015
Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2015

House Appropriations - Government Operations Divison Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Glassheim Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No

VOICE VOTE

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
For an additional $200 million for DOT - Motion Carried

Date April 6, 2015
Roll Call Vote #: 3

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2015

House Appropriations - Government Operations Divison Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Klusman Seconded By Rep Skarphol

Representatives	Yes	No	Representatives	Yes	No
VOICE VOTE					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
For a performance audit of the legislature by the audit department - motion failed

Date: April 6, 2015
Roll Call Vote #: 4

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2015

House Appropriations - Government Operations Divison Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Glassheim Seconded By Rep Brandenburg

Representatives	Yes	No	Representatives	Yes	No
VOICE			VOTE		

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Study resolution to see if all things referred to the Budget section are necessary - Motion carried

Date: 4/6/2015
Roll Call Vote #: 5

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2015

House Appropriations - Government Operations Divison Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Skarphol Seconded By Representative Glassheim

Representatives	Yes	No	Representatives	Yes	No
Chairman Thoreson	x		Representative Hogan	x	
Vice Chairman Brandenburg	x		Representative Glassheim	x	
Representative Kempenich	x				
Representative Vigesaa	x				
Representative Boehning	x				
Representative Skarphol	x				

Total (Yes) 8 No 0

Absent 0

Floor Assignment Representative Thoreson

If the vote is on an amendment, briefly indicate intent:

Date: April 8, 2015
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2015

House Appropriations - Government Operations Divison Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Skarphol Seconded By Rep Klemin

Representatives	Yes	No	Representatives	Yes	No
	VOICE		VOTE		

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

To reconsider action on SB2015 - Motion carried

Date: April 8, 2015
Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2015

House Appropriations - Government Operations Divison Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Boehning Seconded By Rep Brandenburg

Representatives	Yes	No	Representatives	Yes	No

VOICE VOTE

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Remove $600,000.00 from facility management projects & move facility management projects to one time funding
Motion Carried

Date: 4/8/2015
Roll Call Vote #: 3

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2015

House Appropriations - Government Operations Divison Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Skarphol Seconded By Representative Glassheim

Representatives	Yes	No	Representatives	Yes	No
Chairman Thoreson	x		Representative Hogan	x	
Vice Chairman Brandenburg	x		Representative Glassheim	x	
Representative Kempenich	x				
Representative Vigesaa	x				
Representative Boehning	x				
Representative Skarphol	x				

Total (Yes) 8 No 0

Absent 0

Floor Assignment Representative Thoreson

If the vote is on an amendment, briefly indicate intent:

Date: 4/10/15

Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: 15, 8148, 02005

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Thoreson Seconded By: Skarphol

Representatives	Yes	No	Absent
Chairman Jeff Delzer			
Vice Chairman Keith Kempenich			
Representative Bellew			
Representative Brandenburg			
Representative Boehning			
Representative Dosch			
Representative Kreidt			
Representative Martinson			
Representative Monson			
Representative Nelson			
Representative Pollert			
Representative Sanford			
Representative Schmidt			
Representative Silbernagel			
Representative Skarphol			
Representative Streyle			
Representative Thoreson			
Representative Vigesaa			
Representative Boe			
Representative Glassheim			
Representative Guggisberg			
Representative Hogan			
Representative Holman			
TOTALS			

Voice Vote Motion Carries

Floor Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/10/15

Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: Further Amend 15.8148.02004

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Martinson Seconded By: Schmidt

Representatives	Yes	No	Absent
Chairman Jeff Delzer		✓	
Vice Chairman Keith Kempenich	✓		
Representative Bellew		✓	
Representative Brandenburg		✓	
Representative Boehning		✓	
Representative Dosch	✓		
Representative Kreidt	✓		
Representative Martinson	✓		
Representative Monson		✓	
Representative Nelson		✓	
Representative Pollert			AB
Representative Sanford	✓		
Representative Schmidt	✓		
Representative Silbernagel		✓	
Representative Skarphol		✓	
Representative Streyle	✓		
Representative Thoreson	✓		
Representative Vigesaa		✓	
Representative Boe	✓		
Representative Glassheim		✓	
Representative Guggisberg	✓		
Representative Hogan		✓	
Representative Holman		✓	
TOTALS	10	12	1

~~Vote~~ Vote Motion Failed

Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Switches Food Service to BSC in capital

Date: 4/10/15

Roll Call Vote #: 3

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: Further Amend 15.8148.02006

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Thoreson Seconded By: Kempenich

Voice Vote
Motion Carries

Representatives	Yes	No	Absent
Chairman Jeff Delzer			
Vice Chairman Keith Kempenich			
Representative Bellew			
Representative Brandenburg			
Representative Boehning			
Representative Dosch			
Representative Kreidt			
Representative Martinson			
Representative Monson			
Representative Nelson			
Representative Pollert			
Representative Sanford			
Representative Schmidt			
Representative Silbernagel			
Representative Skarphol			
Representative Streyle			
Representative Thoreson			
Representative Vigesaa			
Representative Boe			
Representative Glassheim			
Representative Guggisberg			
Representative Hogan			
Representative Holman			
TOTALS			

Floor Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/10/15

Roll Call Vote #: 4

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: Further Amend 15.8148.02008

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Skarphol Seconded By: Kempenich

Representatives	Yes	No	Absent
Chairman Jeff Delzer			
Vice Chairman Keith Kempenich			
Representative Bellew			
Representative Brandenburg			
Representative Boehning			
Representative Dosch			
Representative Kreidt			
Representative Martinson			
Representative Monson			
Representative Nelson			
Representative Pollert			
Representative Sanford			
Representative Schmidt			
Representative Silbernagel			
Representative Skarphol			
Representative Streyle			
Representative Thoreson			
Representative Vigesaa			
Representative Boe			
Representative Glassheim			
Representative Guggisberg			
Representative Hogan			
Representative Holman			
TOTALS			

Voice Vote
Motion
Carries

Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/10/15

Roll Call Vote #: 5

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: 15.8148.02010

Recommendation: ☐ Adopt Amendment
☑ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☑ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Thoreson Seconded By: Kempenich

Representatives	Yes	No	Absent
Chairman Jeff Delzer	✓		
Vice Chairman Keith Kempenich	✓		
Representative Bellew	✓		
Representative Brandenburg	✓		
Representative Boehning	✓		
Representative Dosch	✓		
Representative Kreidt	✓		
Representative Martinson	✓		
Representative Monson	✓		
Representative Nelson	✓		
Representative Pollert			AB
Representative Sanford	✓		
Representative Schmidt	✓		
Representative Silbernagel	✓		
Representative Skarphol	✓		
Representative Streyle	✓		
Representative Thoreson	✓		
Representative Vigesaa	✓		
Representative Boe	✓		
Representative Glassheim	✓		
Representative Guggisberg	✓		
Representative Hogan	✓		
Representative Holman	✓		
TOTALS	22	0	1

Assignment: Thoreson

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/23/15

Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: 15.8148.02010

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☑ Reconsider ☐ and further Amend

Motion Made By: Skarphol Seconded By: Thoreson

Representatives	Yes	No	Absent
Chairman Jeff Delzer	✓		
Vice Chairman Keith Kempenich	✓		
Representative Bellew	✓		
Representative Brandenburg	✓		
Representative Boehning			—
Representative Dosch	✓		
Representative Kreidt	✓		
Representative Martinson			—
Representative Monson			—
Representative Nelson	✓		
Representative Pollert	✓		
Representative Sanford			—
Representative Schmidt	✓		
Representative Silbernagel	✓		
Representative Skarphol	✓		
Representative Streyle	✓		
Representative Thoreson	✓		
Representative Vigesaa			—
Representative Boe			—
Representative Glassheim			—
Representative Guggisberg			—
Representative Hogan	✓		
Representative Holman	✓		
TOTALS	15	0	8

Floor Assignment:

If the vote is on an amendment, briefly indicate intent:

Date: 4/23/15

Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: 15.8148.02021

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ further Amend

Motion Made By: Skarphol Seconded By: Thoreson

Representatives	Yes	No	Absent
Chairman Jeff Delzer			
Vice Chairman Keith Kempenich			
Representative Bellew			
Representative Brandenburg			
Representative Boehning			
Representative Dosch			
Representative Kreidt			
Representative Martinson			
Representative Monson			
Representative Nelson			
Representative Pollert			
Representative Sanford			
Representative Schmidt			
Representative Silbernagel			
Representative Skarphol			
Representative Streyle			
Representative Thoreson			
Representative Vigesaa			
Representative Boe			
Representative Glassheim			
Representative Guggisberg			
Representative Hogan			
Representative Holman			
TOTALS			

Voice Vote Motion Carries

Floor Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/23/15

Roll Call Vote #: 3

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: Same Amendment wording, 02009

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Skarphol Seconded By: Brandenburg

Representatives	Yes	No	Absent
Chairman Jeff Delzer			
Vice Chairman Keith Kempenich			
Representative Bellew			
Representative Brandenburg			
Representative Boehning			
Representative Dosch			
Representative Kreidt			
Representative Martinson			
Representative Monson			
Representative Nelson			
Representative Pollert			
Representative Sanford			
Representative Schmidt			
Representative Silbernagel			
Representative Skarphol			
Representative Streyle			
Representative Thoreson			
Representative Vigesaa			
Representative Boe			
Representative Glassheim			
Representative Guggisberg			
Representative Hogan			
Representative Holman			
TOTALS			

Voice Vote Motion Carries

Floor Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Change title of Bill # from 2003 to 2015

Date: 4/23/15

Roll Call Vote #: 4

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: 15.8148.02015

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Skarphol Seconded By: Streyle

Representatives	Yes	No	Absent
Chairman Jeff Delzer			
Vice Chairman Keith Kempenich			
Representative Bellew			
Representative Brandenburg			
Representative Boehning			
Representative Dosch			
Representative Kreidt			
Representative Martinson			
Representative Monson			
Representative Nelson			
Representative Pollert			
Representative Sanford			
Representative Schmidt			
Representative Silbernagel			
Representative Skarphol			
Representative Streyle			
Representative Thoreson			
Representative Vigesaa			
Representative Boe			
Representative Glassheim			
Representative Guggisberg			
Representative Hogan			
Representative Holman			
TOTALS			

Voice Vote
Motion
Carries

Floor Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/23/15
Roll Call Vote #: 5

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description: 15.8148.02019

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Skarphol Seconded By: Thoreson

Representatives	Yes	No	Absent
Chairman Jeff Delzer		✓	
Vice Chairman Keith Kempenich	✓		
Representative Bellew		✓	
Representative Brandenburg	✓		
Representative Boehning			✓
Representative Dosch		✓	
Representative Kreidt		✓	
Representative Martinson	✓		
Representative Monson	✓		
Representative Nelson	✓		
Representative Pollert		✓	
Representative Sanford	✓		
Representative Schmidt	✓		
Representative Silbernagel		✓	
Representative Skarphol	✓		
Representative Streyle	✓		
Representative Thoreson	✓		
Representative Vigesaa	✓		
Representative Boe		✓	
Representative Glassheim			✓
Representative Guggisberg			✓
Representative Hogan		✓	
Representative Holman		✓	
TOTALS	11	9	3

Motion carries

Floor Assignment: _____

If the vote is on an amendment, briefly indicate intent: _____

Date: 4/23/15

Roll Call Vote #: 6

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015

House: **Appropriations Committee**

☐ Subcommittee

Amendment LC# or Description:

Recommendation: ☐ Adopt Amendment
☑ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☑ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By: Thoreson Seconded By: Skarphol

Representatives	Yes	No	Absent
Chairman Jeff Delzer	✓		
Vice Chairman Keith Kempenich	✓		
Representative Bellew		✓	
Representative Brandenburg	✓		
Representative Boehning			—
Representative Dosch		✓	
Representative Kreidt	✓		
Representative Martinson	✓		
Representative Monson	✓		
Representative Nelson	✓		
Representative Pollert	✓		
Representative Sanford	✓		
Representative Schmidt	✓		
Representative Silbernagel	✓		
Representative Skarphol	✓		
Representative Streyle	✓		
Representative Thoreson	✓		
Representative Vigesaa	✓		
Representative Boe		✓	
Representative Glassheim			✓
Representative Guggisberg			✓
Representative Hogan	✓		
Representative Holman	✓		
TOTALS	17	3	3

Floor Assignment: Thoreson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2015, as engrossed and amended: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (17 YEAS, 3 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2015, as amended, was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of transportation; to provide an appropriation to the state auditor; to provide an appropriation to the legislative assembly; to create and enact section 54-52-02.15 of the North Dakota Century Code, relating to participation by certain employees of the office of management and budget in the public employees retirement system; to amend and reenact subdivision c of subsection 1 of section 15-10-17 and section 48-08-04 of the North Dakota Century Code, relating to North Dakota university system personnel and the use of legislative meeting rooms;"

Page 1, line 4, replace "and" with "to provide for a legislative management study;"

Page 1, line 5, after "provide" insert "a statement of"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	0	828,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$6,781,330	$47,258,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,091,570	$35,838,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009"

Page 3, after line 4, insert:

"**SECTION 3. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $208,618, or so much of the sum as may be necessary, to the office of management and budget for the purpose of the addition of two full-time equivalent positions to provide concessions in the state capitol for the period beginning with the effective date of this Act and ending June 30, 2017. The office of management and budget is authorized two full-time equivalent positions for this purpose.

SECTION 4. APPROPRIATION LINE ITEM TRANSFERS. Notwithstanding section 54-16-04, the office of management and budget may transfer appropriation authority between line items for the purpose of purchasing service credit as provided in section 20 of this Act for the period beginning with the effective date of this Act, and ending June 30, 2017."

Page 3, after line 10, insert:

"**SECTION 6. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, which the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall transfer the funds provided in this section at the request of the director of the department of transportation.

SECTION 7. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 8. APPROPRIATION - STATE AUDITOR. There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 9. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS - REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $160,000 or so much of the sum as may be necessary, to the legislative assembly for the purpose of purchasing and installing audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding appropriated in this section is considered a one-time funding item.

The state court administrator shall provide periodic reports to the legislative procedure and arrangements committee during the 2015-16 interim regarding the status of the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly."

Page 3, line 12, replace "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "17"

Page 5, after line 31, insert:

"**SECTION 18. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

c. Appoint and remove all university system office personnel, fix their salaries within the limits of legislative appropriations, fix their terms of office, and prescribe their duties. The board shall adopt a policy that provides that each vice chancellor in the university system office is considered to have resigned the individual's position as a vice chancellor upon the appointment of a commissioner of higher education.

SECTION 19. AMENDMENT. Section 48-08-04 of the North Dakota Century Code is amended and reenacted as follows:

48-08-04. Use of legislative assembly rooms and halls.

During the interim between legislative sessions, the committee rooms, halls, passageways, and other space in the capitol used by the legislative assembly, including the pioneer room and three additional meeting rooms comprising approximately four thousand square feet in the judicial wing of the capitol, may not be used without authorization of the legislative council.

SECTION 20. Section 54-52-02.15 of the North Dakota Century Code is created and enacted as follows:

54-52-02.15. Participation by capitol concession employees of the office of management and budget.

After the effective date of this Act, the office of management and budget shall certify to the staff of the public employees retirement system the employment of individuals who are permanent employees providing a concession service in the state capitol and who are otherwise eligible to participate in the public employees retirement system. Notwithstanding any other provision of law, the office of management and budget may purchase on behalf of these employees additional service credit, including credit for any employee contributions and contributions to the retiree health benefits fund, for all past employment providing a concession service in the state capitol for which the individual was employed an average of twenty hours or more per week and at least twenty weeks each year of employment, as determined by the director of the office of management and budget. If the office of management and budget purchases service credit under this section, the office of management and budget immediately shall transfer to the public employees retirement system the amount of funds necessary to pay the purchase price, which must be determined by the board on an actuarially equivalent basis taking into account the contributions necessary for the retirement program and the retiree health benefits fund."

Page 6, after line 1, insert:

"**SECTION 22. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding appropriated to the department of human services in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to

assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 23. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 24. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION - SEVERANCE PAY. Notwithstanding any policy adopted by the board, the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of the transfer of positions from the state board of higher education to the attorney general as provided in House Bill No. 1003 as approved by the sixty-fourth legislative assembly.

SECTION 25. EMERGENCY. Sections 3, 4, 18, and 20 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Office of Management and Budget				
Total all funds	$40,477,318	$68,196,688	($20,729,422)	$47,467,266
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,524,477)	$36,046,876
State Auditor				
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
Legislative Assembly				
Total all funds	$0	$0	$160,000	$160,000
Less estimated income	0	0	0	0
General fund	$0	$0	$160,000	$160,000
Department of Transportation				
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
Bill total				
Total all funds	$40,477,318	$68,196,688	$379,630,578	$447,827,266
Less estimated income	8,730,630	19,625,335	191,995,055	211,620,390
General fund	$31,746,688	$48,571,353	$187,635,523	$236,206,876

Senate Bill No. 2015 - Office of Management and Budget - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254
Operating expenses	14,356,788	14,206,785		14,206,785
Capital assets	2,251,065	7,530,009	(3,540,000)	3,990,009
Grants	430,000	555,000		555,000
Emergency commission contingency fund	700,000	700,000		700,000
Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000
State student internship program	200,000	250,000		250,000

Guardianship grants	828,600	1,937,800	(1,109,200)	828,600
Accrued leave payments	570,412			
Health insurance pool - temp employees		5,000,000		5,000,000
Energy impact funding pool		14,700,000	(14,700,000)	
Cafeteria operations			208,618	208,618
Total all funds	$40,477,318	$68,196,688	($20,729,422)	$47,467,266
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,524,477)	$36,046,876
FTE	130.50	122.50	2.00	124.50

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Removes One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(1,109,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(14,700,000)	
Cafeteria operations						
Total all funds	($88,840)	($1,109,200)	($3,500,000)	($1,250,000)	($14,700,000)	$310,000
Less estimated income	(14,945)	0	0	0	(8,500,000)	310,000
General fund	($73,895)	($1,109,200)	($3,500,000)	($1,250,000)	($6,200,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Facility Management Projects[7]	Adds Funding for FTE Positions[8]	Total House Changes
Salaries and wages			($88,840)
Operating expenses			
Capital assets	(600,000)		(3,540,000)
Grants			
Emergency commission contingency fund			
Prairie public broadcasting			(1,500,000)
State student internship program			
Guardianship grants			(1,109,200)
Accrued leave payments			
Health insurance pool - temp employees			
Energy impact funding pool			(14,700,000)
Cafeteria operations		208,618	208,618
Total all funds	($600,000)	$208,618	($20,729,422)
Less estimated income	0	0	(8,204,945)
General fund	($600,000)	$208,618	($12,524,477)
FTE	0.00	2.00	2.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $828,600, which is the same as the base level. The Senate added funding of $1,109,200 from the general fund.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1.5 million), and Capitol elevator upgrades ($1.4 million).

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund. The Senate version provided $1.3 million from the general fund.

[5] One-time funding is removed for the energy impact funding pool.

[6] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs.

[7] This amendment reduces the funding for facility management projects to provide total funding of $1,825,009 and identifies this funding as one-time funding. The Senate provided $2,425,009 from the general fund as ongoing funding.

[8] Adds two full-time equivalent positions and related funding from the general fund to assist with cafeteria operations in the Capitol.

This amendment also:

- Adds a section to provide for a Legislative Management study of the functions of the Budget Section.
- Adds a section to identify the funding included in Senate Bill No. 2289 as one-time funding.
- Adds a section of legislative intent to restrict the State Board of Higher Education from providing severance payments to employees who are transferred to the Attorney General's office.
- Adds a section to require the State Board of Higher Education to adopt a policy for the resignation of vice chancellors when a new Commissioner of Higher Education is appointed.
- Adds a section to allow individuals who are permanent employees providing a concession service in the Capitol to be eligible to participate in the Public Employees Retirement System.
- Clarifies the use of legislative meeting rooms during the interim.
- Provides an emergency clause for certain sections of the bill.

Senate Bill No. 2015 - State Auditor - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$200,000	$200,000
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00

Department No. 117 - State Auditor - Detail of House Changes

	Adds Funding for University System IT Audits[1]	Total House Changes
Operating expenses	$200,000	$200,000

Total all funds	$200,000	$200,000
Less estimated income	200,000	200,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding from fees charged to the North Dakota University System is added for information technology security audits of the 11 institutions in the University System.

Senate Bill No. 2015 - Legislative Assembly - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$160,000	$160,000
Total all funds	$0	$0	$160,000	$160,000
Less estimated income	0	0	0	0
General fund	$0	$0	$160,000	$160,000
FTE	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of House Changes

	Adds One-Time Funding for Meeting Room Furnishings[1]	Total House Changes
Operating expenses	$160,000	$160,000
Total all funds	$160,000	$160,000
Less estimated income	0	0
General fund	$160,000	$160,000
FTE	0.00	0.00

[1] Adds one-time funding from the general fund for equipment, tables, chairs, and other furnishings for legislative meeting rooms in the judicial wing.

Senate Bill No. 2015 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Capital assets			$200,000,000	$200,000,000
Transfers			200,000,000	200,000,000
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
FTE	0.00	0.00	0.00	0.00

Department No. 801 - Department of Transportation - Detail of House Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total House Changes
Capital assets		$200,000,000	$200,000,000
Transfers	200,000,000		200,000,000
Total all funds	$200,000,000	$200,000,000	$400,000,000
Less estimated income	0	200,000,000	200,000,000

General fund	$200,000,000	$0	$200,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $200 million from the general fund to the highway fund.

[2] One-time funding is added from the highway fund for enhanced state highway investments.

2015 CONFERENCE COMMITTEE

SB 2015

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015 - 2:00 PM
4/27/2015
Job # 26431

☒ Subcommittee
☒ Conference Committee

Committee Clerk Signature DPeterson for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget (OMB).

Minutes: Attachment 1 - 5

Legislative Council - Adam Mathiak, Brady Larson, Jim Smith
OMB - Sheila Peterson, Pam Sharp

Conferees:
Senators Holmberg, Wardner, Schneider
Representatives Delzer, Carlson, Onstad

Senator Holmberg: Called the conference committee to order on SB 2015. All members present. There will be some amendments talked about and presented; in an effort of full disclosure that if an amendment you are proposing has already been defeated in at least one house if not both, that you remind everyone that the amendment has been defeated at some point during the legislative process. We will be meeting at 2:00, 4:30, and 7:00 pm. We would like to get some closure on these issues and the bill in the packet, using the Christmas tree version of the bill, shows the various House changes; amendment 15.848.02036 (see attached #1).

Rep. Delzer: Reading from page 5 of 15.8148.02036 proposed amendment. We can start going through the money changes. Using the written out definition of what was done. We did the health insurance premium that has been done on all other budgets. We reduced guardianship grants to equal what it was in the past, the same as the base level, 828,600. We removed the mechanical upgrades from the Heritage Center. There's been discussion that it was there quite a while and they just finished the new building. We thought we should wait and make sure that they get by for a couple of more years before putting more money in that. Prairie Public, we left the operating money, but we took out the capital projects of $1.5 million. We took out the Capitol elevator upgrades at $1.4 million. There was some discussion about needing to put that back in. The west parking lot, there was discussion about $1.3 million came over from the Senate, we removed that. We did put $50,000 in for chip seal. In think there is some discussion about what might happen in

the future as far as parking, parking ramp. We don't see a whole lot of reason to spend a bunch of money and turn around and possibly change that again. The Energy Impact Funding Pool was $14.7 million; we took that out. We did have some agencies that have voiced their concern over some of that. We did add one-time funding for capital building for electrical and ceiling repairs in the legislative wing that happened during the session. We removed the Facility management projects for a total funding of $1.825 million and identified that as one-time funding out of the Capitol repairs. We do have a number of sections that we added. We added a section for a management study on how the budget section works. We've always had some consternation about that. I think the study language is just that the legislature should consider having a study on how that works in section 20 in the amendment. I know there is always some talk about that being a mini-legislature. This study would actually determine whether or not we are doing the proper thing with authority and duties we give the budget section. We added a section that identifies SB 2289 as one-time finding. I think when we look through some things, there were certain items that we listed that we wanted to make sure people understood that this was a one-time funding.

Chairman Holmberg: Remind people what SB 2289 is.

Rep. Delzer: I am drawing a blank.

Sheila Peterson: I believe that was the assistive technology dollars for Human Services.

Rep. Delzer: The I-pad dollars, correct. Then we added a section that requires the State Board of Higher Education to adopt a policy for the resignation of Vice Chancellors when a new Commissioner of Higher Education is appointed. That is section 21. Basically, this was offered in full committee and adopted and it says that if you hire a new Chancellor, just like in most places where people are unclassified and serve at the will of the manager; even like when the Governor changes, everybody on the Boards and Commissions are considered to have resigned and then it's up to the new individual coming in as to who they want to hire. It puts it in Code, that's what that section would do.

Chairman Holmberg: But that particular Section 21 only looks at the attorneys that were transferred.

Rep. Delzer: No, I believe this one is not the attorney section; there is another one on attorneys.

Ch. Holmberg: No, this one is Section 21.

Rep. Delzer: Oh, this is the attorney section?

Ch. Holmberg: Yes.

Rep. Carlson: That's in Section 16.

Rep. Delzer: Section 16. Okay, that's the one with the Vice Chancellors in Section 16. Then, section 21 on the attorneys is to make sure that they are treated the same as

everybody else who switches from one job to another. If they were paid more, it is up to the hiring entity, the AG, to decide what they are paid; not just to transfer their pay.

Chairman Holmberg: I think you see similar language in the Higher Ed. Budget, HB 1003, which states that anyone who is brought over to the AG's office from the Higher Ed system, must follow the salary schedule of the AG's office.

Delzer: Basically the same thing. Then we clarified the legislative meeting rooms during the interim; that has to do with the $1 million that is in the Judiciary budget to remodel, for where the IT was. Legislative Assembly will get the two big rooms, and the bigger of the two small meeting rooms as Legislative rooms. Judiciary gets the two office rooms and the smallest meeting room is their room. The language did say that during the interim they need to contact Legislative Council if they want to use the rooms. We have no problem with them using them but the Council wants to know that. That came from Council. We also added a $160,000 to the Council budget for audio, video, visual, tables, and chairs. I think the final drawing was that they are going to put a corridor on the south edge to come in so you can go into either of those two rooms if the curtain is pulled off the east side instead of having to go around and come back in. We did add $200M for Highway fund. That was done in section and adopted by the full committee.

Chairman Holmberg: I would suggest if any members of the conference committee have not had the opportunity to tour IT area that is being talked about, you can get a tour from Legislative Council; right now it is just a huge open area but they can show you what the ideas happen to be with that.

Rep. Delzer: We would like to say that we had a number of amendments offered; some adopted, some not adopted in full committee.

Ch. Holmberg: Are there any questions on the bill we have before us.

Rep. Delzer: Section 6 puts $200,000 in for the State Auditor for conducting information technology security audits of the 11 institutions of the University System.

Chairman Holmberg: We had heard about that in Higher Ed. but we were told it was going to be handled somewhere else. I guess this is the place. On the changes that the House made, are there any questions from the members of the conf. comm. When you talked about, for example, the Capital elevator upgrades, was there any consideration that that might be an area where the capitol grounds money could be used. I know we have used $1.4 million for the exterior signage on the capitol grounds. Was that considered?

Rep. Delzer: My understanding was that they had some discussion about it, but then they decided to just take the money out. If the committee so decided that they wanted to come up with a compromise on parts of it or put it back in, I think the capitol building fund would probably be a logical place to think about doing that.

Rep. Carlson: Do we have balance on that account after the passage of the Governor's residence in SB 2304.

Adam Mathiak: I believe it is still close to $2 million, but I'm not sure.

Ch. Holmberg: SB 2304 was passed but won't be built until 2017, is that correct or did you change that. It was going to be built after the next election cycle as I recall.

Rep. Delzer: No, I don't believe so. I think it's set to start in 2017.

Ch. Holmberg: Which would be after the next election cycle?

Rep. Delzer: But during our budget.

Ch. Holmberg: Yes during the budget cycle.

Pam Sharp: SB 2304 says that the construction can start after $500,000 has been raised. I think we are expecting about $5 million at the end of this biennium and then it would earn money throughout next biennium as well. I can't remember exactly how much though.

Chairman Holmberg: If they raised the $500,000 would that then go to the head of the line, as far as the money and then at the end of the day we did the capitol elevator project out of that planning commission, they would have to wait until that additional money came in.

Pam Sharp: I don't believe there is an order of which needs to be spent first. I don't think that's specified.

Ch. Holmberg: (directed to LC) Would we run into a problem if we didn't specify and the one group came in and took out the money. Can you tell us how that would interface?

Brady Larson: We could certainly specify the order of funds in which they should be used; however, it would generally be a first come, first serve basis. Regarding the balance on the capitol building fund, prior to the governor's residence appropriation, the balance was at $7.1 million and that was after the $1.4 million was taken out for the capitol grounds signage, so there would be roughly $3 million left.

Chairman Holmberg: Was that cash on hand or cash anticipated into next biennium.

Brady Larson: That would be cash anticipated in the next biennium.

Ch. Holmberg: Of course, they have oil wells and certain assets that pay into that fund, as I recall. Was there any discussion when you mentioned the vice chancellors that there could be a constitutional question of the authority of the Legislature to manage specifically such items. Was that discussed?

Rep. Delzer: No, that might have been discussed in section, but I don't believe so because this amendment came forward in full committee. That discussion was never had. There was discussion about whether or not if someone had signed a contract that we couldn't void a contract if the contract was signed. The constitutional question of the Legislature telling the university system they can't; it's something that we could check out. I

don't know if that would be an issue because I think the Attorney General and all the other executive branches fall under this same situation. That's done legislatively as well.

Ch. Holmberg: There is a provision in HB1003 that provides that any severance going forward has to be in accordance with statute, rather than currently. I believe they sign what Brady calls "letters of contract" that aren't contracts but they are letters.

Brady Larson: Currently there aren't contracts for the Vice Chancellors. They do sign letters of employment. However, board policy provides that a Vice Chancellor cannot be terminated without cause, without being provided with one year's notice or six months' notice depending on when that employee started with the office.

Ch. Holmberg: And that has been removed in language proposed in HB1003, but obviously that's not enforced at this time. Anyone else on the bill as we have it as amended by the House.

Rep. Onstad: On section 21, page 8. I need further explanation. "May not approve severance pay to any employees' whose employment is terminated as a result of the transfer of positions." So is there an expected termination to happen or is this seems to be rather definite language in Section 21.

Sen. Holmberg: The language here, we'll have to have the House explain it.

Rep. Delzer: My understanding in HB1003 and the Auditor's budget, we actually did move a number of these people from Higher Ed; one of the auditors went to the Auditor's and the attorneys went to the Attorney General. This deals with those that will have to be terminated, just like when you change from Game & Fish to any of the other executive branches. You are terminated from one and hired on to another. We wanted to make sure that they just didn't get terminated, that the University System offered a severance package to them over and above what anybody would receive.

Chairman Holmberg: I think you will also find that the actual language for the auditors is in the auditor's budget. We removed the language in HB 1003 that moved them. In the case of the auditors we put some language that made it clear that the university system could have internal auditors. What had been talked about were external auditors. Then we put a pool into the Board office of $300,000 for any contracting that they might do. There are many campuses that have auditors that are contracted to the internal auditing; but the Auditor's office does not do the internal auditing within the University System. With the lawyers, the same kind of language occurred in that they were transferred in the AG's budget to the AG's office; there were eight attorneys, and I believe seven were transferred; the funding was transferred from Higher Ed. budget to the AG's office. The IP attorney hadn't been transferred and the IP attorney's money was still in the Higher Ed. budget and that was transferred in Higher Ed to the AG's office. It's not easy to make those kinds of changes. Also, provisions were made for ongoing cases that were farmed out from the campuses. The Campuses don't do litigation. They hire outside attorneys to do the litigation and we had testimony from the AG's office that they could do it cheaper because they can actually do the litigation there. There is a pool of money for those cases that are ongoing. The case involving Menard Hall has been going on for a long time and will

continue. It isn't the time to just close the books on Menard Hall and tell the AG to take over that case.

Rep. Onstad: The attorneys are going to have to resign from the Higher Ed system and then they will have to reapply to the AG's office for a position with the AG. If they decide to resign, which it looks like they will have to resign is there a severance package for them if they leave and not reapply.

Chairman Holmberg: You would have to ask the House because that is what that language is. The money and the positions no longer are in Higher Ed. They are all in the AG's budget and in the Auditor's budget.

Rep. Delzer: It says if it was one of those, it would say that they couldn't get a severance package, the way it's worded, the way I read it; even if they did not reapply.

Rep. Onstad: If they submitted their notice today that they are just going to resign. If they resign, there is no severance package for them.

Rep. Delzer: I do not believe this ever had the emergency clause; we did not carry the emergency clause on the House floor. There was an issue, the amendments were divided and they took out some of the amendments and then the emergency clause failed. We had the emergency clause, I believe on items that were divided and taken out, as well as section 16 of the amendment with the emergency clause not being on that. In answer to Rep. Onstad's question, since this would not become effective until July 1, if anybody terminated right now, and there was a severance package, it would be available just as it is until July 1.

Chairman Holmberg: We had the same situation occur two years ago; in a similar situation. We had mandated that the new hires that are in the IT system would be sited in the IT building that we had built during the session before. That went into effect July 1, and there were some hires made immediately prior to July 1st which meant that they were grandfathered in in Fargo, even though the Legislature had said we wanted all new people. So the same thing would apply that Rep. Delzer said under current law, if person "X" decided that they weren't going to stay, whatever kind of severance package was involved in the University system today would be what would apply. They are looking at maybe hiring very soon a chancellor. I believe they have final interviews this week.

Sen. Schneider: I think Rep. Delzer answered my question, I was just trying to refresh my memory regarding when the transfer of these positions from the Board to the AG's office if effective and that is July 1st. Putting on my employment lawyer hat, it certainly seems like the language here wouldn't preclude payment of severance prior to that date.

Chairman Holmberg: Any other questions or comments on the bill that we have before us now. When we looked at the west parking lot, there has been talk for quite a while about a parking ramp, which never seems to get many people agreeing when it is brought forth. The idea of digging down and putting something up above. Are we just kicking the can down the road? Are there concerns about the folks who do the planning about setbacks and removing 20-25% of the parking spaces that are over there? At some point we're

going to have to decide what we are going to do over there. Can the Legislature say we don't like 100 foot setback, we just say fix the parking lot and it's going to be 60 ft. or whatever we say; or do we lose control of that once we give them the money.

Rep. Delzer: I think some of the discussion on the House side, especially was, that the capitol building fund really expanded this time around; that's why there was enough support for the Governor's mansion, but I think the idea was that it would be putting it off until later but if there is enough money that keeps coming in there, the idea of a parking ramp with a connected walkway whether it's above ground or below ground, probably needs to have more discussion at that time. There was also concern about the 100 ft. setback. I know there are a lot of people that don't like the idea of losing parking spaces on the west side. That was pretty much the discussion out of the House. We figured that the $50,000, there wasn't anything scientific about it, that was just a number that was thought would be enough for them to chip seal and fix some of the cracks and some of the things that are showing up out there.

Chairman Holmberg: I think that what we did last time, with the north side parking changes, it is certainly an improvement of what we had and you can actually drive through without having the feeling that you are in an English country hedge maze.

Sen. Wardner: Is there an estimate on the parking ramp? Do we have any idea of what that would cost in future biennium?

Rep. Delzer: I don't know that I have any solid numbers. I think there was a three level parking ramp in Grand Forks was close to $9 million. I think a two level would be around $4-4.5 million.

Pam Sharp: I do have that estimate. It's about $13.7-$14 million for the ramp. The capital grounds planning commission did take a look at that and had some work done on that.

Ch. Holmberg: How much did the ramp cost at UND.

Sen. Schneider: I think it was $9 million with the walkway.

Rep. Delzer: Is that a two level or three level.

Pam Sharp: That is a two level.

Rep. Delzer: Two level with the walkway.

Pam Sharp: Yes, and I believe it is an underground walkway.

Rep. Delzer: Underground walkway, underground parking for the first level, or above ground on both.

Pam Sharp: It would be underground, and then a top level.

Ch. Holmberg: How many spaces would there be on each level and how many parking spots are out there right now.

John Boyle: There are about 300 parking spaces now. There would be 575 spaces after the project was completed.

Rep. Onstad: One more thought when we talk about the outside parking. Is there a concern about the delivery trucks coming into the capitol? I'm told that it isn't convenient to pull in and back out. Is that under consideration not only in appropriations, but in changing something a bit?

Rep. Delzer: That's part of what we redid last time; the delivery system on the North side. I don't know that there was any discussion about that in committee that I remember.

Rep. Onstad: It was brought to my attention that the way it's designed now, we did approve that but it is inconvenient for trucks.

Rep. Delzer: Just as a follow-up, I think that is some of our concern with what we did. That is some of the concern of the 100 ft. setback is what that would end up being, if we did the $1.3M.

Chairman Holmberg: The deliveries wouldn't come from that end anyway. It all looks nice. Anything else on this portion of the bill itself. If there are areas in this bill that some folks are uncomfortable with and would like to modify or remove or expand on, we will have to take them up; that would be obviously in the form of motions. If, for example, you didn't like what the House did on whatever, like the transfer to the highway fund, we would need someone to make a motion and then as conference committee rules dictate, it takes two votes from each chamber in order to pass any motion.

Vote 1
Rep. Onstad: I move to put $1.5M in one-time funding as not otherwise appropriated to Prairie Public Broadcasting projects for this biennium, July 1, 2015 and ending June 30, 2017 - amendment 15.8148.02033 - Attachment 3.

Sen. Wardner: Second the motion.

Rep. Delzer: I'm going to oppose this. The House did look at this bill hard. There had been an increase there on page 2 of the marked up bill, going to $1.7M. When the Governor put this proposal together and sent it to us, the things were considerably different than they are now. We have had to make a lot of adjustments all the way through to get our budget in the shape that we're hoping to have it in when we leave. This was just part of it that we felt that needed to come out. I don't really think it's the taxpayers' position that they should be doing the upgrade of equipment and buildings for a private entity such as Prairie Public.

Sen. Schneider: I think the $1.5M for capital projects, doesn't that help them leverage grants or federal funds.

Rep. Carlson: There was a lot of discussion about other buildings that have been in and out, and other projects that we don't own such as Gateway to Science, the safety building. Those were removed because of budgetary matters. I think we have to be consistent here.

Rep. Onstad: This isn't the full dollar amount that's needed for this project to move forward; they are using this to further advance a loan that's needed for their own building project. Please give some serious consideration. I know that the budget is a concern, but right now we are looking at a $200M ending fund balance. I think we would have room to address this.

A Roll Call vote was taken. Yea: 3 Nay: 3 Absent: 0 MOTION FAILED

Carlson: This amendment can go forward; amendment 15.8148.02031 - Attachment 4. This adds $65,000 for the purpose of defraying additional costs remodeling the Judicial wing. We put that in the budget.

Ch. Holmberg: Those of you who recall last session when we did the upgrade and remodeling in the legislative wing, we found a lot of secrets and surprises that cost more money.

Jim Smith: This amount is the additional amount that OMB has determined is necessary for remodeling of that space in the Judicial wing. HB1002 had an appropriation of $1.147M for that project. They did some additional looking at it, as well as adding the hallway that the committee wants for those two committee rooms over there. That resulted in additional $66,000, which is a revised estimate of the cost of the project.

Rep. Delzer: We did add the $160,000 for the LC for those three rooms. I think that this finishes it up.

Rep. Carlson: My only concern with us working over in that wing is which committees are going to fight over getting the area. That is some really nice space that's going to help us out. If we know what the costs are today, I think we should put it in instead of being back here later saying how we covered the $65,000; we've already put it in the budget.

Rep. Delzer: I'm sure it will be up to Leg. Management to decide who goes where. I think there was some mention that there might be some remodeling done at some point in time in the horseshoe area too. You could change some of those rooms. That is left up to Leg. Mgmt. and I think there is $400,000 for remodeling in the budget.

Rep. Onstad: The remodel discussed for the Supreme Court wing had a $1 million put in there. Is this not enough dollars needed for this judicial wing?

Rep. Delzer: We did at the end talk about how to get into those rooms. I think a good share of this cost is actual physical cost for the first time for doing the hallway. It would be adding it to the appropriation of the judicial wing and basically it would make it $1.2M.

Rep. Onstad: It seemed in the discussion that the conference committee had an adequate speaker system. Are we covered on that?

Rep. Delzer: That's the $160,000 that we put in. It's in OMB budget for Legislative Council for tables, chairs, audio, and video. I think the language is there somewhere.

Vote 2
Rep. Carlson: I move amendment 15.8148.02031.

Sen. Wardner: Second the motion.

A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0 Motion Carried.

Rep. Delzer: Handed out amendment 15.8148.02038 - Attachment 5. This has been out there with HB1003. Everyone needs to have a chance to read through it. This has to do with our triggering of buildings and some highway money, HB1020 has the $18 million in it for the veterinarian diagnostic building. This would also give $18 million to transportation. It's understood that men will probably have to deal with that $200 million and this is partly how we are dealing with that $200 million. It would give the matching amount of any buildings when they are triggered to DOT for transportation and the authority to use that. It also has in section 5, $20 million to DOT at the end of this biennium if the remainder of the time in this biennium between now and June 30, 2015, we're $20 million ahead of the legislative forecast then $20 million would go directly. Then the $18 million in solid dollars, because we are spending $18 million out of SIFT for the veterinarian diagnostic center. It also has language in there for the triggering of Valley City, a building for the fine arts. The cost on that is $25.8 million. If at the end of this coming year we are $126 million ahead of legislative forecast, it would trigger for the $25 million, that would also trigger the $25.8 million, and also trigger $26 million or whatever the number is to DOT and then it has Dunbar Hall a year after that. I believe there is a second shot for Valley City in July 1. All of these would require budget section approval. Dunbar Hall in HB 1003 has it at $200 million; this one would actually set it at $250 million. It also requires that there be approval of the space utilization study for the university system. I'm not sure if everything is worded just right, but I think we should take a look at it and see what people think about it and take it up at a future meeting.

Chairman Holmberg: I would also suggest that we ask Brady Larson, who worked on HB 1003, to interface the two bills and just explain the differences between the language. This language will take precedent over what is in HB1003 because the expectation is this will past last.

Sen. Schneider: If it's possible to get a general sense of how many of these projects are funded now versus how many would only get funded through this triggering. I certainly support the concept of convenient budgeting and appreciate the thought that went into that. If we could get a sense of which ones aren't going to get funded at all, unless this passes versus which ones would, instead of being funded through cash, would be contingent as part of this amendment.

Ch. Holmberg: None of these buildings would be funded without the contingent. None of these that are listed here.

Rep. Carlson: The animal science one will be.

Ch. Holmberg: Yes, because the money is there.

Rep. Delzer: HB1003 also does repair work at Valley City; repair work at Wahpeton.

Chairman Holmberg: Yes, all of those items are there.

Rep. Delzer: Those items that were part of that system; as far as actual buildings go, this would be only one we would be talking about that made the list and even Commerce, I think we have that this afternoon, through the Workforce Safety comes out too.

Ch. Holmberg: The power plant at Valley City is funded in HB 1003. That's not a contingent. It's the boiler power plant.

Sen. Schneider: Just to be clear, the boiler power plant in Valley City would go from being funded to contingent.

Ch. Holmberg: No, that is funded in HB1003.

Sen. Schneider: There is nothing in here that would change that.

Rep. Delzer: No, this only deals with the two buildings and the transportation money. In the end, it would give, if all of these buildings went, it would give roughly $80 million for transportation. It would give roughly the $60 million....

Rep. Carlson: Where is the $200 million?

Rep. Delzer: The $200 million is in the bill the way it sits before us right now. We'll have to have an amendment that removes that.

Rep. Carlson: So the $200 million for the highways is in this bill.

Chairman Holmberg: Right, that is what we are discussing now. We will be back at 4:30 pm this afternoon.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015 - 4:30 PM
4/27/2015
Job # 26437

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature	Alicia Grove for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget. (OMB)

Minutes: Attachment 1 - 3

Legislative Council - Adam Mathiak, Brady Larson, Jim Smith
OMB - Sheila Peterson, Pam Sharp

Conferees:
Senators Holmberg, Wardner, Schneider
Representatives Delzer, Carlson, Onstad

Chairman Holmberg called the conference committee to order on SB 2015

Adam Mathiak handed out Comparison of Contingent Appropriation - Attachment 1

Brady Larson, Legislative Council reading Attachment 1. This document provides a comparison of the continued appropriations in the higher ed bill to the amendments distributed by Rep. Delzer.

Rep. Delzer: Is this so it would trigger anytime it got above that? I thought we were doing it so that it was on those dates, January 1 or July 1?

Brady Larson: Just on those specific dates. It would not be at any point during that time period. The proposed amendments would be required for the project.

Chairman Holmberg: The only difference between what is in1003 and this proposed is the budget section approval?

Brady Larson: That is correct. I did highlight the differences or bold face them. And then for Dunbar Hall project, the criteria is a little bit different between the 2 proposals. In 1003 the general fund revenues exceed legislative estimates by $200M between July 1, 2015 and December 31, 2016. Under the 2015 proposal that number is increased to $250M.

Otherwise there are no other differences for that project. Both proposal require budget section approval and both proposals required the project to conform to the campus master plan and space utilization study. Under the proposed amendments for SB2015 there are additional contingency appropriations as well as regular general fund appropriations. The first item is an $18M regular general fund appropriation for DOT and all of these appropriations are for enhanced state highway projects. There will be no contingency criteria for that and budget section approval is not required. The next item is a contingent general fund appropriation of $20M and that is based on 2013-15 biennium revenues for the remainder of the current biennium to exceed legislative estimates by $20M and budget section approval would not be required for that contingent appropriation.

Chairman Holmberg: The armchair numbers right now, if we looked at what is in the queue, there's $67M sitting there right now?

Rep. Delzer: We're that far ahead of the forecast.

Chairman Holmberg: We're that far ahead of the forecast as far as April is concerned? Does OMB agree with legislative management?

Pam Sharp: I'm not sure what numbers you are talking about. In March it was $24M ahead of our original forecast which would have been even more ahead of our March forecast and, so far, April is looking pretty good.

Brady Larson: The final two contingent appropriations are from the SIIF, and the first is $25.8M and that is using the same contingent criteria as the Valley City building project. Budget section approval would also be required for this SIIF transfer to the state highway fund and then appropriation from the highway fund to DOT. Finally, the last contingent appropriation from SIIF is $46M and that would use the same contingency criteria as the NDSU Dunbar Hall project which under the proposed amendments to 2015 would require revenue estimates by $250M and budget section approval would be required.

Rep. Delzer: The 25.8 out of SIIF will probably be there, but the $46 you think that would be in SIIF at January 1, 2017 or does that need to be shifted over to general fund?

Brady Larson: We would be looking ahead to the 2015-17 revenues for SIIF and it looks like it would probably be there and not necessarily because of oil tax deposits in the fund but due to the fund holding mineral royalties there would still be revenues coming in through those.

Chairman Holmberg: Would there be a concern on the part of the legislature when we do hear criticism of turning an authority over to the budget section if this legislature decided that if general fund revenues exceed estimates by $126M on these certain dates, we want the building built. Would someone not be able to argue why are you turning that decision, which the full legislature is saying is a good investment if the money is there, what is the roll of the budget section in the Valley City project?

Rep. Delzer: The Valley City project, I don't know if that would have to be done. It would simply be a case where you would be making sure that the budget section knew what was

going on. As far as the other ones goes, I think that is very important and we make sure that we agree with the master plan for space utilization before the Dunbar Hall one would happen. I think the only way to do that is require budget section approval and adoption of that master plan and I would like to have it on the record that that also should include LAFRC. They made a motion that audit look at that master plan. **9:29** (stands for Legislative Audit Fiscal Review Committee)

Chairman Holmberg: One could argue that we have asked for the master plan and this is a classroom building that is within the structure of NDSU. The master plan took forever and we got it just two weeks ago. I have less concern about that. I like the idea that because they are absolutely similar on the VCSU project, there's no problem with having a report to the budget section, although there certainly will be plenty of press releases coming out when they break ground, even if it's in January.

SB 2015 - Comparison of Senate and House versions - Attachment 2

Adam Mathiak: The second handout is just a comparison between the two versions that are out there, the Senate version and the House version of SB2015.

Chairman Holmberg: We need to focus on those that are different. Thank you for putting those in so we don't re-plow the ground.

Senator Wardner: Handed out amendment 15.8148.02037 - Attachment 3
On Page 9, where it talks about statement of purpose of amendment and that will give you an idea of what's in it and then I'll show you where each part is. The first one reduces the funding for guardianship grants by $280,600. That means its bringing it back from the $1.9M. It brings it back to $1,657,200 and it's from the general fund. It's doubling what was in budget for $8 up to $16. We added $800,000 there.

Rep. Carlson: What budget are these in?

Rep. Delzer: It was in both. I think there is some guardianship money in human services but this is grants.

Sen. Wardner: The 2013-15 appropriation was $828,600 and then we put $800 on top of that. Go down one, adds a section to allow employees of workforce safety & insurance to switch from defined contribution retirement plan to a defined benefit retirement plan. We had about 26 people that went into the defined contribution and now they want to get back into the defined benefit. It doesn't cost the fund anything. They are paying it up. The next one it adds a section to change the provision of retirement benefits for employees first enrolled and that the rule of 90 and 8% are in there. The next one adds a section of legislative intent to designate grants to Williston and Dickinson Airports from the oil and gas impact grant fund. The money is there. This puts the language in so that the aeronautics commission knows exactly where it is supposed to go. On the back page, page 10, it provide an appropriation of $400,000 from the general fund to the legislative council to contract with the consultant related to legislative managed study of oil and gas tax incentives.

Go back to page 1, section 4 - that's the $400,000 for the study for the enhanced recovery. The rest is language from the PERS retirement. Page two, middle of the page, it starts with retirement dates are defined in B - normal retirement. If you read in part 2 when the number has a combined total of years of services credit and years of age equal to 90. That's where the 90 is brought in. Turn to page 4, it talks about a calculation for a single life benefit accrued to the date of termination of employment but must be reduced by a fixed rate of 8% per year to account for the benefit payments, beginning before the normal retirement date. That's the 8%. On page 7, deals with the changes for WSI people who want to get back into the defined benefit. It goes all the way through page 8 and onto the top of page 9. Then in section 17, that's the legislative management study for the enhanced recovery and exemptions for co2. Section 18 is the language that lays out the instructions for the airport money that is in 1176 in the impact grants and it's talking about $39M to be awarded to an airport, the hub cities defined under section 57-51-01, that's Williston. And the other one is for $5,800,000 for work on the Dickinson airport to get them in the queue so that they can get their airport runway taken care of. There are 4 parts and it's all in one.

Rep. Delzer: Is it your plan that that's the only way that they could be adopted is either all or none?

Sen. Wardner: No. We did this to put it in front of everybody.

Rep. Delzer: The $800,000 is a little more than I can support on the guardianship. The $400,000 for the study, where did we get the idea that it would cost $400,000 and who is going to receive that? Are they putting out a RFP for studying this?

Sen. Wardner: They put out an RFP for it. You would want somebody that knows something about using co2 for enhanced recovery; that's done some work in that area. How much does an oil company need to invest in order to do this process and get the oil out? It came out of the oil tax reduction bill; that there would be a study.

Chairman Holmberg: And keep in mind last session when we had the study for retirement one, it was an extensive process of RFP. We called around to people who have used that same company in North Dakota and got recommendations about the company. The council does a pretty thorough job of vetting potential people who apply for an RFP.

Rep. Delzer: The only reason that I question it is because quite often when we put a number in, that's what it will cost.

Chairman Holmberg: If you recall some years ago when we hired MGT, we had so much in the budget. They did that and then they studied our higher ed system. Within the next 2 years they studied Florida for much less. You are right in that. It has happened in the past.

Sen. Wardner: I want you to know that last biennium we had in the energy development and transmission committee, we had a study and we whittled them down to the very bare bones. We had more than one proposal and we didn't allow them to do that. It will come before that committee again. If we don't need the $400,000, we won't give it to them.

Rep. Carlson: On the guardianship grants, whenever I see things in several places it always raises a red flag for me. It was either killed in one place or another. It's not the amount of money that was in the original budget on the other sheet. Those numbers don't match at all. That was 1.109 and now we're at 1.657. I don't know how much is in the human services budget, so before I can move on that I need a better explanation of what is going here with the money.

Chairman Holmberg: We are not going to vote on this right now.

Adam Mathiak: If you look at the document that compares the 2 versions, the 9651 document, the LC number, that $1.1M that's reflected in there for the guardianship grants, that reflects the increase from the base level. The House version took it back to the base level of $828,000 so there is a zero for the House version. The $1.1M plus the $828,000 would provide the $1.9M that is talked about in the SPA. Since the $1.9M is in the Senate version, the amendments to the Senate version would reduce it by the $200,000 something and bring it back down to the $1.6M. Theoretically if you were looking at including that change on the memo, that last column, the proposed conference committee changes would reflect $828,000. The memo talked about the increase from the base level, the SPA talked about the amounts that were reflected in total in the bill.

Rep. Carlson: Was there anything in the Humans Services budget for guardianship grants?

Allen Knudson: This money goes back to the counties for public administrative services. It was started last session. The grant goes back to the counties for these services.

Pam Sharp: The base is $850,000 approximately and there was $1.1 in there. When this language went in, 2 years ago, the language stated that for the first biennium, which is the current biennium, the counties would pay for ½ of the cost and then after this biennium, the state would pick up the full share of the costs. That's why the base budget of $858 has to be increased because we need to cover the county share, as well.

Rep. Delzer: But that would have been compromised in OMB last time because I would guess that it had died elsewhere.

Pam Sharp: Of putting it in OMB, that was decided during the interim.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015 - 7 PM
4/27/2015
Job # 26439

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature K Owen for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget. (OMB)

Minutes: Attachment 1 - 11

Legislative Council - Adam Mathiak, Brady Larson, Jim Smith
OMB - Sheila Peterson, Pam Sharp

Conferees:
Senators Holmberg, Wardner, Schneider
Representatives Delzer, Carlson, Onstad

Senator Holmberg called the conference committee to order on SB 2015. We have some things talked about and we would like to get as much of the amendments presented tonight at this session. We will start with Representative Delzer.

Representative Delzer: handed out amendment 15.8148.02039 - Attachment 1. This one was asked for by council, it is in Representative Carlson's name, and basically it has to deal with HB 1004. $360,000 from the student loan trust fund but that was not in the bill. It is part of the money to pay the dental loan repayment program. It is not new money it is just stating where the new money comes from.

Vote 1 -
Representative Carlson moved the amendment.
Senator Schneider seconded.

Senator Holmberg: How would this be reflected if at all in our budget documents.

Representative Delzer: Since it was special funds it would just show up there.

Brady Larson: There would be no change to the budget documents it is just clarifying the source of funds.

A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0

Senator Holmberg: Representative Delzer you have another?

Representative Delzer: This one amounts to some quick take stuff that has been going on, some water resource boards have been using the essence of saying that they have gotten some partial payment from the water commission and they have been using quick take. It has happened once or twice, not very often but it amounts to the person who owns the land doesn't even have the opportunity to go to court and argue with it. What this amendment would do is change the words a little bit to say that appropriated or state funds have been appropriated by the assembly for a specific project which takes it would of the water commission.

Vote 2 -
Representative Delzer: Handed out amendment 15.8148.02018 - Attachment 2. Made a motion to adopt.
Representative Carlson: Seconded.

Representative Onstad: I would appreciate further explanation when it gets down to the section where we are limiting where this can be used. If there was an emergency situation where they needed to move quicker this doesn't allow that, is that correct?

Representative Delzer: My understanding is that this is for the resource board. The water commission does have this but they say that they have never used it and do not plan to. This is for the resource boards and you should have to go through the court system. This is a taking of land, if you use a quick take and they are not even filing a quick claim deed and then they move in and start working the next day. I would say that you are correct and that this would not allow them to do that.

Representative Onstad: The quick take can only be used if state or federal funds have been appropriated for a specific project.

Representative Delzer: That is what this is trying to say and when they have used in past they have gotten partial share in the cost from the water commission that is how they figure it has been appropriated with state money.

Chairman Holmberg: Was this an issue that was rejected in a committee or is it something that had a hearing someplace.

Representative Delzer: I do not know if the Senate looked at it at all I know that in the House it came up after a bill was passed that dealt with this but it did not get in time to go on that bill.

Chairman Holmberg: No, it wasn't part of water commission discussion.

Senator Schneider: I have no doubt that this was brought in good faith but there is a lot here I do not know so to be able to vote for or against this I will vote no for the sake of doing no harm.

Representative Onstad: If we appropriated state funds to deal with some lands to the water resource board would use that as a quick take or go through a process of trying to negotiate with landowners. This could be flood diversion; this could be a drainage system at that point. I am trying to get my hands around it and what all of the possibilities are. Just because we have state funding or authority does that turn around and give the water resource board can they go after property without an emergency?

Representative Delzer: This isn't coming from me, originally I think that the first thing we should do is do away with quick takes but when they dealt with it they said no, it needs to stay in there in the event there is a true need for it. Before any resource board would try and get it settled I think that this was a case where they were having a problem. This has happened once or twice and they were not getting the negotiations the way they wanted so they used this and filed it and then started work the next day. When the landowner has not opportunity to argue it; if committee members want we can have another meeting and get more information.

Senator Holmberg: That would be good as some are uncomfortable voting right now.

Representative Delzer removed his motion.
Representative Carlson removed his second.

Vote 3
Representative Carlson handed out amendment 15.8148.02024 - Attachment 3

Representative Carlson: This deals with the use of alcohol at the heritage center. I don't see much harm in this.

Senator Holmberg: It is done in many different places when there are these kinds of conferences.

Representative Carlson: This clarifies that it is pretty specific what they can use it for

Senator Wardner: This is a one-time deal, isn't it?

Representative Carlson: The policy would read that if the society authorizes the consumption at an even that is open only to invited guests, because there could be other events that fall under this. It does allow them to have a policy that addresses other private events.

Representative Carlson moved the amendment.
Senator Wardner seconded.
A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0

Vote 4
Representative Delzer handed out amendment 15.8148.02028 - Attachment 4
Representative Delzer: This would be a legislative management study on transportation funding distributions to political subdivisions, It is listed as a mandatory study, if I move it I

will move it as a shall consider study. When you go further on you must review the feasibility and desirability of using the upper Great Plains transportations institute study. It says for future distributions but I think that it should say if there are future distributions to ensure that counties are reporting the information consistently and the rest of the language is there. I think that what it is getting at is making sure we have the proper information coming from all counties.

Senator Wardner: I hope we pass this, after the SURGE money went out and the money in HB 1176 a lot of people didn't take the upper Great Plains transportation institute study seriously. We got their attention and now I think we need the facts.

Representative Delzer made a motion to adopt 15.8148.02028.
Senator Wardner seconded.
A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0

Vote 5
Representative Carlson: I did not have an amendment but wanted emergency clause on HB 1018 - the Commerce Budget and we needed an emergency clause for the operating expense line for operation intern program. We did not get the required number of votes on the House floor so my amendment would be that it gets put on right away.

Representative Carlson moved emergency clause.
Senator Schneider seconded.
A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0

Senator Wardner handed out amendment 15.8148.02045 - Attachment 5
Senator Wardner: This has to deal with alternatives to incarceration; we passed a bill in both the House and the Senate that had a committee in it that was just like the alternative to incarceration committee. This cleans it up so we do not have 2 committees. You have the proposal, you have the language and you have the bill so you should have all the information you need.

Senator Wardner: Senator Hogue isn't here but he was taking two committees and made it one. This is what he was planning on doing.

Representative Delzer: I'd like to show it to DOCR people since they are worked hard on it.

Senator Wardner: I have another one, this one is on open records.

Senator Holmberg: Has this been defeated yet?

Senator Wardner: Senator Flakoll and Representative Carlson are the culprits here.

Vote 6
Wardner handed out and moved amendment 15.8148.02002 - Attachment 6.

Senator Wardner: It says, 'request for records by members of the legislative assembly and the legislative council. Notwithstanding section 44-04-18.06 any record of the legislative council relating to a request for public records made by a legislative council or on behalf of a member of the legislative assembly is a public record. The legislative council shall maintain a written or digital record of any request for public records made on behalf of a member of the legislative assembly which identifies the member of the legislative assembly who made the request."
Senator Wardner moved the amendment.
Senator Schneider seconded.

Senator Holmberg: was this specific language defeated in a bill earlier? Is this a second swipe at the apple?

Senator Wardner: I believe that is correct.

Representative Delzer: If I remember the House defeated it for that reason I will not support it.

Representative Carlson: The original bill introduced said that if you made written request of council it would be honored but if you made a phone call it would not be subject to open records. It doesn't change the topic it just closes the loophole and now no matter how you request the information it will go on record.

Representative Onstad: Wasn't there two sections to that open public records?

Representative Carlson: There were two things that happened, one was a very large request for DPI and the other was a large request for emails at higher education level. In either case those names do not have to be released because they were not written requests. We did have this on the floor of the House and we did not pass it.

Senator Schneider: For the sake of consistency I'm voting for it, what I like about this is that it doesn't prohibit anyone in the legislature from making an open records request it just requires that they stand up and be counted. If we are asking for openness on the part of state agencies we need to be open ourselves. It is a step towards consistency and I will be voting for it for that reason.

Representative Carlson: Senator Schneider is correct, if we made the request we would need to be prepared to explain it. If they make a large request that will cost a lot of money they should stand up and say that they did it.

Senator Holmberg: Any additional comments?

A Roll Call vote was taken. Yea: 5 Nay: 1 Absent: 0

Vote 7
Wardner handed out amendment 15.8148.02040 - Attachment 7

Senator Wardner: This is a double team from the leaders in the Senate. It is to add another million dollars to the tribal vocational money, they have $3,000,000 currently and this would make it $4,000,000.
Senator Wardner made a motion to adopt the amendment.
Representative Onstad seconded.

Senator Holmberg: If you recall in the commerce bill they executive budgeted $6,000,000 the House had taken it down to $2,000,000 the Senate increased it to $4,000,000 taking $2,000,000 out of the student loan trust fund, it passed the chambers and in conference committee reduced the increase that the Senate had given and it became $3,000,000. This would restore the money in that line item to the Senate version. Any discussion?

A Roll Call vote was taken. Yea: 4 Nay: 2 Absent: 0
Failed

Vote 8
Wardner handed out 15.8148.02017 - Attachment 8

Senator Wardner: This one is from Senator Cook, it has to do with nonprofit, private institutions. It must be subject to apropos limitations provided in this subsection as a nonrefundable credit against the income tax liability or in the case of contributions by a pass through entity such as C Corp for the taxable year. An amount equal to 50% of the aggregate amount of charitable contribution made by the taxpayer during the year directly to the nonprofit, private institution of primary education located within the state. The amount allowable as a credit under this subsection for any taxable year may not exceed 20% of the taxpayers total income tax under this chapter or $2,525 whichever is less.

Senator Wardner moved amendment
Senator Schneider seconded.

Representative Delzer: What is the essence of what it does limit them to $2,525?

Senator Wardner: That is correct.

Representative Delzer: Do we have any idea of the numbers that most of them are using now?

Senator Wardner: To be honest with you I cannot answer that question.

Chairman Holmberg: We can discuss and take tonight to mull it over.

Representative Carlson: I am assuming is that this is for tuition. We did pass a bill that allowed for tax credits for tuition and I believe is that it was up to $2,500 but not there is a cap on this thing.

Senator Wardner removed motion.
Senator Schneider removed his second.

Vote 9
Wardner handed out and moved 15.8148.02016 - Attachment 9.

Senator Wardner: This is a corporate credit for contributions to rural leadership North Dakota and leadership North Dakota, something that several people have been working on to get started and it will function similar to rural leadership and what it does is include leadership North Dakota in a tax credit that the rural leadership North Dakota already enjoys. "There is an allotted credit against the tax imposed by section 57-38-30 in an amount equal to fifty percent of the aggregate amount of contributions made by the taxpayer during the taxable year for tuition scholarships for participation in a rural leadership North Dakota conducted through the North Dakota state university extension service and for tuition scholarships for participation in leadership North Dakota." That is something new that several of us are working on.

Senator Wardner made a motion to adopt the amendment.
Representative Carlson seconded.

Senator Schneider: I just want to understand the difference in these two groups here, the North Dakota state university extension service rural leadership that is college students, yes?

Senator Wardner: No.

Senator Schneider: Who participates in rural leadership North Dakota?

Senator Wardner: People from small communities and large communities it was a 2 year program but it has been shortened down. Leadership North Dakota is something that was brought forth by Ron Ness, Father Shea, Dwight Cook, Senator Heckaman, I am involved. We got it started and the person who was our executive director went to another job and the idea is that after they go through rural leadership then this would be at a higher level leadership program. This would include leadership North Dakota in the tax credit.

Representative Delzer: Has this been before us before and if not why was it not a standalone bill? I am uncomfortable adding this to OMB at this time because it is so late in the game.

Senator Wardner: It may have been part of the extension and it was pulled by Senator Cook, I am not sure. .

Representative Onstad: In your earlier comments they have to go to the leadership program by NDSU extension. If it is a continuation why is it not continued by NDSU extension?

Senator Wardner: The University of Mary is getting involved in this, too. We needed energy and they are providing the energy to get it off the ground. It is still rolling out but the one thing is people who will contribute money.

Senator Schneider: I am concerned by the last line which says that contributions by a taxpayer may be earmarked for use by a designated recipient. That probably isn't a problem for rural leadership North Dakota but when there are elected leaders involved it concerns me that dollars could be earmarked for one over the other maybe that is something that we can chew on overnight. .

Senator Wardner: It could happen. You make a good point, if you like I can table the motion for the time being.

Motions rescinded.

Vote 10
Representative Carlson handed out 15.8148.02026 - Attachment 10.

Representative Carlson: This bill had to do with the air ambulances and the emergency part of this section, the bill requires air ambulances participating with major insurance carriers in North Dakota, in order to be considered primary call inside 911 centers. We have had some complaints from various people, the most recent one being a patient who was billed $88,000 from Dickinson to Bismarck.

Senator Schaible: District 31. The only thing this does is change it to an emergency clause so it would go into effect right away.

Representative Carlson: The bill has passed so this would be expedited.

Representative Delzer: My understanding of this is that there has to be rules written and this allows them to do the process earlier.

Representative Carlson moved 15.8148.02026
Senator Wardner seconded.

Senator Schneider: Who does the rule writing, which agency?

Senator Holmberg: I think that it is the department of health because they are the ones that deal with ambulances.

Senator Wardner: The reason to speed this up is that they have had another situation where someone was air lifted and the insurance paid $15,000 and the person had to pay another $63,000.

A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0

Representative Delzer: Just a procedural question, are all these clauses being rolled into one emergency clause?

LC Employee(??): We will have separate clauses at the end for each of these bills, similar to last time we will have separate emergency clause declaring the other bills to be an emergency.

Vote 11
Senator Schneider handed out amendment 15.8148.02032.

Senator Schneider: This deals with housing and like the contingency funding this is along those lines, it is truly a contingent appropriation as it says right after the section number. It sets up that appropriated out of any moneys in the general fund in the state treasury to the sum of $10,000,000 for the housing incentive fund if the monthly average drilling rig count exceeds 160 drilling rigs for any month of the biennium beginning July 1, 2015 and ending June 30, 2017. So if there are not 160 rigs drilling during that time this amendment does nothing if there are 160 rigs drilling you can bet that we need to do something more on housing. We are all aware of the statistics in terms of the additional personnel that is required to operate roads, the additional revenue that is generated by rigs far outstrips the additional $10,000,000 contingent appropriation that we put in place here.

Senator Schneider moved the amendment.
Representative Onstad seconded.

Senator Holmberg: Do you know where did the number 160 came in? Because industrial commission budget we had a trigger of 140 rigs for additional employees?

Senator Schneider: I don't think that it is a magic number; the fact that it is higher than the 140 speaks to the harmlessness of its passage. If we are back up to 160 rigs we are going to have excess revenue than what we are expecting now and we are going to have excess strain on thing like housing. 160, is it a magic number? Absolutely not.

Representative Delzer: It seems to me that we have a tax incentive of $30,000,000 out there already and I think that there is also $5,000,000 in the industrial commission from the Bank of North Dakota plus a trigger of another $5,000,000 if they exceed their profit level so I will not support it.

Senator Wardner: I will support it because I don't think that the others won't trigger either.

Representative Onstad: I plan to support it because there is a lot of employees that are tied to the rigs and additional housing is important.

Representative Carlson: Id council has clarification of what we did with the triggers somewhere for additional money into the Housing Incentive fund.

Adam Mathiak: HB 1014 there was $30,000,000 of credits; no contingency there was also $5,000,000 from Bank of North Dakota with no contingency. There was an additional $5,000,000 that would be transferred to the housing incentive fund.

Representative Carlson: So we had $5,000,000 on top of the $130,000,000.

Senator Holmberg: That second $5,000,000 also has a population requirement.

Senator Schneider: This is on top of that.

A Roll Call vote was taken. Yea: 3 Nay: 3 Absent: 0
FAILED.

Representative Delzer: I would like to hear what Senator Hogue has to say about the DOCR amendments.

Senator Hogue: The amendment that I offered was inspired by a question from Senator Grabbinger on the Senate floor a few days ago. We have this statutory committee called the alternatives to incarceration and it is comprised of legislators, members of the executive branch, judges, and folks in the business of incarcerating. There is a study that was added to HB 1015 and it did the same thing, the only difference I can see between that and the alternatives to incarceration commission was that there was a requirement that members of the appropriation committees be on this study committee. When I looked at the alternative to incarceration it has members of the appropriations on it as well. It didn't make sense to have the two and the reason for that is as important of an issue as it is to study alternative to incarceration. I feel like we will have a hard time finding members to staff both committees, I would rather we have some economy of effort and keep it in the alternatives to incarceration and not dilute their expertise.

Senator Holmberg: Do you see a similarity between what you are suggesting here and a concern that legislators express from time to time that we have a program out here and it maybe it's working and maybe it is not but we set up another program to do some of the same thing. Have you heard complaints that they haven't done their jobs?

Senator Hogue: Before we were spending a lot of money on local jails and our state facility I think that the alternative to incarceration commission was not as vigorous. This session we have adopted 4 of their proposals and we also defeated a third commission that was brought forth by judicial branch as well. We don't simply have people to staff all these commissions and I would rather focus on one. Grabinger saw it in the bill and we didn't know why we were creating another commission.

Representative Delzer: When I look at it I see differences in the size populations and who you are trying to get to. HB1015 deals with pre-trial services and maybe this one could be expanded to so that but the real question is why we not look at getting rid of alternatives to incarceration did.

Senator Hogue: I can't speak to the counties the only thing that I can speak to is the notion that someone from alternatives and you can't find someone who's willing. It's a rather hollow committee.

Senator Holmberg closed the hearing.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015 - 9:00 PM
4/27/2015
Job # 26442

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature	Alice Grove for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget. (OMB)

Minutes: Attachment 1 - 7

Legislative Council - Adam Mathiak, Brady Larson, Jim Smith
OMB - Sheila Peterson, Pam Sharp

Conferees:
Senators Holmberg, Wardner, Schneider
Representatives Delzer, Carlson, Onstad

Senator Holmberg called the conference committee to order on SB 2015. What's ready to go?

Vote 1
Sen. Schneider handed out 15.8148.02050 - Attachment 1 This is $3M for transportation grants to school districts.

Chairman Holmberg: This is the item that the Senate originally passed, the House removed the $3M; the conference committee restored it for a day and then removed it earlier today. Senator Heckaman was working on this. The discussion was that the department felt that just taking it out of anticipated carryover would put too great a strain and they could not support it. We were told this might come before us.

Sen. Schneider: My understanding is that the $30-40M in terms of this turn-back is basically unspoken for. It seems a prudent way to utilize about $3M of that turn-back

Chairman Holmberg: Pam, how is legislative council counting that money?

Pam Sharp: Our estimate for turn-back was $50-55M and $30-35M of that was from this turn-back and the other, we just know there is a historical average of turn-back, so we didn't itemize the rest.

Rep. Delzer: The situation we have out there is a forecast that is based on pretty good growth on sales tax and whatever and I think we absolutely need the $200M ending fund balance and this would take away from the bottom line.

Rep. Carlson: We had this issue on the floor a few minutes ago and there was a unanimous do pass on the K-12 budget without the $3M in it and we were told that Mr. Coleman didn't feel comfortable assuming that those numbers could be reduced and still cover the expenses that were out there. I'm not going to support this.

Rep. Onstad: But the comments were such that there are a number of schools that are not receiving any increase. It's showing that there's a lot of work yet to do in the formula. Even for 500 students - or zero enrollment. I would hope we could support this because we know we're going to have to work to correct the formula. With the turn-back, the $3M, is not asking too much.

Sen. Schneider: How much of that turn-back, the $30-40M whatever it is expected to be, how much of that is spoken for in that $200M ending fund balance?

Rep. Delzer: My understand is all of it.

Sen. Schneider move amendment ,02050

Rep. Onstad seconded.

A Roll Call vote was taken. Yea: 2 Nay: 4 Absent: 0
Failed.

Rep. Delzer: Asked someone to explain 02018 and why now.

Rep. Curt Hofstad, District 15: Some history on this: in 2009 Sen. Fisher introduced a bill that gave quick take to water resource boards. It did that for the Maple river dam so they could complete that project. The language in the code said that the funds that had been appropriated, either by federal or state funds, those water resource boards then acquired quick take. The language in the bill is somewhat ambiguous because it doesn't really specify who appropriates those funds and water resource boards have assumed that because they are involved in the project with funding from the state water commission that they have authority. The language in the bill is clarifying language which says that if the state appropriates those funds for a specific project they have quick take.

Sen. Schneider: Can you explain the distinction between state water commission funds and funds appropriated by the legislature? Are those two different things?

Rep. Hofstad: I think they are. I think it is understood that we are the ones that appropriate those funds. The state water commission allocates the funds that are appropriated. Therein lies the ambiguity. Water resource boards are assuming that because they are part of that project that is receiving those funds; and they now have quick take. This is meant to clarify that language, specifically. The issue was brought by the state water commission because there is ambiguity.

Sen. Schneider: Where does the state water commission get the funds from?

Rep. Hofstad: It's appropriated.

Rep. Delzer: I think the issue is that, yes, we appropriate to the state water commission but the resource boards are saying that because the water commission then allocates some to them, they consider that appropriated. And this would say that unless the legislature did a specific project that was involved with the water resource board, it would not be quick take for that water resource board.

Sen. Schneider: Okay, I see the specific project language. That clarifies things.

Rep. Hofstad: Unless we give that authority to the state water commission through a specific project, state water commission does not have quick take. The only time they have quick take is when we specifically give it to them. We have given it to them on three situations: one for Southwest, one for NAWS project, one for Devils Lake. That's the only projects for which the state water commission has quick take authority.

Rep. Onstad: Rep. Hofstad, we have a situation at Rice Lake. It's like a mini-Devils Lake at this point and we have appropriated some dollars to assist at Rice Lake. Is this a situation where it's an emergency pumping as you go and it's going to be stored on landowners property, you see this as being used in that situation?

Rep. Hofstad: The water resource board still has eminent domain. They can exercise that power. The negotiation power is still between the water resource board and that landowner. The only thing that quick take does is it allows them to go on that land sooner.

Sen. Schneider: Does this have any application to the Fargo diversion?

Rep. Hofstad: I don't believe that it would because those are federal funds. With federal funds go the power of quick take.

Vote 2
Rep. Delzer moved amendment 15.8148.02018 - Attachment 2
Sen.Wardner seconded.

A Roll Call vote was taken. Yea: 4 Nay: 2 Absent: 0
Passed

Vote 3
Amendment 02017 - Attachment 3

Sen. Wardner : Under the current law, higher education and secondary private institutions, they have a cap of $2,500. K-8 does not. This puts a cap on them too. If we put this on and pass it that means that starting with kindergarten through higher education it's the same. It does say institutions of primary education.

Rep. Delzer: I'm trying to think how this would work with private schools or the home schoolers, if they were to get something. I could understand doing this on higher education. I'm not sure that we want to go this route on K-12.

Sen. Wardner: Higher ed already has the cap on it. So does secondary. There is somebody in the audience who could shine a light on it. Asked Donnita Wald to come up.

Donnita Wald, General Counsel, Office of Tax Commissioner - Both Houses passed this bill that was introduced by Rep. Dosch. Initially it was just to allow the pass-through to take the credit. The senate decided to allow contributions to primary education nonprofit private schools, K-8. In doing so, they forgot to put in the section that had the cap in it. I brought that matter to Senator Cook to get it fixed and that's why the amendment is here for you today. Just to cause some equity among all three tax credits.

Sen. Wardner moved amendment 15.8148.02017.
Rep. Carlson seconded.

Rep. Onstad: We've talked about funding private education and I'm wondering if we are opening the door here a little bit because we are taking general fund dollars, funding a tax credit that is really going to private institutions and is it starting on the way to a voucher system? I'm going to oppose the bill.

Sen. Wardner: The barn door is open, it's just that this puts a cap on it.

A Roll Call vote was taken. Yea: 5 Nay: 1 Absent: 0
Passed

Vote 4
Rep. Carlson - This is a bill that deals with some triggers for building construction. Amendment 15.8148.02049 - Attachment 4

Rep. Delzer: Explained amendment. The difference in the House and Senate bills, the triggers on transportation, the triggers on Dunbar Hall and the triggers on Valley City Fine Arts project on the single sheet that was handed out before, it basically matches all of that. The addition that this one has compared to the other ones that was before us is on page 3 of the amendment, paragraph b, the last sentence says the board may not seek approval from the budget section to proceed with the project until the state auditor's office performance audit of the university system master plan and space utilization study is completed. That's really the change. What we are doing here is we say if there is $20M extra over the legislative forecast, $20M goes to DOT. If Valley City goes either in January or July at $126M, there would be $25.8 go to Valley City for the building, there would also be $25.8 go to transportation. Sen. Holmberg had some consternation about that requiring budget section approval. I think it is still in here because we haven't changed that at all. On the Dunbar Hall, it says we have to have the information and adopt all that before that could go forward. Could not go forward until January 1, 2017 and the amount of $250M instead of $200M. The reason is if you did the $46M, you would still be at $200M over. That's what the amendment does.

Chairman Holmberg: I have big heartburn on two things: one of them is the budget section approval. The Valley City project should be just if the money is there. The language in here is the same as the same as the language in 1003. I'd have much less heartburn if that was there.

Rep. Carlson: How do we know for sure the money is there?

Chairman Holmberg: We get reported that it's there, to the budget section.

Rep. Delzer: I don't have any heartache - as long as it's reported.
I'm not sure the $46M for DOT, I think should come out of the general fund, the same as the $46 for Dunbar if it should happen to go ahead. I would not want to use general fund money for Dunbar and not do the same for transportation.

Rep. Delzer moved 02049 - with a report on the Valley City to the budget section and Dunbar, the way it is with the exception of the transportation money would be out of the general fund.

Rep. Carlson: Is there not $200M in this budget for highways?

Rep. Delzer: That will have to be another amendment that we take that out if we put this on, we will have to take that $200M out. This would probably replace that, however, we need to work that.

Sen. Wardner seconded.

Sen. Schneider: For those of us who are appropriators, would it be possible to get these amendments drawn up, take a look at them, and then vote? If there isn't more time, I guess I'll do what I've got to do.

Rep. Delzer - I guess we could ask if they could have those changes made overnight.

Chairman Holmberg: Jeff & I aren't the ones who determine time.

Brady Larson: 5A, at the bottom of page 2, refers to subsection 1 at the top of page 2, not the $18M on page 1.

Rep. Delzer: It's part of section 5, 1 and 2 in section 5? Or, 1 and 2 on section 6?

Brady Larson: Section 6.

Rep. Delzer: In 5A you would simply strike out budget section approval and insert with a report to the budget section?

Brady Larson: Yes, that would be the amendment.

Rep. Delzer: Sen. Schneider, do you see where we are talking about? In 5A, on the second line it says, subject to budget section approval. That would be struck out and you

would simply say with a report to the budget section. And where would the transportation be because that would be under the same deal, Brady.

Brady Larson: On page 2, section 6, subsection 4, there would be a change for that $46M to be from the general fund, for the highway fund, instead of SIIF.

Rep. Delzer: And 5A, removing that would take care of the $25.8 to transportation and also, Brady? That would be the changes to the amendment.

Brady Larson: That is correct.

Sen. Schneider: The trigger for Dunbar in the Senate version was $200M? (Correct.)

Rep. Carlson: I think we've had some consternation over the fact that we asked last biennium for a master plan on space utilization study and until a week ago we hadn't heard or seen anything and then we get an encyclopedia of the space as we are almost rapping up. It's important to get this right as we look forward to higher education & space utilization so I think the safeguards in Dunbar Hall are a good one. I don't have any trouble with the report to the budget section. If you don't want to vote, that's fine. Sen. Schneider our intent here was if we were building buildings, that we were also going to build roads. We are committed to making sure that we put that $200M in for a reason. We cannot rely on any federal money to come in for our highways. They can't seem to authorize a highway plan. We said if we're going to do bricks and mortar, we should be putting some money into the highway. This number from $200M comes way down. When you add these up there's not even a $100M when you get down to this by following the trigger mechanism. So everyone wins on this deal .

A Roll Call vote was taken on 02049, as refined. Yea: 5 Nay: 1 Absent: 0
Passed.

Vote 5 - remove $200M on Highways
Rep. Carlson moved to remove $200M on highways
Sen. Wardner seconded.

A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0
Passed

Vote 6

Rep. Onstad: Handed out amendment 15.8148.02048 - Attachment 5
Energy development ... All these entities have to be implemented into the study. Let's recognize what's impacted. This is language to further enhance the study.

Rep. Onstad moved 02048
Sen. Schneider seconded.

Rep. Carlson: Do you mean just because it's the last one passed it replaces it? Where does it say that it is replacing the study in 1176?

Rep. Delzer: I'm uncomfortable with change. We've already put that in 1176. We did add the road look and I think anybody who is on that energy and transmission commission is going to do all of that Instead of adding another replacement of a study from another bill. I'm more comfortable with what we did pass out with the understanding that in all likelihood all of this is going to be covered anyway.

Sen. Schneider: Whether it's this study or in another one, Rep. Onstad's idea of delving into this notion that the impacts don't necessarily always follow geographical lines when it comes to counties that produce oil, and I hope we can look into that very seriously.

Rep. Carlson: I agree with that. What is the true definition of a Hub City? Is mining the category that we want to use when we determine what those cities are? These county connected corridors are important. In all discussions we've had already we've taken steps but nobody would say that everything is solved out there. I would think that this study would be rather general, in the first place. All these things are legitimate and that no matter what sheet of paper they are on, that these topics are brought up.

A Roll Call vote was taken on .02048. Yea: 4 Nay: 2 Absent: 0
Failed

Vote 7
Rep. Delzer: Handed out amendment 15.8148.02053 - Attachment 6
This would go directly to the community of Hazen. Whether or not they get to the point of using it this time, I'm not sure. The Senate took it out because in 1176 we did the impacts for the hospitals. Rep. Kreidt has told me that Hazen doesn't qualify because the hospital doesn't have bad debt. They would qualify as far as being in the area because Mercer County is an oil producing county.

Chairman Holmberg: Adam Mathiak confirmed it's about $1M.

Rep. Delzer - This would not add to the bottom line because it is special funds, IGT funds. We did 1196 in an earlier session and that one set up the bid buy-down and some of the moratorium language. There is some money coming back

Rep. Delzer moved 15.8148.02053
Sen. Schneider seconded.

Rep. Carlson: When it says the population of more than 2406 and fewer than 2430, it really limits who we are talking about here.

Rep. Delzer: In HB 1176 we've got three or four of these where we say a city with a population, one of them within 6 people.

Rep. Onstad: How many other critical access hospitals in this state could use a similar grant because of extenuating circumstances?
Rep. Delzer: I believe this has to do with building on and adding more beds. I don't know that there is any other city out there that is doing what this one is doing.

A Roll Call vote was taken. Yea: 3 Nay: 3 Absent: 0
Failed

Vote 8
Sen. Schneider handed out amendment 15.8148.02044 - Attachment 7
What this amendment would do is restore the PSC rail safety project to 2 FTE. What the 2 public service commission candidates agreed upon during the campaign was 3. The current status is 1 FTE plus 1 temporary employee. It's important to appropriately staff the rail safety person. This is not going back to the drawing board of 3. This is a compromise.

Sen. Schneider moved 15.8148.02044
Rep.Onstad seconded.

Rep. Carlson: When the bill left the House, the PSC budget had no rail inspectors in it. Our chamber voted to not have any rail inspectors in it. We had discussions about who has authority: federal or state. It's interstate commerce. We put 1 in. We got railroads to agree to do more training than they are already doing. We said you can have 1 full-time one; or if you want to have a contract individual. Safety crossings are an issue; too long waiting periods to get through towns. It came out of the House at zero. And now we have 1 full time, plus we have funded 1 as temp or part time, a contract individual. I'm going to oppose this.

Sen. Schneider: I understand the House's position. My concern with the 1 temporary employee is that they could even fill that position. In North Dakota's economy, that's not a very attractive job.

A Roll Call vote was taken. Yea: 2 Nay: 4 Absent: 0
Failed.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015 - 9 AM
4/28/2015
Job # 26444

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature	Dona E Perez for Rose Laning

Explanation or reason for introduction of bill/resolution:
A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget (OMB)

Minutes: Attachment 1 - 7

Legislative Council - Adam Mathiak, Brady Larson, Jim Smith
OMB - Sheila Peterson, Pam Sharp

Conferees:
Senators Holmberg, Wardner, Schneider
Representatives Delzer, Carlson, Onstad

Senator Holmberg called the conference committee to order on SB 2015.

Rep. Delzer: We discussed whether or not to remove snowmobiles from DOT to Parks and Rec, both bodies decided not to. There was $310K of general fund money for it. This amendment would take the money out of that budget and put it in the ending fund balance.

Sen Holmberg: the money is there but the bill that would utilize it is gone. This would make a lot of sense.

Vote 1
Delzer handed out 15.8148.02054 - Attachment, moved
Carlson seconded.
A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0
Passed

Vote 2
Carlson handed out 15.8148.02061 - Attachment 2
Wardner seconded.
A Roll Call vote was taken. Yea: 5 Nay: 1 Absent: 0
Passed

Carlson: this deals with incremental production from a tertiary recovery project. It gives an exemption for 5 yrs. from a horizontal well built and completed within the Bakken. There is a moratorium for the upcoming biennium but the length of the exemption will be for 10 yrs. I move the amendment.

Discussion:
Delzer - the study in there I think is the same one **Sen Wardner** has an amendment on? (Was told that one can go away as this one gets put on) I will support the amendment.

I won't support it. Let the two studies go forward - not vote.

Sen Holmberg: this is the packet we got from Sen Hogue yesterday.

Vote 3
Wardner handed out 18.8148.02060 - Attachment 3
Delzer seconded.

Wardner: this one is about the airport in Dickinson, its intent is that out of the energy impact dollars $140M in HB 1176, there is $48M for airports, up to $39M will be spent in Williston to match federal dollars to get the new airport going so that community can get back on its feet. There is $5.8M to Dickinson; they are getting ready to redo a new runway in their airport at the next biennium. I move the amendment.

Schneider: do these projects jump any other projects?

Wardner: no, there are other projects in smaller airports, the $48M will take care of them.

Carlson - do any of you recollect what we put into these two cities last time, has the money being used?

Wardner - Williston didn't use all of theirs - part of getting it together for the new airport when it's timely, $19M on Williston

Carlson: carryover money - leaves about $3.2M for other airports. Moving the location - assuming this is fine to move out of town.

A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0
Passed

Vote 4
Wardner handed out 15.8148.02056 - Attachment 4 on the WSI employees and others in the same situation, on the Rule of 90, and on the 8%. On pages 1 and 2, going from a defined contribution to a defined benefit. On page 2 item7 is the 2% of the monthly salary wages paid to the members.

Allen Knudson, Legislative Council: the language for the rule of 90 is at the bottom of page 2, all should be underscored (subdivision B) - all is rule of 90, paragraph 2. On page

5, subdivision d, where it says: "except for a national guard security officer..." that should be underscored and that ties with the 8%.

Onstad -on page 2, section 7, the additional 2%, is that for as long as they continue to work?

Wardner deferred to **Pam Sharp** - that is for the remainder of their employment.

Delzer - we narrowly defeated the switchback. In the Senate the Rule of 90 and 8% was defeated. I will support this as a fair compromise.

Carlson - how many people in workers comp. fell into this bubble?

Pam Sharp: less than 50, I don't have a solid number.

Carlson - what if their 401K produced poorly and they don't have the money to put in? Will you get the same dollar value, if they bring in $60K for a retirement of $100K? We pick up the $40K?

Pam Sharp: all the money will be transferred in, an actuarial study has been done, and it will be a positive to the fund - equal dollar amounts, the money they put in plus 2%. Whatever is in their accounts will move over. Actuaries look at the total sum in the accounts.

Carlson: If they don't have money in their account, do they have to add to that account, borrow it? Could be a sweetheart deal for some, but someone is picking up the difference. There is a difference between a 401K and long term defined benefits.

Delzer: do we need to put a limiter on there? If some people don't want to move does that change the actuarial?

Pam Sharp - It doesn't change the actuarial. The actuaries have all those things factored in. There is a 3 mo period to decide to move.

Delzer: I thought we were talking 26 and now 50?

Wardner moved amendment 2056
Onstad seconded.
A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0
Passed

Vote 5
Wardner handed out 15.8148.02058 - Attachment 5
Guardianship grants were doubled by putting $828, 600 there. We have a lot of people who can't take care of themselves, we need these guardians. We need good people out there, this program insures that there is some integrity and they get something for their efforts.

Wardner moved .02058

Schneider seconded.
A Roll Call vote was taken. Yea: 4 Nay: 2 Absent: 0
Failed

Vote 6 - alternative motion 15.8148.02058
Carlson I want to raise the number - go up $500,000, making total $1.386M
Delzer Seconded.

A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0
Passed

Vote 7
Carlson handed out 15.8148.02013 - Attachment 6
Property tax: many people are wondering why their property taxes have been going up. Property tax relief has been eroded away to a point where it is not even close to dollar for dollar. This just says we will be dealing in dollars, number 2. It does not count new growth against you. This is an attempt at property tax reform. Read a letter from Fargo.

Carlson moved amendment 15.8148.02013
Delzer seconded.

Sen Holmberg: this is an area I am not ready to vote on, finance and tax, but let's have a discussion -

Wardner: schools are limited to 12%, does this trump that?

Carlson I don't believe it does, this talks about all taxing districts. Provided example of taxes in Fargo, there was a reduction, next year an increase because assessments went up, will check on the schools.

Wardner: We haven't had a hearing on it. I appreciate looking on this before we vote on it.

Carlson: We should be at 40% property tax reduction; we either change the terminology or put guidelines for reform. The 12% is a great idea; it's not a new topic. We will address when we come back.

Onstad: You have a 5% cap. The problem was the assessment and the assessment formula. Your contention should be looked at.

Tabled

Vote 8
Schneider handed out 15.8148.02041 - Attachment 7
Behavioral health services: a trauma informed system of care for youth, 15 additional extended service slots for youth and a mobile crisis service for people who would otherwise be hospitalized. $600,000 -

Schneider moved .02041

Onstad seconded.

Delzer - don't think I can support it - we have a Human Services budget, numerous bills dealt with these issues.

Onstad - that's a lot of money to cover all this. When you break it down, it is not there, so give this a little consideration.

A Roll Call vote was taken. Yea: 4 Nay: 2 Absent: 0
Failed

Chairman Holmberg- there are a couple sections we may want to revisit regarding forced resignation of vice chancellor. Bring up at 11:00 AM today.
Other members of the Senate have issues they'll want to revisit.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015 - 11:00 AM
4/28/2015
Job # 26446

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature MJacobs for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget. (OMB)

Minutes: Attachment 1 - 5

Legislative Council - Adam Mathiak, Brady Larson, Jim Smith
OMB - Sheila Peterson, Pam Sharp

Conferees:
Senators Holmberg, Wardner, Schneider
Representatives Delzer, Carlson, Onstad

Senator Holmberg called the conference committee to order on SB 2015.

Adam Mathiak from Legislative Council handed out the changes on SB 2015 OMB Conference Committee Amendments - Attachment 1

Representative Onstad: This House amendment how is that different than basically the first $3 Million we had authored for transportation? Is it dependent on the integrated payments coming back and the other one $3 Million was where?

Representative Carlson: The other $3 Million was right off the top.

Senator Holmberg: The bill which you passed removed $3 Million from Transportation funding and then we went through the conference committee and at the end of the day there was not that additional money. Senator Heckaman had offered an amendment similar to this, and that did not get put on 2013. So this is the alternative and the money comes from the anticipated excess rather than turn back, but Alan or Adam can explain it.

Vote 1
Amendment 15.8148.02052 - Attachment 2

Allen Knudson: This would take or set aside if there was money left at the end of next biennium from school aid payments. They could use the $3 Million for additional transportation aid.

Senator Holmberg: So they wouldn't get it until when?

Allen Knudson: By the end of next biennium.

Representative Delzer: If you need it, it says after the Superintendent complies with all statutatory payment obligations imposed for the biennium, so they wouldn't know it until everything is covered that is in the bill. And if there was turn back and such, as there is $35 Million, this time, $3 of that would automatically be used. So it would not be turn-back. I don't know how comfortable I am with it, but that is what the amendment does.

Representative Carlson moved .02052
Senator Schneider seconded.
A Roll Call vote was taken. Yea: 5 Nay: 1 Absent: 0

Senator Holmberg - Yea	**Rep. Delzer- Nay**
Senator Wardner- Yea	**Rep. Carlson- Yea**
Senator Schneider- Yea	**Rep. Onstad- Yea**

Passed

Rep. Carlson: I don't have the amendment down here but the one I proposed on the vote of the people. That increases in real dollars over 5%, and there's an amendment that does not remove that 12% from the schools. That would stay in place because that would cause some real problems on that 12% side for them. So were basically be the other political subdivisions not schools.

Senator Holmberg: That is the amendment that you passed out earlier.
Rep. Carlson: Mr. Walstad was doing the amendment. Is there anything you want to discuss on the bill itself?

Senator Holmberg: I think we should have the Senators, can take a look at what was in the packet. Sections 16, has to do with the Board shall adopt a policy that provides that each Vice Chancellor is considered having resigned the individuals position as Vice Chancellor upon the appointment of a Commissioner of Higher Education. Can you, it's that one on 21 that deal with Higher Ed. Can you give us some of the thoughts behind that?
Vote 2
Representative Carlson - Amendment earlier

Representative Delzer: From the committee discussion I think the thoughts on it is simply like we said before. If somebody is coming into a new position, it's the thought that they should have the opportunity to pick their top people that are unclassified and do a lot to running. Now nothing says that any of them would not be held on for long enough to make a valid decision, but the resignation would basically be on the desk if they wanted to accept it. If they didn't they would not have to.

Senator Holmberg: Is this not similar to the Governor's office upon the election of a new governor, everyone is deemed gone and if they switch party.

Representative Delzer: I think most elected officials or even appointed officials have a number of spots that are unclassified. We did not have the discussion about whether or not it was constitutional for us to tell the Board what they have to have for policies.

Senator Holmberg: Was there discussion about anything constitutionally to do this?

Representative Onstad: It seems like you're putting something in place that you anticipate that here is a problem and I am not aware of any other previous Chancellor in this position that has make this request. So, why now, it has to be further explained to me? I just don't see the need at that point. I mean, can anybody state me previous chancellor who has had either a problem with the current staff? I tend to go on record until that really happens then it is really a consideration. I don't think that has happened so I can't really support this language.

Senator Holmberg: Because it is in the bill it would take a motion and then 2 from each body to remove it from the bill.

Senator Schneider: I would move that we remove section 16 in amendment 15.8148.02036 p.8 the green text, lines 3-6. I will remove that language.
Representative Onstad seconded.

Senator Holmberg: Wouldn't you just remove the section? Because the only change. We are removing in the bill that is with House amendments you're removing Section 16, but you guys know where it is. Is there a second to that motion?

Senator Schneider The last thing the board needs is a lawsuit that this was improper legislative. I can't jump to that conclusion but plan to steer clear of it.

A Roll Call vote was taken. Yea: 4 Nay: 2 Absent: 0
Senator Holmberg- Yea **Rep. Onstad- Yes**
Senator Schneider-Yea **Rep. Carlson- Nay**
Senator Wardner- Yea **Rep. Delzer- Nay**

Motion Failed

Vote 3

Senator Holmberg: Section 21 is the other one that I had a question about. This goes to the question of the attorney's. If you recall in 1003 there is language that says that attorneys who transfer over to the Attorney General's office shall be paid based on the salary schedule of the Attorney Generals' office, not on the salary schedule of the University system. That is a separate issue. The one talks about severance pay to any employee. Is that number 1, a problem and number 2, this goes into effect July 1, 2015 and

I knew I was an attorney that did not want to continue in that job, and if I had a severance package that was there, I would certainly resign before the bill became effective.

Representative Delzer You know if they want to do that, that is fine. I think this we put in a discussion that I remember on it was, we didn't want them after the time with the Board of Higher Education deciding to give a severance package that would make up the difference between what the Attorney General pays and what they were being paid.

Senator Holmberg: I don't know how many discussions that went around the Attorney General's budget, you know because we removed this particular idea from the university system budget 1003. Is there any action that some would like to take on Section 21 with House amendments?

Representative Onstad: This goes back to the previous sections 16 and 21, and I don't know why anybody would want to work for Higher Education or in of these cases. Because at the whim of the Legislative Assembly we can shift you around just so you got a resign to reapply and they come in for a lower salary or higher salary. It just doesn't make sense to me at that point and I think it is just going to. We might think we are doing the right thing here; but look at the ability of trying to take on new people and so on, and they will say well you're just a temporary employee, because 2 years from now they might shift you. So I just can't support this at that point.

Senator Holmberg: Are you suggesting we remove section 21 from the bill?

Representative Onstad moved to remove Section 21 of the bill in the form of a motion
Senator Schneider seconded.

A Roll Call vote was taken. Yea: 4 Nay: 2 Absent: 0
Senator Holmberg- Yea **Representative Delzer- Nay**
Senator Wardner- Yea **Representative Carlson- Nay**
Senator Schneider- Yea **Representative Onstad- Yea**

Motion failed
Senator Holmberg: Are there any other amendments?

Discussion

Representative Delzer: Not necessarily an amendment but I think we should have a discussion about elevators. We did remove all the elevator money.

Senator Holmberg: $1 Million in change.

Representative Delzer: I am not sure but I think some information came forward afterwards that might mean we want to have a slight discussion about it. I know this isn't a hearing at all, but if you would I think maybe we should let Ms. Sharp have a chance to say what exactly they are doing with that, so that all of us on this committee have heard it.

Pam Sharp: It would be to completely upgrade the elevators in the building with new technology. The issue is when they break down, the elevators are so old. They don't make the parts anymore. So they have to scrounge around to find used parts. At some point there just not going to be any more parts to fix it. We felt now is the time that we need to get these elevators upgraded just to ensure the safety of everyone riding in the elevators every day.

Representative Delzer: The committee looked pretty hard at this and we did have some discussion on it. I guess I am comfortable with leaving it for two years but I thought it should be an issue that should be discussed by this committee.

Representative Carlson The contractor in me tells me if that were the case I would be out buying up every used part I could and have them sitting in inventory.

Vote 4

Senator Wardner: This has to do with the energy impact dollars for out West. Last session we appropriated a pool of about $14 million plus; and there were several agencies that used that pool as a wage a living allowance to make it even out in the oil patch. What I would like to do, is pass these out and then I would like to show you what I am proposing.

Handed out 15.8148.02043 - Attachment 3
Oil/Economic Impact - Attachment 4

Senator Wardner: On the amendment, explaining Attachment 4, we have to make some number changes, because when this was drafted it only included four agencies. Now this is the where if you do it for one agency you do for everyone. I have to apologize I didn't realize how many other agencies that were in it. We've got a list of them and I did add some money. I added $700,000 in the General Fund, and $50,000 in other funds. So I am going to go down through them, this list, will be given to OMB, and that would be there guidelines as to how do and what this energy impact monies go. The Tax Department $40,000 General Fund; DHS which we had negotiated they got $1.5 Million in General Fund and $1 Million in other funds; Job Service they didn't get any General Funds, they got $115,046 in other funds; Industrial Commission $200,000, Highway Patrol $200,000, Department of Corrections $200,000, Extension $80,000, this is all General Fund. The Ag experiment stations $150,000, Historical Society $30,000, Game and Fish $50,000 in Special Funds and DOT gets $4.9 Million in Special or other funds. So that's the guideline of other than about four of them the rest of them have nothing and so on the amendment where it says $1Million 700, change that to $2Million 400,000 that is exactly $700,000 more. Then when you go to the Special Funds you increase that $6Million to $6,065,000. That is it. Other than that, it stays the same. There is a lot of concern on members of this committee, that it's time to start winding this program down and that's fine so what we're doing is we are cutting it down. There is no question that rents are coming down, but I do want to make this point, when the rents come down from $2500 a month to $1900 a month; then come down $600 dollars a month but still is a lot of money in some of these jobs. Some of them are in leases, and so at least through this biennium, we expected to and

would like to see it continue. It is much more scrutiny not just giving out to everyone but only to those who need it. That is the compromise, we have here.

Senator Wardner moved 15.8148.02043
Representative Onstad seconded.

Representative Delzer: When I am looking through here, it looks to me like it's just a pool and it all up to OMB. So actually your numbers here, while you're saying this is how you come up with your numbers, it doesn't necessarily mean that OMB is going to do it that way. I know that this thing is a result of last time when we ended up being almost all salaries. I was very disappointed in how it was handled during the interim. The one question I do have when we are looking at this and I know we discussed some of these numbers but you originally you said one million and a half, to DHS, General Fund at a million special, what I am afraid of if we do this in the pool you're actually increasing the amount that's available like for DOT; from $ 4.9 to actually $5.4, so I think if you want to do this we should consider reducing that million on what you have listed for DHS for by ½ million because that really isn't available to them from what this information gives us. That would keep you at your $4.9 on DOT, and part of the issue is we want to make sure that everybody understands that it worked towards ending this program. I think that is where your 2nd paragraph and 3rd paragraph does in the amendment. I don't know what you think of that issue or whatever, but I know we did save more special funds for DHS than they show as having available. I think the whole thing is a pool but OMB. This is going to put it on OMB to decide who gets what. Everybody has got to apply, say why their applying and how they plan to get out of the system and then in the next two years it says the funds provided on this section are considered a one-time funding item and may not be continued at the end of the biennium beginning July 1, 2017 ending 2019.

Senator Wardner: I didn't know I just thought that is what we had kind of talked about and decided. I thought that $1 Million of special funds that there was other money available. I didn't know that that was the limit there. But, I can't answer that for sure. I don't know if anybody can.

Representative Delzer: The way this is set up, it's a pool. If it's not available for DHS to use it would be available for DOT which in essence would hold them up and I think if we should if we're going to pass this. I guess I can personally live with the $2.4 Million. I think it is a little high, but it is considerably less than what the bill had in it. But I do believe we should go to like $5.5 on the other part of it.

Senator Holmberg: Is it the Legislative council's opinion that because it is a pool to them, that this sheet is not part of any discussion. They will get the $2.4 Million of general funds and they will spend it for these purposes.

Allen Knudson: That's how we will interpret it.
Senator Holmberg: I am sure that OMB would interpret it that way too.

Senator Wardner: The way it is I'm just given this as a guideline, that's all it is. Some would get less some would get more depending on their arguments on why their needed.

Representative Delzer: If you would **change to $2.4 DHS and $5.5 and then I could support the proposal.**

Chairman Holmberg: Your talking about in the DHS changing that to .5 up there?

Representative Delzer: Basically it says $5.565.

Senator Wardner: I guess I don't have a problem with that.

Senator Holmberg: So you have then. Do you want to make a motion then that we accept this with the numbers at $2.4 Million general fund, and $5,565,040 in Special Funds?

Representative Carlson seconded.

Discussion

Representative Carlson: This is a significant reduction which I favor because last time every emergency commission came up. Representative Delzer and I would sit there and say why is everybody getting this and that was just the way it was being done. I think that we need to wean them off of this. Our concern always will be is this building the income base and then is there somebody else doing the same job that is not in the oil patch wondering why they didn't get as much money. So this does create some problems within the rank and file I think. When you do this I understand the impact out there but we do need to wean this down and get this off the books over time. It's just got to happen. As housing becomes more available we're already seeing some changes in that then I think we've got to have a plan to move out of this as we go through and get back to our normal pay schedule for these people.

Representative Delzer: As a follow up to that, this does I do believe give them enough money to work through that system because that is pretty hard just to stop it cold turkey in July.

Representative Onstad: I can understand to wean this off eventually at this point but, somehow you're going to have to replace it with those back in their own salaries. The cost of living, housing is going down, but a gallon of milk where I live is almost $8.00. A continuation to drop this program completely would be terrible thing. Several DOT stations around where I am at, are saying if this isn't a continuation they are going to leave. That doesn't help our employee retention at that point. We clean this off, but we'll go back and restudy what we are currently paying those individuals starting salaries at that point. There is going to have to be a shift, and rents have to come down a little bit. But the cost of goods is still considerably higher than anywhere else.

Representative Carlson I just have a comment. I think that the Rep. Onstad just made a perfect case for a corporate dairy.

Senator Wardner: One of things we'll be doing is study for oil country about formulas. This will be a part of it and we will get some answers and find out the cost of rent, cost of a lot of things out there, building and so forth. I'm ok with this and next session we'll visit it again.

A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0
Roll call vote on 02043 as refined
Senator Holmberg- Yea
Senator Wardner- Yea
Senator Schneider- Yea

Representative Delzer- Yea
Representative Carlson- Yea
Representative Onstad- Yea

Passed

Vote 5 -

Representative Carlson have corrected version of tax bill.
Handed out 15.8148.02063 - Attachment 5

Representative Carlson moved 15.8148.02063
Representative Delzer seconded.

A Roll Call vote was taken. Yea: 2 Nay: 4 Absent: 0

Senator Holmberg- Nay	**Representative Delzer- Yea**
Senator Wardner- Nay	**Representative Carlson- Yes**
Senator Schneider- Nay	**Representative Onstad- Nay**

Motion Failed.

Senator Holmberg recessed the committee till the call of the chair.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2015 - 2 PM
4/28/2015
Job # 26448

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature Eva Liebelt for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an ACT to provide for an appropriation to defray the expenses of the Office of Management and Budget (OMB)

Minutes: Attachments 1 - 4

Legislative Council - Adam Mathiak, Brady Larson, Jim Smith
OMB - Sheila Peterson, Pam Sharp

Conferees:
Senators Holmberg, Wardner, Schneider
Representatives Delzer, Carlson, Onstad

Senator Holmberg: Called the conference committee to order on SB 2015.

Allen Knudson: Handed out SB 2015 - OMB Conference Committee Amendments - Attachment 1

Vote 1:
Senator Holmberg: Said that there was language in this bill that we approved regarding contingencies on the fine arts building in Valley City and Dunbar Hall and NDSU. We had said in committee when we were working on it that we would amend it and take it out of 1003. Handed out amendment 15.8148.02065 - Attachment 2

Rep. Delzer: Moved the amendment.

Senator Wardner: Seconded the motion.

A Roll Call vote was taken: Yes: 6 No: 0 Absent: 0 Motion Passed

Vote 2:
Senator Wardner: Said they almost forgot to talk about the Target Equity. We had put Target Equity in the collections budget but the rest of it is in a pool. He went over the amendment. Handed out amendment 15.8148.02064 - Attachment 3

Senator Wardner: Moved the amendment.

Senator Schneider: Seconded the motion.

A Roll Call vote was taken: **Yes: 6 No: 0 Absent: 0 Motion Passed**

Vote 3:
Rep. Carlson: Said he had a lot of discussion with his caucus members since this was added onto the bill. This was defeated soundly in the House and I would move that we reconsider our actions and do not pass this amendment.

Rep. Carlson: Made a motion to reconsider action on 15.8148.2002.

Rep. Delzer: Seconded the motion.

A Roll Call vote was taken. Yes: 3 No: 3 Absent: 0 Motion Failed

Vote 4:
Rep. Carlson: Said this has to do with the passage of section 16 of the bill which related to the resignation of the Vice Chancellor at the University System. It would need an emergency clause so it would be effective prior to the new chancellor taking office. Handed out the amendment 15.8148.02066 - Attachment 4

Rep. Carlson: Moved the amendment.

Rep. Delzer: Seconded the motion.

A Roll Call vote was taken. Yes: 2 No: 4 Absent: 0 Motion Failed

Vote 5:
Senator Wardner: Moved that the House recede from House amendments and further amend.

Rep. Carlson: Seconded the motion.

A Roll Call vote was taken. Yes: 5 No: 1 Absent: 0 Motion Passed

Senator Holmberg and Rep. Delzer will carry the bill on their respective floors.

15.8148.02033
Title.

Prepared by the Legislative Council staff for
Representative Onstad
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - PRAIRIE PUBLIC BROADCASTING.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,500,000, or so much of the sum as may be necessary, to the office of management and budget for prairie public broadcasting projects, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides one-time funding of $1.5 million from the general fund to the Office of Management and Budget for Prairie Public Broadcasting projects.

15.8148.02031
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 24, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - JUDICIAL WING REMODELING PROJECT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $65,693, or so much of the sum as may be necessary, to the judicial branch for the purpose of defraying the additional costs of the remodeling project in the judicial wing, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Funding is provided to the Judicial Branch for the additional costs of the remodeling project in the judicial wing.

15.8148.02039
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the Senate accede to the House amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be further amended as follows:

Page 6, after line 1, insert:

"**SECTION 14. STUDENT LOAN TRUST FUND - STATE DEPARTMENT OF HEALTH - DENTAL LOAN REPAYMENT PROGRAM.** The estimated income line item of section 1 of House Bill No. 1004, as approved by the sixty-fourth legislative assembly, includes the sum of $360,000, or so much of the sum as may be necessary, from the student loan trust fund for the dental loan repayment program administered by the state department of health for the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

A section is added clarifying that $300,000 in House Bill No. 1004, the State Department of Health's appropriation bill, for the dental loan repayment program is from the student loan trust fund. This section was inadvertently excluded from House Bill No. 1004.

15.8148.02024
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 23, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact section 55-01-02.1 of the North Dakota Century Code, relating to operation of the heritage center building;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Section 55-01-02.1 of the North Dakota Century Code is amended and reenacted as follows:

55-01-02.1. Society to have jurisdiction over heritage center.

The society has jurisdiction over the administration and operations of the North Dakota heritage center building. The director of the office of management and budget is responsible for maintenance of the heritage center building. The society shall maintain the collections displayed and stored at the heritage center and shall provide, or arrange, for the security of those collections. The society shall establish a policy that authorizes the consumption of alcoholic beverages, including distilled spirits as defined in section 5-01-01, at the heritage center during an event that is open only to invited guests and if the alcoholic beverages are dispensed by a qualified alcoholic beverage licensee."

Page 6, after line 1, insert:

"**SECTION 15. EMERGENCY.** Section 13 of this Act is declared to be an emergency measure."

Renumber accordingly

15.8148.02028
Title.

Prepared by the Legislative Council staff for
Representative Delzer
April 24, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide for a legislative management study"

Page 6, after line 1, insert:

"**SECTION 14. LEGISLATIVE MANAGEMENT STUDY - TRANSPORTATION FUNDING DISTRIBUTIONS TO POLITICAL SUBDIVISIONS.** During the 2015-16 interim, the legislative management shall study special transportation funding distributions to political subdivisions. The study must review the feasibility and desirability of using upper great plains transportation institute needs studies, county major collector miles, or a combination of both for future distributions and review options to ensure counties are reporting information consistently. The legislative management shall consider methods to ensure that road projects in each county are properly coordinated with state road projects and projects in adjacent counties. The study must also review the use of special transportation funding in comparison to the legislative assembly's intent. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly."

Renumber accordingly

15.8148.02002
Title.

Prepared by the Legislative Council

April 3, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 44-04 of the North Dakota Century Code, relating to open records requests submitted by members of the legislative assembly and the legislative council;"

Page 5, after line 31, insert:

"**SECTION 13.** A new section to chapter 44-04 of the North Dakota Century Code is created and enacted as follows:

Requests for records by members of the legislative assembly and the legislative council.

Notwithstanding section 44-04-18.6, any record of the legislative council relating to a request for public records made by the legislative council on behalf of a member of the legislative assembly is a public record. The legislative council shall maintain a written or digital record of any request for public records made on behalf of a member of the legislative assembly which identifies the member of the legislative assembly who made the request."

Renumber accordingly

15.8148.02040
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - DEPARTMENT OF COMMERCE.** There is appropriated out of the student loan trust fund, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing grants to tribally-controlled community colleges, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an additional $1 million from the student loan trust fund to the Department of Commerce for grants to tribally-controlled community colleges.

15.8148.02026
Title.

Prepared by the Legislative Council staff for
Representative Weisz
April 23, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact a new section to House Bill No. 1255 as approved by the sixty-fourth legislative assembly;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 4, after line 8, insert:

"**SECTION 6.** A new section to House Bill No. 1255, as approved by the sixty-fourth legislative assembly, is created and enacted as follows:

SECTION 5. EMERGENCY. Section 1 of House Bill No. 1255, as approved by the sixty-fourth legislative assembly, is declared to be an emergency measure."

Page 6, after line 1, insert:

"**SECTION 15 EMERGENCY.** Section 6 of this Act is declared to be an emergency measure."

Renumber accordingly

15.8148.02032
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 24, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide a contingent appropriation; to provide a transfer;"

Page 3, after line 10, insert:

"**SECTION 4. CONTINGENT APPROPRIATION - TRANSFER - GENERAL FUND TO HOUSING INCENTIVE FUND - HOUSING FINANCE AGENCY.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $10,000,000, which the office of management and budget shall transfer to the housing incentive fund if the monthly average drilling rig count exceeds 160 drilling rigs for any month during the biennium beginning July 1, 2015, and ending June 30, 2017. For purposes of this section, the "monthly average drilling rig count" means the number, rounded to the nearest whole number, calculated by dividing the sum of the daily drilling rig counts for a calendar month by the number of days in the month. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides for a contingent transfer of $10 million from the general fund to the housing incentive fund if the monthly average drilling rig count exceeds 160 drilling rigs.

15.8148.02050
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, replace "exemption" with "exemptions"

Page 3, after line 10, insert:

"**SECTION 4. EXEMPTION - DEPARTMENT OF PUBLIC INSTRUCTION - CONTINGENT FUNDING - 2013-15 BIENNIUM - TRANSPORTATION GRANTS.** Notwithstanding section 54-44.1-11, if any moneys remain in the integrated formula payments line item after the superintendent of public instruction complies with all statutory payment obligations imposed for the 2013-15 biennium, the superintendent shall fifthly use $3,000,000, or so much of the sum as may be necessary, for the purpose of providing additional transportation grants for the biennium beginning with the effective date of this Act and ending June 30, 2017.

If funding is provided for additional transportation grants pursuant to this section, the superintendent of public instruction shall prorate the available amount according to the percentage of the total transportation formula amount to which each school district is entitled during the 2013-15 biennium."

Page 6, after line 1, insert:

"**SECTION 15. EMERGENCY.** Section 4 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment directs the Superintendent of Public Instruction to use remaining 2013-15 biennium integrated formula payments funding to provide an additional $3 million in transportation grants during the 2015-17 biennium. The grants are to be prorated based on the percentage of the total transportation formula each school district received during the 2013-15 biennium.

15.8148.02018
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 21, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact subsection 2 of section 61-16.1-09 of the North Dakota Century Code, relating to eminent domain and water resource boards;"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Subsection 2 of section 61-16.1-09 of the North Dakota Century Code is amended and reenacted as follows:

2. Exercise the power of eminent domain in the manner provided by title 32 for the purpose of acquiring and securing any rights, titles, interests, estates, or easements necessary or proper to carry out the duties imposed by this chapter~~, and particularly to~~. A water resource board may acquire the necessary rights in land for the construction of dams, flood control projects, and other water conservation, distribution, and supply works of any nature and to permit the flooding of lands~~, and to~~. In addition, a water resource board may secure the right of access to ~~such~~these dams and other devices and the right of public access to any impounded waters ~~impounded thereby~~. ~~Provided, however, that when~~If the interest sought to be acquired is a right of way for ~~any~~a project authorized in this chapter for which federal ~~or state~~ funds have been appropriated or state funds have been appropriated by the legislative assembly for a specific project, the ~~district~~board, after making a written offer to purchase the right of way and depositing the amount of the offer with the clerk of the district court of the county wherein the right of way is located, may ~~thereupon~~ take immediate possession of the right of way, as authorized by section 16 of article I of the Constitution of North Dakota. Within thirty days after notice has been given in writing to the landowner by the clerk of the district court that a deposit has been made for the taking of a right of way as authorized in this subsection, the owner of the property taken may appeal to the district court by serving a notice of appeal upon the acquiring agency, and the matter must be tried at the next regular or special term of court with a jury unless a jury be waived, in the manner prescribed for trials under chapter 32-15."

Renumber accordingly

15.8148.02017
Title.

Prepared by the Legislative Council staff for
Senator Cook

April 18, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact subsection 3 of section 57-38-01.7 of the North Dakota Century Code as amended by section 1 of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, relating to income tax credits for charitable contributions to private education institutions;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide an effective date"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Subsection 3 of section 57-38-01.7 of the North Dakota Century Code as amended by section 1 of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

3. At the election of the taxpayer, there must be allowed, subject to the applicable limitations provided in this subsection, as a nonrefundable credit against the income tax liability under section 57-38-30 or, in the case of contributions by a passthrough entity, under section 57-38-30.3 for the taxable year, an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the year directly to nonprofit private institutions of primary education, located within the state. The amount allowable as a credit under this subsection for any taxable year may not exceed twenty percent of the taxpayer's total income tax under this chapter for the year, or two thousand five hundred dollars, whichever is less."

Page 6, after line 1, insert:

"**SECTION 15. EFFECTIVE DATE.** Section 13 of this Act is effective for taxable years beginning after December 31, 2014."

Renumber accordingly

Prepared by the Legislative Council staff for
Representative Carlson
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after "budget" insert "; to provide an appropriation to the department of transportation; to provide contingent appropriations and transfers"

Page 3, after line 10, insert:

"SECTION 4. GENERAL FUND APPROPRIATION AND TRANSFER - HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, which the director of the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

2. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, or so much of the sum as may be necessary, to the department of transportation for state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 5. CONTINGENT GENERAL FUND TRANSFER AND HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, which the director of the office of management and budget shall transfer to the highway fund, during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. a. The transfer and appropriation in subsection 1 of this section is available only if the director of the office of management and budget determines actual general fund revenues for the period beginning February 1, 2015, and ending June 30, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $20,000,000.

   b. For purposes of this subsection, "estimated general fund revenues" excludes transfers to the general fund from the strategic investment

and improvements fund, property tax relief fund, the lottery, the mill and elevator, and gas tax administration.

SECTION 6. CONTINGENT GENERAL FUND AND STRATEGIC INVESTMENT AND IMPROVEMENTS FUND APPROPRIATIONS AND TRANSFERS - STATE BOARD OF HIGHER EDUCATION - DEPARTMENT OF TRANSPORTATION - BUDGET SECTION APPROVAL.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the state board of higher education for the Valley City state university fine arts building project, including the demolition of two existing buildings, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $25,850,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

3. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the state board of higher education for the North Dakota state university Dunbar Hall project, for the biennium beginning July 1, 2015, and ending June 30, 2017.

4. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $46,000,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

5. a. The appropriations and transfers in subsections 1 and 2 of this section are available, subject to budget section approval, only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000, or if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending June 30, 2016, exceed

the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000.

b. The appropriations and transfers in subsections 3 and 4 of this section are available, subject to budget section approval, only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2016, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $250,000,000. Additionally, the appropriation in subsection 3 is available only if the state board of higher education certifies to the budget section that the Dunbar Hall project conforms to the university system master plan and space utilization study and the board receives budget section approval to proceed with the project. The board may not seek approval from the budget section to proceed with the project until the state auditor's office performance audit of the university system master plan and space utilization study is completed.

c. For purposes of this subsection, "estimated general fund revenues" excludes the unobligated general fund balance on July 1, 2015, and transfers to the general fund from the strategic investment and improvements fund, property tax relief fund, the lottery, the mill and elevator, and gas tax administration."

Renumber accordingly

15.8148.02048
Title.

Prepared by the Legislative Council staff for
Representative Onstad
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, after the third semicolon insert "to provide a legislative study;"

Page 5, after line 31, insert:

"**SECTION 13. LEGISLATIVE MANAGEMENT STUDY - OIL TAX FORMULA.** During the 2015-16 interim, the legislative management shall study oil and gas gross production tax formula distributions to political subdivisions. The study must review the definition of hub cities, the use of the county major collector roadway miles compared to the upper great plains transportation institute reports for determining county road needs, impact grants, and demographic, social, and economic impacts of energy development. The study must consider alternative formulas for the distribution of the oil and gas gross production tax collections to meet the future needs of counties, cities, schools, emergency services, and any other consideration relevant to the study. Any recommended formula change must ensure equitable distribution of oil and gas gross production tax revenue to political subdivisions experiencing unanticipated growth as the result of oil and gas development, regardless of whether oil is produced in the jurisdiction of the political subdivision. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly. "

Renumber accordingly

15.8148.02053
Title.

Prepared by the Legislative Council staff for
Representative Kreidt
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of human services;"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - HEALTH CARE TRUST FUND - DEPARTMENT OF HUMAN SERVICES - CRITICAL ACCESS HOSPITAL GRANT.** There is appropriated out of any moneys in the health care trust fund in the state treasury, not otherwise appropriated, the sum of $250,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a grant to a critical access hospital in a city with a population of more than 2,406 and fewer than 2,430 according to the last official decennial federal census, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an appropriation of $250,000 from the health care trust fund to the Department of Human Services for a grant to a critical access hospital in Hazen.

15.8148.02044
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____of the Senate Journal and pages 1976-1982 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - PUBLIC SERVICE COMMISSION - RAILROAD SAFETY PILOT PROGRAM.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $123,345, or so much of the sum as may be necessary, to the public service commission for the purpose of defraying the expenses of the railroad safety pilot program, for the biennium beginning July 1, 2015, and ending June 30, 2017. The public service commission is authorized one additional full-time equivalent position for the railroad safety program. In addition to the funding appropriated in this section, the public service commission shall use $200,000 from the rail safety fund as provided in section 3 of Senate Bill No. 2008, as approved by the sixty-fourth legislative assembly for a railroad safety pilot program temporary employee for defraying the expenses of their full-time equivalent positions and related operating expenses."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides $123,345 from the general fund and designates $200,000 from the rail safety fund appropriated in Section 3 of Senate Bill No. 2008 for an additional FTE position for the railroad safety pilot program to provide a total of 2 FTE positions for the railroad safety pilot program.

15.8148.02054
Title.

Prepared by the Legislative Council staff for
Representative Delzer
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert "to amend and reenact Senate Bill No. 2019, as approved by the sixty-fourth legislative assembly, relating to appropriations to the parks and recreation department;"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Section 1 of Senate Bill No. 2019, as approved by the sixty-fifth legislative assembly, is amended and reenacted as follows:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the parks and recreation department for the purpose of defraying the expenses of the parks and recreation department, for providing funding to the Lewis and Clark interpretive center, and for providing a grant to the International Peace Garden, for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

	Base Level	Adjustments or Enhancements	Appropriation
Administration	$2,573,593	$598,129	$3,171,722
Accrued leave payments	181,577	(181,577)	0
Park operations and maintenance	15,045,525	20,128,406	35,173,931
~~Recreation~~	~~5,585,875~~	~~2,021,544~~	~~7,607,419~~
~~Total all funds~~	~~$23,386,570~~	~~$22,566,502~~	~~$45,953,072~~
~~Less estimated income~~	~~10,505,431~~	~~4,357,404~~	~~14,862,835~~
~~Total general fund~~	~~$12,881,139~~	~~$18,209,098~~	~~$31,090,237~~
Recreation	5,585,875	1,711,245	7,297,120
Total all funds	$23,386,570	$22,256,203	$45,642,773
Less estimated income	10,505,431	4,357,404	14,862,835
Total general fund	$12,881,139	$17,898,799	$30,779,938
Full-time equivalent positions	55.00	11.00	66.00

Subdivision 2.

INTERNATIONAL PEACE GARDEN

	Base Level	Adjustments or Enhancements	Appropriation

International Peace Garden	$973,699	$535,297	$1,508,996
Total general fund	$973,699	$535,297	$1,508,996

Subdivision 3.

LEWIS AND CLARK INTERPRETIVE CENTER

	Base Level	Adjustments or Enhancements	Appropriation
Lewis and Clark interpretive center	$0	$1,005,279	$1,005,279
Total general fund	$0	$1,005,279	$1,005,279

Subdivision 4.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
~~Grand total general fund~~	~~$13,854,838~~	~~$19,749,674~~	~~$33,604,512~~
~~Grand total special funds~~	~~10,505,431~~	~~4,357,404~~	~~14,862,835~~
~~Grand total all funds~~	~~$24,360,269~~	~~$24,107,078~~	~~$48,467,347~~
Grand total general fund	$13,854,838	$19,439,375	$33,294,213
Grand total special funds	10,505,431	4,357,404	14,862,835
Grand total all funds	$24,360,269	$23,796,779	$48,157,048

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2013-15	2015-17
Parks enhancements	$3,897,800	$14,750,000
Parks equipment	350,000	600,000
Lewis and Clark interpretive center grant	1,350,000	0
Parks strategic plans	100,000	0
Community grant program	500,000	500,000
International Peace Garden capital projects	1,250,000	335,297
Trail lease renewals	0	200,000
~~Web application for snowmobile registration~~	~~0~~	~~310,299~~
Statewide comprehensive outdoor recreation plan	0	90,000
Repairs at Lewis and Clark interpretive center	0	75,000
50th anniversary	0	25,000
Retirement leave payouts	0	100,000
International Peace Garden demolition project	0	200,000
~~Total all funds~~	~~$7,447,800~~	~~$17,185,596~~
~~Less estimated income~~	~~1,270,300~~	~~345,000~~
~~Total general fund~~	~~$6,177,500~~	~~$16,840,596~~
Total all funds	$7,447,800	$17,185,596
Less estimated income	1,270,300	345,000
Total general fund	$6,177,500	$16,840,596

The 2015-17 one-time funding amounts are not a part of the entity's base budget for the 2017-19 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

A section is added amending Senate Bill No. 2019, the Parks and Recreation District Appropriation to remove one-time funding of $310,299 from the general fund, relating to website application for snowmobile registration.

15.8148.02061
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 28, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on page(s) _____ of the Senate Journal and pages 1976-1982 and 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide an appropriation to the legislative council; to amend and reenact subdivision b of subsection 3 of section 57-51.1-03 of the North Dakota Century Code as amended in section 5 of House Bill No. 1476, as approved by the sixty-fourth legislative assembly, relating to an oil extraction tax exemption for tertiary recovery projects;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; to provide for a legislative management study; and to provide an effective date"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - LEGISLATIVE COUNCIL - CONSULTANTS FOR INTERIM STUDY.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $400,000, or so much of the sum as may be necessary, to the legislative council for the purpose of contracting with consultants to study oil and gas tax incentives and oil and gas recovery techniques, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 5, after line 31, insert:

"**SECTION 14. AMENDMENT.** Subdivision b of subsection 3 of section 57-51.1-03 of the North Dakota Century Code as amended in section 5 of House Bill No. 1476, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

b. The incremental production from a tertiary recovery project ~~that does not use carbon dioxide and~~ which has been certified as a qualified project by the industrial commission is exempt from any taxes imposed under this chapter for a period of ten~~five~~ years from the date the incremental production begins. Incremental production from a tertiary recovery project ~~that uses carbon dioxide in a~~from a horizontal well drilled and completed ~~outside~~within the Bakken and Three Forks formations, ~~and ten miles [16.10 kilometers] or more outside an established field in which the industrial commission has defined the pool to include the Bakken or Three Forks formation and~~ which has been certified as a qualified project by the industrial commission is not exempt from July 1, 2015, through June 30, 2017, and is thereafter exempt from any taxes imposed under this chapter for a period of five years from July 1, 2017, or the date the incremental production begins, whichever is later.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY. During the 2015-16 interim, the legislative management shall study the current scientific and economic information regarding oil and gas recovery and enhanced recovery techniques,

including the use of carbon dioxide, the timeline for implementing the techniques, and the estimated future annual economic impact, to evaluate existing and alternative tax incentives and recommend tax incentives that under current and foreseeable conditions, and within different oil formations, would best serve the interests of the state, political subdivisions, and fossil fuel energy production industries. The legislative management shall report its recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifty legislative assembly."

Page 6, after line 1, insert:

"**SECTION 17. EFFECTIVE DATE.** Section 14 of this Act is effective for taxable events occurring after December 31, 2015, and for a tertiary recovery project the exemption of five years applies only for a project from which incremental production begins after December 31, 2015." .

Renumber accordingly

15.8148.02060
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 6, after line 1, insert:

"**SECTION 14. SECTION 18. LEGISLATIVE INTENT - OIL AND GAS IMPACT GRANTS TO AIRPORTS.** It is the intent of the sixty-fourth legislative assembly that of the funding designated for grants to airports impacted by oil and gas development included in subsection 1 of section 5 of House Bill No. 1176, as approved by the sixty-fourth legislative assembly, a grant award of at least $39,000,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014, and a grant award of at least $5,800,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the second highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014. It is also the intent of the sixty-fourth legislative assembly that the grant awards designated under this section must be awarded without a local matching requirement."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds a section of legislative intent to designate grants to the Williston and Dickinson airports from the oil and gas impact grant fund.

15.8148.02056
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 54-52.6 of the North Dakota Century Code, relating to the defined benefit retirement plan;"

Page 5, after line 31, insert:

"**SECTION 13.** A new section to chapter 54-52.6 of the North Dakota Century Code is created and enacted as follows:

Changes to election.

1. In this section the term "participating member" is limited in application to a participating member who elected to participate in the defined contribution retirement plan established under this chapter as an active employee of a participating employer, is an actively participating member of the defined contribution plan as of the effective date of this Act, and is an active employee with a participating employer on the date an election is made under this section. The term does not include a participant who is not actively employed with a participating employer on the date of transfer of the funds under this section, has taken a distribution from the defined contribution plan, is retired, is no longer actively employed with a participating employer, or who is a member who has a qualified domestic relations order or other court order on the member's account.

2. Notwithstanding any other provision of law, the board shall provide an opportunity for each participating member to elect in writing to terminate membership in the defined contribution retirement plan under this chapter and to elect to become a participating member in the public employees retirement system under chapter 54-52.

3. The board shall establish a three-calendar-month election period beginning not later than February 1, 2016. A participating member who does not make a written election or who does not file the election with the North Dakota public employees retirement system office during the period specified in this section continues to be a member of the defined contribution plan. A participating member who makes and files a written election with the North Dakota public employees retirement system office under this section ceases to be a member of the defined contribution plan upon receipt by the public employees retirement system of the accumulated fund balance of the member's defined contribution plan under this chapter and waives all rights to that employee's accumulated fund balance under the defined contribution plan. If the executive director of the North Dakota public employees retirement system determines a participating member was not adequately notified of the option to make an election under this section, the executive director may provide that

participating member a reasonable time, not to exceed three months, within which to make that election.

4. The public employees retirement system shall credit the transferring employee with the service credit and salary history reflected on the public employees retirement system's electronic database.

5. The board shall determine the method by which a participating member may make a written election under this section. If the participating member is married at the time of the election, the election is not effective unless the election is signed by the individual's spouse. However, the executive director of the North Dakota public employees retirement system may waive this spousal signature requirement if the spouse's signature cannot be obtained because of extenuating circumstances.

6. For a participating member who elects to terminate membership in the defined contribution plan under this section, the board shall transfer that member's accumulated fund balance, less any rollovers from other plans made into the defined contribution plan, to the public employees retirement system under chapter 54-52. If funds are transferred from the defined contribution plan to the defined benefit plan under an election made under this section, the board shall record this transfer to the defined benefit plan as employee and employer contributions in the same manner as transferred by the defined contribution provider. If a participating member has a separate account attributable to rollover contributions to the defined contribution plan pursuant to section 54-52.6-09.1, the participating member shall make an election to receive a distribution of the entire amount held in the rollover account at the time of transfer.

7. A participating member who elects a transfer under this section is entitled to vested employer contribution amounts under section 54-52-11.1 prospectively from the date of transfer. A participating member who elects a transfer under this section must be assessed and required to pay monthly to the defined benefit plan an additional employee contribution of an additional two percent of the monthly salary or wages paid to the member.

SECTION 14. AMENDMENT. Subsection 3 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

3. Retirement dates are defined as follows:

   a. Normal retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is:

      (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

      (2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

   b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a peace

officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, is:

(1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

(2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.

c. Normal retirement date for a national guard security officer or firefighter is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment as a national guard security officer or firefighter.

d. Normal retirement date for a peace officer or correctional officer employed by a political subdivision is:

(1) The first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer or correctional officer; or

(2) When the peace officer or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

e. Normal retirement date for a peace officer employed by the bureau of criminal investigation is:

(1) The first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer; or

(2) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.

g. Early retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment. For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible

employment. For a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.

h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03. A member is eligible to receive disability retirement benefits only if the member:

(1) Became disabled during the period of eligible employment; and

(2) Applies for disability retirement benefits within twelve months of the date the member terminates employment.

A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines that a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may pay the cost of any medical testing or rehabilitation services it deems necessary and these payments are appropriated from the retirement fund for those purposes.

SECTION 15. AMENDMENT. Subsection 4 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

4. The board shall calculate retirement benefits as follows:

a. Normal retirement benefits for all retirees, except supreme and district court judges, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

(1) Service benefit equals two percent of final average salary multiplied by the number of years of service employment.

(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

(1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent

of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

(2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

c. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.

d. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning prior to the normal retirement date, which is the earlier of age sixty-five or the age at which current service plus age equals eighty-five. Except for a national guard security officer or firefighter, a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by a fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.

e. Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment:

- Adds a section to allow state employees to switch from the defined contribution retirement plan to the defined benefit retirement plan.
- Adds two section to change the provisions of retirement benefits for employees first enrolled after December 31, 2015.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 4, after the first "to" insert "the"

Page 1, replace line 21 with:

"Guardianship grants	828,600	828,600	1,657,200"

Page 2, replace lines 3 through 5 with:

"Total all funds	$40,477,318	$27,438,770	$67,916,088
Less estimated income	8,730,630	10,894,705	19,625,335
Total general fund	$31,746,688	$16,544,065	$48,290,753"

Renumber accordingly

STATEMENT OF PURPOSE AMENDMENT:

This amendment reduces funding for guardianship grants by $280,600 to provide total funding of $1,657,200 from the general fund for guardianship grants. The Senate version provided $1,937,800 from the general fund. The House version reduced funding to the base level of $828,600.

15.8148.02041
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, after the third semicolon insert "to provide a legislative management report;"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES - BEHAVIORAL HEALTH SERVICES - LEGISLATIVE MANAGEMENT REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $600,000, or so much of the sum as may be necessary, to the department of human services for the purpose of supporting ongoing behavioral health services programs, for the biennium beginning July 1, 2015, and ending June 30, 2017. Of the funds appropriated in this section, $200,000 must be used to support ongoing statewide implementation of a trauma-informed system of care for youth; $150,000 must be used for fifteen additional extended services slots for youth; and $250,000 must be used to expand the department's mobile crisis program into an additional region. During the 2015-16 interim, the department of human services shall provide a report to the legislative management regarding the use and impact of the funding."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

A section is added appropriating $600,000 from the general fund for supporting ongoing behavioral health services of the Department of Human Services and requires the department to report to the Legislative Management on the use and impact of the funding.

15.8148.02052
Title.

Prepared by the Legislative Council staff for
Representative Monson
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the Senate accede to the House amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be further amended as follows:

Page 1, line 2, after "budget" insert "; to provide a contingent appropriation to the superintendent of public instruction"

Page 3, after line 10, insert:

"**SECTION 4. CONTINGENT APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION - TRANSPORTATION GRANTS.** If any funding appropriated to the superintendent of public instruction for integrated formula payments to school districts remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2015, and ending June 30, 2017, the superintendent shall provide up to $3,000,000 of the funds remaining for additional transportation grants. The superintendent shall prorate the available funding according to the percentage of the total transportation formula amount to which each school district is entitled."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides that if any funding remains unspent in the integrated formula payments line item during the 2015-17 biennium, the Superintendent of Public Instruction must provide up to $3 million as additional transportation grants. The funding is to be prorated based on transportation grant payments to school districts during the 2015-17 biennium.

Prepared by the Legislative Council

April 24, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of transportation; to provide an appropriation to the state auditor; to provide an appropriation to the legislative assembly; to amend and reenact subdivision c of subsection 1 of section 15-10-17 and section 48-08-04 of the North Dakota Century Code, relating to North Dakota university system personnel and the use of legislative meeting rooms;"

Page 1, line 4, after the third semicolon insert "to provide for a legislative management study;"

Page 1, line 5, after "provide" insert "a statement of"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	0	828,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$6,781,330	$47,258,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,091,570	$35,838,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, which the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall transfer the funds provided in this section at the request of the director of the department of transportation.

SECTION 5. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 6. APPROPRIATION - STATE AUDITOR. There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 7. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS - REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $160,000 or so much of the sum as may be necessary, to the legislative assembly for the purpose of purchasing and installing audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding appropriated in this section is considered a one-time funding item.

The state court administrator shall provide periodic reports to the legislative procedure and arrangements committee during the 2015-16 interim regarding the status of the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly."

Page 3, line 12, replace "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "15"

Page 5, after line 31, insert:

"**SECTION 16. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

c. Appoint and remove all university system office personnel, fix their salaries within the limits of legislative appropriations, fix their terms of office, and prescribe their duties. The board shall adopt a policy that provides that each vice chancellor in the university system office is considered to have resigned the individual's position as a vice chancellor upon the appointment of a commissioner of higher education.

SECTION 17. AMENDMENT. Section 48-08-04 of the North Dakota Century Code is amended and reenacted as follows:

48-08-04. Use of legislative assembly rooms and halls.

During the interim between legislative sessions, the committee rooms, halls, passageways, and other space in the capitol used by the legislative assembly, including the pioneer room and three additional meeting rooms comprising approximately four thousand square feet in the judicial wing of the capitol, may not be used without authorization of the legislative council.

Page 6, after line 1, insert:

"**SECTION 19. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding appropriated to the department of human services in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 20. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 21. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION - SEVERANCE PAY. Notwithstanding any policy adopted by the board, the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of the transfer of positions from the state board of higher education to the attorney general as provided in House Bill No. 1003 as approved by the sixty-fourth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Office of Management and Budget				
Total all funds	$40,477,318	$68,196,688	($20,938,040)	$47,258,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,733,095)	$35,838,258

State Auditor				
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
Legislative Assembly				
Total all funds	$0	$0	$160,000	$160,000
Less estimated income	0	0	0	0
General fund	$0	$0	$160,000	$160,000
Department of Transportation				
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
Bill total				
Total all funds	$40,477,318	$68,196,688	$379,421,960	$447,618,648
Less estimated income	8,730,630	19,625,335	191,995,055	211,620,390
General fund	$31,746,688	$48,571,353	$187,426,905	$235,998,258

Senate Bill No. 2015 - Office of Management and Budget - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254
Operating expenses	14,356,788	14,206,785		14,206,785
Capital assets	2,251,065	7,530,009	(3,540,000)	3,990,009
Grants	430,000	555,000		555,000
Emergency commission contingency fund	700,000	700,000		700,000
Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000
State student internship program	200,000	250,000		250,000
Guardianship grants	828,600	1,937,800	(1,109,200)	828,600
Accrued leave payments	570,412			
Health insurance pool - temp employees		5,000,000		5,000,000
Energy impact funding pool		14,700,000	(14,700,000)	
Total all funds	$40,477,318	$68,196,688	($20,938,040)	$47,258,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,733,095)	$35,838,258
FTE	130.50	122.50	0.00	122.50

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Removes One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(1,109,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(14,700,000)	
Total all funds	($88,840)	($1,109,200)	($3,500,000)	($1,250,000)	($14,700,000)	$310,000

Less estimated income	(14,945)	0	0	0	(8,500,000)	310,000
General fund	($73,895)	($1,109,200)	($3,500,000)	($1,250,000)	($6,200,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Facility Management Projects[7]	Total House Changes
Salaries and wages		($88,840)
Operating expenses		
Capital assets	(600,000)	(3,540,000)
Grants		
Emergency commission contingency fund		
Prairie public broadcasting		(1,500,000)
State student internship program		
Guardianship grants		(1,109,200)
Accrued leave payments		
Health insurance pool - temp employees		
Energy impact funding pool		(14,700,000)
Total all funds	($600,000)	($20,938,040)
Less estimated income	0	(8,204,945)
General fund	($600,000)	($12,733,095)
FTE	0.00	0.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $828,600, which is the same as the base level. The Senate added funding of $1,109,200 from the general fund.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1.5 million), and Capitol elevator upgrades ($1.4 million).

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund. The Senate version provided $1.3 million from the general fund.

[5] One-time funding is removed for the energy impact funding pool.

[6] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs.

[7] This amendment reduces the funding for facility management projects to provide total funding of $1,825,009 and identifies this funding as one-time funding. The Senate provided $2,425,009 from the general fund as ongoing funding.

This amendment also:

- Adds a section to provide for a Legislative Management study of the functions of the Budget Section.
- Adds a section to identify the funding included in Senate Bill No. 2289 as one-time funding.
- Adds a section of legislative intent to restrict the State Board of Higher Education from providing severance payments to employees who are transferred to the Attorney General's office.
- Adds a section to require the State Board of Higher Education to adopt a policy for the resignation of vice chancellors when a new Commissioner of Higher Education is appointed.

- Clarifies the use of legislative meeting rooms during the interim.
- Provides an emergency clause for certain sections of the bill.

Senate Bill No. 2015 - State Auditor - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$200,000	$200,000
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00

Department No. 117 - State Auditor - Detail of House Changes

	Adds Funding for University System IT Audits[1]	Total House Changes
Operating expenses	$200,000	$200,000
Total all funds	$200,000	$200,000
Less estimated income	200,000	200,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding from fees charged to the North Dakota University System is added for information technology security audits of the 11 institutions in the University System.

Senate Bill No. 2015 - Legislative Assembly - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$160,000	$160,000
Total all funds	$0	$0	$160,000	$160,000
Less estimated income	0	0	0	0
General fund	$0	$0	$160,000	$160,000
FTE	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of House Changes

	Adds One-Time Funding for Meeting Room Furnishings[1]	Total House Changes
Operating expenses	$160,000	$160,000
Total all funds	$160,000	$160,000
Less estimated income	0	0
General fund	$160,000	$160,000
FTE	0.00	0.00

[1] Adds one-time funding from the general fund for equipment, tables, chairs, and other furnishings for

legislative meeting rooms in the judicial wing.

Senate Bill No. 2015 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Capital assets			$200,000,000	$200,000,000
Transfers			200,000,000	200,000,000
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
FTE	0.00	0.00	0.00	0.00

Department No. 801 - Department of Transportation - Detail of House Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total House Changes
Capital assets		$200,000,000	$200,000,000
Transfers	200,000,000		200,000,000
Total all funds	$200,000,000	$200,000,000	$400,000,000
Less estimated income	0	200,000,000	200,000,000
General fund	$200,000,000	$0	$200,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $200 million from the general fund to the highway fund.

[2] One-time funding is added from the highway fund for enhanced state highway investments.

15.8148.02043
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide for legislative management reports"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - STATE AGENCY ENERGY DEVELOPMENT IMPACT FUNDING POOL - TRANSFER AUTHORITY - EMERGENCY COMMISSION APPROVAL - LEGISLATIVE MANAGEMENT REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,700,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $6,000,000, or so much of the sum as may be necessary, to the office of management and budget for a state agency energy development impact funding pool, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funds provided under this section are considered a one-time funding item and may not be continued into the biennium beginning July 1, 2017, and ending June 30, 2019.

A state agency may submit an application to the office of management and budget for a transfer of appropriation authority from the state agency energy development impact funding pool for employee housing rental assistance and temporary salary increases for employees affected by energy development. As part of the application, an agency must document how the agency will discontinue energy impact adjustments for employees at the end of the biennium. The office of management and budget, subject to emergency commission approval, shall transfer appropriation authority from the state agency energy development impact funding pool to eligible agencies for approved applications.

The office of management and budget shall provide a report to the legislative management regarding distributions from the energy development impact funding pool. Each agency receiving a distribution from the energy impact funding pool must provide a report to the legislative management regarding its plan to discontinue energy impact adjustments for employees at the end of the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

15.8148.02063
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 28, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 57-15 of the North Dakota Century Code, relating to a limitation on property tax levy increases;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide an effective date"

Page 5, after line 31, insert:

"**SECTION 13.** A new section to chapter 57-15 of the North Dakota Century Code is created and enacted as follows:

Limitation on property tax levy increases.

1. Notwithstanding that a taxing district may have property tax levy authority to levy or request a levy on its behalf up to an amount established under any other provision of law, this section supersedes and limits that authority, unless otherwise provided in subsection 2. For purposes of this section, "taxing district" includes every political subdivision empowered by law to levy property taxes or to request the levy of property taxes for its use.

2. Property taxes levied in dollars by a taxing district may not exceed the amount the taxing district levied in dollars in the preceding taxable year by more than five percent unless approved by a majority of the qualified electors of the taxing district voting on the question at a regular or special election of the taxing district. The limitation under this subsection does not supersede the authority of a school district to levy an increase of up to twelve percent, up to the mill levy limitation established under subsection 1 of section 57-15-14.2.

3. The limitation being determined for a taxable year under this section is subject to adjustment as provided in this subsection.

   a. The determination of the increase in property taxes levied in dollars must exclude consideration of property taxes levied against improvements to property which were not taxable in the previous taxable year.

   b. When property that was taxable in the previous year is not taxable in that taxing district for the current year, the amount levied in dollars in the previous taxable year by the taxing district must be reduced by the amount of the taxes that were imposed in the previous taxable year against the taxable valuation attributable to that property.

   c. When a property tax exemption existed in the previous taxable year which has been reduced or does not exist, the amount levied in dollars in the previous taxable year by the taxing district must be adjusted to reflect the taxes that would have been imposed at the mill rate imposed in the previous taxable year against the portion of the taxable valuation of the property which is no longer exempt.

d. When temporary mill levy increases authorized by the electors of the taxing district or mill levies authorized by state law existed in the previous taxable year but are no longer applicable or have been reduced, the amount levied in dollars in the previous taxable year by the taxing district must be reduced to reflect the expired temporary mill levy increases and the reduced or eliminated mill levies authorized by state law before the percentage increase allowed under this section is applied.

4. The limitation on the total amount levied by a taxing district under subsection 2 does not apply to:

a. New or increased mill levies authorized by state law or the electors of the taxing district, which did not exist in the previous taxable year.

b. Any irrepealable tax to pay bonded indebtedness levied in compliance with section 16 of article X of the Constitution of North Dakota."

Page 6, after line 1, insert:

"**SECTION 15. EFFECTIVE DATE.** Section 13 of this Act is effective for taxable years beginning after December 31, 2014."

Renumber accordingly

15.8148.02065
Title.

Prepared by the Legislative Council staff for
Senator Holmberg
April 28, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages 1803-1809 of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 3, after "Code" insert "and Section 5 of House Bill No. 1003, as approved by the sixty-fourth legislative assembly"

Page 1, line 4, after "to" insert "the"

Page 1, line 4, after "fund" insert "and contingent appropriations to the state board of higher education"

Page 6, after line 1, insert:

"**SECTION 14. REPEAL.** Section 5 of House Bill No. 1003, as approved by the sixty-fourth legislative assembly, is repealed."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment repeals Section 5 of House Bill No. 1003 which provides contingent appropriations to the State Board of Higher Education for the Valley City State University Fine Arts building project and the North Dakota State University Dunbar Hall project.

Prepared by the Legislative Council staff for
Senator Wardner
April 28, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages 1803-1809 of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - TARGETED MARKET EQUITY POOL - LEGISLATIVE MANAGEMENT REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $3,750,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $740,000, or so much of the sum as may be necessary, to the office of management and budget for a state agency targeted market equity salary funding pool to provide compensation adjustments for state employees in accordance with the provisions of this section. The market equity increases must be prioritized based on a statewide plan prepared by the office of management and budget within the funding available in the pool. The plan must address occupational market disparities, economic growth areas, recruitment and retention challenges, and external pay inequities for employees who are critical to the mission of the agency. The plan must give priority to employees whose salary is in the first or second quartile of their assigned salary range and employees whose salary is below the average classified state employee salary level.

One-half of the market equity pool funding is available for market equity adjustments in July 2015, to be paid in August 2015, and any remaining funding in the pool is available for market equity adjustments in July 2016, to be paid in August 2016. The market equity adjustments must be provided after any general compensation increase authorized by the sixty-fourth legislative assembly for these respective months and are independent of the general compensation increases. Employees whose documented performance levels do not meet standards are not eligible for the market equity increases. Notwithstanding any other provision of law, the office of management and budget shall transfer appropriation authority from the targeted market equity salary pool line item included in section 1 of this Act to eligible agencies for approved market equity salary adjustments. The office of management and budget shall provide a report to the legislative management regarding its statewide plan and any appropriation authority transferred from the pool.

Employees in the following agencies are eligible to receive a targeted market equity salary adjustment under this section:

1. Adjutant general;
2. Veterans' home;
3. State department of health;
4. Department of human services; and
5. Protection and advocacy project."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates $3,750,000 from the general fund and $740,000 from other funds for a targeted market equity pool for state employee compensation adjustments. The funds are to be used for positions that are experiencing recruitment and retention issues. Agencies eligible to receive a transfer from the pool include the Adjutant General, Veterans' Home, State Department of Health, Department of Human Services, and Protection and Advocacy Project.

15.8148.02002
Title.

Prepared by the Legislative Council staff for
Senator Flakoll

April 3, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 44-04 of the North Dakota Century Code, relating to open records requests submitted by members of the legislative assembly and the legislative council;"

Page 5, after line 31, insert:

"**SECTION 13.** A new section to chapter 44-04 of the North Dakota Century Code is created and enacted as follows:

Requests for records by members of the legislative assembly and the legislative council.

Notwithstanding section 44-04-18.6, any record of the legislative council relating to a request for public records made by the legislative council on behalf of a member of the legislative assembly is a public record. The legislative council shall maintain a written or digital record of any request for public records made on behalf of a member of the legislative assembly which identifies the member of the legislative assembly who made the request."

Renumber accordingly

15.8148.02066
Title.

Prepared by the Legislative Council
Representative Carlson
April 28, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the Senate accede to the House amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be further amended as follows:

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 6, after line 1, insert:

"**SECTION 22. EMERGENCY.** Section 16 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an emergency clause for Section 16 related to the resignation of vice chancellors in the North Dakota University System.

4/28/15 JMC 1983

15.8148.02055
Title.07000
Fiscal No. 1

Prepared by the Legislative Council
Conference Committee
April 28, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages 1803-1809 of the Senate Journal and pages 1976-1982 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert " to provide an appropriation to the department of transportation; to provide an appropriation to the state auditor; to provide an appropriation to the legislative assembly; to provide an appropriation to the legislative council; to provide an appropriation to the judicial branch; to provide contingent appropriations to the state board of higher education, department of transportation, and superintendent of public instruction; to create and enact a new section to chapter 44-04 and a new section to chapter 54-52.6 of the North Dakota Century Code, relating to open records requests submitted by members of the legislative assembly and the legislative council and the defined benefit retirement plan; to amend and reenact subdivision c of subsection 1 of section 15-10-17, section 48-08-04, subsections 3 and 4 of section 54-52-17, section 55-01-02.1, subsection 3 of section 57-38-01.7 as amended in section 1 of of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, subdivision b of subsection 3 of section 57-51.1-03 as amended in section 5 of House Bill No. 1476, as approved by the sixty-fourth legislative assembly, and subsection 2 of section 61-16.1-09, of the North Dakota Century Code, and sections 1 and 2 of Senate Bill No. 2019, as approved by the sixty-fourth legislative assembly, relating to North Dakota university system personnel, the use of legislative meeting rooms, the defined benefit retirement plan, operation of the heritage center building, income tax credits for charitable contributions to private education institutions, eminent domain and water resource boards, and an appropriation to the parks and recreation department;"

Page 1, line 3, after "Code" insert "and section 5 of House Bill No. 1003, as approved by the sixty-fourth legislative assembly"

Page 1, line 4, after the first "to" insert "the"

Page 1, line 4, after "fund" insert "and contingent appropriations for higher education capital projects"

Page 1, line 4, after "transfers" insert "and contingent transfers"

Page 1, line 4, remove "and"

Page 1, line 5, after "provide" insert "statements of"

Page 1, line 5, after "intent" insert "; to provide for legislative management studies and reports; to provide for budget section reports; to provide an effective date; and to declare an emergency"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785

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Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	500,000	1,328,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$7,281,330	$47,758,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,591,570	$36,338,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009"

Page 3, line 5, replace "**PROPERTY**" with a boldfaced hyphen

Page 3, line 5, remove "**SUSTAINABILITY**"

Page 3, line 6, remove "property"

Page 3, line 7, remove "sustainability"

Page 3, line 8, after the second "the" insert "director of the"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - TARGETED MARKET EQUITY POOL - LEGISLATIVE MANAGEMENT REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $3,750,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $740,000, or so much of the sum as may be necessary, to the office of management and budget for a state agency targeted market equity salary funding pool to provide compensation adjustments for state employees in accordance with the provisions of this section. The market equity increases must be prioritized based on a statewide plan prepared by the office of management and budget within the funding available in the pool. The plan must address occupational market disparities, economic growth areas, recruitment and retention challenges, and external pay inequities for employees who are critical to the mission of the agency. The plan must give priority to

employees whose salary is in the first or second quartile of their assigned salary range and employees whose salary is below the average classified state employee salary level.

One-half of the market equity pool funding is available for market equity adjustments in July 2015, to be paid in August 2015, and any remaining funding in the pool is available for market equity adjustments in July 2016, to be paid in August 2016. The market equity adjustments must be provided after any general compensation increase authorized by the sixty-fourth legislative assembly for these respective months and are independent of the general compensation increases. Employees whose documented performance levels do not meet standards are not eligible for the market equity increases. Notwithstanding any other provision of law, the office of management and budget shall transfer appropriation authority from the targeted market equity salary pool line item included in section 1 of this Act to eligible agencies for approved market equity salary adjustments. The office of management and budget shall provide a report to the legislative management regarding its statewide plan and any appropriation authority transferred from the pool.

Employees in the following agencies are eligible to receive a targeted market equity salary adjustment under this section:

1. Adjutant general;
2. Veterans' home;
3. State department of health;
4. Department of human services; and
5. Protection and advocacy project.

SECTION 5. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - STATE AGENCY ENERGY DEVELOPMENT IMPACT FUNDING POOL - TRANSFER AUTHORITY - EMERGENCY COMMISSION APPROVAL - LEGISLATIVE MANAGEMENT REPORT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,400,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $5,565,000, or so much of the sum as may be necessary, to the office of management and budget for a state agency energy development impact funding pool, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funds provided under this section are considered a one-time funding item and may not be continued into the biennium beginning July 1, 2017, and ending June 30, 2019.

A state agency may submit an application to the office of management and budget for a transfer of appropriation authority from the state agency energy development impact funding pool for employee housing rental assistance and temporary salary increases for employees affected by energy development. As part of the application, an agency must document how the agency will discontinue energy impact adjustments for employees at the end of the biennium. The office of management and budget, subject to emergency commission approval, shall transfer appropriation authority from the state agency energy development impact funding pool to eligible agencies for approved applications.

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The office of management and budget shall provide a report to the legislative management regarding distributions from the energy development impact funding pool. Each agency receiving a distribution from the energy impact funding pool must provide a report to the legislative management regarding its plan to discontinue energy impact adjustments for employees at the end of the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 6. GENERAL FUND APPROPRIATION AND TRANSFER - HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, which the director of the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

2. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 7. CONTINGENT GENERAL FUND TRANSFER AND HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, which the director of the office of management and budget shall transfer to the highway fund, during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. a. The transfer and appropriation in subsection 1 of this section is available only if the director of the office of management and budget determines actual general fund revenues for the period beginning February 1, 2015, and ending June 30, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $20,000,000.

   b. For purposes of this subsection, "estimated general fund revenues" excludes transfers to the general fund from the strategic investment and improvements fund, property tax relief fund, the lottery, the mill and elevator, and gas tax administration.

SECTION 8. CONTINGENT GENERAL FUND AND STRATEGIC INVESTMENT AND IMPROVEMENTS FUND APPROPRIATIONS AND TRANSFERS - STATE BOARD OF HIGHER EDUCATION - DEPARTMENT OF TRANSPORTATION - BUDGET SECTION APPROVAL - BUDGET SECTION REPORT.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the state board of higher education for the Valley City state university fine arts building project, including the demolition of two existing buildings, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $25,850,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

3. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the state board of higher education for the North Dakota state university Dunbar Hall project, for the biennium beginning July 1, 2015, and ending June 30, 2017.

4. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $46,000,000 from the general fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

5. a. The appropriations and transfers in subsections 1 and 2 of this section are available only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000, or if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending June 30, 2016, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000. If the appropriations and transfers under this subdivision become available, the state board of higher education shall provide a report to the budget section regarding the status of the Valley City state university fine arts building project.

   b. The appropriations and transfers in subsections 3 and 4 of this section are available, subject to budget section approval, only if the director of

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the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2016, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $250,000,000. Additionally, the appropriation in subsection 3 is available only if the state board of higher education certifies to the budget section that the Dunbar Hall project conforms to the university system master plan and space utilization study and the board receives budget section approval to proceed with the project. The board may not seek approval from the budget section to proceed with the project until the state auditor's office performance audit of the university system space utilization study is completed.

c. For purposes of this subsection, "estimated general fund revenues" excludes the unobligated general fund balance on July 1, 2015, and transfers to the general fund from the strategic investment and improvements fund, tax relief fund, the lottery, the mill and elevator, and gas tax administration.

SECTION 9. APPROPRIATION - STATE AUDITOR. There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 10. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS - REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $160,000 or so much of the sum as may be necessary, to the legislative assembly for the purpose of purchasing and installing audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding appropriated in this section is considered a one-time funding item.

The state court administrator shall provide periodic reports to the legislative procedure and arrangements committee during the 2015-16 interim regarding the status of the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly.

SECTION 11. APPROPRIATION - LEGISLATIVE COUNCIL - CONSULTANTS FOR INTERIM STUDY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $400,000, or so much of the sum as may be necessary, to the legislative council for the purpose of contracting with consultants to study oil and gas tax incentives and oil and gas recovery techniques, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 12. APPROPRIATION - JUDICIAL WING REMODELING PROJECT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $65,693, or so much of the sum as may be necessary, to the judicial branch for the purpose of defraying the additional costs of the

remodeling project in the judicial wing, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 13. CONTINGENT APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION - TRANSPORTATION GRANTS. If any funding appropriated to the superintendent of public instruction for integrated formula payments to school districts remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2015, and ending June 30, 2017, the superintendent shall provide up to $3,000,000 of the funds remaining for additional transportation grants. The superintendent shall prorate the available funding according to the percentage of the total transportation formula amount to which each school district is entitled."

Page 3, line 12, replace "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 3, line 17, after "The" insert "the director of"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "21"

Page 5, after line 31, insert:

"**SECTION 22. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding appropriated to the department of human services in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 23. STUDENT LOAN TRUST FUND - STATE DEPARTMENT OF HEALTH - DENTAL LOAN REPAYMENT PROGRAM. The estimated income line item of section 1 of House Bill No. 1004, as approved by the sixty-fourth legislative assembly, includes the sum of $360,000, or so much of the sum as may be necessary, from the student loan trust fund for the dental loan repayment program administered by the state department of health for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 24. AMENDMENT. Subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

c. Appoint and remove all university system office personnel, fix their salaries within the limits of legislative appropriations, fix their terms of office, and prescribe their duties. <u>The board shall adopt a policy that provides that each vice chancellor in the university system office is considered to have resigned the individual's position as a vice chancellor upon the appointment of a commissioner of higher education.</u>

SECTION 25. A new section to chapter 44-04 of the North Dakota Century Code is created and enacted as follows:

Requests for records by members of the legislative assembly and the legislative council.

Notwithstanding section 44-04-18.6, any record of the legislative council relating to a request for public records made by the legislative council on behalf of a member of the legislative assembly is a public record. The legislative council shall maintain a written or digital record of any request for public records made on behalf of a member of the legislative assembly which identifies the member of the legislative assembly who made the request.

SECTION 26. AMENDMENT. Section 48-08-04 of the North Dakota Century Code is amended and reenacted as follows:

48-08-04. Use of legislative assembly rooms and halls.

During the interim between legislative sessions, the committee rooms, halls, passageways, and other space in the capitol used by the legislative assembly, including the pioneer room and three additional meeting rooms comprising approximately four thousand square feet in the judicial wing of the capitol, may not be used without authorization of the legislative council.

SECTION 27. AMENDMENT. Subsection 3 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

3. Retirement dates are defined as follows:

   a. Normal retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is:

      (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

      (2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

   b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, is:

      (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

      (2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.

   ~~b.~~c. Normal retirement date for a national guard security officer or firefighter is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment as a national guard security officer or firefighter.

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~~c.~~d. Normal retirement date for a peace officer or correctional officer employed by a political subdivision is:

(1) The first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer or correctional officer; or

(2) When the peace officer or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

~~d.~~e. Normal retirement date for a peace officer employed by the bureau of criminal investigation is:

(1) The first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer; or

(2) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

~~e.~~f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.

~~f.~~g. Early retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment. For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible employment. For a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.

~~g.~~h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03. A member is eligible to receive disability retirement benefits only if the member:

(1) Became disabled during the period of eligible employment; and

(2) Applies for disability retirement benefits within twelve months of the date the member terminates employment.

A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines that a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may pay the cost of any medical testing or rehabilitation services it deems necessary and these payments are appropriated from the retirement fund for those purposes.

SECTION 28. AMENDMENT. Subsection 4 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

4. The board shall calculate retirement benefits as follows:

   a. Normal retirement benefits for all retirees, except supreme and district court judges, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

      (1) Service benefit equals two percent of final average salary multiplied by the number of years of service employment.

      (2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

   b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

      (1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

      (2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

   c. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.

   d. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning prior to

the normal retirement date, which is the earlier of age sixty-five or the age at which current service plus age equals eighty-five. Except for a national guard security officer or firefighter, a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.

e. Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars.

SECTION 29. A new section to chapter 54-52.6 of the North Dakota Century Code is created and enacted as follows:

Changes to election.

1. In this section the term "participating member" is limited in application to a participating member who elected to participate in the defined contribution retirement plan established under this chapter as an active employee of a participating employer, is an actively participating member of the defined contribution plan as of the effective date of this Act, and is an active employee with a participating employer on the date an election is made under this section. The term does not include a participant who is not actively employed with a participating employer on the date of transfer of the funds under this section, has taken a distribution from the defined contribution plan, is retired, is no longer actively employed with a participating employer, or who is a member who has a qualified domestic relations order or other court order on the member's account.

2. Notwithstanding any other provision of law, the board shall provide an opportunity for each participating member to elect in writing to terminate membership in the defined contribution retirement plan under this chapter and to elect to become a participating member in the public employees retirement system under chapter 54-52.

3. The board shall establish a three-calendar-month election period beginning not later than February 1, 2016. A participating member who does not make a written election or who does not file the election with the North Dakota public employees retirement system office during the period specified in this section continues to be a member of the defined contribution plan. A participating member who makes and files a written election with the North Dakota public employees retirement system office under this section ceases to be a member of the defined contribution plan

upon receipt by the public employees retirement system of the accumulated fund balance of the member's defined contribution plan under this chapter and waives all rights to that employee's accumulated fund balance under the defined contribution plan. If the executive director of the North Dakota public employees retirement system determines a participating member was not adequately notified of the option to make an election under this section, the executive director may provide that participating member a reasonable time, not to exceed three months, within which to make that election.

4. The public employees retirement system shall credit the transferring employee with the service credit and salary history reflected on the public employees retirement system's electronic database.

5. The board shall determine the method by which a participating member may make a written election under this section. If the participating member is married at the time of the election, the election is not effective unless the election is signed by the individual's spouse. However, the executive director of the North Dakota public employees retirement system may waive this spousal signature requirement if the spouse's signature cannot be obtained because of extenuating circumstances.

6. For a participating member who elects to terminate membership in the defined contribution plan under this section, the board shall transfer that member's accumulated fund balance, less any rollovers from other plans made into the defined contribution plan, to the public employees retirement system under chapter 54-52. If funds are transferred from the defined contribution plan to the defined benefit plan under an election made under this section, the board shall record this transfer to the defined benefit plan as employee and employer contributions in the same manner as transferred by the defined contribution provider. If a participating member has a separate account attributable to rollover contributions to the defined contribution plan pursuant to section 54-52.6-09.1, the participating member shall make an election to receive a distribution of the entire amount held in the rollover account at the time of transfer.

7. A participating member who elects a transfer under this section is entitled to vested employer contribution amounts under section 54-52-11.1 prospectively from the date of transfer. A participating member who elects a transfer under this section must be assessed and required to pay monthly to the defined benefit plan an additional employee contribution of an additional two percent of the monthly salary or wages paid to the member.

SECTION 30. AMENDMENT. Section 55-01-02.1 of the North Dakota Century Code is amended and reenacted as follows:

55-01-02.1. Society to have jurisdiction over heritage center.

The society has jurisdiction over the administration and operations of the North Dakota heritage center building. The director of the office of management and budget is responsible for maintenance of the heritage center building. The society shall maintain the collections displayed and stored at the heritage center and shall provide, or arrange, for the security of those collections. The society shall establish a policy that

authorizes the consumption of alcoholic beverages, including distilled spirits as defined in section 5-01-01, at the heritage center during an event that is open only to invited guests and if the alcoholic beverages are dispensed by a qualified alcoholic beverage licensee.

SECTION 31. AMENDMENT. Subsection 3 of section 57-38-01.7 of the North Dakota Century Code as amended by section 1 of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

3. At the election of the taxpayer, there must be allowed, subject to the applicable limitations provided in this subsection, as a nonrefundable credit against the income tax liability under section 57-38-30 or, in the case of contributions by a passthrough entity, under section 57-38-30.3 for the taxable year, an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the year directly to nonprofit private institutions of primary education, located within the state. The amount allowable as a credit under this subsection for any taxable year may not exceed twenty percent of the taxpayer's total income tax under this chapter for the year, or two thousand five hundred dollars, whichever is less.

SECTION 32. Subdivision b of subsection 3 of section 57-51.1-03 of the North Dakota Century Code as amended in section 5 of House Bill No. 1476, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

b. The incremental production from a tertiary recovery project ~~that does not use carbon dioxide and~~ which has been certified as a qualified project by the industrial commission is exempt from any taxes imposed under this chapter for a period of ten years from the date the incremental production begins. Incremental production from a tertiary recovery project ~~that uses carbon dioxide in a~~from a horizontal well drilled and completed ~~outside~~within the Bakken and Three Forks formations~~, and ten miles [16.10 kilometers] or more outside an established field in which the industrial commission has defined the pool to include the Bakken or Three Forks formation and~~ which has been certified as a qualified project by the industrial commission is not exempt from July 1, 2015, through June 30, 2017, and is thereafter exempt from any taxes imposed under this chapter for a period of five years from July 1, 2017, or the date the incremental production begins, whichever is later.

SECTION 33. AMENDMENT. Subsection 2 of section 61-16.1-09 of the North Dakota Century Code is amended and reenacted as follows:

2. Exercise the power of eminent domain in the manner provided by title 32 for the purpose of acquiring and securing any rights, titles, interests, estates, or easements necessary or proper to carry out the duties imposed by this chapter~~, and particularly to~~. A water resource board may acquire the necessary rights in land for the construction of dams, flood control projects, and other water conservation, distribution, and supply works of any nature and to permit the flooding of lands~~, and to~~. In addition, a water resource board may secure the right of access to ~~such~~these dams and other devices and the right of public access to any impounded waters ~~impounded thereby~~. ~~Provided, however, that when~~If the interest sought to be acquired is a right of way for ~~any~~a project authorized in this chapter for

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which federal ~~or state~~ funds have been appropriated or state funds have been appropriated by the legislative assembly for a specific project, the ~~district~~board, after making a written offer to purchase the right of way and depositing the amount of the offer with the clerk of the district court of the county wherein the right of way is located, may ~~thereupon~~ take immediate possession of the right of way, as authorized by section 16 of article I of the Constitution of North Dakota. Within thirty days after notice has been given in writing to the landowner by the clerk of the district court that a deposit has been made for the taking of a right of way as authorized in this subsection, the owner of the property taken may appeal to the district court by serving a notice of appeal upon the acquiring agency, and the matter must be tried at the next regular or special term of court with a jury unless a jury be waived, in the manner prescribed for trials under chapter 32-15.

SECTION 34. Section 1 of Senate Bill No. 2019, as approved by the sixty-fifth legislative assembly, is amended and reenacted as follows:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the parks and recreation department for the purpose of defraying the expenses of the parks and recreation department, for providing funding to the Lewis and Clark interpretive center, and for providing a grant to the International Peace Garden, for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

	Base Level	Adjustments or Enhancements	Appropriation
Administration	$2,573,593	$598,129	$3,171,722
Accrued leave payments	181,577	(181,577)	0
Park operations and maintenance	15,045,525	20,128,406	35,173,931
~~Recreation~~	~~5,585,875~~	~~2,021,544~~	~~7,607,419~~
~~Total all funds~~	~~$23,386,570~~	~~$22,566,502~~	~~$45,953,072~~
~~Less estimated income~~	~~10,505,431~~	~~4,357,404~~	~~14,862,835~~
~~Total general fund~~	~~$12,881,139~~	~~$18,209,098~~	~~$31,090,237~~
Recreation	5,585,875	1,711,245	7,297,120
Total all funds	$23,386,570	$22,256,203	$45,642,773
Less estimated income	10,505,431	4,357,404	14,862,835
Total general fund	$12,881,139	$17,898,799	$30,779,938
Full-time equivalent positions	55.00	11.00	66.00

Subdivision 2.

INTERNATIONAL PEACE GARDEN

	Base Level	Adjustments or Enhancements	Appropriation
International Peace Garden	$973,699	$535,297	$1,508,996
Total general fund	$973,699	$535,297	$1,508,996

Subdivision 3.

LEWIS AND CLARK INTERPRETIVE CENTER

	Base Level	Adjustments or Enhancements	Appropriation
Lewis and Clark interpretive center	$0	$1,005,279	$1,005,279
Total general fund	$0	$1,005,279	$1,005,279

Subdivision 4.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
~~Grand total general fund~~	~~$13,854,838~~	~~$19,749,674~~	~~$33,604,512~~
~~Grand total special funds~~	~~10,505,431~~	~~4,357,404~~	~~14,862,835~~
~~Grand total all funds~~	~~$24,360,269~~	~~$24,107,078~~	~~$48,467,347~~
Grand total general fund	$13,854,838	$19,439,375	$33,294,213
Grand total special funds	10,505,431	4,357,404	14,862,835
Grand total all funds	$24,360,269	$23,796,779	$48,157,048

SECTION 35. Section 2 of Senate Bill No. 2019, as approved by the sixty-fifth legislative assembly, is amended and reenacted as follows:

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2015-17	2013-15
Parks enhancements	$3,897,800	$14,750,000
Parks equipment	350,000	600,000
Lewis and Clark interpretive center grant	1,350,000	0
Parks strategic plans	100,000	0
Community grant program	500,000	500,000
International Peace Garden capital projects	1,250,000	335,297
Trail lease renewals	0	200,000
Web application for snowmobile registration	0	310,299
Statewide comprehensive outdoor recreation plan	0	90,000
Repairs at Lewis and Clark interpretive center	0	75,000
50th anniversary	0	25,000
Retirement leave payouts	0	100,000
International Peace Garden demolition project	0	200,000
~~Total all funds~~	~~$7,447,800~~	~~$17,185,596~~
~~Less estimated income~~	~~1,270,300~~	~~345,000~~
~~Total general fund~~	~~$6,177,500~~	~~$16,840,596~~
Total all funds	$7,447,800	$16,875,297
Less estimated income	1,270,300	345,000
Total general fund	$6,177,500	$16,530,297

The 2015-17 one-time funding amounts are not a part of the entity's base budget for the 2017-19 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

Page 6, after line 1, insert:

"**SECTION 37. REPEAL.** Section 5 of House Bill No. 1003, as approved by the sixty-fourth legislative assembly, is repealed.

SECTION 38. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION - SEVERANCE PAY. Notwithstanding any policy adopted by the board, the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of the transfer of positions from the state board of higher education to the attorney general as provided in House Bill No. 1003 as approved by the sixty-fourth legislative assembly.

SECTION 39. LEGISLATIVE INTENT - OIL AND GAS IMPACT GRANTS TO AIRPORTS. It is the intent of the sixty-fourth legislative assembly that of the funding designated for grants to airports impacted by oil and gas development included in subsection 1 of section 5 of House Bill No. 1176, as approved by the sixty-fourth legislative assembly, a grant award of at least $39,000,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014, and a grant award of at least $5,800,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the second highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014. It is also the intent of the sixty-fourth legislative assembly that the grant awards designated under this section must be awarded without a local matching requirement.

SECTION 40. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 41. LEGISLATIVE MANAGEMENT STUDY - TRANSPORTATION FUNDING DISTRIBUTIONS TO POLITICAL SUBDIVISIONS. During the 2015-16 interim, the legislative management shall consider studying special transportation funding distributions to political subdivisions. The study must review distribution methods including the feasibility and desirability of using upper great plains transportation institute needs studies, county major collector miles, or a combination of both, if there are future special transportation funding distributions to political subdivision, and must review options to ensure counties are reporting information consistently. The legislative management shall consider methods to ensure that road projects in each county are properly coordinated with state road projects and projects in adjacent counties. The study must also review the use of special transportation funding in comparison to the legislative assembly's intent. The legislative management

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shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 42. LEGISLATIVE MANAGEMENT STUDY - ENHANCED OIL AND GAS RECOVERY. During the 2015-16 interim, the legislative management shall study the current scientific and economic information regarding oil and gas recovery and enhanced recovery techniques, including the use of carbon dioxide, the timeline for implementing the techniques, and the estimated future annual economic impact, to evaluate existing and alternative tax incentives and recommend tax incentives that under current and foreseeable conditions, and within different oil formations, would best serve the interests of the state, political subdivisions, and fossil fuel energy production industries. The legislative management shall report its recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifty legislative assembly.

SECTION 43. EFFECTIVE DATE. Section 31 of this Act is effective for taxable years beginning after December 31, 2014, and section 32 of this Act is effective for taxable events occurring after December 31, 2015, and for a tertiary recovery project the exemption of five years applies only for a project from which incremental production begins after December 31, 2015.

SECTION 44. EMERGENCY. Funding of $1,550,000 in the operating expenses line item in section 1 and section 15 of House Bill No. 1018, as approved by the sixty-fourth legislative assembly; section 1 of House Bill No. 1255, as approved by the sixty-fourth legislative assembly; and section 30 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - 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	$40,477,318	$68,196,688	($7,983,040)	$60,213,648	$47,258,648	$12,955,000
Less estimated income	8,730,630	19,625,335	(1,899,945)	17,725,390	11,420,390	6,305,000
General fund	$31,746,688	$48,571,353	($6,083,095)	$42,488,258	$35,838,258	$6,650,000
State Auditor						
Total all funds	$0	$0	$200,000	$200,000	$200,000	$0
Less estimated income	0	0	200,000	200,000	200,000	0
General fund	$0	$0	$0	$0	$0	$0
Legislative Assembly						
Total all funds	$0	$0	$160,000	$160,000	$160,000	$0
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$160,000	$160,000	$160,000	$0
Legislative Council						
Total all funds	$0	$0	$400,000	$400,000	$0	$400,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$400,000	$400,000	$0	$400,000
Judicial Branch						
Total all funds	$0	$0	$65,693	$65,693	$0	$65,693
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$65,693	$65,693	$0	$65,693
Department of Transportation						

Total all funds	$0	$0	$36,000,000	$36,000,000	$400,000,000	($364,000,000)
Less estimated income	0	0	18,000,000	18,000,000	200,000,000	(182,000,000)
General fund	$0	$0	$18,000,000	$18,000,000	$200,000,000	($182,000,000)
Bill total						
Total all funds	$40,477,318	$68,196,688	$28,842,653	$97,039,341	$447,618,648	($350,579,307)
Less estimated income	8,730,630	19,625,335	16,300,055	35,925,390	211,620,390	(175,695,000)
General fund	$31,746,688	$48,571,353	$12,542,598	$61,113,951	$235,998,258	($174,884,307)

Senate Bill No. 2015 - Office of Management and Budget - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254	$20,028,254	
Operating expenses	14,356,788	14,206,785		14,206,785	14,206,785	
Capital assets	2,251,065	7,530,009	(3,540,000)	3,990,009	3,990,009	
Grants	430,000	555,000		555,000	555,000	
Emergency commission contingency fund	700,000	700,000		700,000	700,000	
Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000	1,700,000	
State student internship program	200,000	250,000		250,000	250,000	
Guardianship grants	828,600	1,937,800	(609,200)	1,328,600	828,600	500,000
Accrued leave payments	570,412					
Health insurance pool - temp employees		5,000,000		5,000,000	5,000,000	
Energy impact funding pool		14,700,000	(6,735,000)	7,965,000		7,965,000
Targeted Equity Pool			4,490,000	4,490,000		4,490,000
Total all funds	$40,477,318	$68,196,688	($7,983,040)	$60,213,648	$47,258,648	$12,955,000
Less estimated income	8,730,630	19,625,335	(1,899,945)	17,725,390	11,420,390	6,305,000
General fund	$31,746,688	$48,571,353	($6,083,095)	$42,488,258	$35,838,258	$6,650,000
FTE	130.50	122.50	0.00	122.50	122.50	0.00

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Reduces One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(609,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(6,735,000)	
Targeted Equity Pool						
Total all funds	($88,840)	($609,200)	($3,500,000)	($1,250,000)	($6,735,000)	$310,000
Less estimated income	(14,945)	0	0	0	(2,935,000)	310,000
General fund	($73,895)	($609,200)	($3,500,000)	($1,250,000)	($3,800,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Facility Management Projects[7]	Adds Funding for Targeted Equity Pool[8]	Total Conference Committee Changes
Salaries and wages			($88,840)
Operating expenses			
Capital assets	(600,000)		(3,540,000)
Grants			
Emergency commission contingency fund			
Prairie public broadcasting			(1,500,000)
State student internship program			
Guardianship grants			(609,200)
Accrued leave payments			
Health insurance pool - temp employees			
Energy impact funding pool			(6,735,000)
Targeted Equity Pool		4,490,000	4,490,000
Total all funds	($600,000)	$4,490,000	($7,983,040)
Less estimated income	0	740,000	(1,899,945)
General fund	($600,000)	$3,750,000	($6,083,095)
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $1,328,600. The Senate added funding of $1,109,200 to provide total funding of $1,937,800 from the general fund. The House provided $828,600, which is the same as the base level.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1.5 million), and Capitol elevator upgrades ($1.4 million), the same as the House version.

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund, the same as the House version. The Senate version provided $1.3 million from the general fund.

[5] One-time funding is reduced for the energy impact funding pool to provide a total of $7,965,000, of which $2,400,000 is from the general fund. The Senate provided $14.7 million of which $6.2 million was from the general fund and $8.5 million was from special funds. The House removed the funding for the energy impact funding pool.

[6] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs, the same as the House version.

[7] This amendment reduces the funding for facility management projects to provide total funding of $1,825,009 and identifies this funding as one-time funding, the same as the House version. The Senate provided $2,425,009 from the general fund as ongoing funding.

[8] Funding is added for a targeted equity funding pool. The funding was removed from agency budgets by both the House and Senate.

This amendment also:

- Provides for a contingent transfer of $20 million from the general fund to the highway fund and appropriates the funding to the Department of Transportation for highway projects if actual revenues exceed the legislative forecast for the remainder of 2013-15 biennium.

- Provides additional funding contingent upon actual general fund revenue exceeding the legislative forecast, as follows:
  - An appropriation of $25.85 million from the general fund to the State Board of Higher Education for the Valley City State University fine arts building project;
  - A transfer of $25.85 million from the strategic investment and improvements fund to the highway fund and appropriates the funding to the Department of Transportation for highway projects;
  - An appropriation of $46 million from the general fund to the State Board of Higher Education for the North Dakota State University Dunbar Hall project; and
  - A transfer of $46 million from the general fund to the highway fund and appropriates the funding to the Department of Transportation for highway projects.
- Provides contingent funding of $3 million to the Department of Public Instruction for transportation grants from any remaining 2015-17 biennium unspent funding in the integrated formula payments line item.
- Adds a section to identify the funding included in Senate Bill No. 2289 as one-time funding, the same as the House version.
- Clarifies that the estimated income line item in House Bill No. 1004 includes $360,000 from the student loan trust fund.
- Adds a section to require the State Board of Higher Education to adopt a policy for the resignation of vice chancellors when a new Commissioner of Higher Education is appointed.
- Identifies legislator requests for public records through the Legislative Council as public records.
- Clarifies the use of legislative meeting rooms during the interim.
- Changes the provisions of retirement benefits for employees first enrolled after December 31, 2015.
- Allows state employees to switch from the defined contribution retirement plan to the defined benefits plan.
- Allows alcoholic beverages to be served at the Heritage Center during private parties.
- Limits tax credits for charitable donations to a private institution of primary education.
- Amends House Bill No. 1476 relating to a tax exemption for the use of carbon dioxide in enhanced oil recovery.
- Provides changes to the use of eminent domain by water resource boards.
- Amends Senate Bill No. 2019 reducing funding to the Parks and Recreation Department by $310,299 from the general fund relating to a website application for snowmobile registration.
- Repeals Section 5 of House Bill No. 1003 relating contingent appropriations for North Dakota University System building projects.
- Adds a section of legislative intent to restrict the State Board of Higher Education from providing severance payments to employees who are transferred to the Attorney General's office.
- Adds a section of legislative intent to designate oil and gas impact grant funding to certain airports.
- Provides for a Legislative Management study of the functions of the Budget Section, the same as the House version.
- Provides for a Legislative Management study of transportation funding distributions to political subdivisions.
- Provides for a Legislative Management study of oil and gas enhanced recovery.
- Provides an effective date for certain sections of the bill.
- Provides an emergency clause for $1.55 million in House Bill No. 1018, for House Bill No. 1255 relating to air ambulance services, and for Section 30 relating to alcoholic beverages at the Heritage Center.

Senate Bill No. 2015 - State Auditor - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			$200,000	$200,000	$200,000	
Total all funds	$0	$0	$200,000	$200,000	$200,000	$0

Less estimated income	0	0	200,000	200,000	200,000	0
	$0	$0	$0	$0	$0	$0
General fund						
	0.00	0.00	0.00	0.00	0.00	0.00
FTE						

Department No. 117 - State Auditor - Detail of Conference Committee Changes

	Adds Funding for University System IT Audits[1]	Total Conference Committee Changes
Operating expenses	$200,000	$200,000
Total all funds	$200,000	$200,000
Less estimated income	200,000	200,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding from fees charged to the University System is added for information technology security audits of the 11 institutions in the University System, the same as the House version.

Senate Bill No. 2015 - Legislative Assembly - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			$160,000	$160,000	$160,000	
Total all funds	$0	$0	$160,000	$160,000	$160,000	$0
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$160,000	$160,000	$160,000	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of Conference Committee Changes

	Adds One-Time Funding for Meeting Room Furnishings[1]	Total Conference Committee Changes
Operating expenses	$160,000	$160,000
Total all funds	$160,000	$160,000
Less estimated income	0	0
General fund	$160,000	$160,000
FTE	0.00	0.00

[1] Adds one-time funding from the general fund for equipment, tables, chairs, and other furnishings for legislative meeting rooms in the judicial wing, the same as the House version.

Senate Bill No. 2015 - Legislative Council - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			$400,000	$400,000		$400,000
Total all funds	$0	$0	$400,000	$400,000	$0	$400,000
Less estimated income	0	0	0	0	0	0
	$0	$0	$400,000	$400,000	$0	$400,000

General fund						
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 160 - Legislative Council - Detail of Conference Committee Changes

	Adds Funding for Oil and Gas Study Consultants[1]	Total Conference Committee Changes
Operating expenses	$400,000	$400,000
Total all funds	$400,000	$400,000
Less estimated income	0	0
General fund	$400,000	$400,000
FTE	0.00	0.00

[1] This amendment provides a one-time appropriation of $400,000 from the general fund to the Legislative Council to contract with a consultant related to a Legislative Management study of oil and gas tax incentives and enhanced oil recovery.

Senate Bill No. 2015 - Judicial Branch - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Capital assets			$65,693	$65,693		$65,693
Total all funds	$0	$0	$65,693	$65,693	$0	$65,693
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$65,693	$65,693	$0	$65,693
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 180 - Judicial Branch - Detail of Conference Committee Changes

	Adds Funding for Judicial Wing Remodeling[1]	Total Conference Committee Changes
Capital assets	$65,693	$65,693
Total all funds	$65,693	$65,693
Less estimated income	0	0
General fund	$65,693	$65,693
FTE	0.00	0.00

[1] One-time funding is added for additional costs related to the judicial wing remodeling project.

Senate Bill No. 2015 - Department of Transportation - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Capital assets			$18,000,000	$18,000,000	$200,000,000	($182,000,000)
Transfers			18,000,000	18,000,000	200,000,000	(182,000,000)
Total all funds	$0	$0	$36,000,000	$36,000,000	$400,000,000	($364,000,000)
Less estimated income	0	0	18,000,000	18,000,000	200,000,000	(182,000,000)
General fund	$0	$0	$18,000,000	$18,000,000	$200,000,000	($182,000,000)
	0.00	0.00	0.00	0.00	0.00	0.00

FTE

Department No. 801 - Department of Transportation - Detail of Conference Committee Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total Conference Committee Changes
Capital assets		$18,000,000	$18,000,000
Transfers	18,000,000		18,000,000
Total all funds	$18,000,000	$18,000,000	$36,000,000
Less estimated income	0	18,000,000	18,000,000
General fund	$18,000,000	$0	$18,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $18 million from the general fund to the highway fund. The House had provided for a transfer of $200 million.

[2] One-time funding of $18 million is added from the highway fund for enhanced state highway investments. The House had added funding of $200 million

Date: 4-27-15
Roll Call Vote #: 1

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

02033 put in $1.5 M one-time Prairie Public (amendment 15.8148.02033)

Motion Made by: Onstad Seconded by: _____

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer					X
Wardner					X	Carlson					X
Schneider				X		Onstad				X	
Total Senate Vote				2	1	Total Rep. Vote				1	2

Vote Count Yes: 3 No: 3 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Motion Failed

Date: 4-27-15
Roll Call Vote #: 2

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02031

Motion Made by: Carlson Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
				X						X	
				X						X	
				X						X	
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Motion Carried.

Date: 4-27-15 7:00
Roll Call Vote #: 1 PM

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02039

Motion Made by: Carlson Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Passed

Date: 4-27-15 7:00 pm
Roll Call Vote #: 2

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02018

Motion Made by: Delzer Seconded by: Carlson

Senators				Yes	No	Representatives				Yes	No
Holmberg						Delzer					
Wardner						Carlson					
Schneider						Onstad					
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Motions rescinded.

Date: 4-22-15 7pm
Roll Call Vote #: 3

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02024

Motion Made by: Carlson Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Oistad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4-29-15
Roll Call Vote #: 4 7pm

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02028

Motion Made by: Delzer Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-27-15 7pm
Roll Call Vote #: 5

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

1.550 puts emergency Clause on 1018 verbal motion

Motion Made by: Carlson Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-22-15 7PM
Roll Call Vote #: 6

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02002

Motion Made by: Wardner Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer					X
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				2	1

Vote Count Yes: 5 No: 1 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4-27-15 7pm
Roll Call Vote #: 7

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02040

Motion Made by: Wardner Seconded by: Onstad

Senators				Yes	No	Representatives				Yes	No
Helmberg				X		Delzer					X
Wardner				X		Carlson					X
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				1	2

Vote Count Yes: 4 No: 2 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

failed

Date: 4-22-15 7pm
Roll Call Vote #: 8

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02017

Motion Made by: Wardner Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

motions rescinded

Tabled

Date: 4-27-15
Roll Call Vote #: 9 7pm

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02016

Motion Made by: Wardner Seconded by: Carlson

Senators				Yes	No	Representatives				Yes	No
Holmberg						Delzer					
Wardner						Carlson					
Schneider						Onstad					
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Motions rescinded

Tabled

Date: 4-22-15 7pm
Roll Call Vote #: 10

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02026

Motion Made by: Carlson Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-27-15 7pm
Roll Call Vote #: 11

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02032

Motion Made by: Schneider Seconded by: Onstad

Senators				Yes	No	Representatives				Yes	No
Holmberg					X	Delzer					X
Wardner				X		Carlson					X
Schneider				X		Onstad				X	
Total Senate Vote				2	1	Total Rep. Vote				1	2

Vote Count Yes: 3 No: 3 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Failed

Date: 4-27-15 9pm
Roll Call Vote #: 1

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02050

Motion Made by: Schneider Seconded by: Oinstad

Senators				Yes	No	Representatives				Yes	No
					X						X
					X						X
				X						X	
Total Senate Vote				1	2	Total Rep. Vote				1	2

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Failed

Date: 4-27-15 9pm
Roll Call Vote #: 2

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Amendment 15.8148.02018 Quick take

Motion Made by: Dalyer Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Dalyer				X	
Wardner				X		Carlson				X	
Schneider					X	Oistad					X
Total Senate Vote				2	1	Total Rep. Vote				2	1

Vote Count Yes: 4 No: 2 Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Passed

Date: 4-27-15
Roll Call Vote #: 3 9pm

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02017 K-8

Motion Made by: Wardner Seconded by: Carlson

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad					X
Total Senate Vote				3		Total Rep. Vote				2	1

Vote Count Yes: 5 No: 1 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-27-15 9PM
Roll Call Vote #: 4

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02049 w/ report on Valley City

Motion Made by: Dalrymple Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
				X						X	
				X						X	
					X					X	
Total Senate Vote				2	1	Total Rep. Vote				3	

Vote Count Yes: 5 No: 1 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-27-15 9 PM
Roll Call Vote #: 5

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

remove $200M on Highways

Motion Made by: Carlson Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
				X						X	
				X						X	
				X						X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-27-15 9pm
Roll Call Vote #: 6

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02048

Motion Made by: Oistad Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
				X							X
				X							X
				X						X	
Total Senate Vote				3		Total Rep. Vote				1	2

Vote Count Yes: 4 No: 2 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

failed

Date: 4-27-15 9PM
Roll Call Vote #: 7

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02053

Motion Made by: Delzer Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
					X					X	
				X							X
					X					X	
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: 3 No: 3 Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

failed

Date: 4-27-15 9 p/m
Roll Call Vote #: 8

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02044

Motion Made by: Schneider Seconded by: Omstad

Senators				Yes	No	Representatives				Yes	No
					X						X
					X						X
				X						X	
Total Senate Vote				1	2	Total Rep. Vote				1	2

Vote Count Yes: 2 No: 4 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Failed

Date: 4-28-15 9AM
Roll Call Vote #: 1

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02054

Motion Made by: Delzer Seconded by: Carlson

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15 9AM
Roll Call Vote #: 2

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02061

Motion Made by: Carlson Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider					X	Onstad				X	
Total Senate Vote				2	1	Total Rep. Vote				3	

Vote Count Yes: 5 No: 1 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15 9AM
Roll Call Vote #: 3

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02060

Motion Made by: Wardner Seconded by: Delzer

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15 9AM
Roll Call Vote #: 4

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02056

Motion Made by: Wardner Seconded by: Onstad

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15 9AM
Roll Call Vote #: 5

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02058

Motion Made by: Wardner Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer					X
Wardner				X		Carlson					X
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				1	2

Vote Count Yes: 4 No: 2 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

failed

Date: 4-28-15 9AM
Roll Call Vote #: 6

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

alternative 15.8148.02058 go up $500,000

Motion Made by: Carlson Seconded by: Delzer

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15 9AM
Roll Call Vote #: 7

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02013

Motion Made by: Carlson Seconded by: Delzer

Senators				Yes	No	Representatives				Yes	No
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

tabled

Date: 4-28-15 9AM
Roll Call Vote #: 8

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02041

Motion Made by: Schneider Seconded by: Onstad

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer					X
Wardner				X		Carlson					X
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				1	2

Vote Count Yes: 4 No: 2 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Failed

Date: 4-28-15 11AM
Roll Call Vote #: 1

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02052

Motion Made by: Carlson Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer					X
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				2	1

Vote Count Yes: 5 No: 1 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15
Roll Call Vote #: 2

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02036
vice Chancellor - remove section 16
yes remove

Motion Made by: Schneider Seconded by: Onstad

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer					X
Wardner				X		Carlson					X
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				1	2

Vote Count Yes: 4 No: 2 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Failed

Date: 4-28-15 11AM
Roll Call Vote #: 3

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02036 - alternative remove section 21

Motion Made by: Onstad Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer					X
Wardner				X		Carlson					X
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				1	2

Vote Count Yes: 4 No: 2 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Failed

Date: 4-28-15 11AM
Roll Call Vote #: 4

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02043

Change to $2.4M in general funds & $5,565,000 special

Motion Made by: Wardner Seconded by: Onstad Carlson

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15 11AM
Roll Call Vote #: 5

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

.02063

Motion Made by: Carlson Seconded by: Delzer

Senators				Yes	No	Representatives				Yes	No
Holmberg					X	Delzer				X	
Wardner					X	Carlson				X	
Schneider					X	Onstad					X
Total Senate Vote					3	Total Rep. Vote				2	1

Vote Count Yes: 2 No: 4 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

failed

Date: 4-28-15 2PM
Roll Call Vote #: 1

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02065

Motion Made by: Delzer Seconded by: Wardner

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15 2PM
Roll Call Vote #: 2

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02064

Motion Made by: Wardner Seconded by: Schneider

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad				X	
Total Senate Vote				3		Total Rep. Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

passed

Date: 4-28-15 2PM
Roll Call Vote #: 3

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

reconsider 15.8148.02002

Motion Made by: Carlson Seconded by: Delzer

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner					X	Carlson				X	
Schneider					X	Onstad					X
Total Senate Vote				1	2	Total Rep. Vote				2	1

Vote Count Yes: 3 No: 3 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

failed

Date: 4-28-15 2PM
Roll Call Vote #: 4

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

15.8148.02066

Motion Made by: Carlson Seconded by: Delzer

Senators				Yes	No	Representatives				Yes	No
Holmberg					X	Delzer				X	
Wardner					X	Carlson				X	
Schneider					X	Onstad					X
Total Senate Vote					3	Total Rep. Vote				2	1

Vote Count Yes: 2 No: 4 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Failed

Date: 4-28-15 2pm
Roll Call Vote #: 5

2015 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2015 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☒ **HOUSE recede from House amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Wardner Seconded by: Carlson

Senators				Yes	No	Representatives				Yes	No
Holmberg				X		Delzer				X	
Wardner				X		Carlson				X	
Schneider				X		Onstad					X
Total Senate Vote				3		Total Rep. Vote				2	1

Vote Count Yes: 5 No: 1 Absent: 0

Senate Carrier Holmberg House Carrier Delzer

LC Number 15.8148. 02055 of amendment

LC Number 15.8148 . 0700 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

SB 2015, as engrossed: Your conference committee (Sens. Holmberg, Wardner, Schneider and Reps. Delzer, Carlson, Onstad) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1803-1809, adopt amendments as follows, and place SB 2015 on the Seventh order:

That the House recede from its amendments as printed on pages 1803-1809 of the Senate Journal and pages 1976-1982 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert " to provide an appropriation to the department of transportation; to provide an appropriation to the state auditor; to provide an appropriation to the legislative assembly; to provide an appropriation to the legislative council; to provide an appropriation to the judicial branch; to provide contingent appropriations to the state board of higher education, department of transportation, and superintendent of public instruction; to create and enact a new section to chapter 44-04 and a new section to chapter 54-52.6 of the North Dakota Century Code, relating to open records requests submitted by members of the legislative assembly and the legislative council and the defined benefit retirement plan; to amend and reenact subdivision c of subsection 1 of section 15-10-17, section 48-08-04, subsections 3 and 4 of section 54-52-17, section 55-01-02.1, subsection 3 of section 57-38-01.7 as amended in section 1 of of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, subdivision b of subsection 3 of section 57-51.1-03 as amended in section 5 of House Bill No. 1476, as approved by the sixty-fourth legislative assembly, and subsection 2 of section 61-16.1-09, of the North Dakota Century Code, and sections 1 and 2 of Senate Bill No. 2019, as approved by the sixty-fourth legislative assembly, relating to North Dakota university system personnel, the use of legislative meeting rooms, the defined benefit retirement plan, operation of the heritage center building, income tax credits for charitable contributions to private education institutions, eminent domain and water resource boards, and an appropriation to the parks and recreation department;"

Page 1, line 3, after "Code" insert "and section 5 of House Bill No. 1003, as approved by the sixty-fourth legislative assembly"

Page 1, line 4, after the first "to" insert "the"

Page 1, line 4, after "fund" insert "and contingent appropriations for higher education capital projects"

Page 1, line 4, after "transfers" insert "and contingent transfers"

Page 1, line 4, remove "and"

Page 1, line 5, after "provide" insert "statements of"

Page 1, line 5, after "intent" insert "; to provide for legislative management studies and reports; to provide for budget section reports; to provide an effective date; and to declare an emergency"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000

Guardianship grants	828,600	500,000	1,328,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$7,281,330	$47,758,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,591,570	$36,338,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009"

Page 3, line 5, replace "**PROPERTY**" with a boldfaced hyphen

Page 3, line 5, remove "**SUSTAINABILITY**"

Page 3, line 6, remove "property"

Page 3, line 7, remove "sustainability"

Page 3, line 8, after the second "the" insert "director of the"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - TARGETED MARKET EQUITY POOL - LEGISLATIVE MANAGEMENT REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $3,750,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $740,000, or so much of the sum as may be necessary, to the office of management and budget for a state agency targeted market equity salary funding pool to provide compensation adjustments for state employees in accordance with the provisions of this section. The market equity increases must be prioritized based on a statewide plan prepared by the office of management and budget within the funding available in the pool. The plan must address occupational market disparities, economic growth areas, recruitment and retention challenges, and external pay inequities for employees who are critical to the mission of the agency. The plan must give priority to employees whose salary is in the first or second quartile of their assigned salary range and employees whose salary is below the average classified state employee salary level.

One-half of the market equity pool funding is available for market equity adjustments in July 2015, to be paid in August 2015, and any remaining funding in the pool is available for market equity adjustments in July 2016, to be paid in August

2016. The market equity adjustments must be provided after any general compensation increase authorized by the sixty-fourth legislative assembly for these respective months and are independent of the general compensation increases. Employees whose documented performance levels do not meet standards are not eligible for the market equity increases. Notwithstanding any other provision of law, the office of management and budget shall transfer appropriation authority from the targeted market equity salary pool line item included in section 1 of this Act to eligible agencies for approved market equity salary adjustments. The office of management and budget shall provide a report to the legislative management regarding its statewide plan and any appropriation authority transferred from the pool.

Employees in the following agencies are eligible to receive a targeted market equity salary adjustment under this section:

1. Adjutant general;
2. Veterans' home;
3. State department of health;
4. Department of human services; and
5. Protection and advocacy project.

SECTION 5. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - STATE AGENCY ENERGY DEVELOPMENT IMPACT FUNDING POOL - TRANSFER AUTHORITY - EMERGENCY COMMISSION APPROVAL - LEGISLATIVE MANAGEMENT REPORT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,400,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $5,565,000, or so much of the sum as may be necessary, to the office of management and budget for a state agency energy development impact funding pool, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funds provided under this section are considered a one-time funding item and may not be continued into the biennium beginning July 1, 2017, and ending June 30, 2019.

A state agency may submit an application to the office of management and budget for a transfer of appropriation authority from the state agency energy development impact funding pool for employee housing rental assistance and temporary salary increases for employees affected by energy development. As part of the application, an agency must document how the agency will discontinue energy impact adjustments for employees at the end of the biennium. The office of management and budget, subject to emergency commission approval, shall transfer appropriation authority from the state agency energy development impact funding pool to eligible agencies for approved applications.

The office of management and budget shall provide a report to the legislative management regarding distributions from the energy development impact funding pool. Each agency receiving a distribution from the energy impact funding pool must provide a report to the legislative management regarding its plan to discontinue energy impact adjustments for employees at the end of the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 6. GENERAL FUND APPROPRIATION AND TRANSFER - HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, which the director of the office of management and budget shall transfer to the

highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

2. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 7. CONTINGENT GENERAL FUND TRANSFER AND HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, which the director of the office of management and budget shall transfer to the highway fund, during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. a. The transfer and appropriation in subsection 1 of this section is available only if the director of the office of management and budget determines actual general fund revenues for the period beginning February 1, 2015, and ending June 30, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $20,000,000.

b. For purposes of this subsection, "estimated general fund revenues" excludes transfers to the general fund from the strategic investment and improvements fund, property tax relief fund, the lottery, the mill and elevator, and gas tax administration.

SECTION 8. CONTINGENT GENERAL FUND AND STRATEGIC INVESTMENT AND IMPROVEMENTS FUND APPROPRIATIONS AND TRANSFERS - STATE BOARD OF HIGHER EDUCATION - DEPARTMENT OF TRANSPORTATION - BUDGET SECTION APPROVAL - BUDGET SECTION REPORT.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the state board of higher education for the Valley City state university fine arts building project, including the demolition of two existing buildings, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $25,850,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

3. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the state board of higher education for the North Dakota state university Dunbar Hall project, for the biennium beginning July 1, 2015, and ending June 30, 2017.

4. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $46,000,000 from the general fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

5. a. The appropriations and transfers in subsections 1 and 2 of this section are available only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000, or if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending June 30, 2016, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000. If the appropriations and transfers under this subdivision become available, the state board of higher education shall provide a report to the budget section regarding the status of the Valley City state university fine arts building project.

   b. The appropriations and transfers in subsections 3 and 4 of this section are available, subject to budget section approval, only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2016, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $250,000,000. Additionally, the appropriation in subsection 3 is available only if the state board of higher education certifies to the budget section that the Dunbar Hall project conforms to the university system master plan and space utilization study and the board receives budget section approval to proceed with the project. The board may not seek approval from the budget section to proceed with the project until the state auditor's office performance audit of the university system space utilization study is completed.

   c. For purposes of this subsection, "estimated general fund revenues" excludes the unobligated general fund balance on July 1, 2015, and transfers to the general fund from the strategic investment and improvements fund, tax relief fund, the lottery, the mill and elevator, and gas tax administration.

SECTION 9. APPROPRIATION - STATE AUDITOR. There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the

North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 10. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS - REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $160,000 or so much of the sum as may be necessary, to the legislative assembly for the purpose of purchasing and installing audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding appropriated in this section is considered a one-time funding item.

The state court administrator shall provide periodic reports to the legislative procedure and arrangements committee during the 2015-16 interim regarding the status of the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly.

SECTION 11. APPROPRIATION - LEGISLATIVE COUNCIL - CONSULTANTS FOR INTERIM STUDY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $400,000, or so much of the sum as may be necessary, to the legislative council for the purpose of contracting with consultants to study oil and gas tax incentives and oil and gas recovery techniques, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 12. APPROPRIATION - JUDICIAL WING REMODELING PROJECT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $65,693, or so much of the sum as may be necessary, to the judicial branch for the purpose of defraying the additional costs of the remodeling project in the judicial wing, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 13. CONTINGENT APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION - TRANSPORTATION GRANTS. If any funding appropriated to the superintendent of public instruction for integrated formula payments to school districts remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2015, and ending June 30, 2017, the superintendent shall provide up to $3,000,000 of the funds remaining for additional transportation grants. The superintendent shall prorate the available funding according to the percentage of the total transportation formula amount to which each school district is entitled."

Page 3, line 12, replace "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 3, line 17, after "The" insert "the director of"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "21"

Page 5, after line 31, insert:

"**SECTION 22. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding appropriated to the department of human services in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 23. STUDENT LOAN TRUST FUND - STATE DEPARTMENT OF HEALTH - DENTAL LOAN REPAYMENT PROGRAM. The estimated income line item of section 1 of House Bill No. 1004, as approved by the sixty-fourth legislative assembly, includes the sum of $360,000, or so much of the sum as may be necessary, from the student loan trust fund for the dental loan repayment program administered by the state department of health for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 24. AMENDMENT. Subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

c. Appoint and remove all university system office personnel, fix their salaries within the limits of legislative appropriations, fix their terms of office, and prescribe their duties. The board shall adopt a policy that provides that each vice chancellor in the university system office is considered to have resigned the individual's position as a vice chancellor upon the appointment of a commissioner of higher education.

SECTION 25. A new section to chapter 44-04 of the North Dakota Century Code is created and enacted as follows:

Requests for records by members of the legislative assembly and the legislative council.

Notwithstanding section 44-04-18.6, any record of the legislative council relating to a request for public records made by the legislative council on behalf of a member of the legislative assembly is a public record. The legislative council shall maintain a written or digital record of any request for public records made on behalf of a member of the legislative assembly which identifies the member of the legislative assembly who made the request.

SECTION 26. AMENDMENT. Section 48-08-04 of the North Dakota Century Code is amended and reenacted as follows:

48-08-04. Use of legislative assembly rooms and halls.

During the interim between legislative sessions, the committee rooms, halls, passageways, and other space in the capitol used by the legislative assembly, including the pioneer room and three additional meeting rooms comprising approximately four thousand square feet in the judicial wing of the capitol, may not be used without authorization of the legislative council.

SECTION 27. AMENDMENT. Subsection 3 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

3. Retirement dates are defined as follows:

   a. Normal retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is:

      (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

(2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, is:

(1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

(2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.

~~b.~~c. Normal retirement date for a national guard security officer or firefighter is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment as a national guard security officer or firefighter.

~~c.~~d. Normal retirement date for a peace officer or correctional officer employed by a political subdivision is:

(1) The first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer or correctional officer; or

(2) When the peace officer or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

~~d.~~e. Normal retirement date for a peace officer employed by the bureau of criminal investigation is:

(1) The first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer; or

(2) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

~~e.~~f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.

~~f.~~g. Early retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment. For a national guard security officer or firefighter, early retirement date is the first day of the month next

following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible employment. For a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.

~~g.~~ h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03. A member is eligible to receive disability retirement benefits only if the member:

(1) Became disabled during the period of eligible employment; and

(2) Applies for disability retirement benefits within twelve months of the date the member terminates employment.

A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines that a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may pay the cost of any medical testing or rehabilitation services it deems necessary and these payments are appropriated from the retirement fund for those purposes.

SECTION 28. AMENDMENT. Subsection 4 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

4. The board shall calculate retirement benefits as follows:

a. Normal retirement benefits for all retirees, except supreme and district court judges, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

(1) Service benefit equals two percent of final average salary multiplied by the number of years of service employment.

(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

(1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

(2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

c. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.

d. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning prior to the normal retirement date, which is the earlier of age sixty-five or the age at which current service plus age equals eighty-five. Except for a national guard security officer or firefighter, a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.

e. Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars.

SECTION 29. A new section to chapter 54-52.6 of the North Dakota Century Code is created and enacted as follows:

Changes to election.

1. In this section the term "participating member" is limited in application to a participating member who elected to participate in the defined contribution retirement plan established under this chapter as an active employee of a participating employer, is an actively participating member of the defined contribution plan as of the effective date of this Act, and is an active employee with a participating employer on the date an election is made under this section. The term does not include a participant who is not actively employed with a participating employer on the date of transfer of the funds under this section, has taken a distribution from the defined contribution plan, is retired, is no longer actively employed with a participating employer, or who is a member who has a qualified domestic relations order or other court order on the member's account.

2. Notwithstanding any other provision of law, the board shall provide an opportunity for each participating member to elect in writing to terminate membership in the defined contribution retirement plan under this chapter and to elect to become a participating member in the public employees retirement system under chapter 54-52.

3. The board shall establish a three-calendar-month election period beginning not later than February 1, 2016. A participating member who does not make a written election or who does not file the election with the North Dakota public employees retirement system office during the period specified in this section continues to be a member of the defined contribution plan. A participating member who makes and files a written election with the North Dakota public employees retirement system office under this section ceases to be a member of the defined contribution plan upon receipt by the public employees retirement system of the accumulated fund balance of the member's defined contribution plan under this chapter and waives all rights to that employee's accumulated fund balance under the defined contribution plan. If the executive director of the North Dakota public employees retirement system determines a participating member was not adequately notified of the option to make an election under this section, the executive director may provide that participating member a reasonable time, not to exceed three months, within which to make that election.

4. The public employees retirement system shall credit the transferring employee with the service credit and salary history reflected on the public employees retirement system's electronic database.

5. The board shall determine the method by which a participating member may make a written election under this section. If the participating member is married at the time of the election, the election is not effective unless the election is signed by the individual's spouse. However, the executive director of the North Dakota public employees retirement system may waive this spousal signature requirement if the spouse's signature cannot be obtained because of extenuating circumstances.

6. For a participating member who elects to terminate membership in the defined contribution plan under this section, the board shall transfer that member's accumulated fund balance, less any rollovers from other plans made into the defined contribution plan, to the public employees retirement system under chapter 54-52. If funds are transferred from the defined contribution plan to the defined benefit plan under an election made under this section, the board shall record this transfer to the defined benefit plan as employee and employer contributions in the same manner as transferred by the defined contribution provider. If a participating member has a separate account attributable to rollover contributions to the defined contribution plan pursuant to section 54-52.6-09.1, the participating member shall make an election to receive a distribution of the entire amount held in the rollover account at the time of transfer.

7. A participating member who elects a transfer under this section is entitled to vested employer contribution amounts under section 54-52-11.1 prospectively from the date of transfer. A participating member who elects a transfer under this section must be assessed and required to pay monthly to the defined benefit plan an additional employee contribution of an additional two percent of the monthly salary or wages paid to the member.

SECTION 30. AMENDMENT. Section 55-01-02.1 of the North Dakota Century Code is amended and reenacted as follows:

55-01-02.1. Society to have jurisdiction over heritage center.

The society has jurisdiction over the administration and operations of the North Dakota heritage center building. The director of the office of management and budget is responsible for maintenance of the heritage center building. The society shall maintain the collections displayed and stored at the heritage center and shall provide, or arrange, for the security of those collections. The society shall establish a policy that authorizes the consumption of alcoholic beverages, including distilled spirits as defined in section 5-01-01, at the heritage center during an event that is open only to invited guests and if the alcoholic beverages are dispensed by a qualified alcoholic beverage licensee.

SECTION 31. AMENDMENT. Subsection 3 of section 57-38-01.7 of the North Dakota Century Code as amended by section 1 of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

3. At the election of the taxpayer, there must be allowed, subject to the applicable limitations provided in this subsection, as a nonrefundable credit against the income tax liability under section 57-38-30 or, in the case of contributions by a passthrough entity, under section 57-38-30.3 for the taxable year, an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the year directly to nonprofit private institutions of primary education, located within the state. The amount allowable as a credit under this subsection for any taxable year may not exceed twenty percent of the taxpayer's total income tax under this chapter for the year, or two thousand five hundred dollars, whichever is less.

SECTION 32. Subdivision b of subsection 3 of section 57-51.1-03 of the North Dakota Century Code as amended in section 5 of House Bill No. 1476, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

b. The incremental production from a tertiary recovery project ~~that does not use carbon dioxide and~~ which has been certified as a qualified project by the industrial commission is exempt from any taxes imposed under this chapter for a period of ten years from the date the incremental production begins. Incremental production from a tertiary recovery project ~~that uses carbon dioxide in a~~from a horizontal well drilled and completed ~~outside~~within the Bakken and Three Forks formations~~, and ten miles [16.10 kilometers] or more outside an established field in which the industrial commission has defined the pool to include the Bakken or Three Forks formation and~~ which has been certified as a qualified project by the industrial commission is not exempt from July 1, 2015, through June 30, 2017, and is thereafter exempt from any taxes imposed under this chapter for a period of five years from July 1, 2017, or the date the incremental production begins, whichever is later.

SECTION 33. AMENDMENT. Subsection 2 of section 61-16.1-09 of the North Dakota Century Code is amended and reenacted as follows:

2. Exercise the power of eminent domain in the manner provided by title 32 for the purpose of acquiring and securing any rights, titles, interests, estates, or easements necessary or proper to carry out the duties imposed by this chapter~~, and particularly to~~. A water resource board may acquire the necessary rights in land for the construction of dams, flood control projects, and other water conservation, distribution, and supply works of any nature and to permit the flooding of lands~~, and to~~. In addition, a water resource board may secure the right of access to

~~such~~these dams and other devices and the right of public access to any impounded waters ~~impounded thereby~~. ~~Provided, however, that when~~If the interest sought to be acquired is a right of way for ~~any~~a project authorized in this chapter for which federal ~~or state~~ funds have been appropriated or state funds have been appropriated by the legislative assembly for a specific project, the ~~district~~board, after making a written offer to purchase the right of way and depositing the amount of the offer with the clerk of the district court of the county wherein the right of way is located, may ~~thereupon~~ take immediate possession of the right of way, as authorized by section 16 of article I of the Constitution of North Dakota. Within thirty days after notice has been given in writing to the landowner by the clerk of the district court that a deposit has been made for the taking of a right of way as authorized in this subsection, the owner of the property taken may appeal to the district court by serving a notice of appeal upon the acquiring agency, and the matter must be tried at the next regular or special term of court with a jury unless a jury be waived, in the manner prescribed for trials under chapter 32-15.

SECTION 34. Section 1 of Senate Bill No. 2019, as approved by the sixty-fifth legislative assembly, is amended and reenacted as follows:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the parks and recreation department for the purpose of defraying the expenses of the parks and recreation department, for providing funding to the Lewis and Clark interpretive center, and for providing a grant to the International Peace Garden, for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

	Base Level	Adjustments or Enhancements	Appropriation
Administration	$2,573,593	$598,129	$3,171,722
Accrued leave payments	181,577	(181,577)	0
Park operations and maintenance	15,045,525	20,128,406	35,173,931
~~Recreation~~	~~5,585,875~~	~~2,021,544~~	~~7,607,419~~
~~Total all funds~~	~~$23,386,570~~	~~$22,566,502~~	~~$45,953,072~~
~~Less estimated income~~	~~10,505,431~~	~~4,357,404~~	~~14,862,835~~
~~Total general fund~~	~~$12,881,139~~	~~$18,209,098~~	~~$31,090,237~~
Recreation	5,585,875	1,711,245	7,297,120
Total all funds	$23,386,570	$22,256,203	$45,642,773
Less estimated income	10,505,431	4,357,404	14,862,835
Total general fund	$12,881,139	$17,898,799	$30,779,938
Full-time equivalent positions	55.00	11.00	66.00

Subdivision 2.

INTERNATIONAL PEACE GARDEN

	Base Level	Adjustments or Enhancements	Appropriation
International Peace Garden	$973,699	$535,297	$1,508,996
Total general fund	$973,699	$535,297	$1,508,996

Subdivision 3.

LEWIS AND CLARK INTERPRETIVE CENTER

	Base Level	Adjustments or Enhancements	Appropriation
Lewis and Clark interpretive center	$0	$1,005,279	$1,005,279
Total general fund	$0	$1,005,279	$1,005,279

Subdivision 4.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
~~Grand total general fund~~	~~$13,854,838~~	~~$19,749,674~~	~~$33,604,512~~
~~Grand total special funds~~	~~10,505,431~~	~~4,357,404~~	~~14,862,835~~
~~Grand total all funds~~	~~$24,360,269~~	~~$24,107,078~~	~~$48,467,347~~
Grand total general fund	$13,854,838	$19,439,375	$33,294,213
Grand total special funds	10,505,431	4,357,404	14,862,835
Grand total all funds	$24,360,269	$23,796,779	$48,157,048

SECTION 35. Section 2 of Senate Bill No. 2019, as approved by the sixty-fifth legislative assembly, is amended and reenacted as follows:

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2015-17	2013-15
Parks enhancements	$3,897,800	$14,750,000
Parks equipment	350,000	600,000
Lewis and Clark interpretive center grant	1,350,000	0
Parks strategic plans	100,000	0
Community grant program	500,000	500,000
International Peace Garden capital projects	1,250,000	335,297
Trail lease renewals	0	200,000
Web application for snowmobile registration	0	310,299
Statewide comprehensive outdoor recreation plan	0	90,000
Repairs at Lewis and Clark interpretive center	0	75,000
50th anniversary	0	25,000
Retirement leave payouts	0	100,000
International Peace Garden demolition project	0	200,000
~~Total all funds~~	~~$7,447,800~~	~~$17,185,596~~
~~Less estimated income~~	~~1,270,300~~	~~345,000~~
~~Total general fund~~	~~$6,177,500~~	~~$16,840,596~~
Total all funds	$7,447,800	$16,875,297
Less estimated income	1,270,300	345,000
Total general fund	$6,177,500	$16,530,297

The 2015-17 one-time funding amounts are not a part of the entity's base budget for the 2017-19 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

Page 6, after line 1, insert:

"**SECTION 37. REPEAL.** Section 5 of House Bill No. 1003, as approved by the sixty-fourth legislative assembly, is repealed.

SECTION 38. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION - SEVERANCE PAY. Notwithstanding any policy adopted by the board, the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of the transfer of positions from the state board of higher education to the attorney general as provided in House Bill No. 1003 as approved by the sixty-fourth legislative assembly.

SECTION 39. LEGISLATIVE INTENT - OIL AND GAS IMPACT GRANTS TO AIRPORTS. It is the intent of the sixty-fourth legislative assembly that of the funding designated for grants to airports impacted by oil and gas development included in subsection 1 of section 5 of House Bill No. 1176, as approved by the sixty-fourth legislative assembly, a grant award of at least $39,000,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014, and a grant award of at least $5,800,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the second highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014. It is also the intent of the sixty-fourth legislative assembly that the grant awards designated under this section must be awarded without a local matching requirement.

SECTION 40. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 41. LEGISLATIVE MANAGEMENT STUDY - TRANSPORTATION FUNDING DISTRIBUTIONS TO POLITICAL SUBDIVISIONS. During the 2015-16 interim, the legislative management shall consider studying special transportation funding distributions to political subdivisions. The study must review distribution methods including the feasibility and desirability of using upper great plains transportation institute needs studies, county major collector miles, or a combination of both, if there are future special transportation funding distributions to political subdivision, and must review options to ensure counties are reporting information consistently. The legislative management shall consider methods to ensure that road projects in each county are properly coordinated with state road projects and projects in adjacent counties. The study must also review the use of special transportation funding in comparison to the legislative assembly's intent. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 42. LEGISLATIVE MANAGEMENT STUDY - ENHANCED OIL AND GAS RECOVERY. During the 2015-16 interim, the legislative management shall study the current scientific and economic information regarding oil and gas recovery and enhanced recovery techniques, including the use of carbon dioxide, the timeline for implementing the techniques, and the estimated future annual economic impact, to evaluate existing and alternative tax incentives and recommend tax incentives that under current and foreseeable conditions, and within different oil formations, would best serve the interests of the state, political subdivisions, and fossil fuel energy production industries. The legislative management shall report its

recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifty legislative assembly.

SECTION 43. EFFECTIVE DATE. Section 31 of this Act is effective for taxable years beginning after December 31, 2014, and section 32 of this Act is effective for taxable events occurring after December 31, 2015, and for a tertiary recovery project the exemption of five years applies only for a project from which incremental production begins after December 31, 2015.

SECTION 44. EMERGENCY. Funding of $1,550,000 in the operating expenses line item in section 1 and section 15 of House Bill No. 1018, as approved by the sixty-fourth legislative assembly; section 1 of House Bill No. 1255, as approved by the sixty-fourth legislative assembly; and section 30 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - 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	$40,477,318	$68,196,688	($7,983,040)	$60,213,648	$47,258,648	$12,955,000
Less estimated income	8,730,630	19,625,335	(1,899,945)	17,725,390	11,420,390	6,305,000
General fund	$31,746,688	$48,571,353	($6,083,095)	$42,488,258	$35,838,258	$6,650,000
State Auditor						
Total all funds	$0	$0	$200,000	$200,000	$200,000	$0
Less estimated income	0	0	200,000	200,000	200,000	0
General fund	$0	$0	$0	$0	$0	$0
Legislative Assembly						
Total all funds	$0	$0	$160,000	$160,000	$160,000	$0
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$160,000	$160,000	$160,000	$0
Legislative Council						
Total all funds	$0	$0	$400,000	$400,000	$0	$400,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$400,000	$400,000	$0	$400,000
Judicial Branch						
Total all funds	$0	$0	$65,693	$65,693	$0	$65,693
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$65,693	$65,693	$0	$65,693
Department of Transportation						
Total all funds	$0	$0	$36,000,000	$36,000,000	$400,000,000	($364,000,000)
Less estimated income	0	0	18,000,000	18,000,000	200,000,000	(182,000,000)
General fund	$0	$0	$18,000,000	$18,000,000	$200,000,000	($182,000,000)
Bill total						
Total all funds	$40,477,318	$68,196,688	$28,842,653	$97,039,341	$447,618,648	($350,579,307)
Less estimated income	8,730,630	19,625,335	16,300,055	35,925,390	211,620,390	(175,695,000)
General fund	$31,746,688	$48,571,353	$12,542,598	$61,113,951	$235,998,258	($174,884,307)

Senate Bill No. 2015 - Office of Management and Budget - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254	$20,028,254	
Operating expenses	14,356,788	14,206,785		14,206,785	14,206,785	
Capital assets	2,251,065	7,530,009	(3,540,000)	3,990,009	3,990,009	
Grants	430,000	555,000		555,000	555,000	
Emergency commission contingency fund	700,000	700,000		700,000	700,000	

Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000	1,700,000	
State student internship program	200,000	250,000		250,000	250,000	
Guardianship grants	828,600	1,937,800	(609,200)	1,328,600	828,600	500,000
Accrued leave payments	570,412					
Health insurance pool - temp employees		5,000,000		5,000,000	5,000,000	
Energy impact funding pool		14,700,000	(6,735,000)	7,965,000		7,965,000
Targeted Equity Pool			4,490,000	4,490,000		4,490,000
Total all funds	$40,477,318	$68,196,688	($7,983,040)	$60,213,648	$47,258,648	$12,955,000
Less estimated income	8,730,630	19,625,335	(1,899,945)	17,725,390	11,420,390	6,305,000
General fund	$31,746,688	$48,571,353	($6,083,095)	$42,488,258	$35,838,258	$6,650,000
FTE	130.50	122.50	0.00	122.50	122.50	0.00

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Reduces One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(609,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(6,735,000)	
Targeted Equity Pool						
Total all funds	($88,840)	($609,200)	($3,500,000)	($1,250,000)	($6,735,000)	$310,000
Less estimated income	(14,945)	0	0	0	(2,935,000)	310,000
General fund	($73,895)	($609,200)	($3,500,000)	($1,250,000)	($3,800,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Facility Management Projects[7]	Adds Funding for Targeted Equity Pool[8]	Total Conference Committee Changes
Salaries and wages			($88,840)
Operating expenses			
Capital assets	(600,000)		(3,540,000)
Grants			
Emergency commission contingency fund			
Prairie public broadcasting			(1,500,000)
State student internship program			
Guardianship grants			(609,200)
Accrued leave payments			
Health insurance pool - temp employees			
Energy impact funding pool			(6,735,000)
Targeted Equity Pool		4,490,000	4,490,000
Total all funds	($600,000)	$4,490,000	($7,983,040)
Less estimated income	0	740,000	(1,899,945)
General fund	($600,000)	$3,750,000	($6,083,095)
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $1,328,600. The Senate added funding of $1,109,200 to provide total funding of $1,937,800 from the general fund. The House provided $828,600, which is the same as the base level.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1.5 million), and Capitol elevator upgrades ($1.4 million), the same as the House version.

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund, the same as the House version. The Senate version provided $1.3 million from the general fund.

[5] One-time funding is reduced for the energy impact funding pool to provide a total of $7,965,000, of which $2,400,000 is from the general fund. The Senate provided $14.7 million of which $6.2 million was from the general fund and $8.5 million was from special funds. The House removed the funding for the energy impact funding pool.

[6] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs, the same as the House version.

[7] This amendment reduces the funding for facility management projects to provide total funding of $1,825,009 and identifies this funding as one-time funding, the same as the House version. The Senate provided $2,425,009 from the general fund as ongoing funding.

[8] Funding is added for a targeted equity funding pool. The funding was removed from agency budgets by both the House and Senate.

This amendment also:

- Provides for a contingent transfer of $20 million from the general fund to the highway fund and appropriates the funding to the Department of Transportation for highway projects if actual revenues exceed the legislative forecast for the remainder of 2013-15 biennium.
- Provides additional funding contingent upon actual general fund revenue exceeding the legislative forecast, as follows:
- An appropriation of $25.85 million from the general fund to the State Board of Higher Education for the Valley City State University fine arts building project;
- A transfer of $25.85 million from the strategic investment and improvements fund to the highway fund and appropriates the funding to the Department of Transportation for highway projects;
- An appropriation of $46 million from the general fund to the State Board of Higher Education for the North Dakota State University Dunbar Hall project; and
- A transfer of $46 million from the general fund to the highway fund and appropriates the funding to the Department of Transportation for highway projects.
- Provides contingent funding of $3 million to the Department of Public Instruction for transportation grants from any remaining 2015-17 biennium unspent funding in the integrated formula payments line item.
- Adds a section to identify the funding included in Senate Bill No. 2289 as one-time funding, the same as the House version.

- Clarifies that the estimated income line item in House Bill No. 1004 includes $360,000 from the student loan trust fund.
- Adds a section to require the State Board of Higher Education to adopt a policy for the resignation of vice chancellors when a new Commissioner of Higher Education is appointed.
- Identifies legislator requests for public records through the Legislative Council as public records.
- Clarifies the use of legislative meeting rooms during the interim.
- Changes the provisions of retirement benefits for employees first enrolled after December 31, 2015.
- Allows state employees to switch from the defined contribution retirement plan to the defined benefits plan.
- Allows alcoholic beverages to be served at the Heritage Center during private parties.
- Limits tax credits for charitable donations to a private institution of primary education.
- Amends House Bill No. 1476 relating to a tax exemption for the use of carbon dioxide in enhanced oil recovery.
- Provides changes to the use of eminent domain by water resource boards.
- Amends Senate Bill No. 2019 reducing funding to the Parks and Recreation Department by $310,299 from the general fund relating to a website application for snowmobile registration.
- Repeals Section 5 of House Bill No. 1003 relating contingent appropriations for North Dakota University System building projects.
- Adds a section of legislative intent to restrict the State Board of Higher Education from providing severance payments to employees who are transferred to the Attorney General's office.
- Adds a section of legislative intent to designate oil and gas impact grant funding to certain airports.
- Provides for a Legislative Management study of the functions of the Budget Section, the same as the House version.
- Provides for a Legislative Management study of transportation funding distributions to political subdivisions.
- Provides for a Legislative Management study of oil and gas enhanced recovery.
- Provides an effective date for certain sections of the bill.
- Provides an emergency clause for $1.55 million in House Bill No. 1018, for House Bill No. 1255 relating to air ambulance services, and for Section 30 relating to alcoholic beverages at the Heritage Center.

Senate Bill No. 2015 - State Auditor - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			$200,000	$200,000	$200,000	
Total all funds	$0	$0	$200,000	$200,000	$200,000	$0
Less estimated income	0	0	200,000	200,000	200,000	0
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 117 - State Auditor - Detail of Conference Committee Changes

	Adds Funding for University System IT Audits[1]	Total Conference Committee Changes
Operating expenses	$200,000	$200,000

Total all funds	$200,000	$200,000
Less estimated income	200,000	200,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding from fees charged to the University System is added for information technology security audits of the 11 institutions in the University System, the same as the House version.

Senate Bill No. 2015 - Legislative Assembly - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			$160,000	$160,000	$160,000	
Total all funds	$0	$0	$160,000	$160,000	$160,000	$0
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$160,000	$160,000	$160,000	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of Conference Committee Changes

	Adds One-Time Funding for Meeting Room Furnishings[1]	Total Conference Committee Changes
Operating expenses	$160,000	$160,000
Total all funds	$160,000	$160,000
Less estimated income	0	0
General fund	$160,000	$160,000
FTE	0.00	0.00

[1] Adds one-time funding from the general fund for equipment, tables, chairs, and other furnishings for legislative meeting rooms in the judicial wing, the same as the House version.

Senate Bill No. 2015 - Legislative Council - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			$400,000	$400,000		$400,000
Total all funds	$0	$0	$400,000	$400,000	$0	$400,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$400,000	$400,000	$0	$400,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 160 - Legislative Council - Detail of Conference Committee Changes

	Adds Funding for Oil and Gas Study Consultants[1]	Total Conference Committee Changes
Operating expenses	$400,000	$400,000
Total all funds	$400,000	$400,000
Less estimated income	0	0
General fund	$400,000	$400,000

FTE	0.00	0.00

[1] This amendment provides a one-time appropriation of $400,000 from the general fund to the Legislative Council to contract with a consultant related to a Legislative Management study of oil and gas tax incentives and enhanced oil recovery.

Senate Bill No. 2015 - Judicial Branch - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Capital assets			$65,693	$65,693		$65,693
Total all funds	$0	$0	$65,693	$65,693	$0	$65,693
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$65,693	$65,693	$0	$65,693
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 180 - Judicial Branch - Detail of Conference Committee Changes

	Adds Funding for Judicial Wing Remodeling[1]	Total Conference Committee Changes
Capital assets	$65,693	$65,693
Total all funds	$65,693	$65,693
Less estimated income	0	0
General fund	$65,693	$65,693
FTE	0.00	0.00

[1] One-time funding is added for additional costs related to the judicial wing remodeling project.

Senate Bill No. 2015 - Department of Transportation - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Capital assets			$18,000,000	$18,000,000	$200,000,000	($182,000,000)
Transfers			18,000,000	18,000,000	200,000,000	(182,000,000)
Total all funds	$0	$0	$36,000,000	$36,000,000	$400,000,000	($364,000,000)
Less estimated income	0	0	18,000,000	18,000,000	200,000,000	(182,000,000)
General fund	$0	$0	$18,000,000	$18,000,000	$200,000,000	($182,000,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 801 - Department of Transportation - Detail of Conference Committee Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total Conference Committee Changes
Capital assets		$18,000,000	$18,000,000
Transfers	18,000,000		18,000,000
Total all funds	$18,000,000	$18,000,000	$36,000,000
Less estimated income	0	18,000,000	18,000,000
General fund	$18,000,000	$0	$18,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $18 million from the general fund to the highway fund. The House had provided for a transfer of $200 million.

[2] One-time funding of $18 million is added from the highway fund for enhanced state highway investments. The House had added funding of $200 million

Engrossed SB 2015 was placed on the Seventh order of business on the calendar.

2015 TESTIMONY

SB 2015

Prepared by the North Dakota Legislative Council staff for House Appropriations
March 12, 2015

Department 110 - Office of Management and Budget
Senate Bill No. 2015

Executive Budget Comparison to Prior Biennium Appropriations

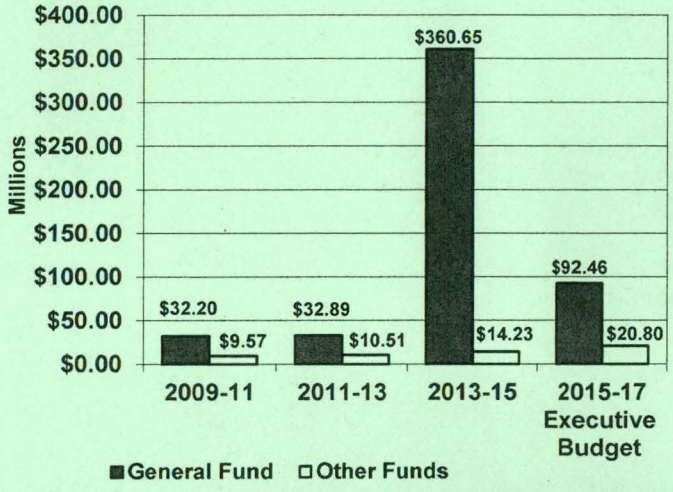
	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	122.50	$92,464,958	$20,802,718	$113,267,676
2013-15 Legislative Appropriations	130.50	360,646,688	14,230,630	374,877,318
Increase (Decrease)	(8.00)	($268,181,730)	$6,572,088	($261,609,642)

NOTE: The amounts shown for the 2015-17 executive budget do not include a transfer of $904,115,558 from the general fund to the highway fund and a transfer of $5,000,000 from the general fund to the special roads fund for total transfers of $909,115,558 from the general fund included in Senate Bill No. 2015.

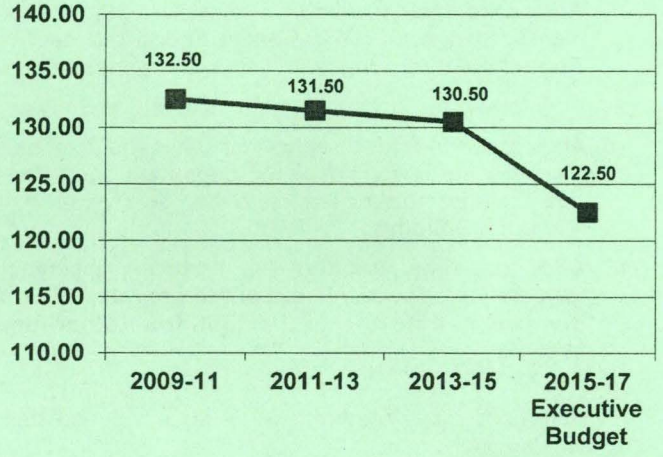
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	$34,809,958	$57,655,000	$92,464,958
2013-15 Legislative Appropriations	31,746,688	328,900,000	360,646,688
Increase (Decrease)	$3,063,270	($271,245,000)	($268,181,730)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2015-17 Executive Budget	$92,464,958	$20,802,718	$113,267,676
2015-17 Base Level	31,746,688	8,730,630	40,477,318
Increase (Decrease)	$60,718,270	$12,072,088	$72,790,358

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

Executive Budget Highlights (With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which $959,935 relates to performance increases, $136,226 is for market equity adjustments, $509,504 is for health insurance increases, and $98,111 is for retirement contribution increases. **The Senate provided funding for performance salary increases of 2 to 4 percent per year and funding for health insurance increases, but did not include funding for market equity increases or funding for retirement contribution increases.**	$1,423,498	$280,278	$1,703,776

2. Increases funding for facility management relating to heat pump, carpet replacement, and other maintenance projects	$2,425,009	$0	$2,425,009
3. Adds funding for central services equipment	$0	$200,000	$200,000
4. Increases funding for utility rate increases	$650,000	$0	$650,000
5. Increases funding for Prairie Public Broadcasting from $1,937,138 to $2,300,000	$362,862	$0	$362,862
6. Increases funding for guardianship grants to counties to provide total grant funding of $1,657,200. **The Senate increased funding by $1,109,200 to provide total grant funding of $1,937,800.**	$828,600	$0	$828,600
7. Adds **one-time funding** for mailroom equipment upgrades	$30,000	$0	$30,000
8. Adds **one-time funding** for Governor's residence security enhancements	$175,000	$0	$175,000
9. Adds **one-time funding** for the student internship program for a total of $250,000	$50,000	$0	$50,000
10. Adds **one-time funding** for mechanical upgrades in the Heritage Center	$600,000	$0	$600,000
11. Adds **one-time funding** for Prairie Public Broadcasting projects	$1,500,000	$0	$1,500,000
12. Adds **one-time funding** to upgrade Capitol elevators	$1,400,000	$0	$1,400,000
13. Adds **one-time funding** for Capitol entrance and building identification signs. **The Senate added the funding from the Capitol building fund rather than the general fund.**	$1,400,000	$0	$1,400,000
14. Adds **one-time funding** for repairs to the west parking lot	$1,300,000	$0	$1,300,000
15. Adds **one-time funding** to renovate and expand the Liberty Memorial Building to house the Supreme Court. **The Senate did not include funding to renovate and expand the Liberty Memorial Building.**	$40,000,000	$0	$40,000,000
16. Adds **one-time funding** for a health insurance pool for temporary employees. **The Senate provided $2.5 million from the general fund and $2.5 million from other funds for total funding of $5 million for temporary employee health insurance.**	$5,000,000	$5,000,000	$10,000,000
17. Adds **one-time funding** for a state agency energy impact funding pool	$6,200,000	$8,500,000	$14,700,000
18. Provides for a transfer from the general fund to the highway fund for enhanced state highway investments (not reflected in totals on Page 1 of this report). **The Senate did not include the transfer from the general fund to the highway fund.**	$904,115,558	$0	$904,115,558
19. Provides for a transfer from the general fund to the special road fund (not reflected in totals on Page 1 of this report). **The Senate did not include the transfer from the general fund to the special road fund.**	$5,000,000	$0	$5,000,000

The following is a comparison of funding from the general fund for statewide dues and memberships:

Statewide Dues and Memberships		
	2013-15 Biennium	**2015-17 Biennium**
Commission on Uniform State Laws (This budget includes travel costs, conference registration, and annual dues.)	$145,000	$145,000
Council of State Governments	188,000	188,000
Governmental Accounting Standards Board	6,000	6,000
Western Governors' Association	74,300	74,300
National Governors Association	81,500	81,500
National Lieutenant Governors Association	1,200	1,200
Education Commission of the States	115,000	115,000
Western Interstate Commission for Higher Education		30,000
Total dues and memberships	$611,000	$641,000

Other Sections in Bill

Property tax relief sustainability fund transfer to general fund - Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.

Capitol building fund - Section 4 identifies $1.4 million of the estimated income from the Capitol building fund for Capitol building entrance and signage projects.

Community service supervision grants - Section 5 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund. **The Senate added $125,000 to provide a total of $500,000 from the general fund for community service supervision grants.**

Unexpended appropriation continuation - Section 6 provides that amounts appropriated to the Fiscal Management Division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.

State internship program - Section 8 authorizes the Human Resource Management Services Division to transfer funds appropriated for the state student internship program to other agencies.

State agency energy development impact funding pool - Section 9 authorizes the Human Resource Management Services Division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.

Temporary employee health insurance pool - Section 10 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.

State employee compensation transfers - Section 11 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to state employee compensation increases.

State employee compensation adjustments - Section 12 provides legislative intent that funding provided for state employee salary increases be used to provide 2 to 4 percent annual performance compensation adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and equity and employees whose documented performance does not meet standards are not eligible for compensation adjustments.

Management of school fund - Section 13 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.

Continuing Appropriations

Risk management fund - Chapter 32-12.2 - Risk fund used to timely settle claims and lawsuits.

Risk management workers' compensation fund - Section 65-04-03.1 - Provides workers' compensation for state employees.

Human Resource Management Services training fund - Section 54-44-11 - State personnel training and development operating fund.

Capitol building fund - Chapter 48-10 - Income and interest of the fund may be used for Capitol grounds projects approved by the Capitol Grounds Planning Commission. The continuing appropriation amount is limited to 50 percent of the unencumbered balance of the fund on the first day of the biennium subject to a maximum amount of $175,000.

Preliminary planning revolving fund - Section 54-27-22 - Preliminary planning revolving fund for state agencies to study and plan for capital projects.

Postage revolving fund - Chapter 48-06 - Used to purchase postage for postage machines in central mailroom.

Indigent civil legal services fund - Section 54-06-20 - Used for distributions to legal services programs that provide civil legal assistance to indigent individuals.

State purchasing operating fund - Section 54-44-11 - Used for the procurement and maintenance of an equipment and supply inventory for state agencies.

Significant Audit Findings

The operational audit of the Office of Management and Budget conducted by the State Auditor's office for the biennium ending June 30, 2013, included a significant audit finding related to a lack of independent reconciliations in the Surplus Property Division.

Major Related Legislation

Senate Bill No. 2190 - Provides for the Office of Management and Budget to transfer funds from the abandoned oil and gas well plugging and site reclamation fund to the environmental quality restoration fund.

House Bill No. 1033 - Requires the Office of Management and Budget to determine the amount equal to 15 percent of the principal balance of the legacy fund in accordance with Article X, Section 26, of the Constitution of North Dakota.

House Bill No. 1034 - Clarifies the use of the foundation aid stabilization fund and budget stabilization fund for state school aid payments in the event of a general fund revenue shortfall.

House Bill No. 1053 - Requires all state agencies to obtain centralized desktop support services from the Information Technology Department, except the legislative and judicial branches and other large state agencies, based on the results of a hardware relocation and consolidation study.

House Bill No. 1085 - Requires the Office of Management and Budget to report to the Budget Section on the amount of federal funds appropriated by the Legislative Assembly and the amount of federal funds received by state agencies.

Office of Management and Budget - Budget No. 110
Senate Bill No. 2015
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	130.50	$31,746,688	$8,730,630	$40,477,318	130.50	$31,746,688	$8,730,630	$40,477,318
2015-17 Ongoing Funding Changes								
Base payroll changes	(8.00)	($6,614)	($1,477,206)	($1,483,820)	(8.00)	($6,614)	($1,477,206)	($1,483,820)
Salary increase - Performance		800,672	159,263	959,935		599,321	118,363	717,684
Salary increase - Market equity		116,021	20,205	136,226				0
Retirement contribution increase		81,833	16,278	98,111				0
Health insurance increase		424,972	84,532	509,504		424,972	84,532	509,504
2013-15 biennium funding adjustments		(2,620,085)	(430,984)	(3,051,069)		(2,620,085)	(430,984)	(3,051,069)
Facility Management projects		2,425,009		2,425,009		2,425,009		2,425,009
Central Services equipment			200,000	200,000			200,000	200,000
Funding for utility increases		650,000		650,000		650,000		650,000
Prairie Public Broadcasting		362,862		362,862		362,862		362,862
Increases funding for guardianship grants		828,600		828,600		1,109,200		1,109,200
Increases funding for community supervision grants				0		125,000		125,000
Total ongoing funding changes	(8.00)	$3,063,270	($1,427,912)	$1,635,358	(8.00)	$3,069,665	($1,505,295)	$1,564,370
One-time funding items								
Mailroom equipment upgrades		$30,000		$30,000		$30,000		$30,000
Govenor's residence security enhancements		175,000		175,000		175,000		175,000
Student internship program		50,000		50,000		50,000		50,000
Mechanical upgrades in Heritage Center		600,000		600,000		600,000		600,000
Prairie Public Broadcasting projects		1,500,000		1,500,000		1,500,000		1,500,000
Capitol elevator upgrade		1,400,000		1,400,000		1,400,000		1,400,000
Capitol entrance and building signs		1,400,000		1,400,000			1,400,000	1,400,000
West parking lot repair		1,300,000		1,300,000		1,300,000		1,300,000
Expansion of Liberty Memorial Building		40,000,000		40,000,000				0
Health insurance pool for temporary employees		5,000,000	5,000,000	10,000,000		2,500,000	2,500,000	5,000,000
Energy impact funding pool		6,200,000	8,500,000	14,700,000		6,200,000	8,500,000	14,700,000
Total one-time funding changes	0.00	$57,655,000	$13,500,000	$71,155,000	0.00	$13,755,000	$12,400,000	$26,155,000
Total Changes to Base Level Funding	(8.00)	$60,718,270	$12,072,088	$72,790,358	(8.00)	$16,824,665	$10,894,705	$27,719,370
2015-17 Total Funding	122.50	$92,464,958	$20,802,718	$113,267,676	122.50	$48,571,353	$19,625,335	$68,196,688

Other Sections in Senate Bill No. 2015

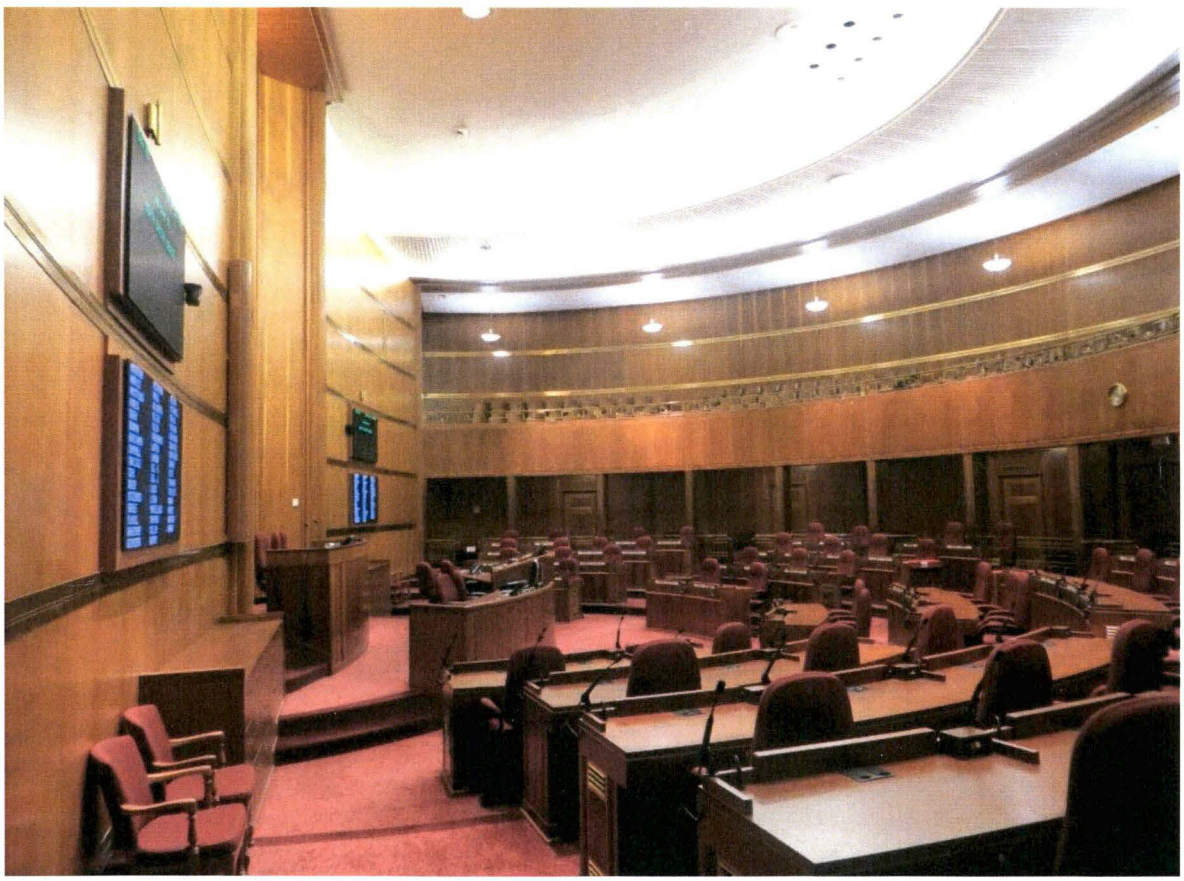
	Executive Budget Recommendation	Senate Version
Property tax relief sustainability fund transfer to general fund	Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.	Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.
Strategic investment and improvements fund transfer to general fund	Section 4 provides for a transfer of $700 million from the strategic investment and improvements fund to the general fund during the 2015-17 biennium.	
General fund transfer to highway fund	Section 5 provides for a transfer of $904,115,558 from the general fund to the highway fund during the 2015-17 biennium.	

	Executive Budget Recommendation	Senate Version
General fund transfer to special road fund	Section 6 provides for a transfer of $5 million from the general fund to the special road fund during the 2015-17 biennium.	
Community service supervision grants	Section 7 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.	Section 4 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.
Unexpended appropriation continuation	Section 8 provides that amounts appropriated to the Fiscal Management Division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.	Section 5 provides that amounts appropriated to the Fiscal Management Division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.
State internship program	Section 10 authorizes the Human Resource Management Services Division to transfer funds appropriated for the state student internship program to other agencies.	Section 7 authorizes the Human Resource Management Services Division to transfer funds appropriated for the state student internship program to other agencies.
State agency energy development impact funding pool	Section 11 authorizes the Human Resource Management Services Division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.	Section 8 authorizes the Human Resource Management Services Division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.
Temporary employee health insurance pool	Section 12 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.	Section 9 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.
State employee compensation transfers	Section 13 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the state employee compensation adjustments.	Section 10 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the state employee compensation adjustments.
State employee compensation adjustments	Section 14 provides legislative intent that funding provided for state employee salary increases be used to provide 3 to 5 percent annual performance compensation adjustments and up to 2 percent annual market equity adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and equity, and employees whose documented performance does not meet standards are not eligible for compensation adjustments. Market equity adjustments are to be provided to employees below their respective market policy point.	Section 11 provides legislative intent that funding provided for state employee salary increases be used to provide 2 to 4 percent annual performance compensation adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and employees whose documented performance does not meet standards are not eligible for compensation adjustments.
Management of school fund	Section 15 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.	Section 12 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.

#1

Office of Management and Budget

Testimony on Senate Bill 2015



Senate Appropriations Committee

January 22, 2015

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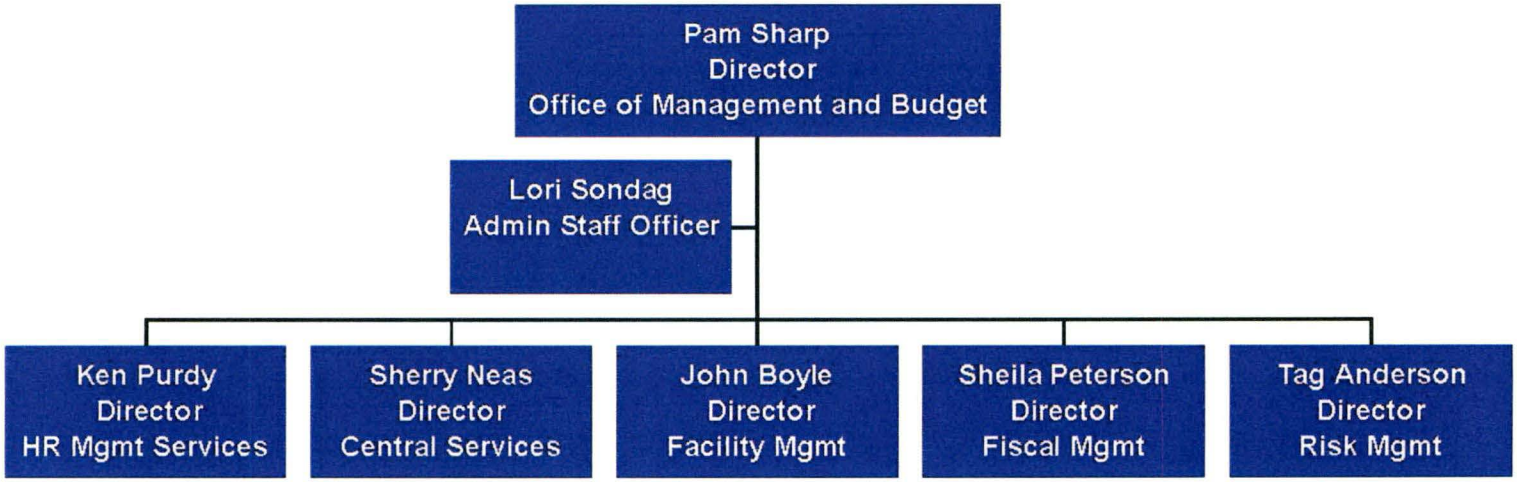
Office of Management and Budget
Organizational Chart



Testimony on SB 2015
Pam Sharp, Director
Office of Management and Budget
January 22, 2015

Good morning Chairman Holmberg and members of the Senate Appropriations Committee. For the record, my name is Pam Sharp and I am the Director of the Office of Management and Budget.

Before each of the division directors of OMB provides testimony on their respective divisions, I will give you an overview of the proposed budget for OMB.

Proposed General Fund Increases

2015-17 Budget Request – General Fund Ongoing

Salary and Benefits – Compensation Plan	$1,703,776
Operating Expenses	650,000
Prairie Public Operating Funds	362,862
Guardianship Grants	828,600

2015-17 Budget Request – General Fund One-time

Health Insurance pool (see attached amendment)	$5,000,000
Prairie Public Projects	1,500,000
Mailroom Upgrades	30,000
Security Enhancements	175,000
Mechanical Upgrade in Inspiration Gallery	600,000
Upgrade Capitol Elevators	1,400,000
New Entrance Pathway and Building Signs	1,400,000
West Parking Lot Repairs	1,300,000
Student Internship (see attached amendment)	50,000
Liberty Memorial Remodel and Addition	40,000,000
Energy Pool	6,200,000

2015-17 Budget Request – General Fund for DOT

General Fund transfer to Highway Fund	$904,115,558
General Fund transfer to Special Roads Fund	5,000,000

FTE Reduction

Currently OMB has 130.5 authorized FTEs. We are proposing to reduce that number by eight. Seven of those FTEs are in Facility Management and are currently working as custodians and maintenance workers at the Heritage Center. The Heritage Center would like to have those FTEs be under the control of the Heritage Center. We are proposing transferring those seven FTEs from OMB to the Heritage Center. All of

these positions are filled so the FTEs and the people filling those positions would be transferred to the Heritage Center.

The eighth position we are giving up is a little more complicated. ITD provides the IT developers that work on the state PeopleSoft system. ITD bills OMB for their services, since OMB technically owns the PeopleSoft system. There is need for an additional developer at ITD to work on PeopleSoft. ITD has requested an additional FTE for that position. Because that FTE at ITD will benefit OMB, we carefully evaluated positions at OMB, so the net increase to the state with the addition of the FTE at ITD would be zero. Central Services was able to do some realigning with positions in Central Duplicating, so we were able to give up a position.

May I ask that when you work on the budgets for ITD and the Heritage Center, you keep in mind that we reduced our FTE count so the FTE counts for ITD and the Heritage Center could be increased.

Explanation of Section 3. This section transfers $657 million from the Property Tax Relief fund to the general fund. Last biennium the legislature provided a transfer of $315 million from the general fund to this fund. In addition to that transfer, $342 million flows into this fund from oil tax revenue. This fund is available to be transferred to the general fund for use in the 2015-17 biennium.

Explanation of Section 4. This language transfers $700 million from the Strategic Investment and Improvement Fund to the general fund. This transfer helps fund the one-time investments proposed in the executive budget.

Explanation of Section 5. This section transfers $904,115,558 from the general fund to the Highway fund. This money is for infrastructure work in western North Dakota for DOT. In addition to this money, another $450 million is in SB 2126, for a total of $1,354,000,000, which is the total amount the DOT needs for projects in western North Dakota in the 2015-17 biennium.

Explanation of Section 6. This section transfers $5 million from the general fund to the Special Roads fund in the DOT for improvements to roads leading to recreational areas in North Dakota.

Explanation of Section 7. This section appropriates $375,000 for community service grants to community correction associations. The amount is unchanged from the current biennium.

Explanation of Section 8. This section provides carryover authority for the Fiscal Management division of OMB. We have had this authority for several biennia. The purpose of this carryover is to have funds available to deal with any development or operating costs necessary for managing the statewide systems OMB is responsible for.

This includes PeopleSoft financials and human resources, payroll, and budget. It is essential for us to be able to deal with issues that come up during the biennium so we can ensure our statewide systems provide the services as intended.

Explanation of Section 9. This provides the authority for OMB to provide funding for 4-H clubs, pay statewide dues and memberships, unemployment insurance and an appropriation to the Capitol Grounds Planning Commission. Statewide dues and memberships are unchanged from the current biennium.

Explanation of Section 10. This section allows HRMS to transfer appropriation authority to eligible agencies for the state student internship program. If an internship qualifies, up to half of the funding required for a student internship in an agency can be funded from this program.

Explanation of Section 11. This section provides OMB with the authority to transfer appropriation authority from the energy development impact funding pool line item to individual agencies. This bill provides $6.2 million of general funds for this pool and $8.5 million of special funds for this pool.

Explanation of Section 12. This section allows OMB to transfer appropriation authority to agencies that need to pay for temporary employee health insurance as a requirement of ACA. This bill appropriates $5 million of general funds and $5 million of special funds. Now that we have some actual data, we believe those amounts can each be cut in half. We have an amendment attached that does that.

Explanation of Section 13. This section allows agencies to transfer appropriation authority between line items as it relates to the compensation increases. This language is needed for those agencies that pay employees out of special lines.

Explanation of Section 14. This section outlines the proposed compensation package for state employees. The performance component ranges from three to five percent each year of the biennium. The market component provides up to a two percent increase for classified employees in the first quartile of the range, and up to one percent for classified employees in the second quartile of the range. OMB will develop guidelines, and employees whose overall documented performance level doesn't meet standards are not eligible for any salary increase.

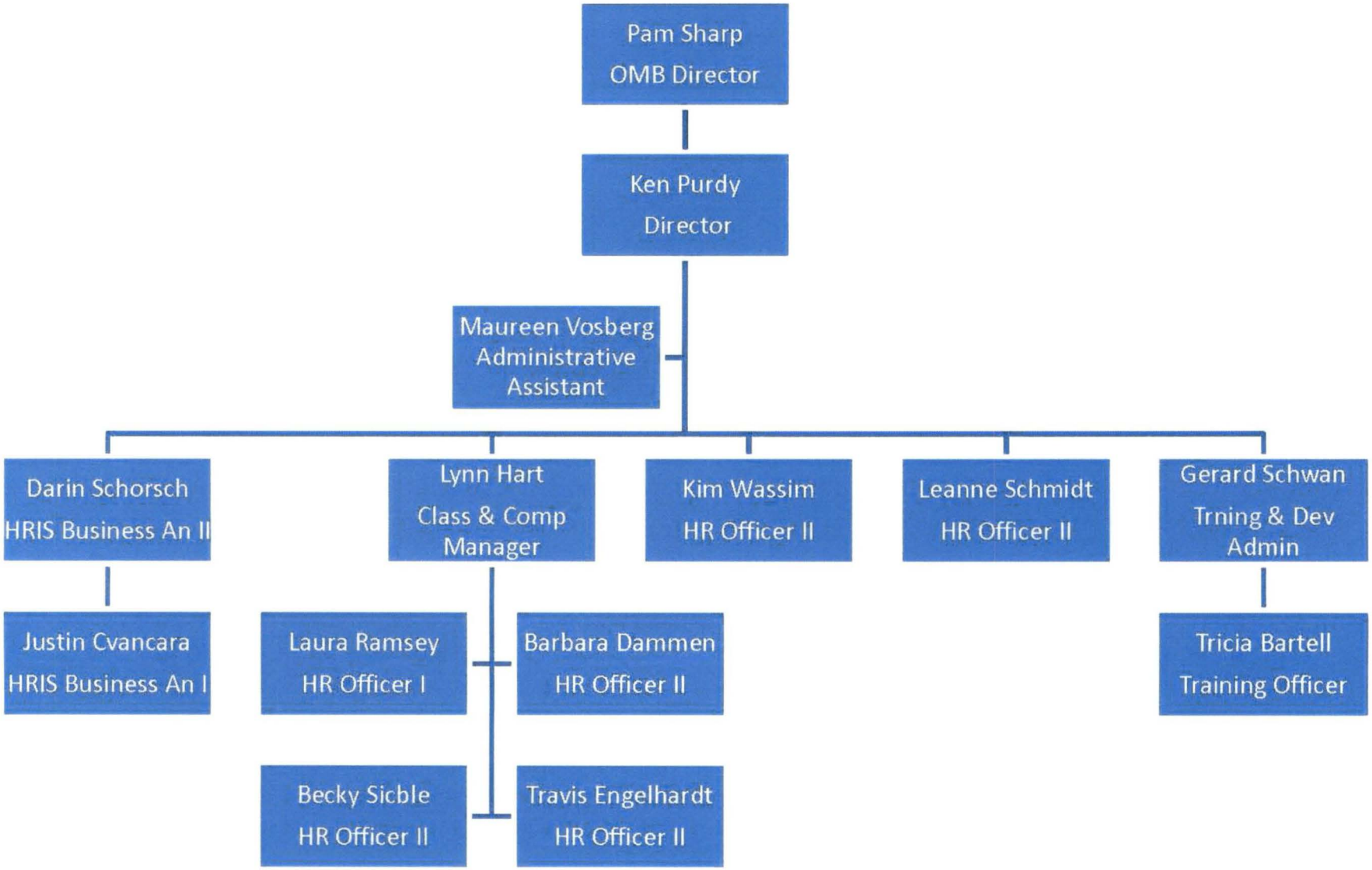
Explanation of Section 15. This section repeals Section 55-44-06 of the North Dakota Century Code. This section dates back to 1959 and reads as follows:

55-44-06. Duties as to school fund. *The office of management and budget shall keep a separate account of the school fund and of the interest and income thereof, together with such moneys as may be raised by special tax or otherwise for school purposes. The office shall perform such duties with reference to the apportionment of such fund as are described in title 15.*

Office of Management and Budget

Human Resource Management Services Division

January 2015



Attachment #1 pages 7-8

Testimony SB 2015
Ken Purdy, Director
OMB Human Resource Management Services
January 22, 2015

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee. I am Ken Purdy, Director of Human Resource Management Services (HRMS), a division of the Office of Management and Budget.

HRMS provides an overall structure or framework of rules, policies, job classifications and compensation plans covering some 7,253 employees in the state classified service.

HRMS has 13 FTE positions. We provide an array of services in four general areas:

- HR Management and Employment Services Support and Consulting
- Classification and Compensation
- HR Information System – HR Data, Enterprise Learning Management, Talent Management, ePerformance, Recruiting Solutions
- Training and Development

All of the functions overlap and integrate with staff involved in multiple areas.

As Director of HRMS I also serve as chair of the State Personnel Board.

In addition to direct contact, we provide significant resources and support to agencies through the continued development and maintenance of the HRMS website, www.nd.gov/hrms.

Our budget request for this next biennium is $2,870,004 from the general fund. Ninety-four percent (94%) of HRMS' program costs are salaries. Operating expenses account for six percent (6%) of HRMS' program costs. All of the division's services require human capital. Operating expenses support agencies through printing, website, staff training & Development, and supplies and materials.

State Internship Program
HRMS has administered the state internship program for 3 bienniums. Since inception 20 agencies have received assistance with 78 internships. 23 internships are currently in progress. At least 18 interns have joined state service in regular positions. At this time, all of the funds for the 2013-15 biennium are obligated and additional requests of about $70,000 cannot be funded.

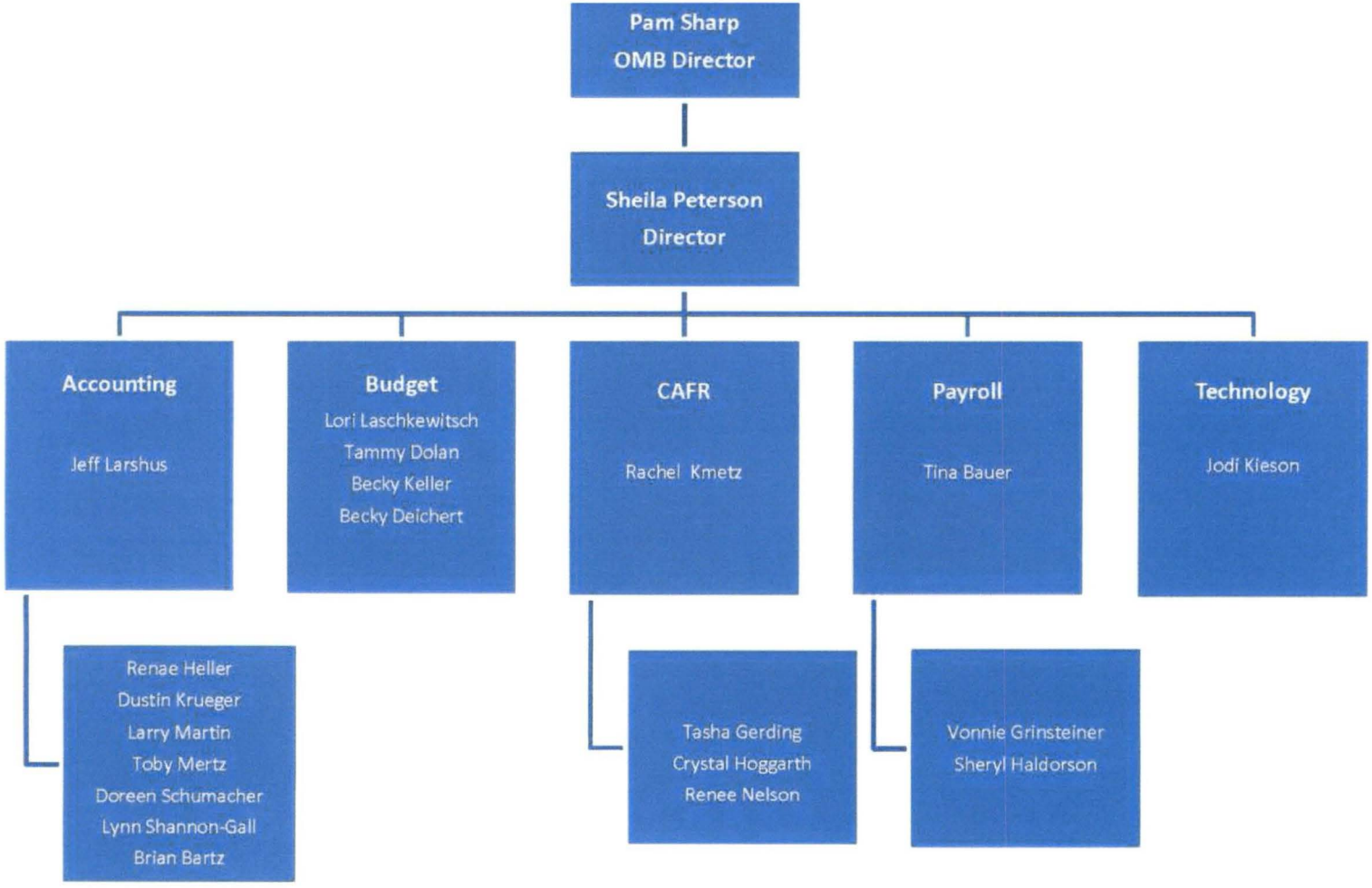
Attachment #1
pages 7-8

The executive budget is recommending a $50,000 increase from $200,000 to $250,000 for the 2015-17 biennium.

The student internship program is a win-win-win opportunity:

- It enhances the education provided by the college.
- Offers valuable, practical experience for the student intern.
- Benefits agencies by giving them extra help for a time and gives them a potential 'leg up' in recruiting the student for a regular job.

Mr. Chairman, this concludes my remarks. I would be happy to answer any questions.


Pam Sharp
OMB Director
Sheila Peterson
Director
Accounting
Jeff Larshus
Budget
Lori Laschkewitsch
Tammy Dolan
Becky Keller
Becky Deichert
CAFR
Rachel Kmetz
Payroll
Tina Bauer
Technology
Jodi Kieson
Renae Heller
Dustin Krueger
Larry Martin
Toby Mertz
Doreen Schumacher
Lynn Shannon-Gall
Brian Bartz
Tasha Gerding
Crystal Hoggarth
Renee Nelson
Vonnie Grinsteiner
Sheryl Haldorson

Testimony on SB 2015
Sheila Peterson, Director
OMB Fiscal Management Division
January 22, 2015

Good morning Mr. Chairman and members of the Senate Appropriations Committee. My name is Sheila Peterson. I am the Director of the Fiscal Management Division of OMB.

The Fiscal Management Division has four major areas of responsibility: budget, accounting, payroll, and financial reporting.

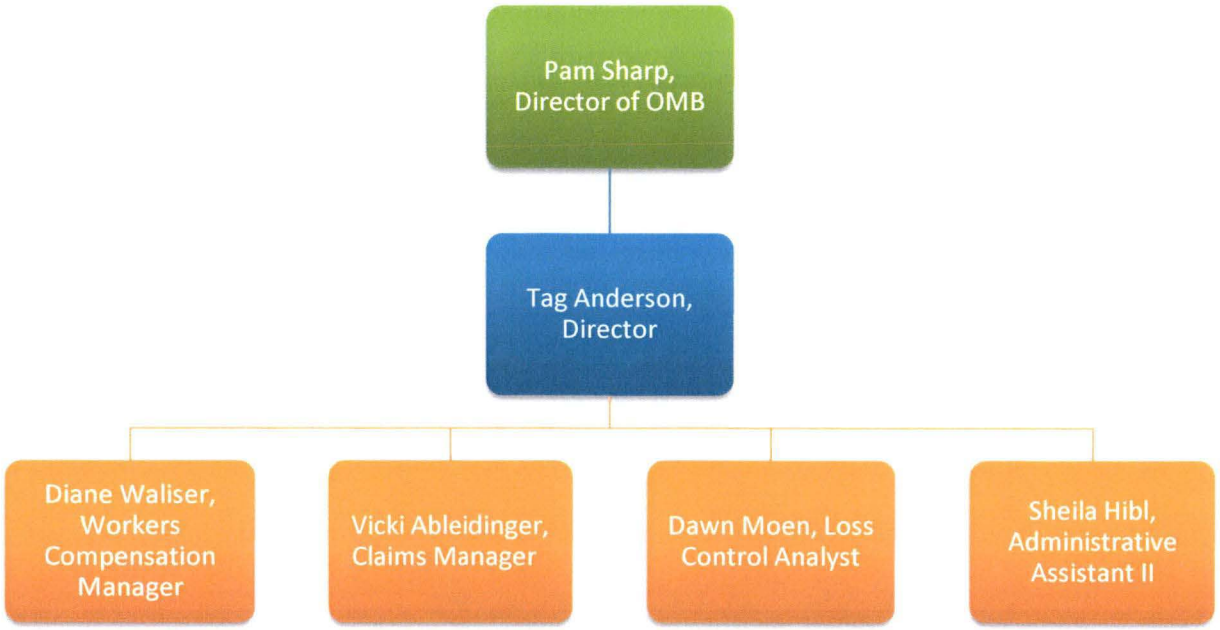
We measure our success in terms of peer evaluation. Our peer evaluations come through the Government Finance Officers Association (GFOA) of the United States and Canada. Our last Comprehensive Annual Financial Report (CAFR) again received the GFOA Certificate of Achievement for Excellence in Financial Reporting. We have received this award every year since 1991. Our last budget documents again received the GFOA Distinguished Budget Presentation Award. We have received this award every biennium since 1993.

Ninety-four percent (94%) of the Fiscal Management budget falls into two categories - data processing and salaries. All of our functions depend on technology and people. The remainder of our bigger expenses includes consultants and printing. Consultants are hired for revenue and economic forecasting, cost allocation, and assisting us in the statewide comprehensive annual financial reports. Printing expenses include the CAFR and the budget documents.

The only significant increase from our current appropriation to the Governor's recommendation is the compensation package. This increase is offset by decreases in data processing and auditing fees based on actual expenses this current biennium.

Mr. Chairman, that concludes my remarks. I would be happy to answer any questions.

Office of Management and Budget
Risk Management Division
January 2015



Testimony on SB 2015
Tag Anderson, Director
OMB Risk Management Division
January 22, 2015

Mr. Chairman, and members of the Senate Appropriations Committee, my name is Tag Anderson. I am the Director of the Risk Management Division of OMB.

The Risk Management Division was established to address the State's exposure to tort liability following the loss of sovereign immunity. The Risk Management Division has also been delegated the responsibility of administering the consolidated state agency workers compensation account.

The division staff consists of 5 FTE - the director, the manager of the risk management workers compensation program, a claims manager, a loss control analyst, and an administrative assistant.

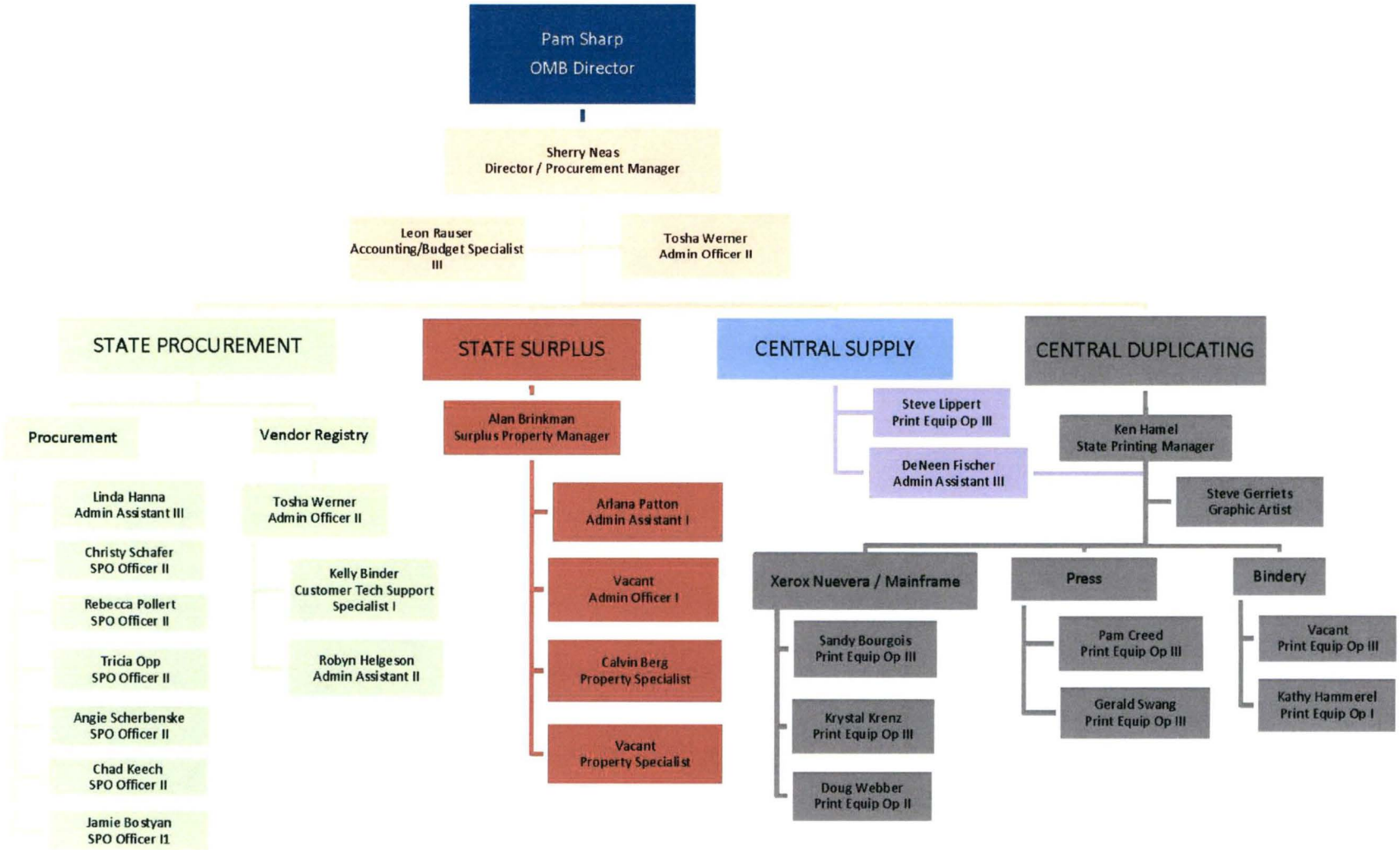
On the tort liability side, the division administers all claims and lawsuits filed against the State and state employees through the Risk Management Fund. Contribution rates for the Fund are determined by an actuarial review which includes a review of each state entity's loss history. State entities can reduce their required contributions if they can document that they have implemented pro-active loss control procedures pursuant to criteria established by the division that are designed to reduce the number and severity of claims and lawsuits.

On the workers compensation side, the risk management workers compensation program (RMWCP) continues to save workers compensation premium dollars through the establishment of the account that consolidated 143 state agency accounts, authorized a $100,000 deductible per claim, and facilitated the cross agency return-to-work program.

The 2013 legislative appropriation was based upon $1,569,897 for the division's budget. Our requested budget for 2015-17 biennium is $1,650,546 all in special funds.

Thank you.

Office of Management and Budget
Central Services Division
January 2015



Testimony on SB 2015
Sherry Neas, Director
OMB Central Services Division
January 22, 2015

Chairman Holmberg and members of the committee, my name is Sherry Neas, director of the OMB Central Services Division. Our division operates four programs.

One program is general funded. The State Procurement Office establishes state contracts for goods and services, assists agencies with their purchases, and hosts a state bidding opportunities website. Its Vendor Registry section administers the PeopleSoft/Oracle vendor database and purchasing.

Three programs are special funded. These programs are self-supporting, and charge reasonable fees to recover the cost of operations:

- Central Duplicating provides printing service for state government entities.
- Central Supply provides office supplies and paper products to state agencies.
- State Surplus Property distributes state and federal surplus property to state agencies, political subdivisions, and eligible non-profit entities.

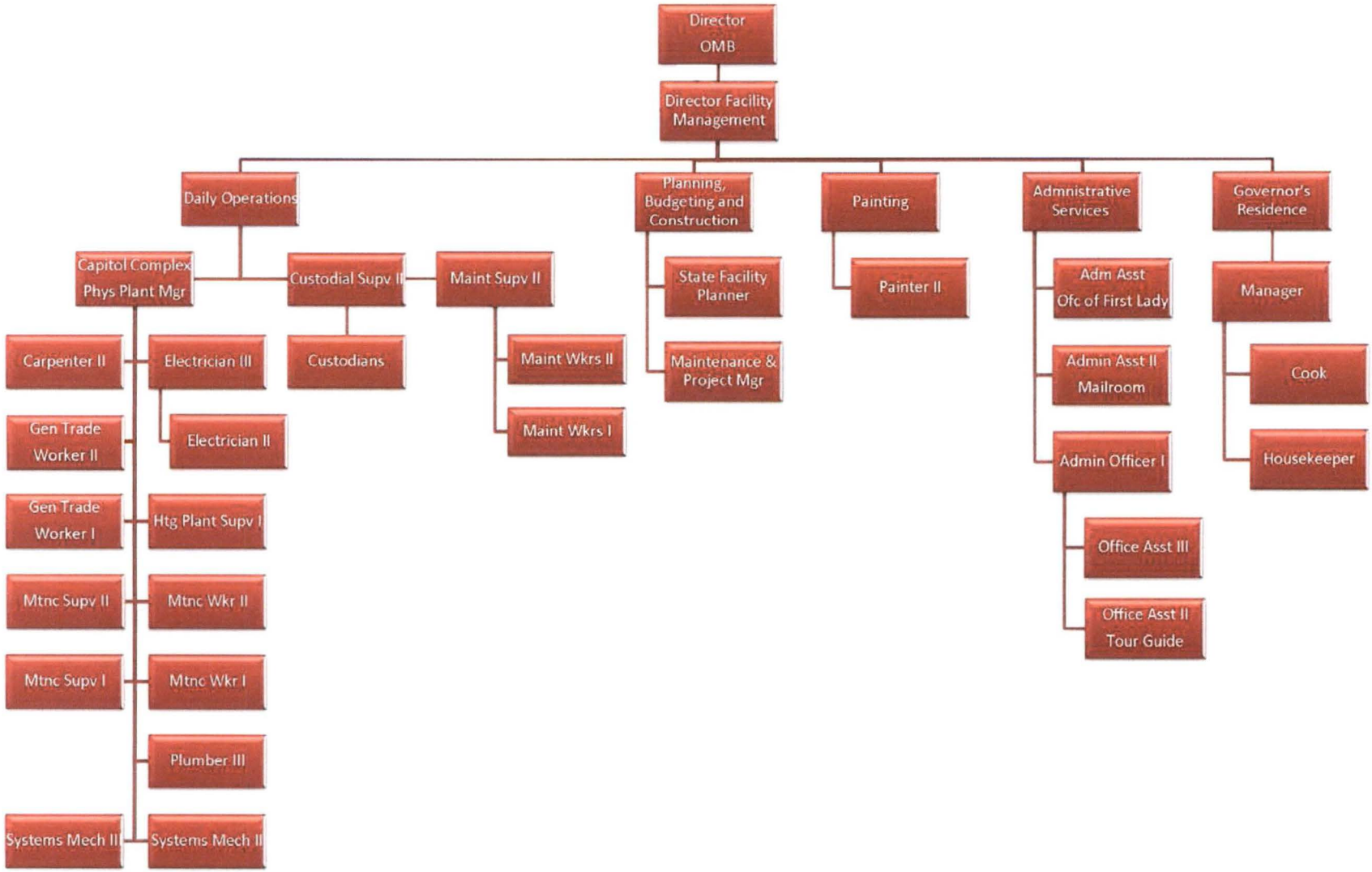
The total budget request for Central Services Divisions is $7,729,291. The budget is 27% General Fund and 73% Special Funds.

- Salaries make up 55% of the total budget, and 55% of salaries are special funded.
- Salaries increased to continue the 2011-13 legislatively authorized increases.

Central Services gave up one FTE position, so total authorized employees were reduced to 27.

Mr. Chairman, this concludes my testimony. I will be happy to answer any questions.

Office of Management and Budget
Facility Management Division
January 2015



Testimony on SB 2015
John Boyle, Director
OMB Facility Management Division
January 22, 2015

Good morning Chairman Holmberg and members of the Senate Appropriations committee. My name is John Boyle. I am the Director of the Facility Management Division within the Office of Management and Budget.

The Facility Management Division is comprised of 61.5 full-time employees. As Ms. Sharp mentioned in her testimony, we are decreasing our FTEs by 7 due to a transfer of the custodians working in the Heritage Center to the Historical Society. The remaining 54.5 employees provide central mailroom and tour guide services as well as custodial, grounds and landscaping, and maintenance services within the Capitol Complex. These state employees ensure the public, elected officials, appointed officials, and other state employees working within the Capitol Complex are provided a safe, clean and friendly environment.

We are requesting $59,489,968 in general fund spending authority for the next biennium. The amount requested from the general fund is a 136.7 percent increase from the budgeted amount requested two years ago. As Ms. Sharp mentioned in her testimony, most of this increase is attributable to the $40 million one-time capital project expenditure for the renovation and addition to the Liberty Memorial Building to serve as the new location of the ND Supreme Court. In working with architects and the State Court, we created this conceptual schematic design that would accomplish two goals--the first to meet the needs of the State Court as provided in their space needs study, and second to provide a facility to house the North Dakota Supreme Court in a manner worthy of its distinction. When the Liberty Memorial Building opened for use in 1924 the ND Supreme Court was located on the third floor.

Additional one-time spending items include removal and repaving of the west parking lots, the installation of new signs, upgrade of the four capitol tower elevators, mechanical improvements, and security enhancements.

The capitol grounds planning commission approved and prioritized two projects for the 2015-17 biennium. The number one priority is the construction of a two-level parking structure located west of the legislative wing with a connecting tunnel into the Capitol. The second project was the installation of new signs throughout the capitol grounds to identify entrances, pathways and buildings for first time visitors.

The governor likes the concept of the parking structure. However, when prioritizing capital projects throughout the state, this $13 million one-time spending project was omitted from his budget recommendations. Included in the budget was $1.3 million

to remove and repave the existing parking areas. This $1.3 million project includes two parking areas located south of the loop road to 4th Street and west of the legislative wing. These parking areas have surpassed their useful life and are in desperate need of replacement. The project will include the removal of all asphalt and base material and replacement with same.

The second project approved by the planning commission is the $1.4 million installation of new signs. The location and design of these signs will follow criteria established in the 2000 Capitol Grounds master plan. The first building identification sign was installed during the Heritage Center expansion project, as a prototype for each of the buildings. The capitol grounds planning commission approved the granite and LED back lit raised stainless steel letters for this sign with intent to continue installations during the 2015-17 biennium.

The upgrade of the four capitol tower elevators will include new motors, electronic controllers, doors on each floor and elevator car interiors. The elevator motors are original and have received no major work since installation. The electronic controllers were last replaced in the late 1980s. The software that directs the electronic controllers (the brains of the elevator) are no longer supported by the manufacturer.

The mechanical improvements project includes the replacement of a 30-year-old, 400-ton chiller for the Judicial Wing, a 35-year-old air handling unit for the Inspiration Gallery of the State Museum, and the replacement of the remaining heat pumps in the Legislative Wing. Each of these pieces of equipment has surpassed its useful life by at least five years and need replacing. Once these projects are complete, all buildings except the Judicial Wing will have had new mechanical equipment installed during the past four bienniums.

The security enhancement project includes upgrading of cameras and 15-year-old underground cables with CAT-6 cable at the Governor's residence, addition of new cameras and cable in the new parking areas located north of the Capitol, and updating of new monitors and software in the capitol security command center. It has been over ten years since any security work has been done at the Governor's residence.

Mr. Chairman, this concludes my prepared remarks. At this time, I would be happy to answer any of your questions.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2015

Page 2, line 1, replace "10,000,000" with "5,000,000"

Page 2, line 4, replace "981,905,916" with "976,905,916" and "1,022,383,234" with "1,017,383,234"

Page 2, line 5, replace "12,072,088" with "9,572,088" and "20,802,718" with "18,302,718"

Page 2, line 6, replace "969,833,828" with "967,333,828" and "1,001,580,516" with "999,080,516"

Page 2, remove line 23

Page 2, line 28, replace "10,000,000" with "5,000,000"

Page 3, line 1, replace "980,270,558" with "975,220,558"

Page 3, line 2, replace "13,500,000" with "11,000,000"

Page 3, line 3, replace "966,770,558" with "964,220,558"

Page 4, line 1, replace "state highway fund" with "special roads fund"

Renumber accordingly

Statement of Purpose:

Reduces Health Insurance pool – temporary employees line $5.0m; $2.5m general fund and $2.5m other funds.

Removes the reference to one-time for $50,000 student internship funding

Changes State Highway fund to Special Roads fund in Section 6

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SB2015
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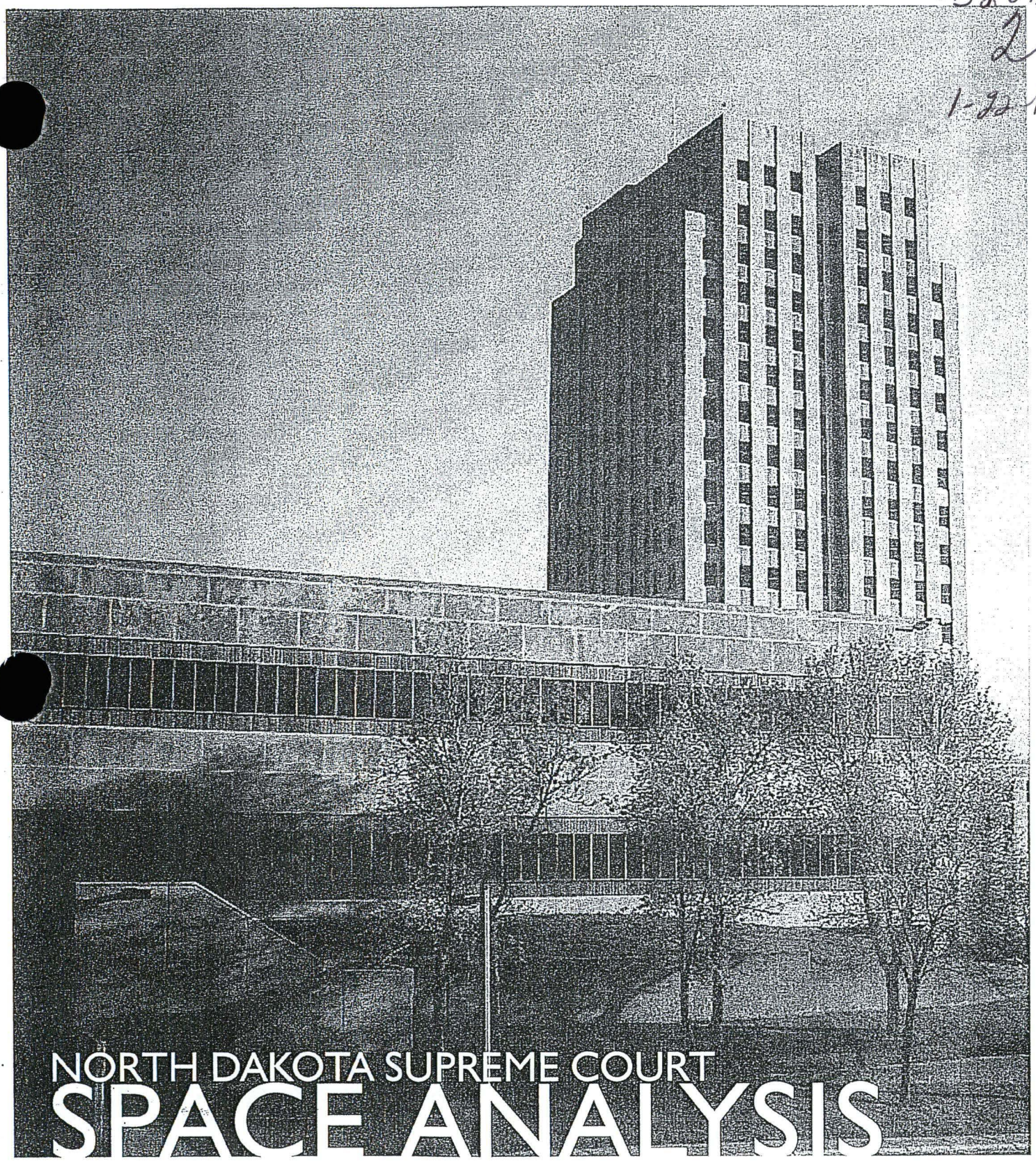

NORTH DAKOTA SUPREME COURT
SPACE ANALYSIS

SUPREME COURT STATE OFFICES

FACILITY ANALYSIS
MARCH 28th, 2014

JLG

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1 EXECUTIVE SUMMARY

2 FACILITY NEEDS

3 EXISTING CONDITIONS

4 GROWTH NEEDS

APPENDIX

A. EXECUTIVE SUMMARY

The Judicial Wing of the North Dakota Capitol was designed in response to a space needs study done in 1977 and completed in 1980. This study projected a need for 52,720 square feet of space for state court offices for the next 25 years, which was not exclusively dedicated to the ND Court System useage. It is now thirty-seven years later, and the state court offices currently occupy only 21,604 square feet on the Capital grounds and 8,400 square feet downtown for a total of 30,004 square feet.

Meanwhile, both the structure and scope of the ND Court System have gone through a major expansion, resulting in a large increase in staffing and space needs for the daily functions of the court. This space analysis identifies the immediate, pressing space needs of the Court System and projects its additional needs over the next 5-10 years.

- In 1977 most state court functions were provided by the counties. Today, the Supreme Court serves a direct management role for the district and juvenile courts, comprising 53 locations, 5 justices, 47 judges, 311 state employees, and 35 contract county employees.

- This changed role now requires management of a human resources and compensation system; budget management systems and accounting services; information management systems for district court, juvenile court and jury management; grant writing and administration; legal assistance to clerks of court; juvenile court directors and court administrators; and staffing for numerous committees, boards and task forces that provide advice and recommendations to the Supreme Court.

- In 2008 the expansion needs of the Court System reached a breaking point and the Judicial Branch Information Technology department had to move into a leased office in downtown Bismarck. The current cost of the leased space is $256,500 for the 2013-2014 biennium.

- It is highly desirable that all Court System departments be housed at one site. Working toward a single common mission, staff needs to have repeated, daily interactions to carry out their work efficiently. Combined office space is also more efficient office space.

- The Court System has inadequate space to hold trainings, meetings and conference committees, resulting in additional costs of renting meeting rooms. Bringing all departments into one, adequate state-owned facility would eliminate these costs, as well as the costs for staff travel between locations.

- In addition to being too small, the current spaces occupied by the Court System pose significant challenges related to work efficiency, security, confidentiality, public access and ADA accessibility.

In a growing state, future growth of the court system is a certainty. The full scope of this study includes a statistical projection for future space needs to accommodate projected growth and current space needs. The shortfall in space to meet current needs as well as needs for the next 5-10 years is 18,540 net square feet (24,660 gross square feet).

1 EXECUTIVE SUMMARY

2 **FACILITY NEEDS**

3 EXISTING CONDITIONS

4 GROWTH NEEDS

APPENDIX

A. INTRODUCTION TO THE STUDY

The Judicial Wing of the North Dakota Capitol, completed in 1980, was designed in response to a space needs study done in 1977. The study projected a need for 52,720 square feet of space for state court offices for the ensuing 25 years. Thirty seven years later, state court offices occupy 30,004 net square feet, split between two locations. By 2008, court office needs had outgrown the available space in the Judicial Wing, and the Judicial Branch Information Technology Department had to be moved off site to a building in downtown Bismarck.

In the time since the 1977 study was conducted, the role of the state court has changed significantly. Previously, it held an oversight role over a non-unified system, with most court functions provided by county courts. Since then, those functions have been consolidated into a district court system, with funding coming from the state instead of the counties. The state Supreme Court is now a direct manager of district and juvenile courts, including 53 locations, 5 justices, 47 judges, 311 state employees, and 35 contract county employees. The state offices of the North Dakota Court System comprise 68 employees and 3 extern/intern positions.

These staff oversee the daily functioning of the Court System's human resources and compensation system, accounting services, judicial and staff education, information management systems, jury management, grant writing and administration, legal assistance to clerics of the court and administrators, as well as staffing for committees and task forces that provide advice and recommendations to the Supreme Court. A portion of the space currently occupied by the Court System is public, including the Supreme Court courtroom and its lobby, the Law Library and a waiting area for the Clerk of Court office.

The office space allocated to the North Dakota Court System has grown too small, not only for its existing needs, but also the certain future growth needs that accompany a growing state. Moreover, current space does not allow for effective, efficient operations. Several departments are physically divided from departments they do business with multiple times per day. Inefficiencies related to this separation hinder proper, timely flow of information and daily interactions.

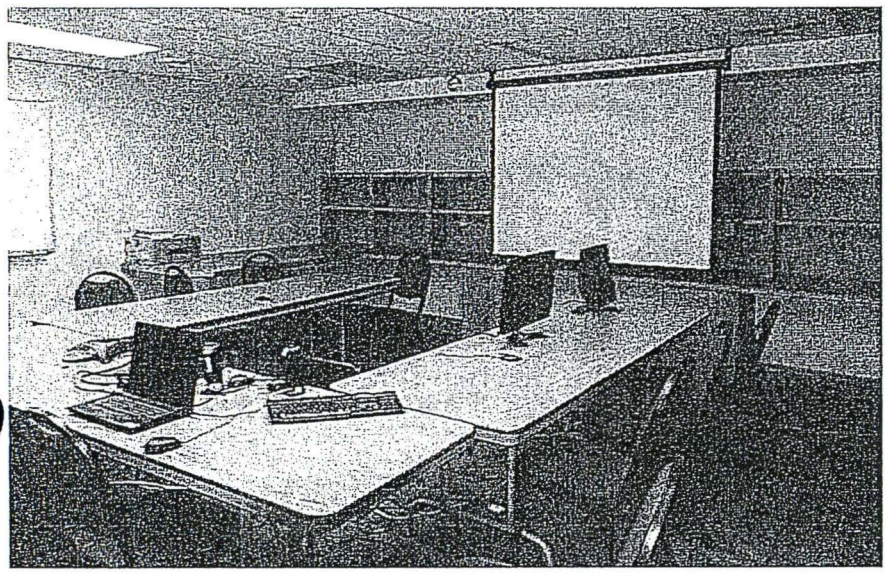
Other problems with the current space include poor acoustical separation in offices that require confidentiality; inadequate security between public and private areas; heating, ventilation and air conditioning controls that are not easily managed; and lack of handicapped access to many areas.

Redesigning the court offices for today's needs offers significant advantages. In addition to eliminating lease payments for off-campus office space, the cost of holding trainings, conference committees and other gatherings in off-site rented meeting spaces could be reduced. Providing additional space for the North Dakota Court System within the Judicial Wing would also reunite all the court's state functions under one roof. As Sally Holewa, North Dakota State Administrator, explained in her testimony to the Government Services Committee last August, "It is our desire to have all our staff in one location. Unlike some other government entities, where decisions can stand independently of each other, the court system has one focus and only one mission. To carry out our work efficiently, we need to have repeated, daily interactions between all of our departments."

B. EFFICIENCY AND OVERCROWDING

In 2008, overcrowding in the Court System reached a breaking point, and a decision was made to relocate the JBIT department to a leased space in downtown Bismarck. While this temporarily eased overcrowding, it did not completely or satisfactorily solve the space needs problem. Efficient, effective communication between departments is compromised due to the split locations.

The cost of leasing space amounts to $256,500 per biennium, plus an additional $18,840 for leased space for the Judicial Conduct Commission. In addition, the Court System has inadequate space to hold trainings, meetings and conference committees, and must regularly rent space at an additional cost.



Meeting space in the basement of the leased JBIT office in downtown Bismarck

Staff housed in the Judicial Wing have outgrown their allocated space, while staffing and space needs continue to grow. Without increasing and redesigning space for the Court System within the Judicial Wing or Capitol complex, it is very likely that the Court Offices will be forced to expand into another leased space off campus, furthering the inefficiency and reducing staff productivity, while also raising costs.

The following list indicates departments and functions that are currently separated but are a high priority for adjacent location:

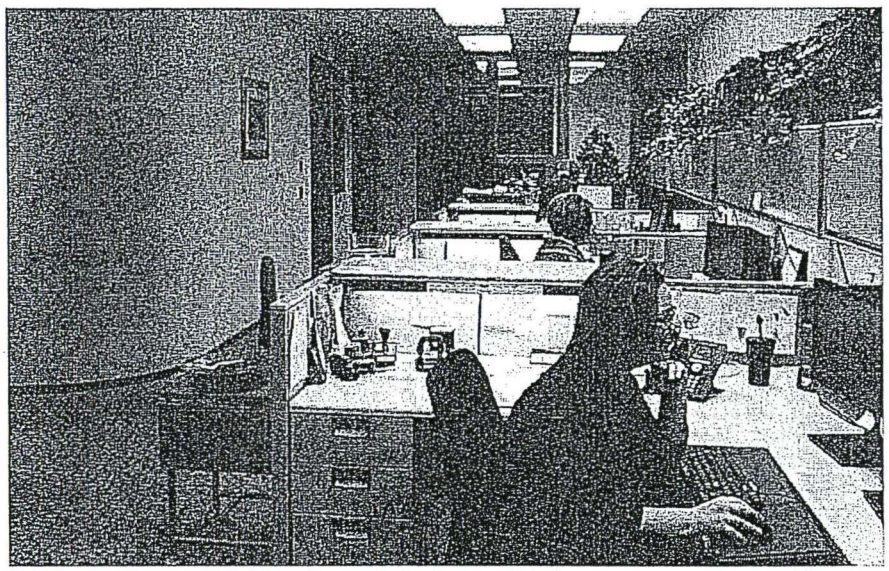
- Current departments in Court Administration are split between two levels in the Judicial Wing.
- The Board of Law Examiners workstations are currently not located together.
- Supreme Court Justices, Central Legal and Clerk of Court offices should be situated close together.
- The JBIT department should be on-site, close to the Justices, Clerk of Court and Court Administration.
- The Justices work closely with the Central Legal department, who need easy access to the Law Library and the library's Annex, which requires climate control for its sensitive books and papers.

C. SECURITY AND PUBLIC ACCESS

Several items of concern need to be addressed in order to improve the security for the North Dakota Court System offices and employees. The current front entrance to the offices is a vestibule that gives a full view of a row of workstations. While there is a physical barrier with a locked door between the entry and the workstations, there is potential for a motivated individual to cause serious injury to the employees via an opening in the barrier meant for speaking through.

If an individual were to breach this initial barrier, he or she would then have access to a number of offices and departments without having to encounter any other security point or locked corridor.

For example, sensitive offices such as those of the Supreme Court Justices are accessible to anyone who gains access to the Court Administration or Clerk of Court offices. The Central Legal offices are easily accessed with no security barrier from the public Law Library.



View from Clerk of Court Workstations towards the public entry

These and other concerns compromise the security of information in Court System offices, computers and storage rooms, and put employees at risk from potentially disgruntled members of the public.

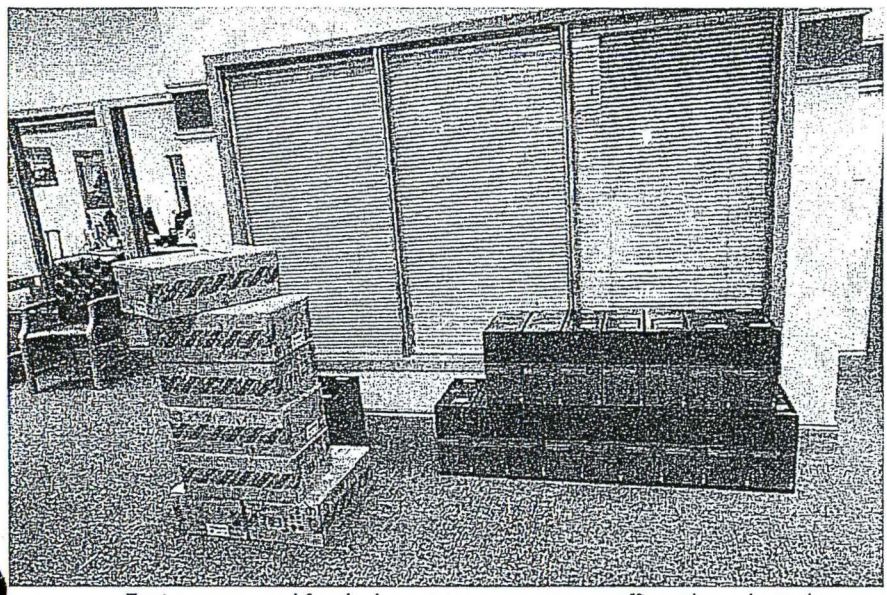
Any new space configuration for the Court System must include adequate space to provide effective security barriers between public and private functions, and protect workers and sensitive information from threats to their security.

The following list outlines the desired level of access to the different departments:

Court Administration - Offices are not open to the public
Clerk of Courts - Certain offices within the department are open to the public
Law Library - Stacks are open to the public and monitored by Library staff
Central Legal - Offices are not open to the public
Technology - Offices are not open to the public

TECHNOLOGY SECURITY

The Judicial Branch Information Technology (JBIT) department is located on the main floor and basement of an office building in downtown Bismarck. While the office is inconspicuously located, it, too, is lacking in proper security. The department serves the entire North Dakota Court System, in addition to every practicing attorney in the state, and contains highly confidential information.



Equipment staged for deployment to court system offices throughout the state

If the JBIT offices were breached, those responsible would have access not only to that information, but also to technology awaiting deployment to offices across the state. These offices need to be located in an area that can only be accessed by secure means. In addition, backup tapes for the servers need to be housed in a secure, physically separated area from the servers themselves.

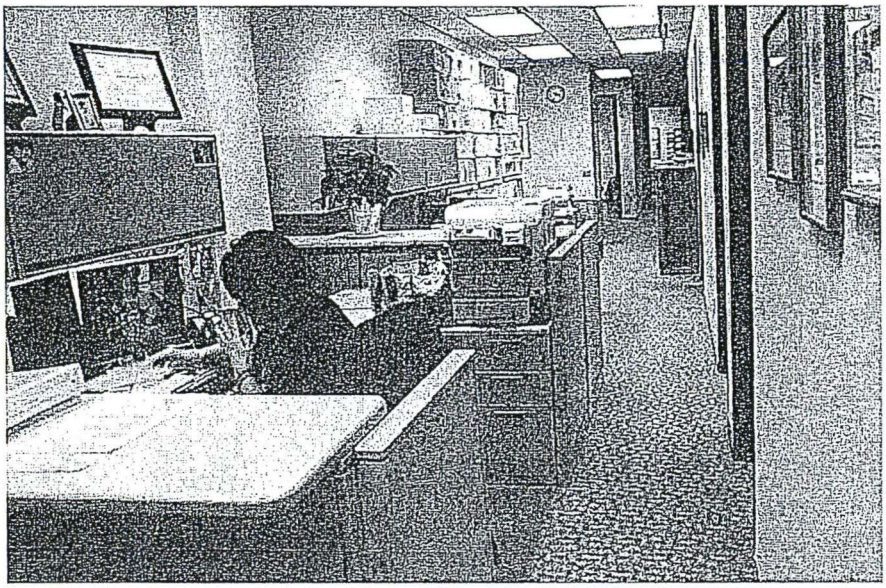
D. CONFIDENTIALITY

Due to the confidential nature of the Court System's work, there is a need for acoustical separation between departments and employee workstations. In departments such as JBIT, Central Legal and Clerk of Courts, employees are often conducting their business via telephone calls, or meeting with clients in their offices. Not only are many of these conversations confidential, but they can also be a disturbance to others working adjacently. When these employees are in a shared or open office space with cubicles, it becomes difficult to conduct their work privately and effectively. Due to the space shortage, there are not enough private offices and meeting rooms to meet the confidentiality needs of the Court System's daily operations.

Past remodeling of the Judicial Wing space has resulted in ineffective acoustical separation due to air ducts running between offices that do not properly eliminate sound travel. Employees in some areas can hear entire conversations that are happening in another office. Some employees have brought in white noise machines in an attempt to mitigate the problem. Some employees have to take their conversations and meetings elsewhere to ensure confidentiality.

E. ADA ACCESSIBILITY

Issues with overcrowding have created numerous accessibility issues around workstations, within offices, and in break areas, and the Law Library resulting in a failure to meet the requirements for accessibility as described by the Americans with Disabilities Act (ADA). The problem is compounded by the old, bulky furniture currently in use in many of the Court System offices.



View along narrow access to Court Administration workstations and offices

This is an issue not only for the permanently disabled, but for any employee or visitor who becomes injured and is no longer fully able-bodied. Ms. Sally Holewa described a time to us when she was injured and required crutches. Several of the walkways within her department are not wide enough to maneuver on crutches. Thankfully her injuries were temporary, and she was able to use alternative, albeit longer, routes to her destinations. However, many other areas of the Court System offices would require changes in office and/or storage location in order to accommodate an employee who requires mobility assistance.

F. ADDITIONAL NEEDS

STORAGE

The Court System requires a large amount of storage space. In addition to files and materials related to each department's daily work, the Court System provides additional resources to the state. Court Administration stores materials for the district courts and the Court Education department to disseminate to students and educators throughout the state. Clerk of Court is required by law to hold court files for five years in secure, yet accessible storage. After this period, the files move to the Annex archive. Central Legal retains certain sensitive court documents on file, as well as many archived journals and case studies. Their existing storage area is at capacity.

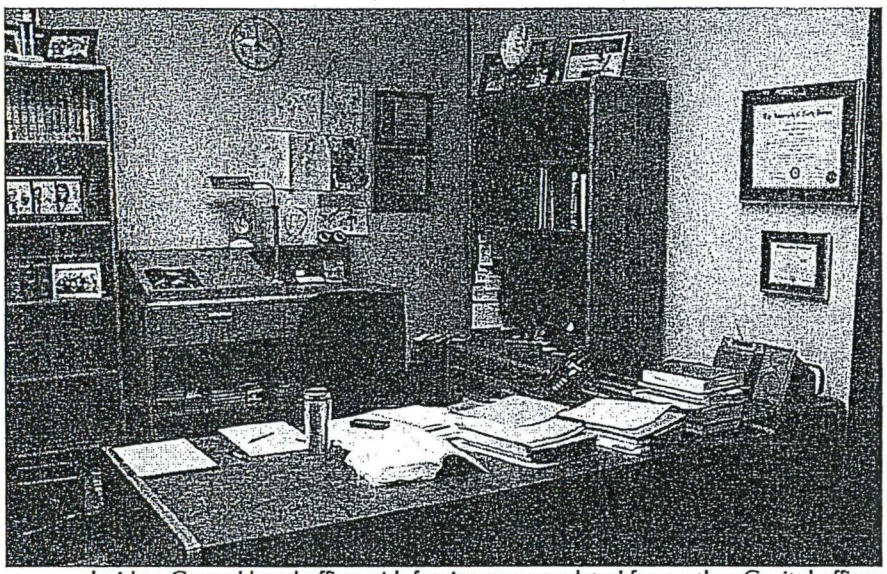
The Law Library holds a vast number of peer journals and court cases on its shelves, and its collection continues to grow every year. Even with the use of compact shelving, the Library is currently running out of space. The Annex, a climate controlled archive, is also nearing its capacity. JBIT requires a large area for storing, refurbishing and staging

computers and other equipment it services for various offices throughout the state, in addition to space for the Court System servers and backup tapes. These needs will continue to expand along with future growth of the Court System.

OFFICE FURNITURE AND WORKSTATIONS

The existing furniture for the Court System's workstations is in fair shape and allows for easy rearrangement of workplaces when employees are added or move departments. However, many offices throughout the department have bulky, outdated furniture that doesn't easily accommodate use of computers and contributes to space inefficiency and accessibility issues.

Modern office furniture, designed for today's computer-centered workplace, is both



Inside a Central Legal office with furniture accumulated from other Capitol offices

more comfortable to use and slimmer in profile, which allows more efficient and flexible use of office space. Furniture systems can also be equipped with individual storage area for books, reference journals, and files.

BREAK ROOMS

Currently, each department or office group has a small coffee counter or break room. In surveying the department representatives, we found that the most frequently used items in the break rooms are the coffee pot and refrigerators used to store lunch and other food items. Most employees either leave the office for lunch or eat at their desks. Very few tend to gather in the break rooms, and most departments as a whole do not take a standard break. Several of the coffee counters do not meet ADA accessibility standards. Some space efficiency can be gained by improving and consolidating break rooms and counters.

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APPENDIX

A. EXISTING OFFICE SQUARE FOOTAGE

LEASED SPACE IN DOWNTOWN BISMARCK

Offices & Workstations	(2,680 s.f.)	
Meeting Rooms	(1,725 s.f.)	
Break Room	(145 s.f.)	
Storage	(3,850 s.f.)	8,400 s.f.
Circulation	(2,756 s.f.)	11,156 s.f.

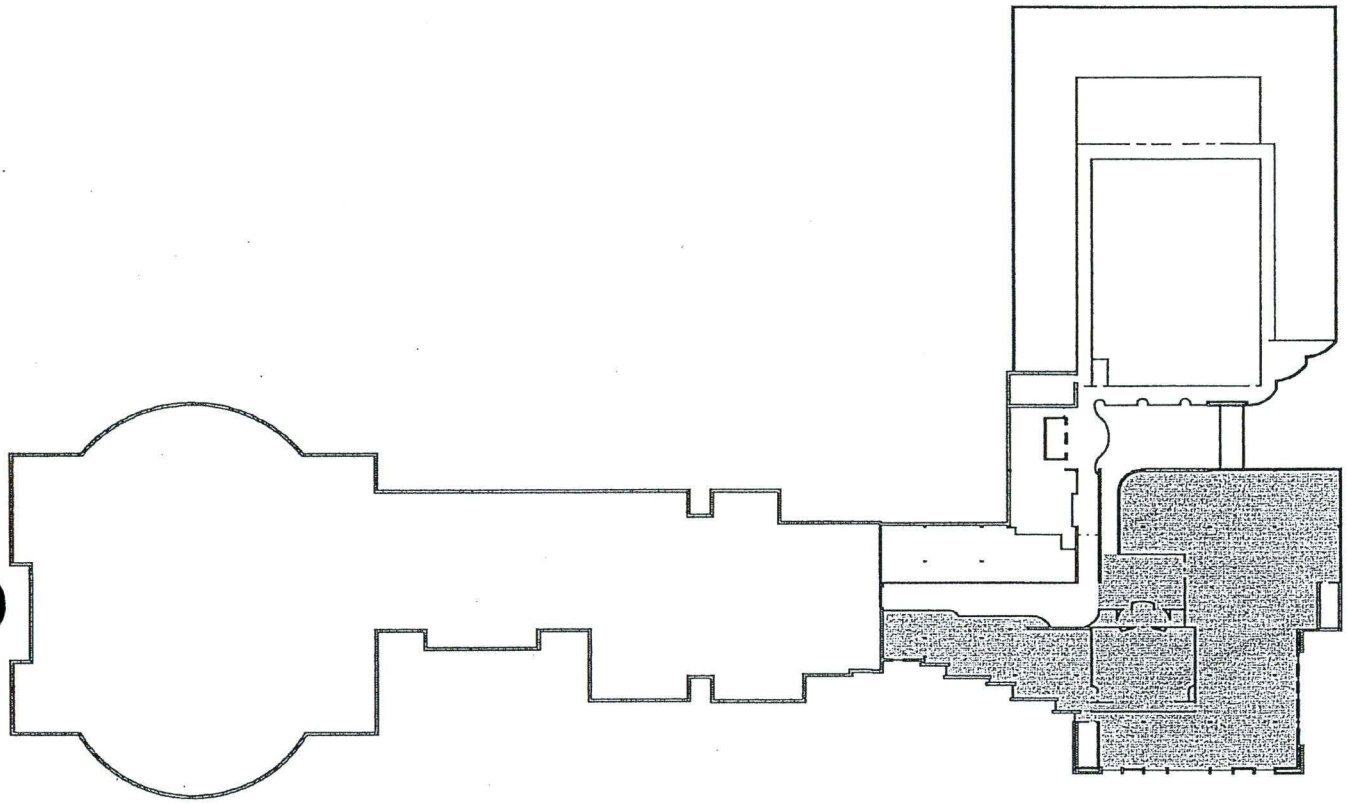
SUPREME COURT OFFICES IN JUDICIAL WING

Offices & Workstations	(7,250 s.f.)	
Meeting Rooms	(1,345 s.f.)	
Break Rooms & Auxiliary	(1,065 s.f.)	
Supreme Court	(4,954 s.f.)	
Storage	(1,035 s.f.)	
Law Library Stacks & Annex	(6,015 s.f.)	21,604 s.f.
Circulation	(7,606 s.f.)	29,210 s.f.

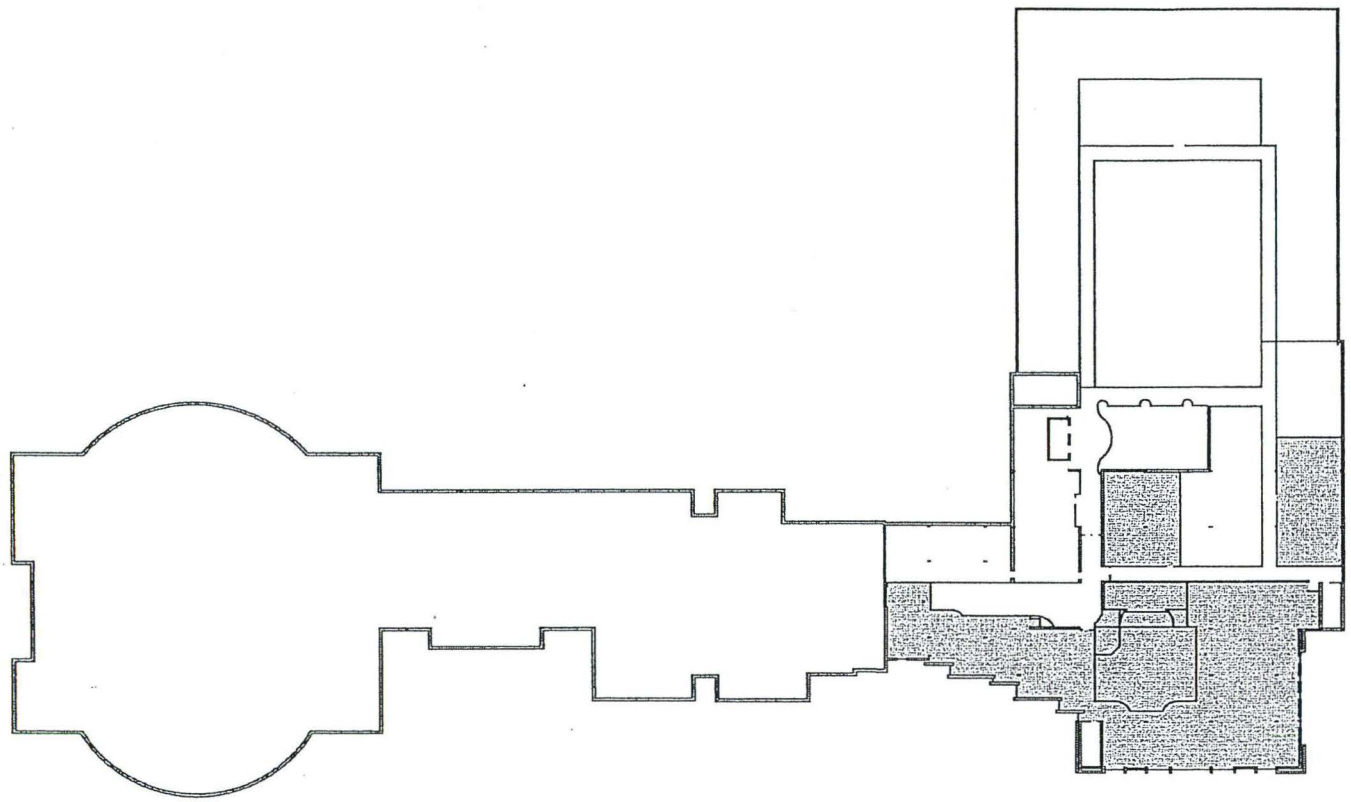
TOTAL NET SPACE OCCUPIED BY SUPREME COURT OFFICES
30,004 s.f.

TOTAL GROSS SPACE OCCUPIED BY SUPREME COURT OFFICES
40,366 s.f.

B. EXISTING OFFICE LOCATIONS - CAPITOL COMPLEX

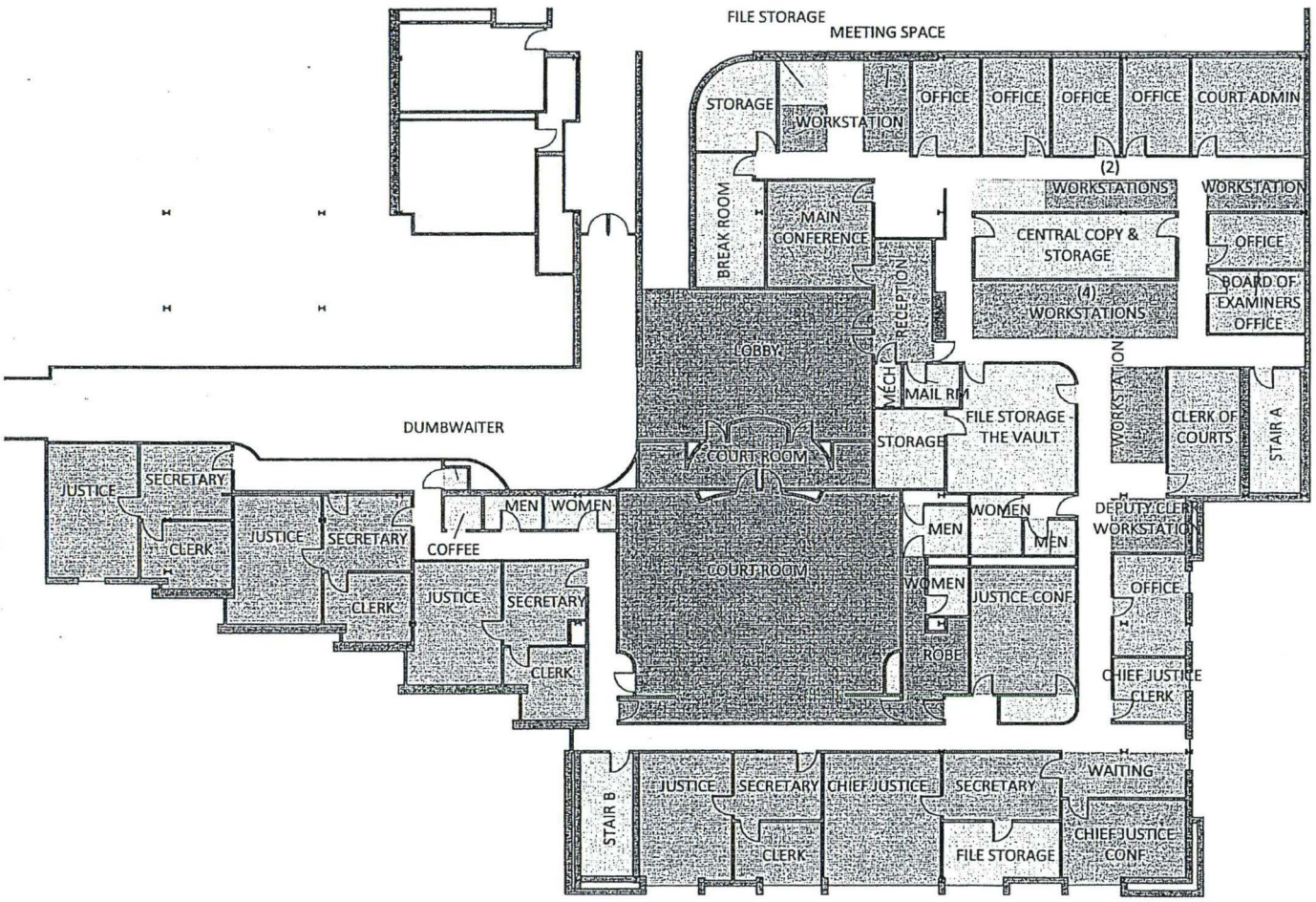


NORTH DAKOTA STATE CAPITOL COMPLEX - FIRST FLOOR

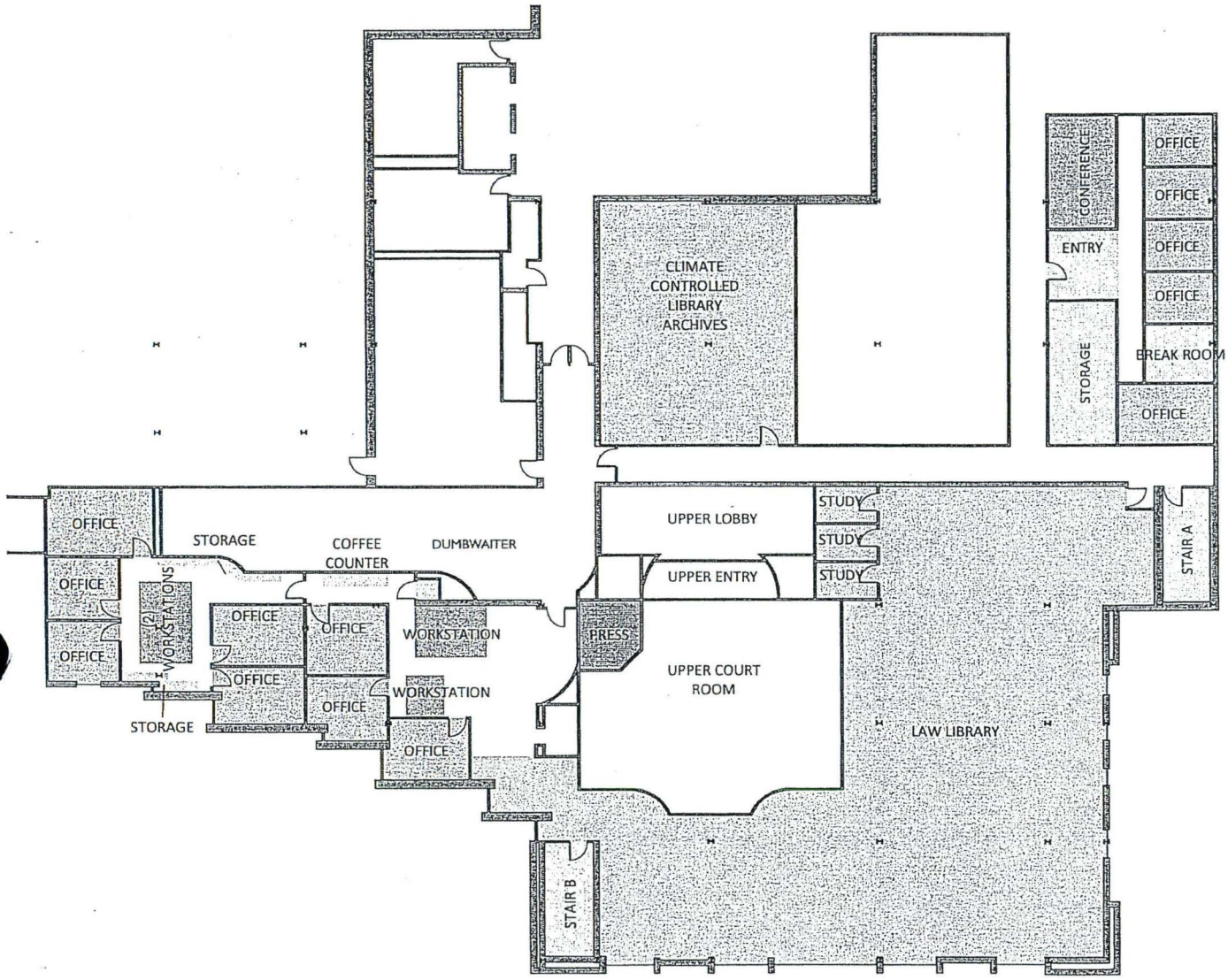


NORTH DAKOTA STATE CAPITOL COMPLEX - SECOND FLOOR

C. EXISTING OFFICE PLANS - CAPITOL COMPLEX



SUPREME COURT OFFICES - FIRST FLOOR JUDICIAL WING



SUPREME COURT OFFICES - SECOND FLOOR JUDICIAL WING

1 EXECUTIVE SUMMARY

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APPENDIX

A. CURRENT UNMET FACILITY NEEDS

The North Dakota Court System offices are currently at full capacity. There are several departments in need of additional staff, but are not able to add those positions because there is no space for their office or workstation.

The following offices and workstations are immediate facility needs:

- (1) office in Court Administration for an R/E staff member
- (4) workstations in Court Administration for Human Resources, Fiscal Department, and Quality Assurance Monitors
- (1) office for existing Deputy Clerk of Courts
- (1) office for Citizen Access Coordinator

The offices are also very short on meeting space. Many large group meetings, trainings, and conference committees are held off site in hotel conference centers or ballrooms. This not only costs the State of North Dakota money, but also the hours staff have to dedicate to setting up, traveling to, and attending meetings in places other than their offices.

The following meeting spaces are immediate facility needs:

- (1) Large conference & committee room for 20-30 people
- (2) Smaller conference rooms for 10-20 people
- (1) Small meeting room for 2-6 people
- (1) Large training room for 50+ people

Storage is often a need in large offices. The Court System is no different, but is also unique in the variety of storage types, uses, and security needed throughout the various departments.

The following departments and offices are in need of additional storage space:

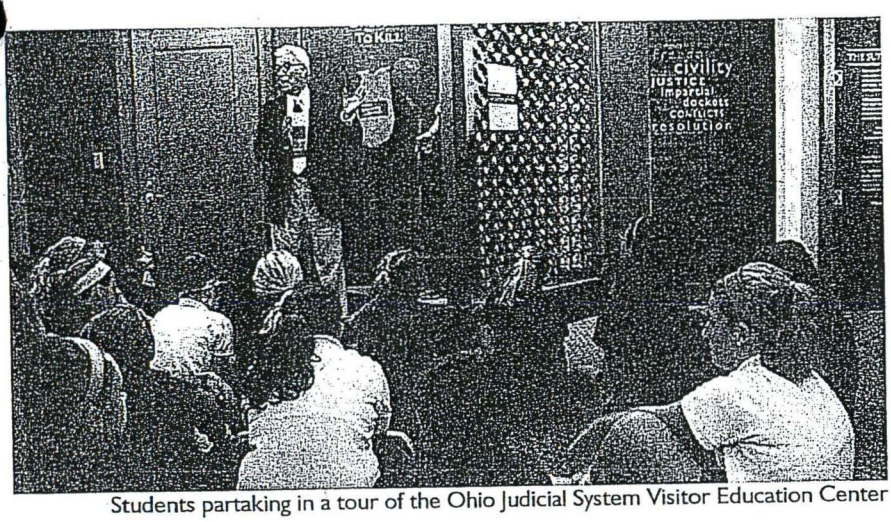
- Court Administration for Court Outreach and Education materials; file storage consolidation and growth
- Clerk of Courts for case files, Board of Examiner's records, and other materials required by law
- Central Legal for case files, archived journals and published court cases

B. FUTURE FACILITY NEEDS (5-10 YEARS)

As the State of North Dakota continues to grow, future growth of the court system is a certainty. Some future facility needs comprise space for additional employees that will be needed for the Court to function effectively, as identified by the directors of the various Court departments. Additional space pertains to the Court's role in educating citizens about the Court System: its mission and how it functions to execute that mission.

To fulfill its educational role, the Court System is very interested in launching a Supreme Court Visitor's Education Center in the Capitol Complex. This would be a place for visitors of all ages to come and learn about the many facets of state government, as well as the state Supreme Court and its relationship to the United States Supreme Court. This education center would serve those who visit the physical Court in the Capitol Complex, and would also have components available to students or groups around the state.

This type of Visitor Education Center is common in many other states throughout the country. The Ohio Judicial Court Visitor Education Center allows students to role play fictional and actual cases that have come before the State Supreme Court. Through these and other interactions they learn about and discuss past court cases, the governmental Balance of Power, the courts' role in Dispute Resolution, and the use of science and DNA in the courtroom through Identity on Trial.



Students partaking in a tour of the Ohio Judicial System Visitor Education Center

FUTURE FACILITY NEEDS

The Court System offices have the following approximated future faciltiy needs in the next five to ten years as more cases come before the Court and more case files with them:

- Additional file and material storage in Court Administration
- (8) offices for potential positions in Human Resources, Accounting, Education Department, JBIT, and Juvenile Court Coordinator
- Offices for potential staff attorneys or law clerks
- (1) office and (1) workstation for Law Library
- Additional Stack and Archive shelves for Law Library
- Visitor's Center

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APPENDIX

CONTRIBUTORS

JLG would like to take a moment to thank the following contributors for their time and assistance during the research for this analysis:

- Supreme Court Chief Justice Gerald W. VandeWalle
- Sally Holewa, State Court Administrator
- Penny L. Miller, Clerk of the Supreme Court
- James E. Harris, Director of Central Legal Staff
- Ted Smith, Supreme Court Law Librarian
- Larry Zubke, Director of Technology

Dates, facts and figures were obtained from the following documents:

- Testimony of Sally Holewa, ND State Court Administrator, to the Goverment Services Committee on August 22, 2013
- 2009-2011 State Agency Office Space Analysis
- Centennial Plaza Addendum to Lease
- State of North Dakota website: www.nd.gov

APPENDIX SUMMARY

i. Programming Document

ii. Interior Photos - Leased Downtown Space

iv. Interior Photos - Capitol Complex Judicial Wing

13131 ND SUPREME COURT SPACE NEEDS ANALYSIS

PROGRAM SUMMARY

Situation: Offices within the Judicial Wing of the Capitol Complex & within an office building in downtc

	Room Name	Existing SF	Unmet Facility Needs	Future Facility Needs	Total Needs
Leased Space					
Judicial Branch Information Technology (Currently located in 11,156 SF of leased space in Downtown Bismarck and holds 15 occupants)	Offices	2200			
	Workstations	480			
	Break Room	145			
	Conference Rooms	1725			
IT moves to Judicial Wing	Equipment Staging	1000			
	Equipment Storage	2850			
	IT Server Space		650*		
	Total SF Leased	**8,400**			
	Gross Area	**11,156**			
					Total Needs
Common Areas	Front Lobby/reception		300		300
	Break Room		250		250
	Large Conference Room		750		750
	Huddle Room		200	200	400
	Large Training Room		2000		2000
	Storage		300	300	600
	Toilets		500		500
Court Administration	Entry	160			160
	Break RoomS	320			320
	Conference Room	575			575
	Offices	1890	750	600	3240
	Storage		300	300	600
	Coffee Area		30		30
	Storage-edu. /conf.	165	250	140	555
	Workstations	360	135		495
	Storage-family mediation	295	250		545
Judicial Branch Inflormation Technology	IT Equipment Staging		500		500
	Conference Rooms		400		400
	IT Equipment Storage		1400		1400
	IT Offices		2100	300	2400
Clerk of Courts	Reception	160			160
	Small Conference Room	60			60
	Coffee Area	30			30
	Toilets	200			200
	Storage	525	25		550
	Offices	640	300	150	1090
	Workstations	220			220
Supreme Court Justice Suites	Admin Assistant	650	100		750
	Law Clerk Office	650	100		750
	Justice Office	1500			1500
	Justice Conference Room	530	10		540
	Waiting Area	110	10		120
Central Legal	Storage -case files	50	100	100	250
	Offices	675	75	150	900
	Workstations	120			120
Law Library	Coffee Area	25	5		30
	Stacks	4815		685	5500
	Annex	1200		400	1600
	Meeting Rooms	180			180
	Offices	405	150	135	690
	Workstations	140		40	180
Supreme Court	Supreme Court Room	3860			3860
	Justice Robing Room	290	110		400
	Citizen Access Attorney			170	170
	Visitors' Center			3,000	3000
	Visitors' Center Toilets			300	300
	Visitors' Center Office			170	170
	Lobby	804			804
	Total Net (SF)	**21,604**	**11,400**	**7,140**	**40,144**
	Total Gross (SF)	**28,733**	**15,162**	**9,496**	**53,392**
	Total Gross (SF): Leased +Judicial Wing	**39,889**			

***located on ground floor of capitol's J-wing in ITD's datacenter - this would be an unmet need if the data center becomes unavailable, or if the court establishes a disaster recovery site in the future**

13131 ND SUPREME COURT SPACE NEEDS ANALYSIS

EXISTING PROGRAM

Situation: Offices within the Judicial Wing of the Capitol Complex & within an office building in downtown Bismarck

Area Name	Room Name	*Existing SF*	NOTES:
Leased Space in Downtown Bismarck			
Judicial Branch Information Technology	Offices	*2200*	Need space to meet in groups of 4-6, either in an office or small conf. room; want all private offices; need room for PC staging in offices or other room
	Workstations	*480*	
	Break Room	*145*	
	Meeting Rooms	*1725*	
	Equipment Staging	*1000*	
	Equipment Storage	*2850*	
	IT Server Space	-	located on ground floor of capitol's J-wing in ITD's datacenter
	Existing Net Area	**8,400**	**SF**
	Existing Leased Gross Area	*11,156*	*SF*
	Existing Occupants	*15*	
Supreme Court Judicial Wing			
Court Administration	Entry	*160*	Finance Offices - used as copier room
	Break Room	*200*	Main Court Administration break room
	Break Room	*120*	Finance Offices
	Conference Room	*275*	Main Court Administration conference room
	Conference Room	*300*	Finance Offices
	Storage	*165*	Finance Offices
	Storage	*295*	Central Work Room
	Offices	*1890*	
	Workstations	*360*	
Clerk of Courts	Reception	*160*	
	Small Conference Room	*60*	
	Coffee Area	*30*	
	Toilets	*200*	
	Storage	*525*	
	Offices	*640*	
	Workstations	*220*	
Supreme Court Justice Suites	Admin Assistant	*650*	
	Law Clerk Office	*650*	
	Justice Office	*1500*	
	Justice Conference Room	*530*	
	Waiting Area	*110*	
Central Legal	Storage	*50*	
	Offices	*675*	
	Workstations	*120*	
Law Library	Coffee Area	*25*	
	Stacks	*4815*	
	Annex	*1200*	
	Meeting Rooms	*180*	
	Offices	*405*	
	Workstations	*140*	
Supreme Court	Supreme Court Room	*3860*	
	Justice Robing Room	*290*	
	Lobby	*804*	
	Existing Net Area	**21,604**	**SF**
	Occupants	*56*	

13131 ND SUPREME COURT SPACE NEEDS ANALYSIS

UNMET FACILITY NEEDS

Situation: Moving all Court Offices to the Judicial Wing of the Capitol Complex; "right sizing" the offices & departments

Area Name	Room Name	Additional SF	NOTES:
Common Areas	Front Lobby/Reception	300	Secure entrance into the offices is needed; adjacent to the conference room
	Break Room	250	Offices/workstations
	Large Conference Room	750	
	Huddle Room	200	Offices/workstations
	Large Training Room	2000	
	Storage	300	
	Toilets	500	Break Room/Offices
Court Administration	Storage	300	
	Coffee Area	30	
	Offices	750	Not open to public; Existing staff offices, plus office for R/E staff; Fiscal & HR Departments adjacent to one another
	Storage-edu./conf.	250	
	Workstations	135	5 existing staff workstations, plus workstations for HR, Fiscal, & QA Monitors
	Storage-Family mediation	250	
Judicial Branch Information Technology	Offices	2100	Existing offices moved into the J-Wing*; IT Department needs to be completely self contained with badge security because of the sensitive data stored on comptuers
	Conference Rooms	400	
	IT Equipment Staging	500	
	IT Equipment Storage	1400	
	IT Server Space		located on ground floor of capitol's J-wing in ITD's datacenter
Clerk of Court	Storage	25	
	Coffee Area		Adjacent to Justice offices
	Offices	300	Some offices with in Clerk of Court department are open to the public, others need to be secure; Front entry sequence could be made more secure
	Workstations		
Supreme Court Justice Suites	Admin Assistant	100	Need to be secure - not open to the public; Adjacent to the Supreme Court Room, each other, and Central Legal department
	Law Clerk Office	100	
	Justice Office		
	Justice Conference Room	10	
	Waiting Area	10	
Central Legal	Storage	100	Offices/workstations
	Offices	75	Need to be secure - not open to the public; Adjacent to the Supreme Court Justices, Law Library: temperature and acoustical control issues
	Workstations		
Law Library	Coffee Area	5	Offices/workstations
	Stacks		Open to public, monitored by staff; Adjacent to Central Legal - ADA issues
	Annex		Needs to be secure; Stores temperature & humidity senstive documents - needs full HVAC regulation; Adjacent to Central Legal
	Meeting Rooms		Open to public, monitored by staff; Adjacent to stacks/Law Library offices
	Offices	150	Open to public
	Workstations		Stacks/Front Door
Supreme Court	Supreme Court Room		
	Justice Robing Room	110	Supreme Court Room
	Court Room Lobby		
	TOTAL NET AREA	11,400	SF*

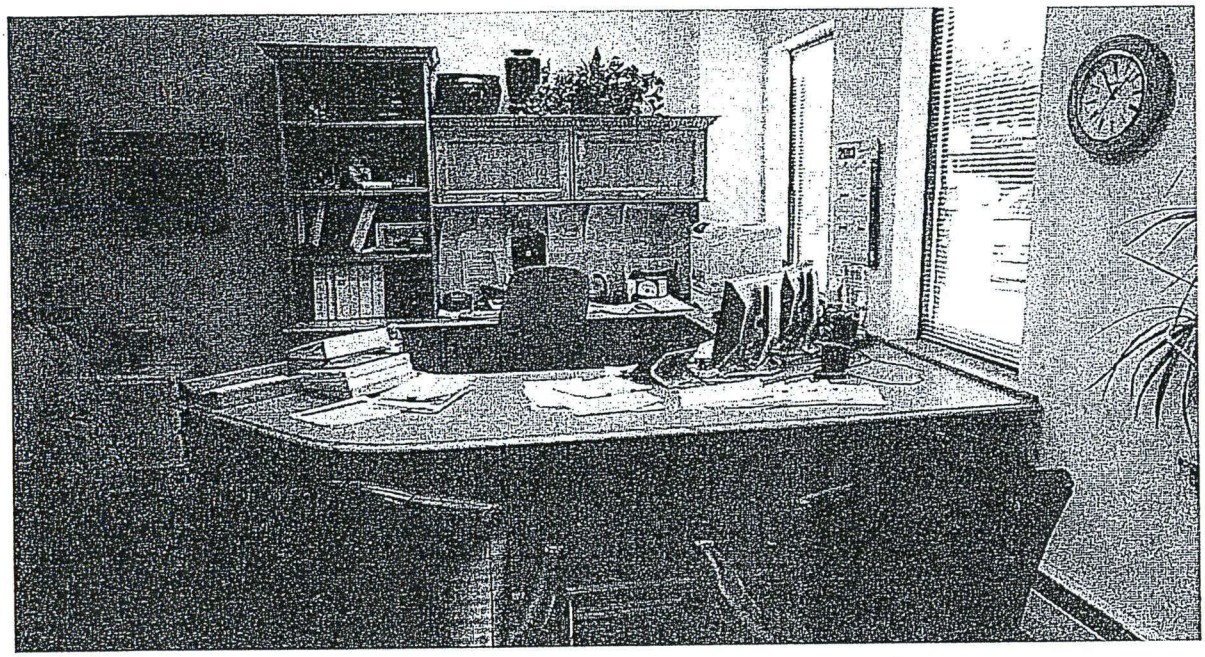
13131 ND SUPREME COURT SPACE NEEDS ANALYSIS

FUTURE FACILITY NEEDS

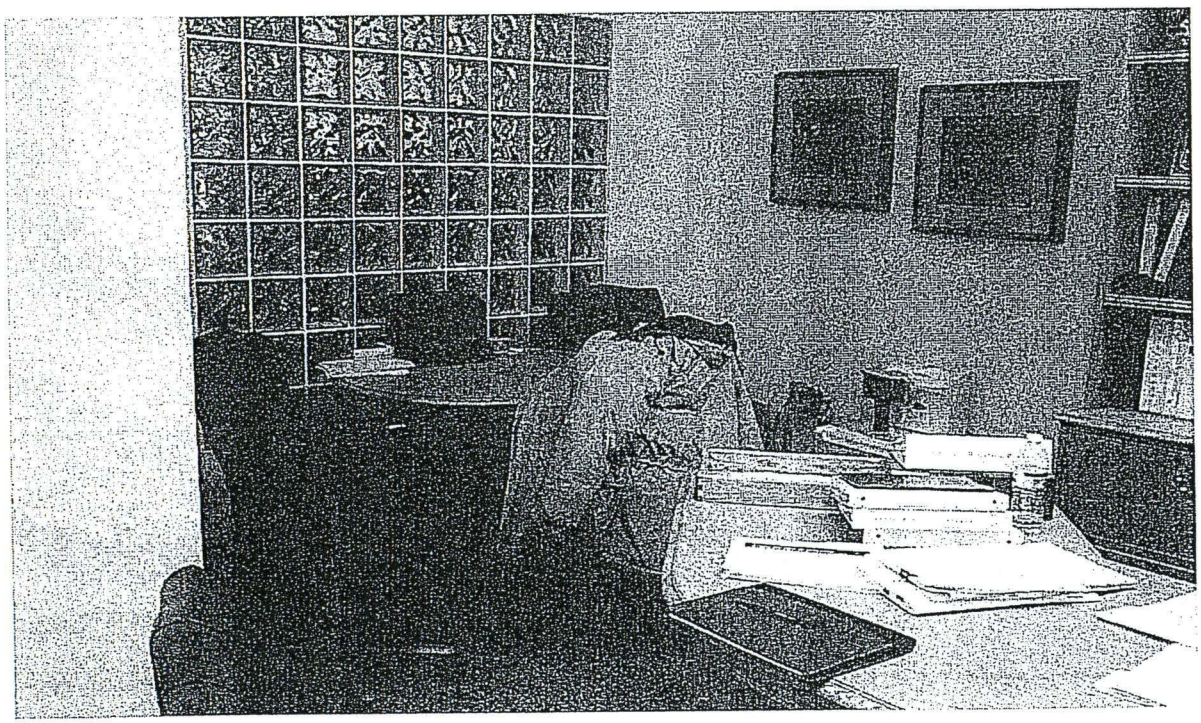
Situation: Moving all Court Offices to the Judicial Wing of the Capitol Complex; addition of space for projected 5-10 year growth

Area Name	Room Name	*Additional SF*	NOTES & ADJACENCIES:
Common Areas	Front Lobby/Reception		Secure entrance into the offices is needed; adjacent to the conference room
	Break Room		Offices/workstations
	Large Conference Room		
	Small Conference Room		Secure Entrance; Adjacent to front reception
	Huddle Room	*200*	Offices/workstations
	Large Training Room		
	Storage	*300*	
	Toilets		Break Room/Offices
Court Administration	Storage	*300*	
	Coffee		
	Offices	*600*	Not open to public
	Storage-edu./conf.	*140*	
	Workstations		Not open to public
Judicial Branch Information Technology	Offices	*300*	The IT Department needs to be completely self contained with badge security because of the sensitive data stored on comptuers
	IT Equipment Staging		
	IT Equipment Storage		
	IT Server Space		located on ground floor of capitol's J-wing in ITD's datacenter
Clerk of Court	Storage		
	Coffee Area		Adjacent to Justice offices
	Offices	*150*	Some offices with in Clerk of Court department are open to the public, others need to be secure; Front entry sequence could be made more secure
	Workstations		
Supreme Court Justice Suites	Admin Assistant		Need to be secure - not open to the public; Adjacent to the Supreme Court Room, each other, and Central Legal department
	Law Clerk Office		
	Justice Office		
	Justice Conference Room		
	Waiting Area		
Central Legal	Storage	*100*	Offices/workstations
	Offices	*150*	Need to be secure - not open to the public; Adjacent to the Supreme Court Justices, Law Library
	Workstations		
Law Library	Coffee Area		Offices/workstations
	Stacks	*685*	Open to public, monitored by staff; Adjacent to Central Legal
	Annex	*400*	Needs to be secure; Stores temperature & humidity senstive documents - needs full HVAC regulation; Adjacent to Central Legal
	Meeting Rooms		Open to public, monitored by staff; Adjacent to stacks/Law Library offices
	Offices	*135*	Open to public
	Workstations	*40*	Stacks/Front Door
Supreme Court	Supreme Court Room		Supreme Court Room
	Justice Robing Room		
	Court Room Lobby		
	Citizen Access Attorney	*170*	
Supreme Court Visitor Center	Visitors' Center	*3000*	Open to the public; Adjacent to the Supreme Court Room
	Visitors' Center Office	*170*	Visitor's Center
	Visitors' Center Toilets	*300*	Open to the public
	PROPOSED NET AREA	7,140	SF

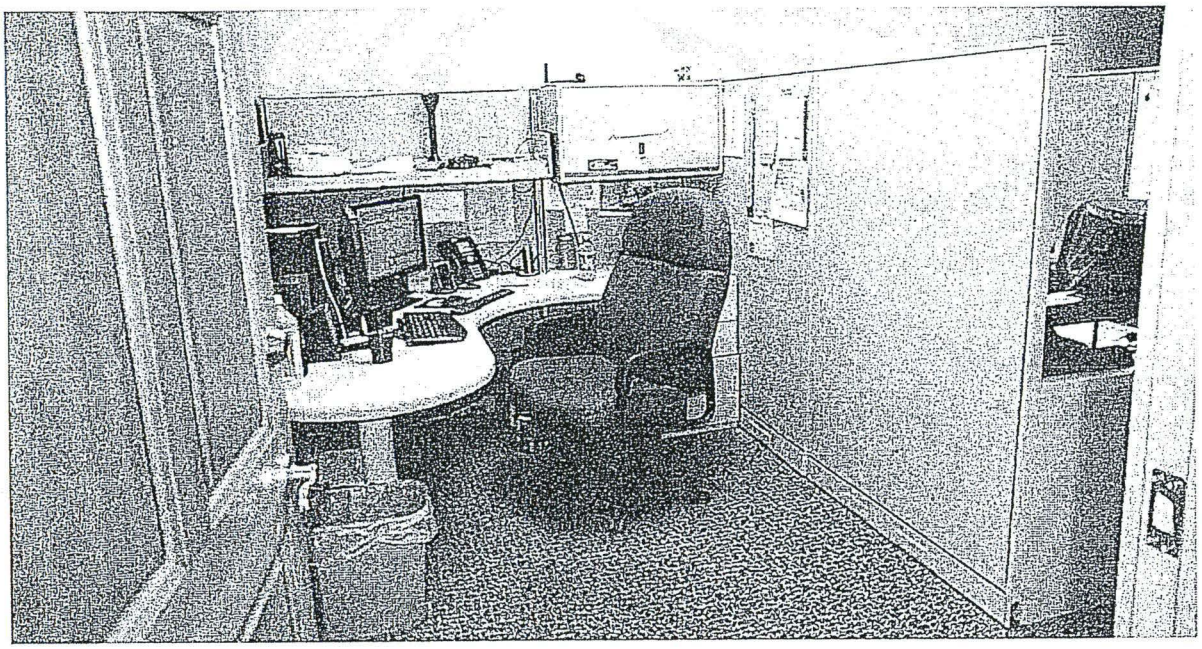
iii. INTERIOR PHOTOS - LEASED OFFICE DOWNTOWN BISMARCK



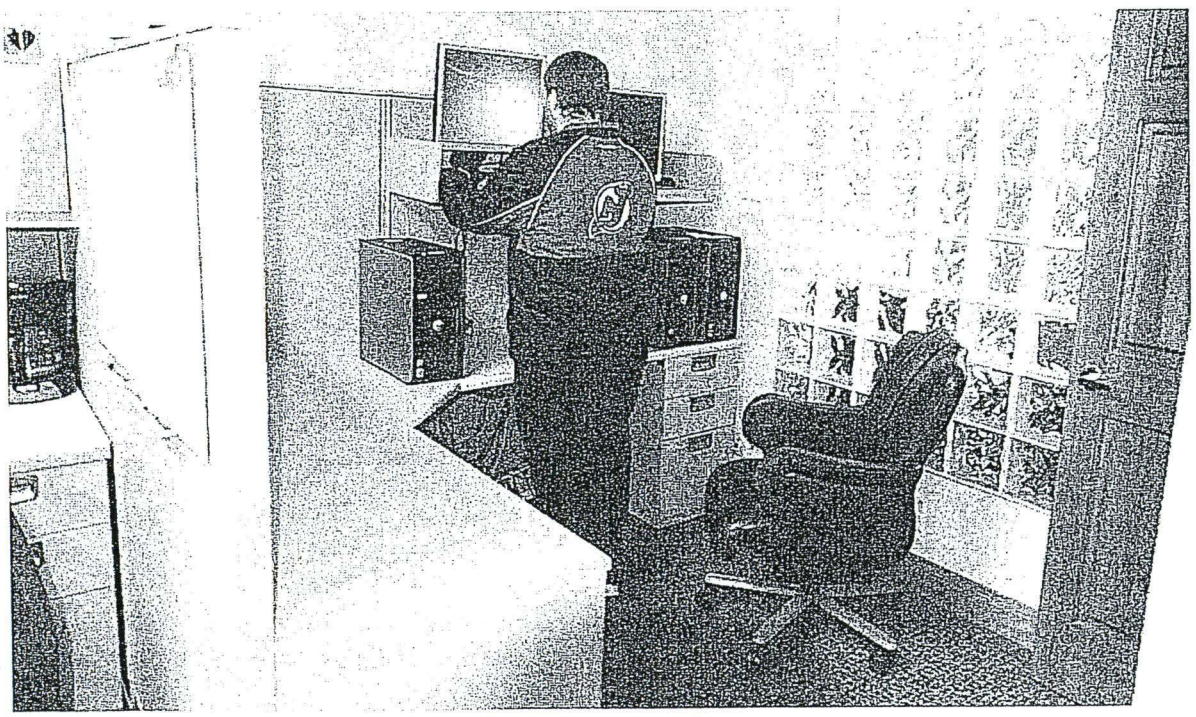
Director's Office



Meeting area for groups of 4-6

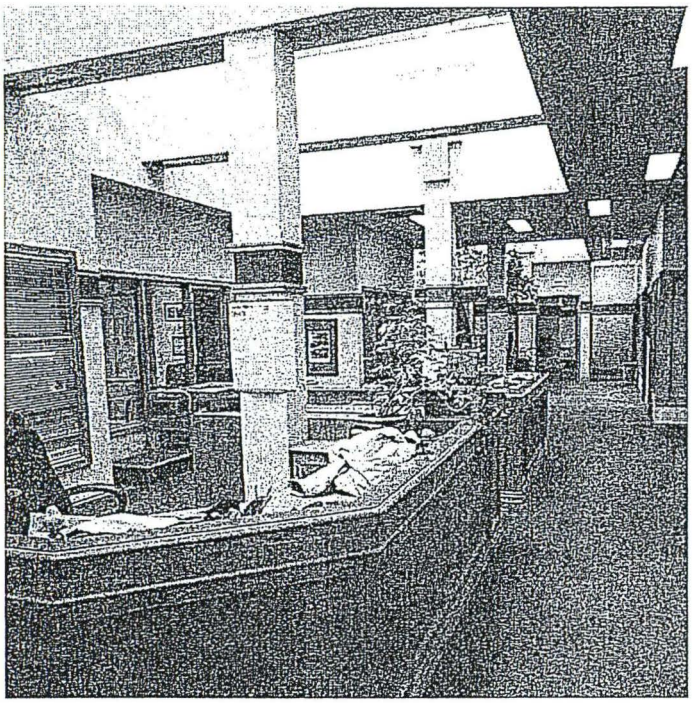


Office shared with two workstations

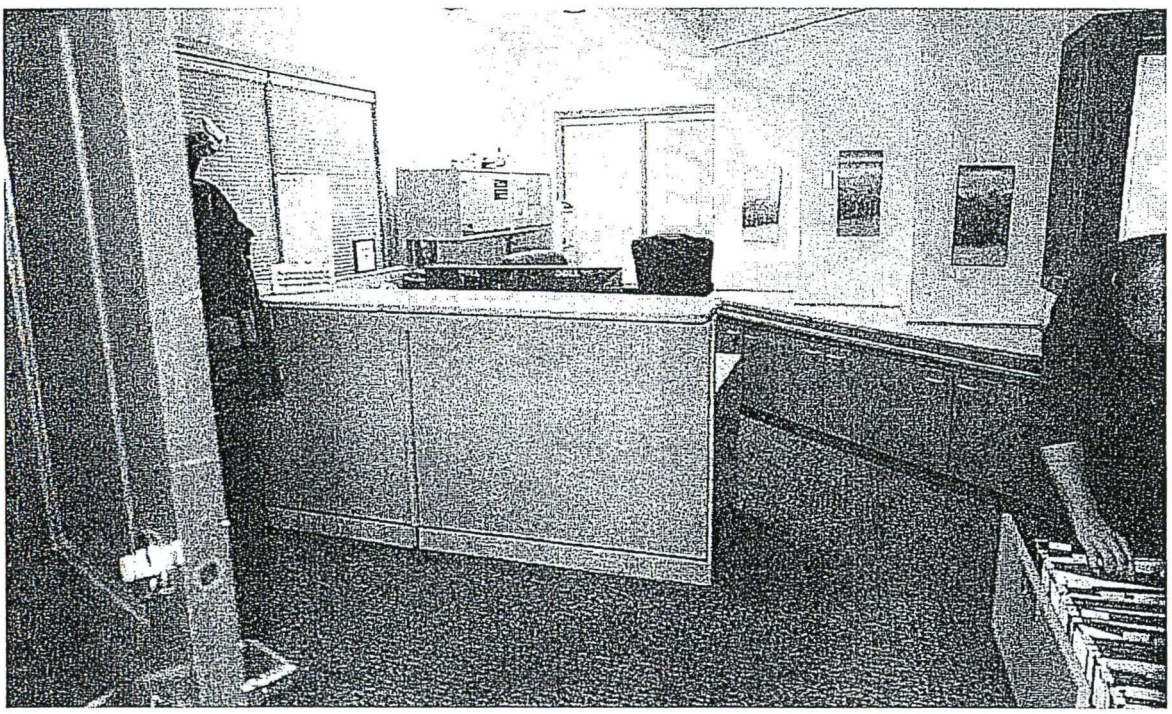


Typical computer staging in a workstation

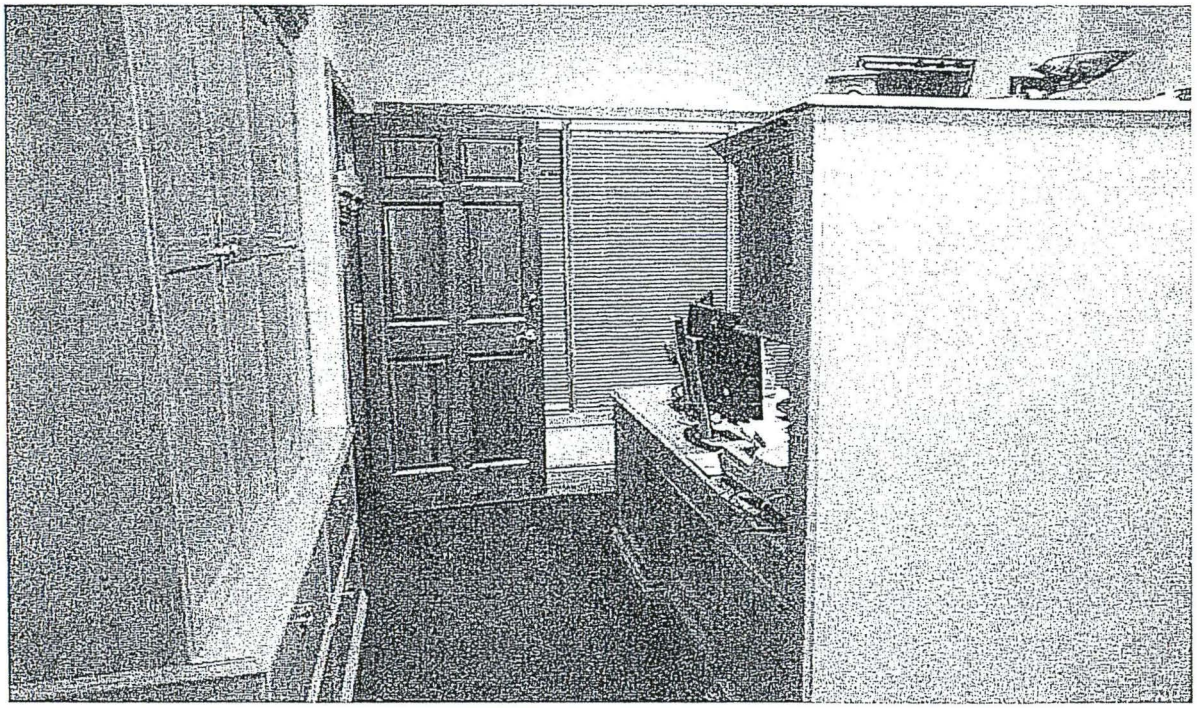
iii. INTERIOR PHOTOS - LEASED OFFICE DOWNTOWN BISMARCK



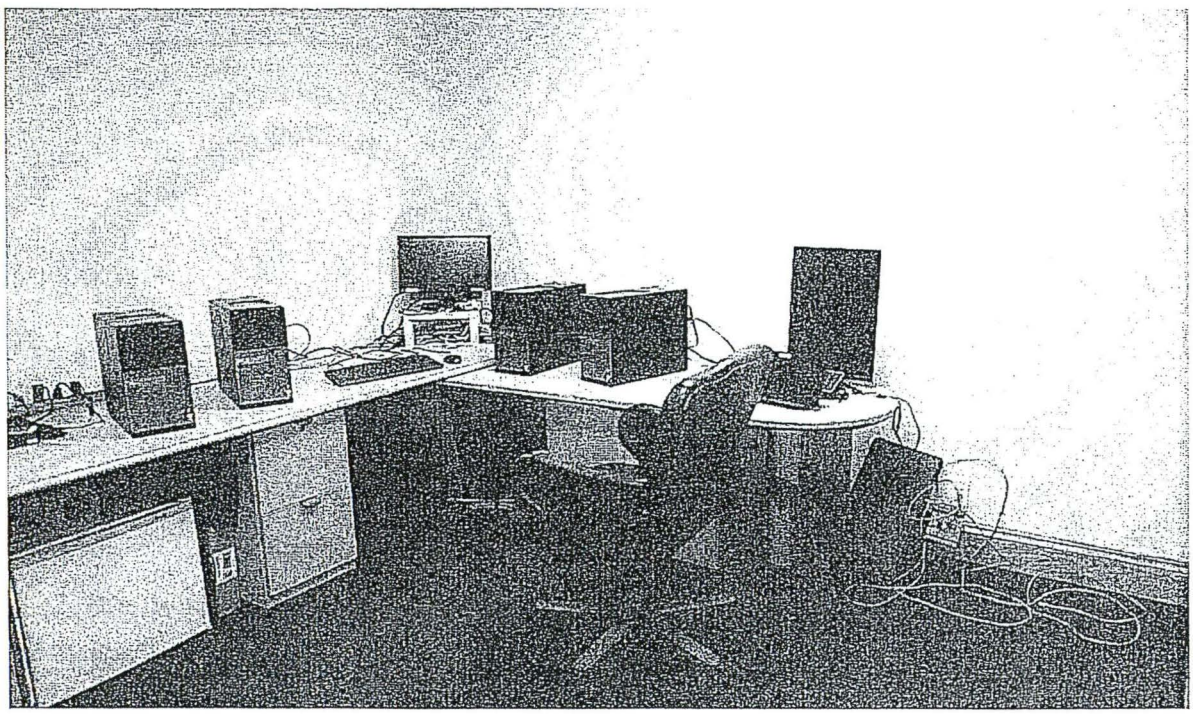
Workstations in center atrium - atrium is open to second floor occupant circulation



Existing Receptionist area repurposed as a workstation

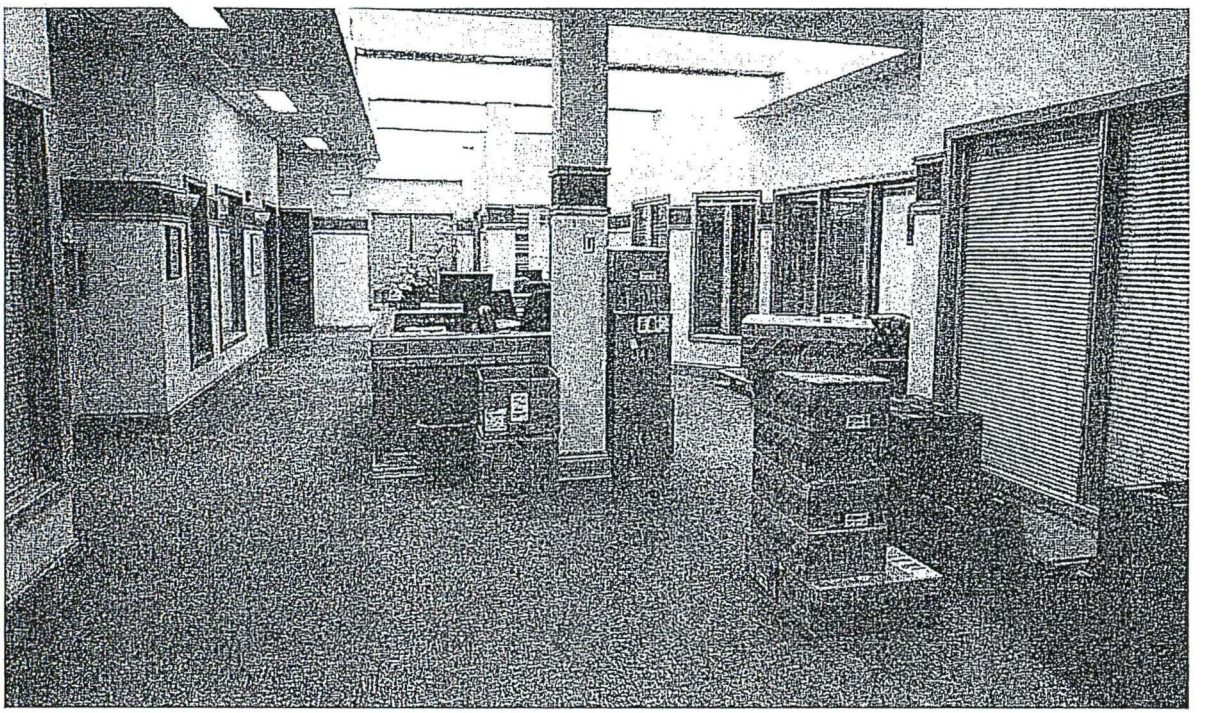


Workstation and equipment storage cabinet in front half of large office

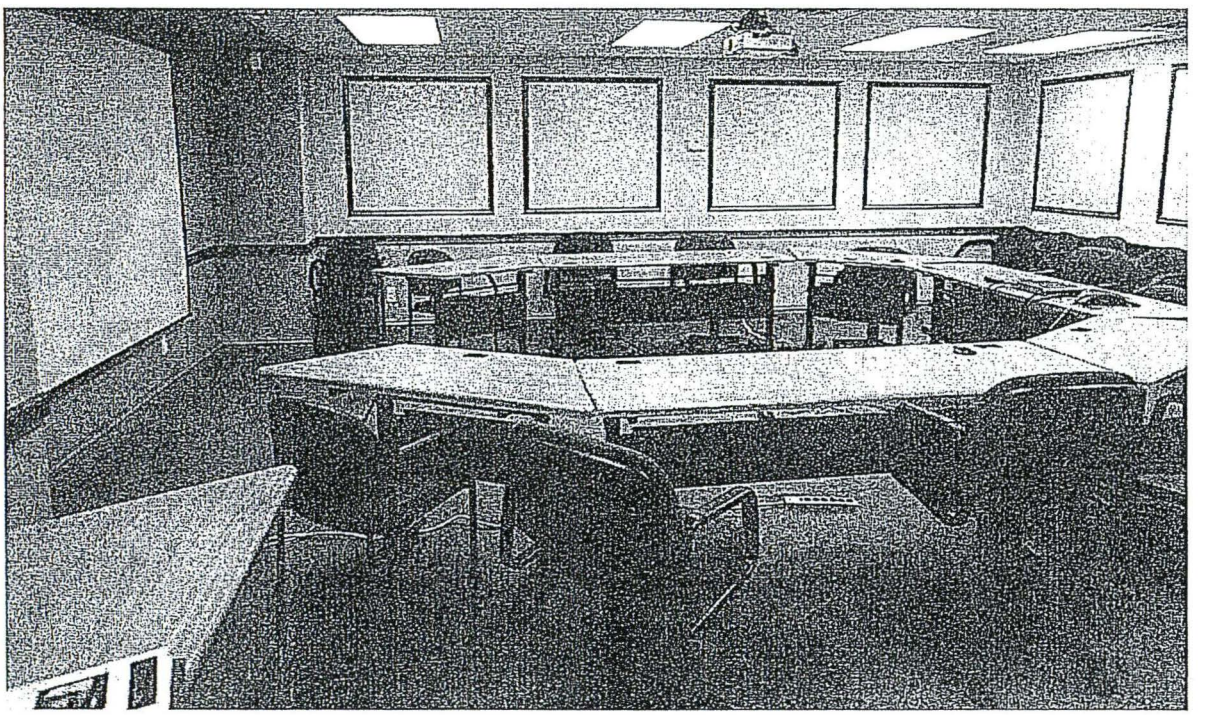


Equipment staging in the back half of large office

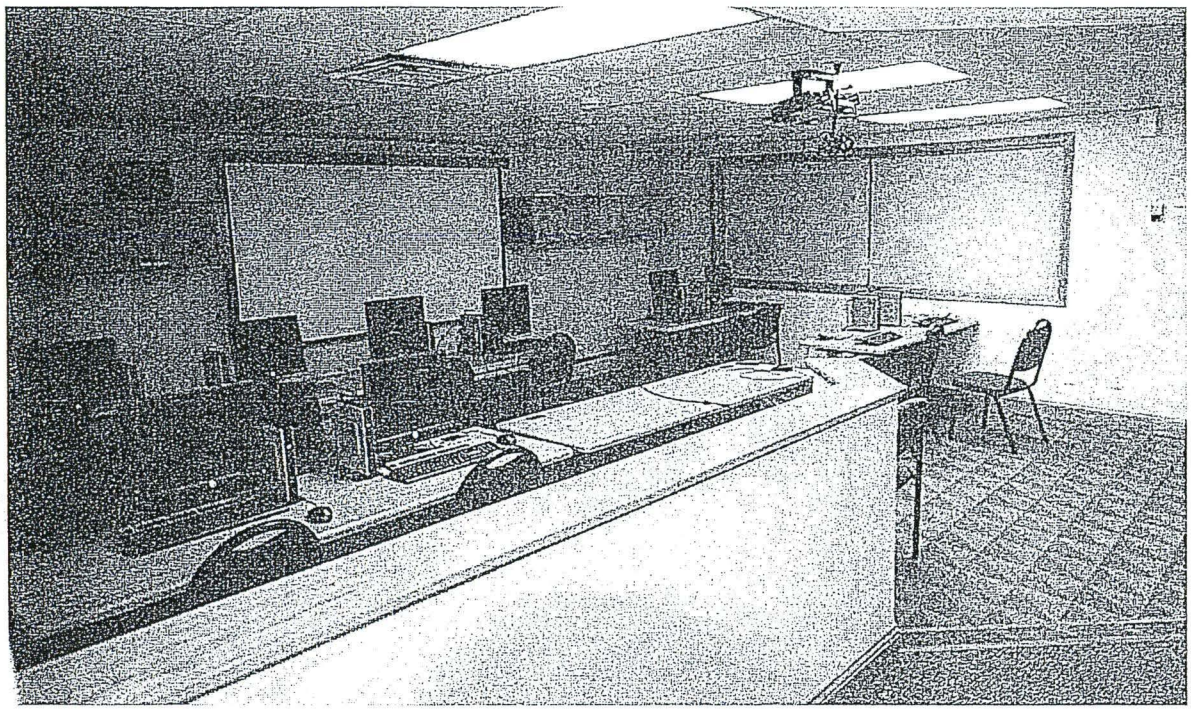
iii. INTERIOR PHOTOS - LEASED OFFICE DOWNTOWN BISMARCK



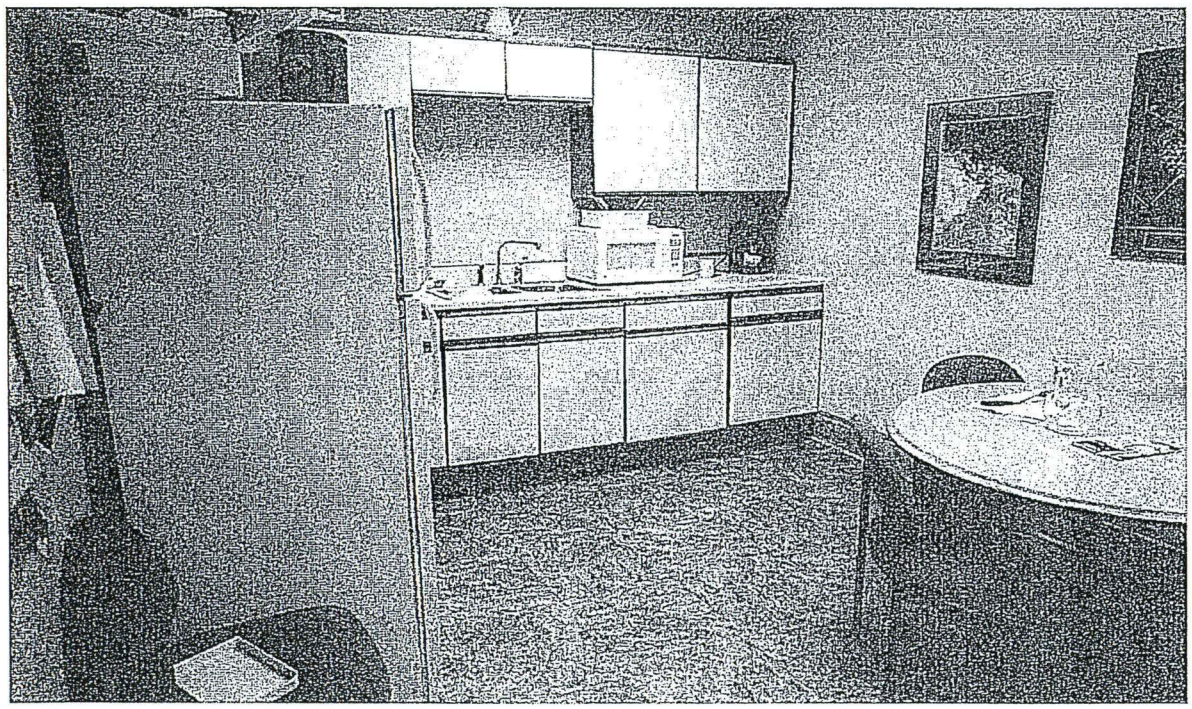
Equipment staging in open atrium



Larger Meeting Room

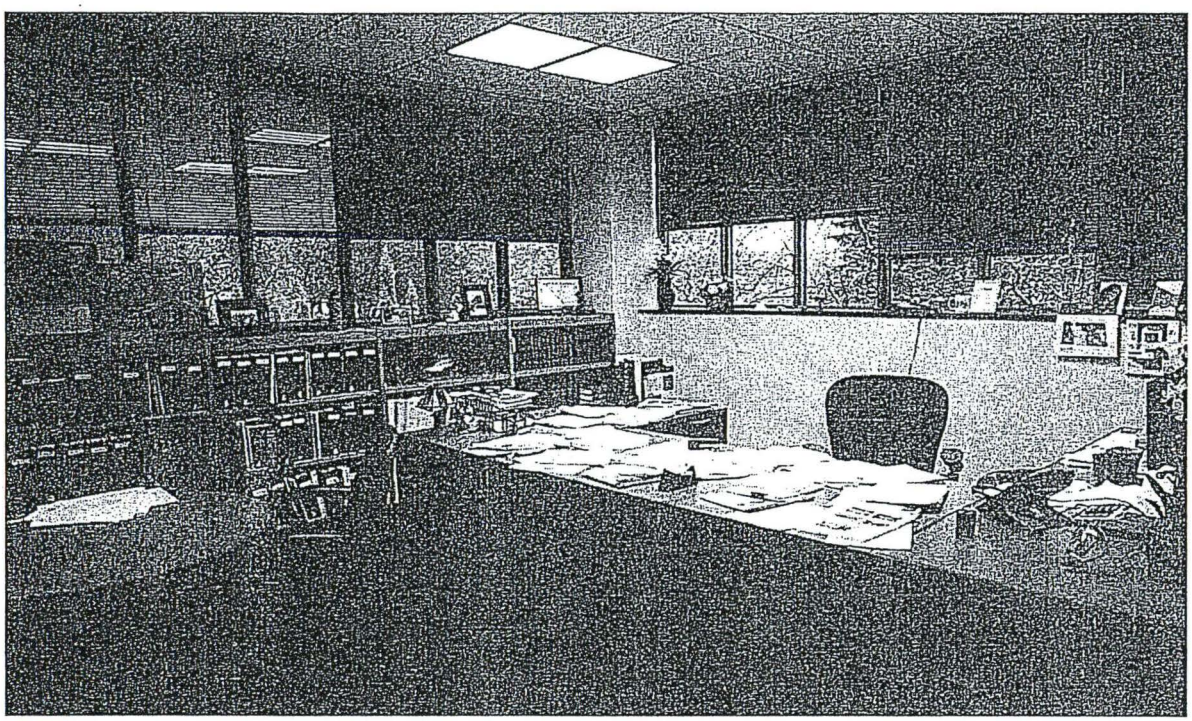


Smaller Training & Meeting Room

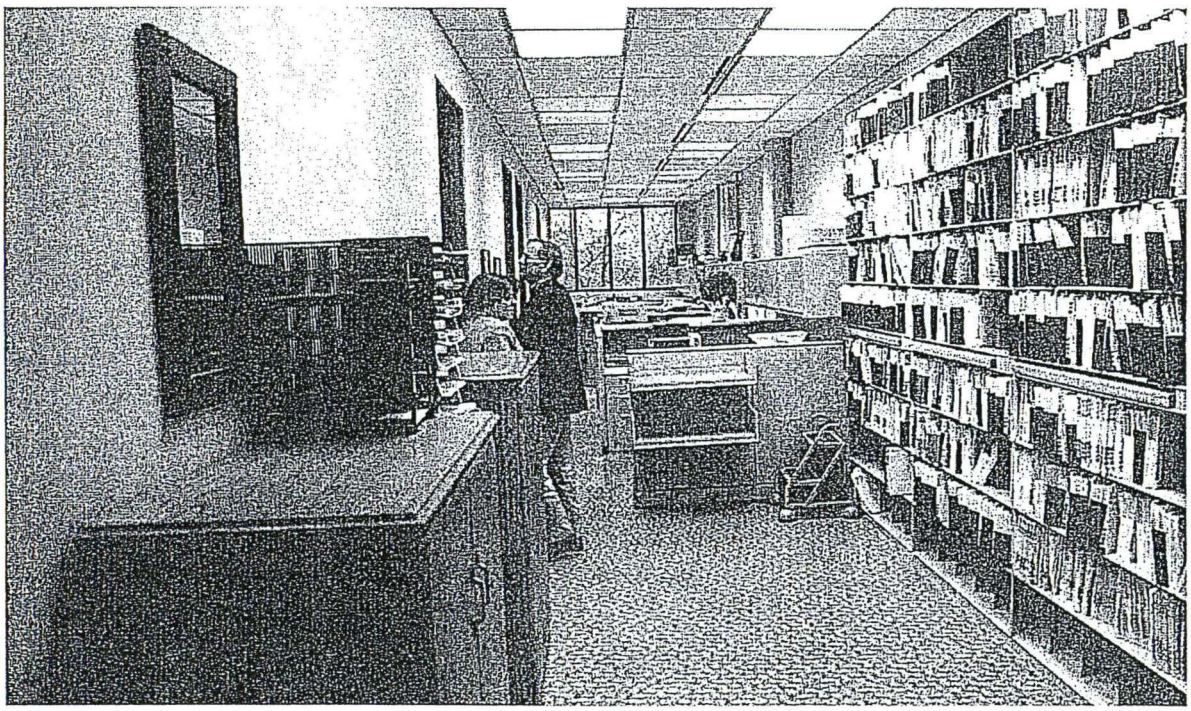


Break Room

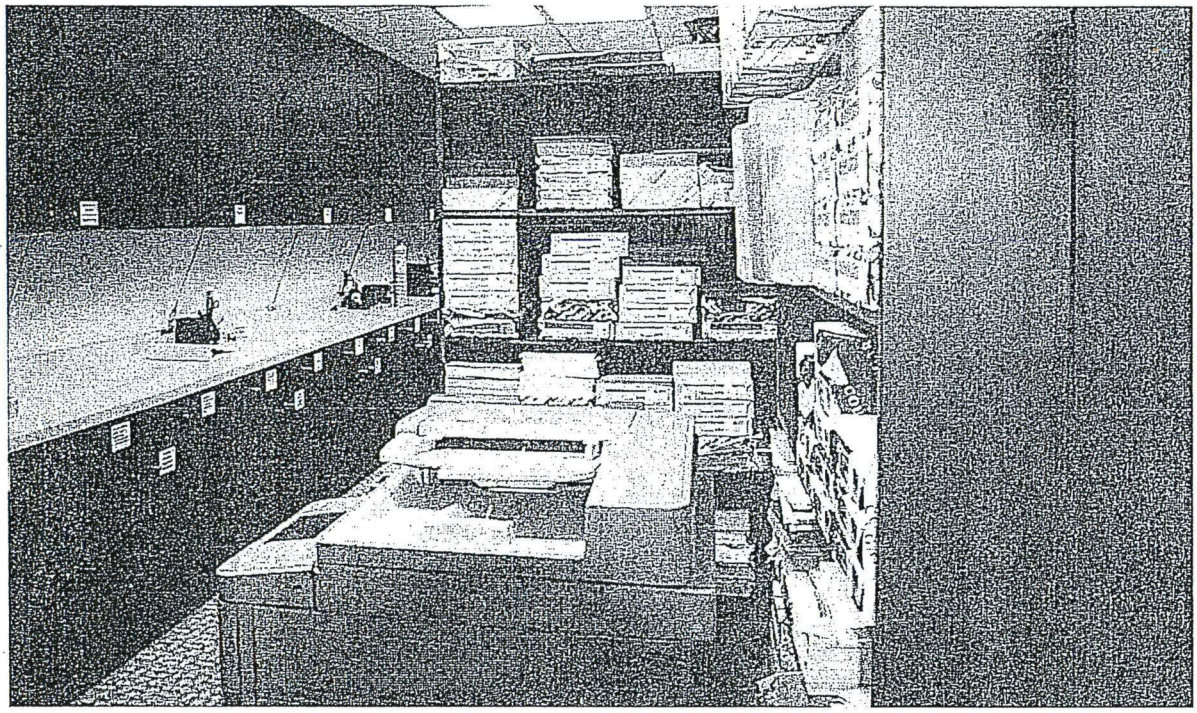
iv. INTERIOR PHOTOS - JUDICIAL WING IN CAPITOL COMPLEX



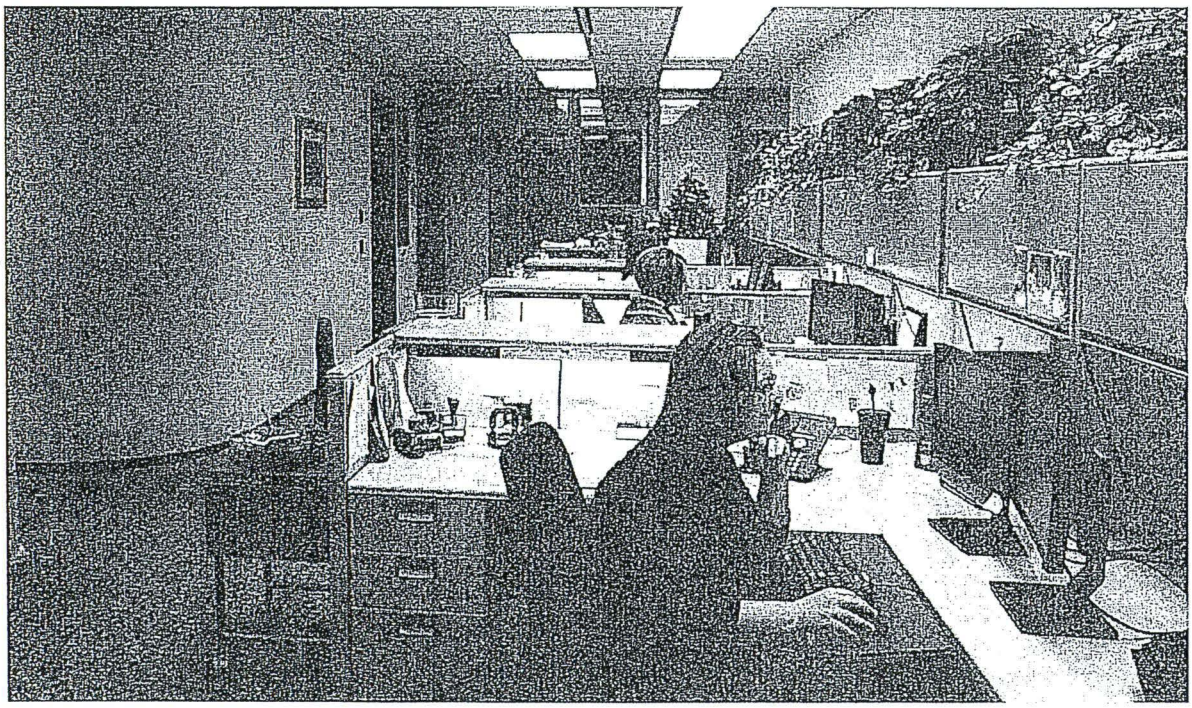
Court Administrator office



Court Administration and File Storage

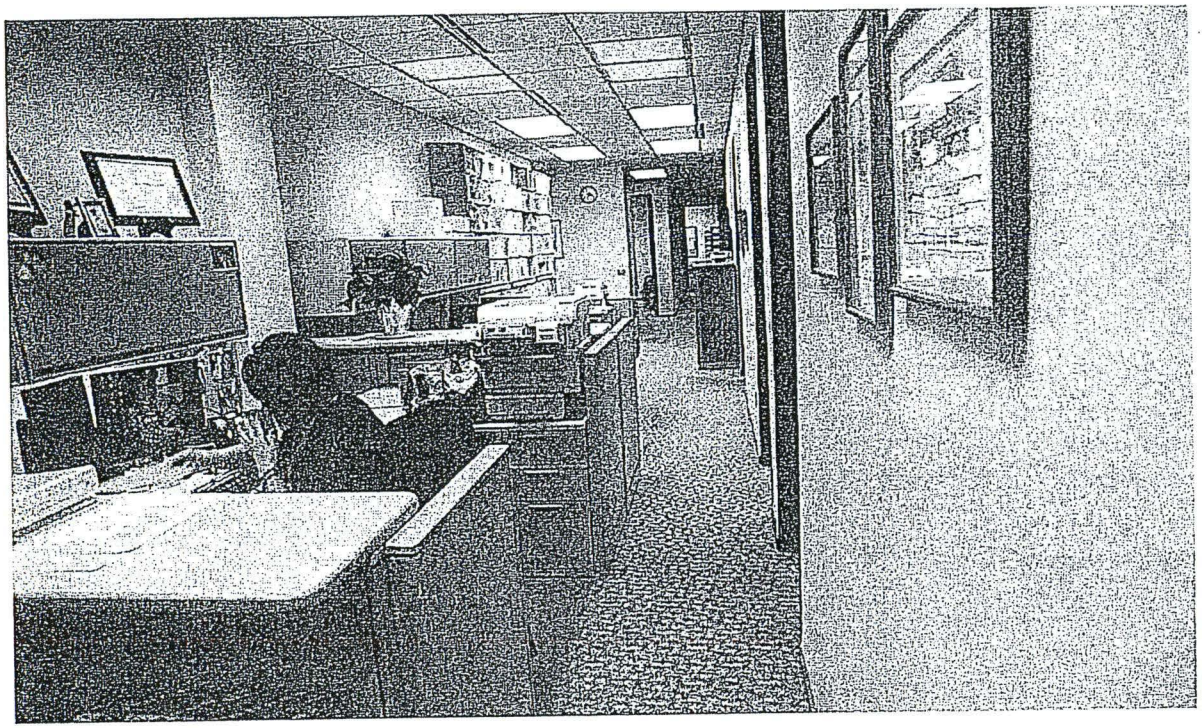


Central Copy & Storage room

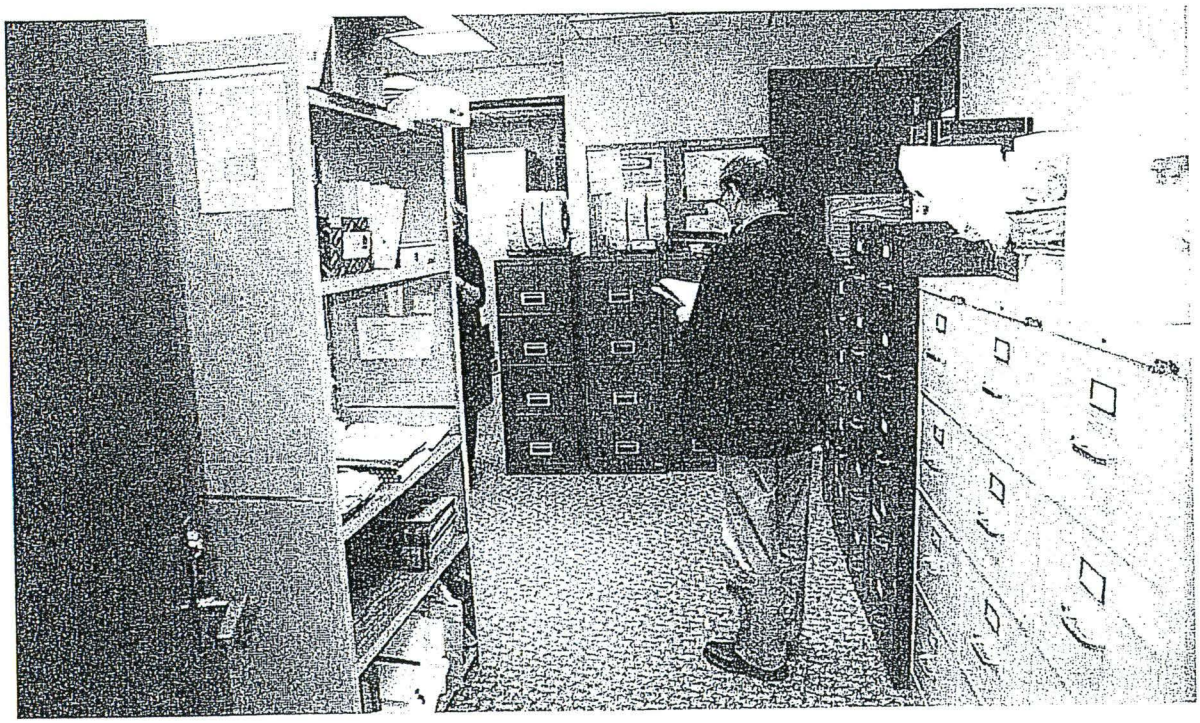


Clerk of Courts workstations, facing Public Entry

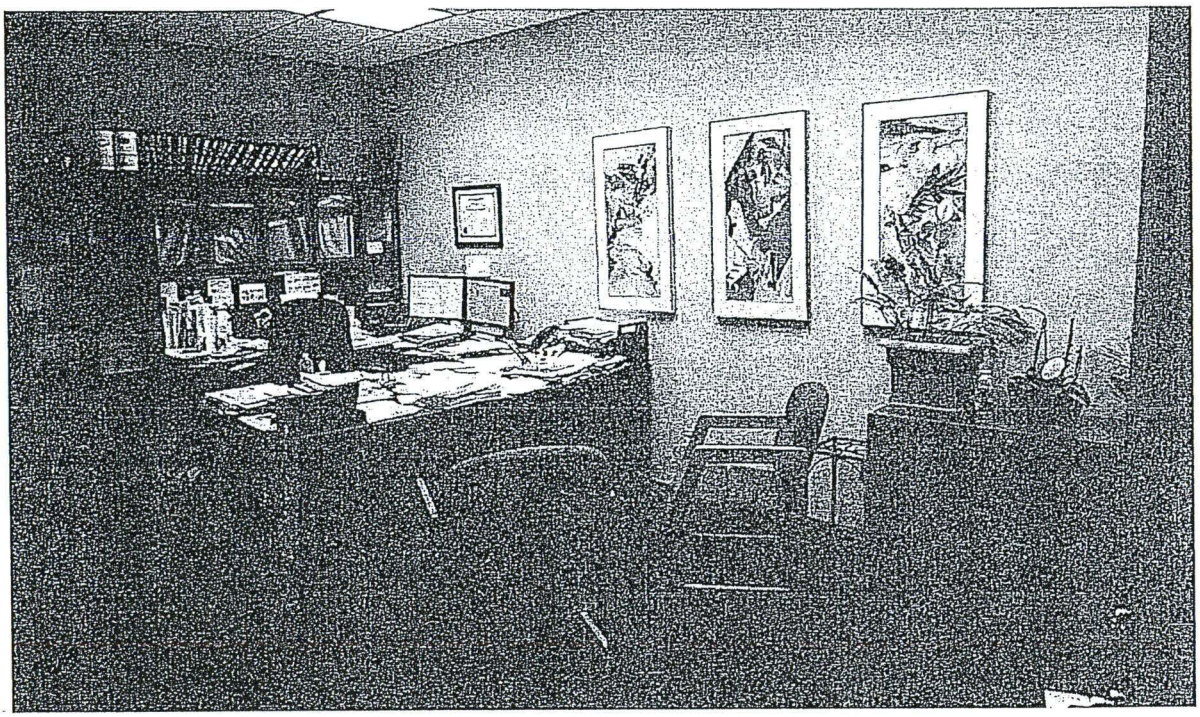
iv. INTERIOR PHOTOS - JUDICIAL WING IN CAPITOL COMPLEX



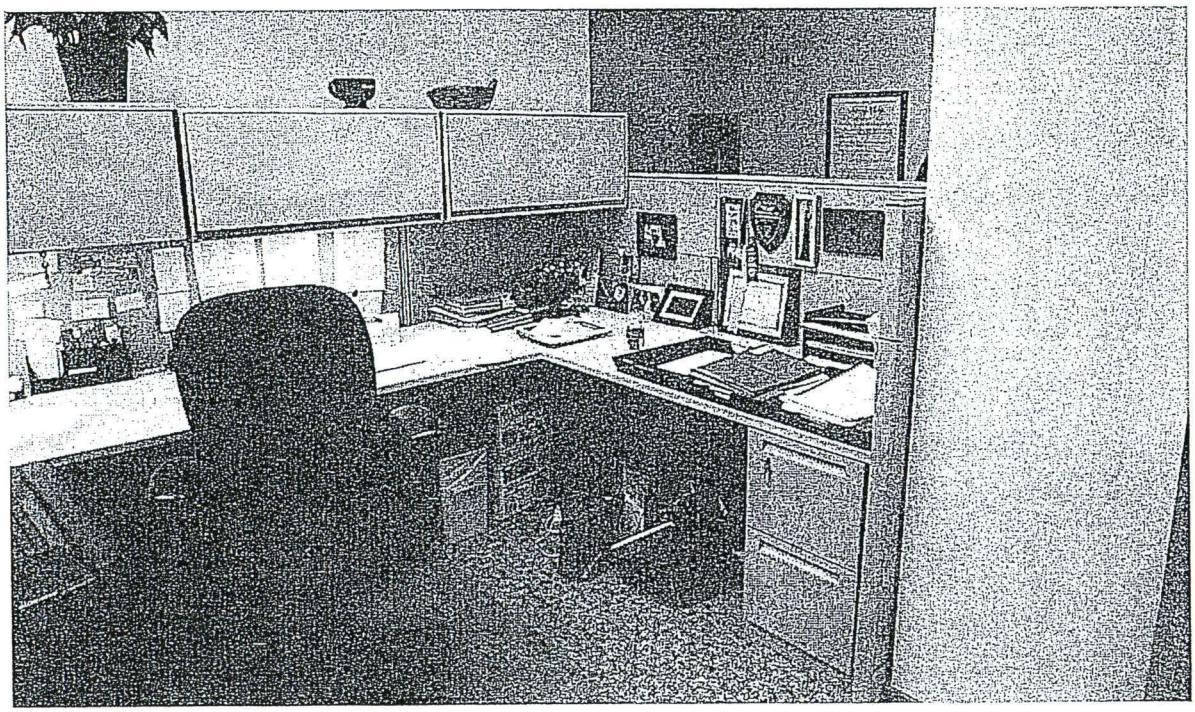
Court Administrator workstation with narrow access to workstations and offices



Clerk of Courts File Storage

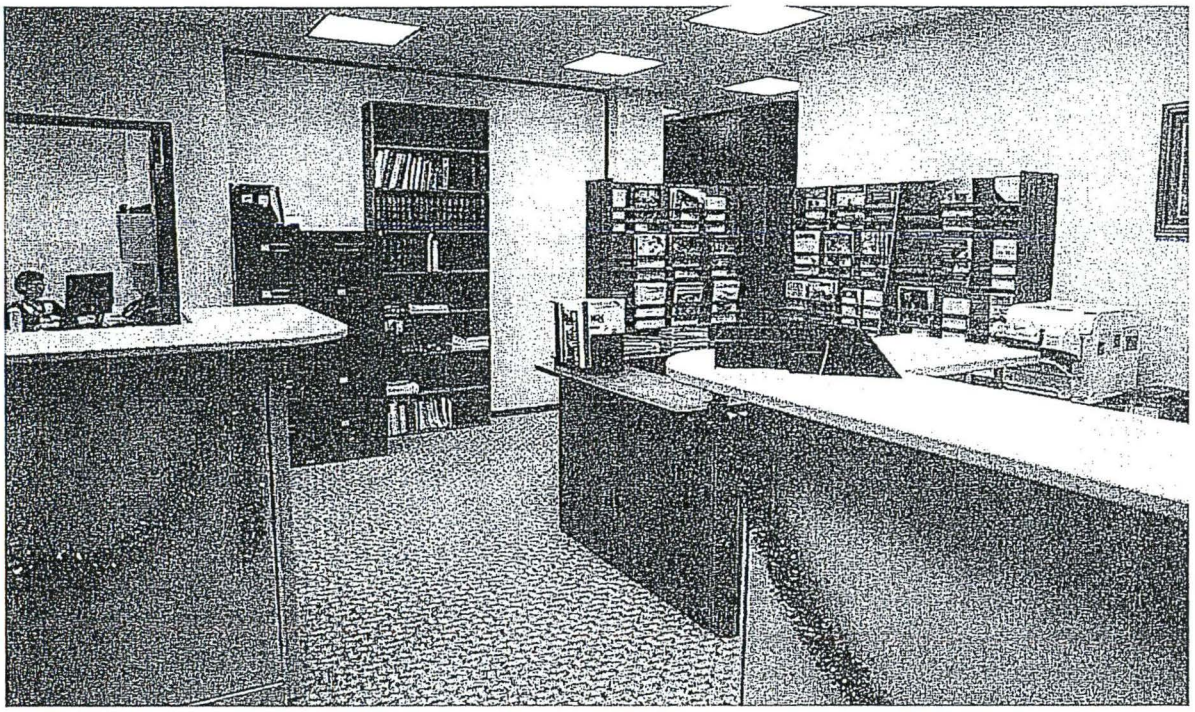


Clerk of Courts office

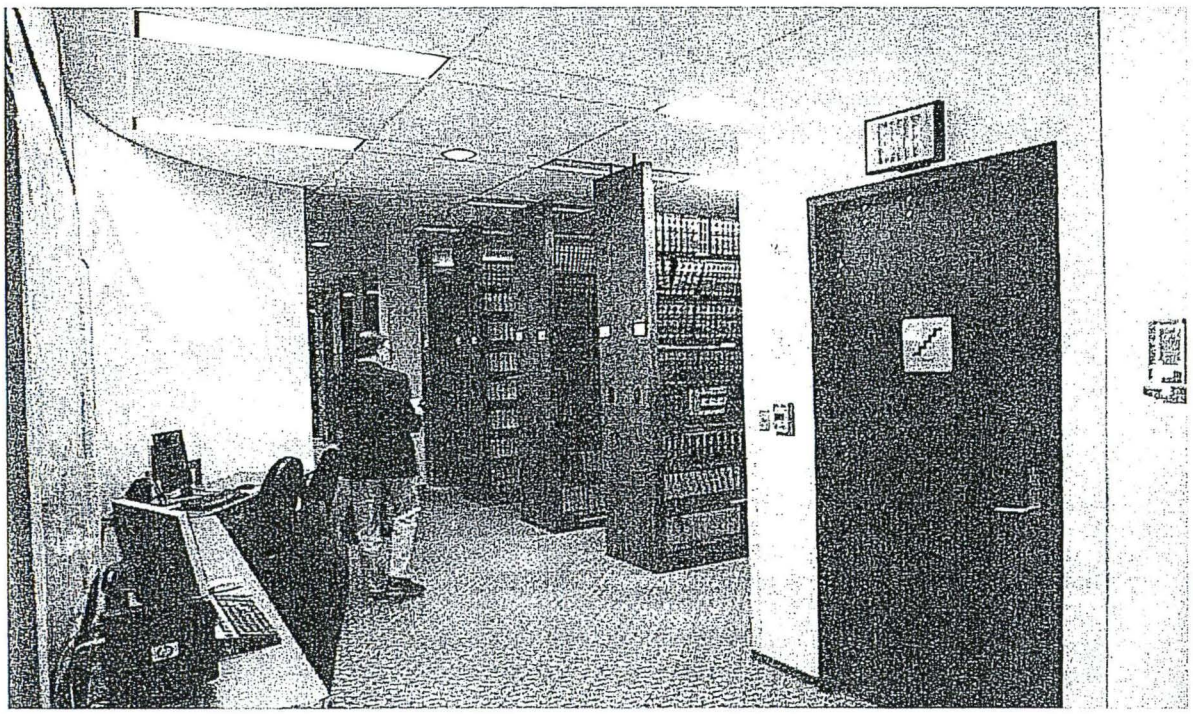


Deputy Clerk of Courts workstation

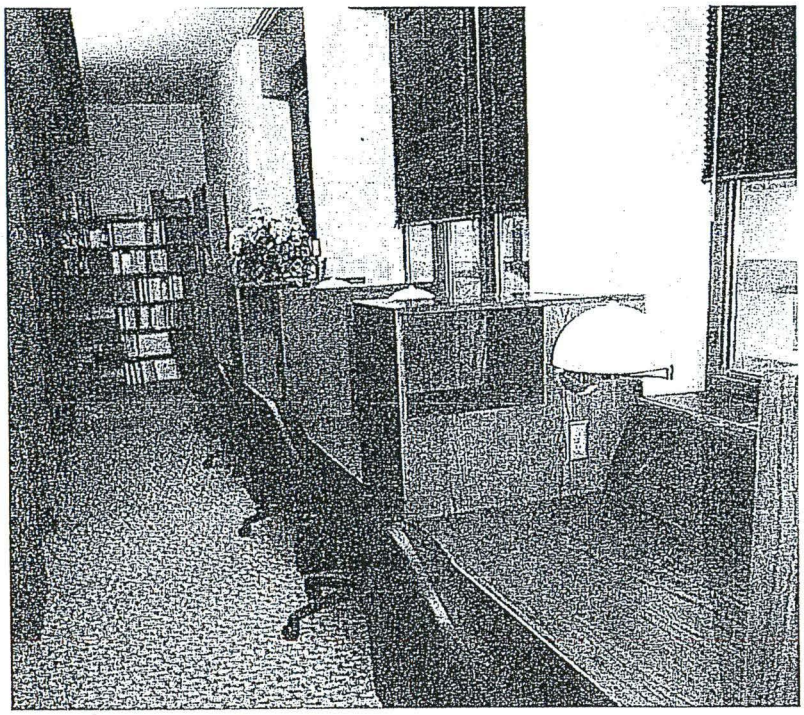
iv. INTERIOR PHOTOS - JUDICIAL WING IN CAPITOL COMPLEX



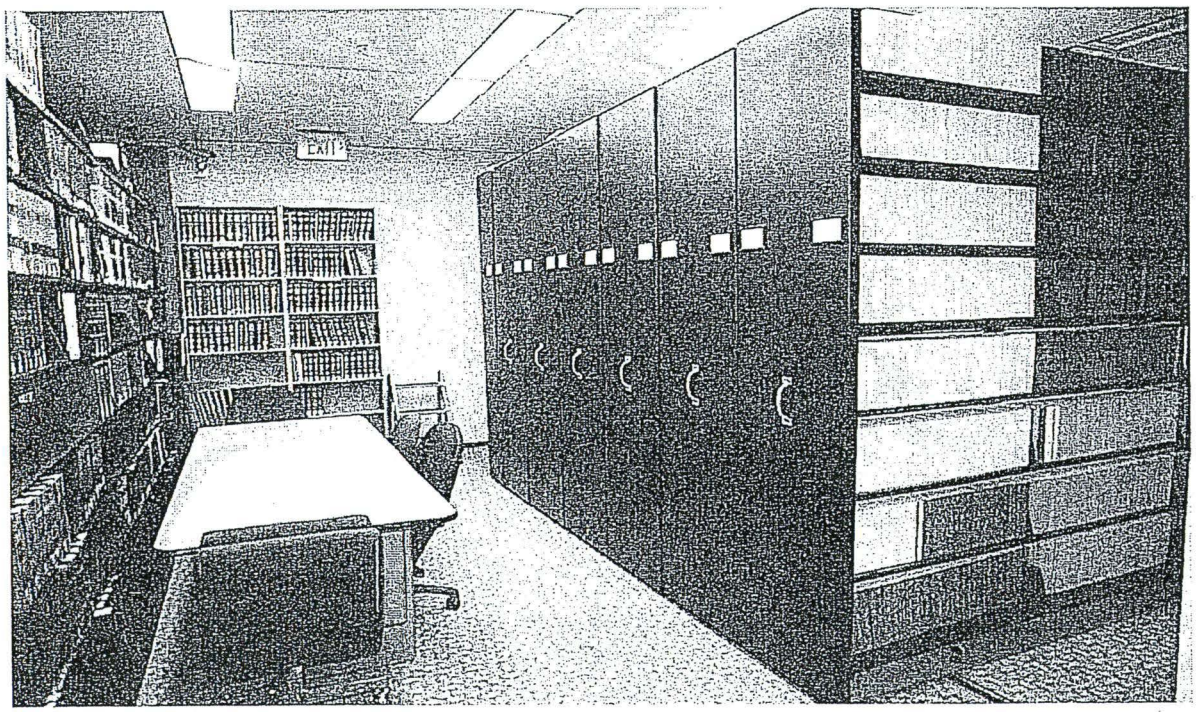
Law Library workstations & offices



Entry to Law Library stacks

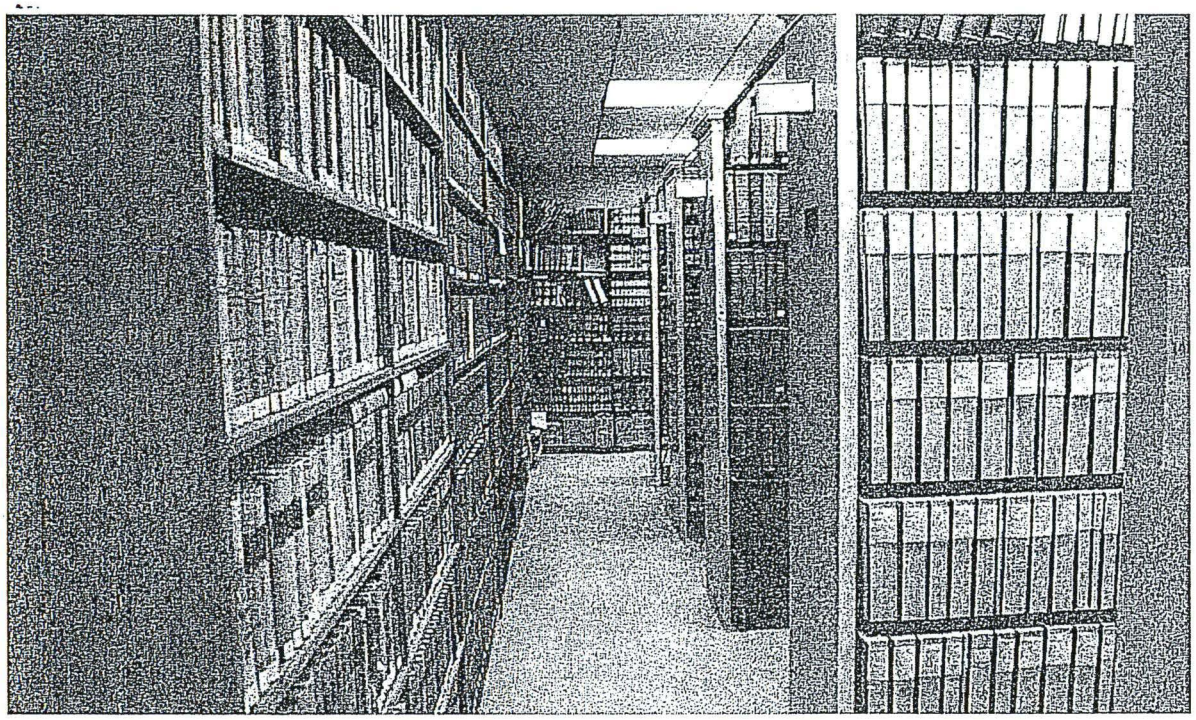


Reading tables in Law Library

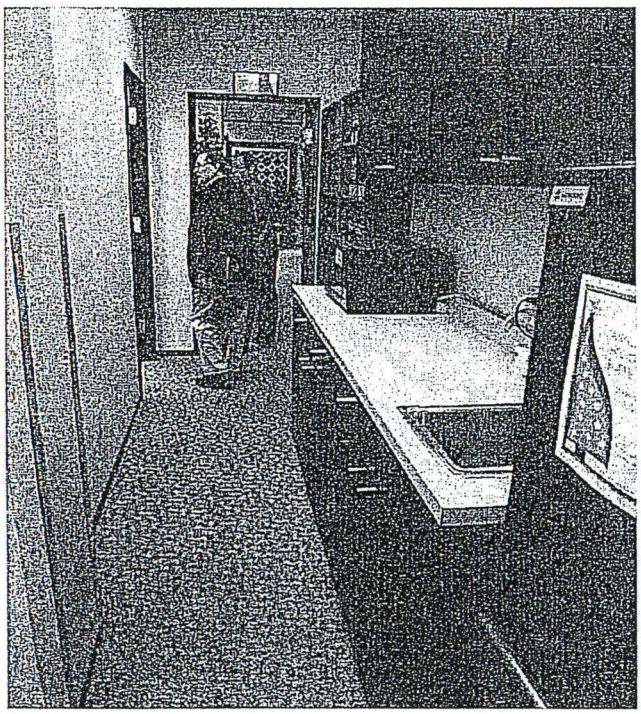


Law Library compact shelving

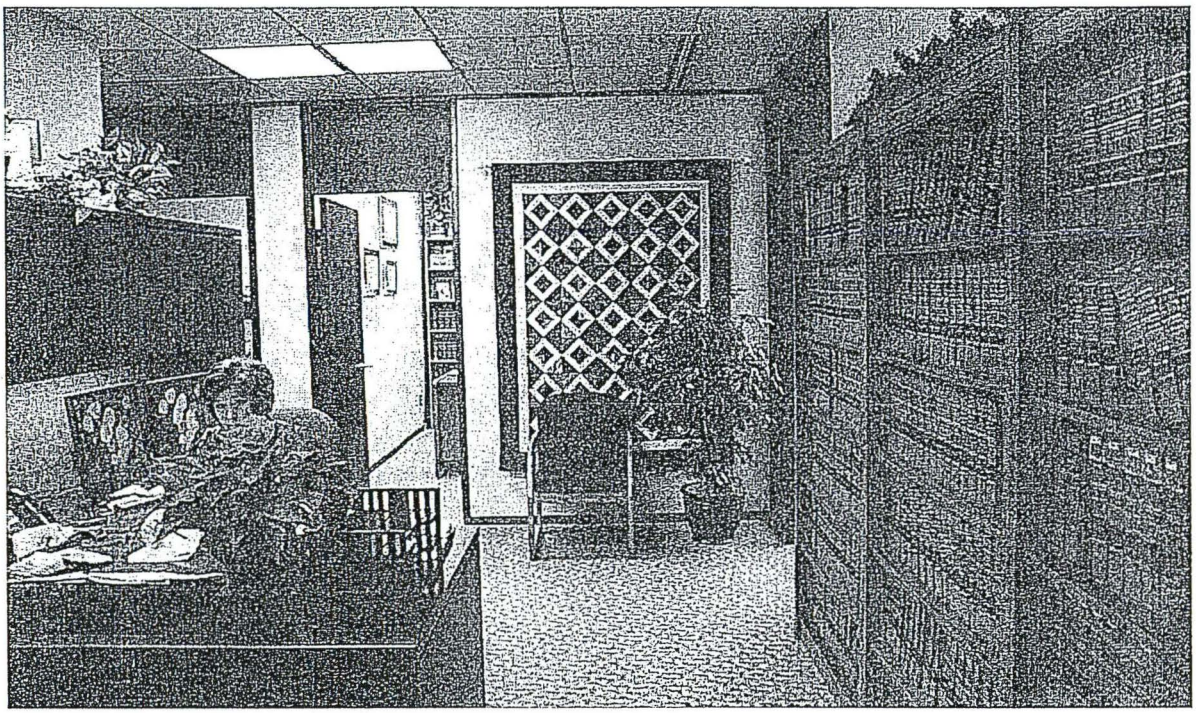
iv. INTERIOR PHOTOS - JUDICIAL WING IN CAPITOL COMPLEX



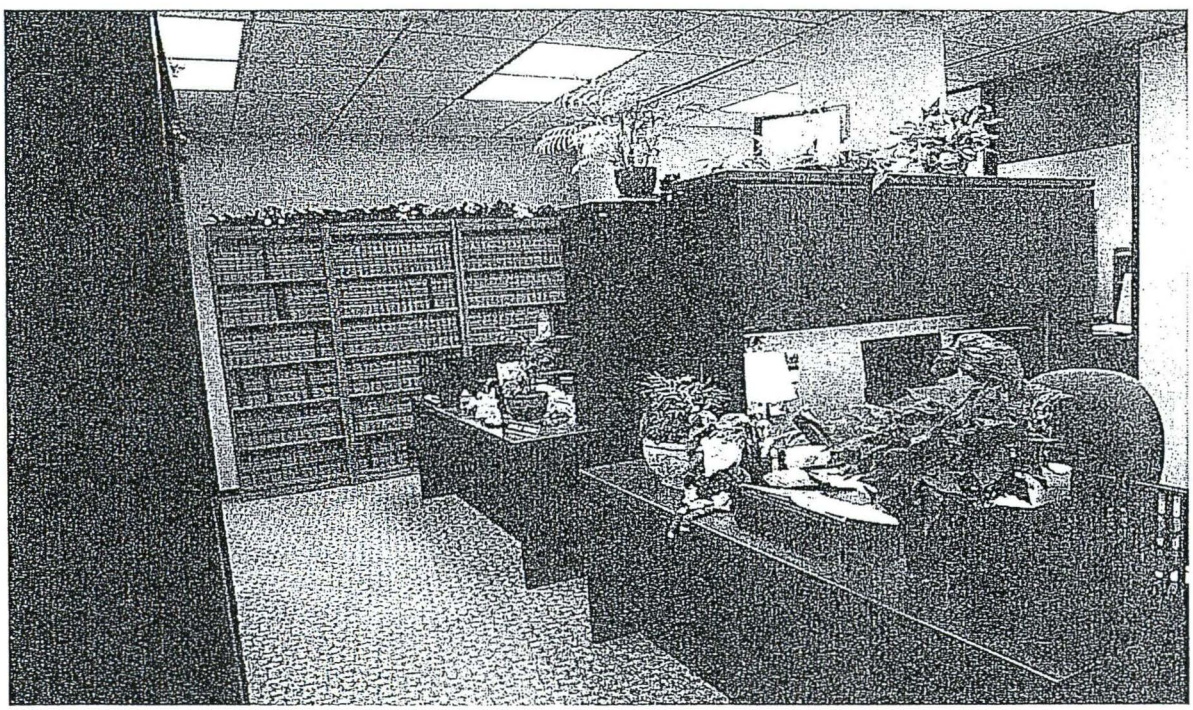
Law Library climate controlled archives



Law Library coffee counter and narrow access hall to Central Legal offices

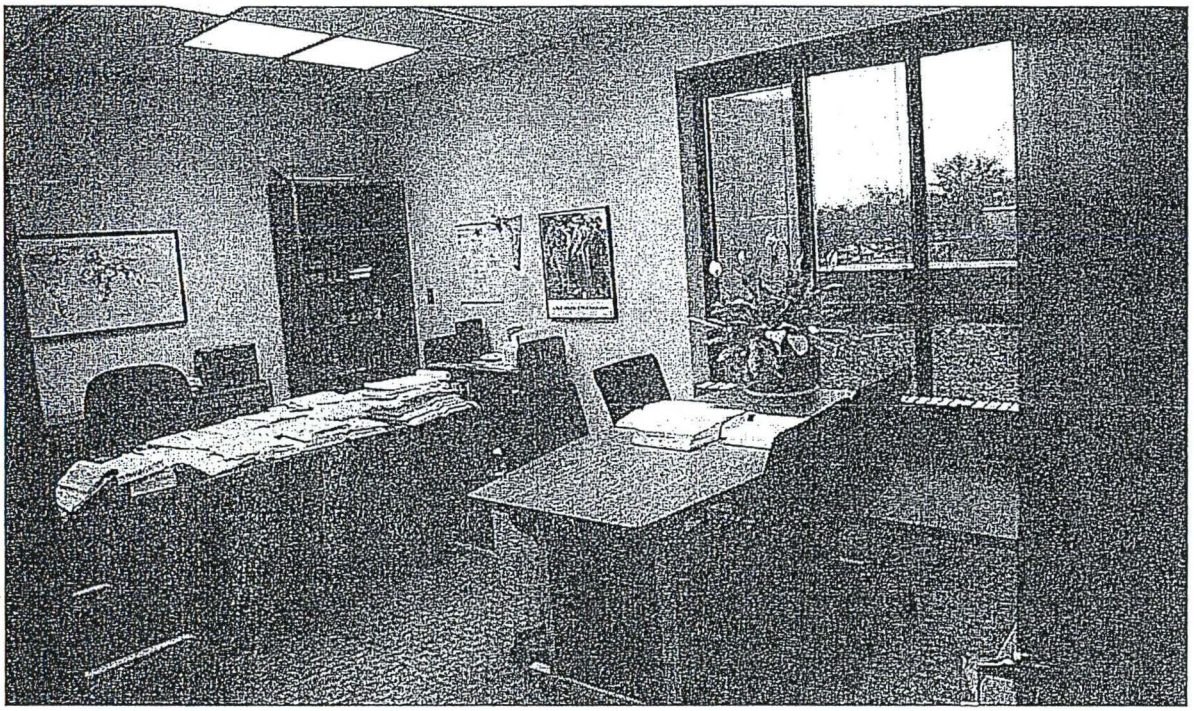


Central Legal workstation with bookshelves lining the room

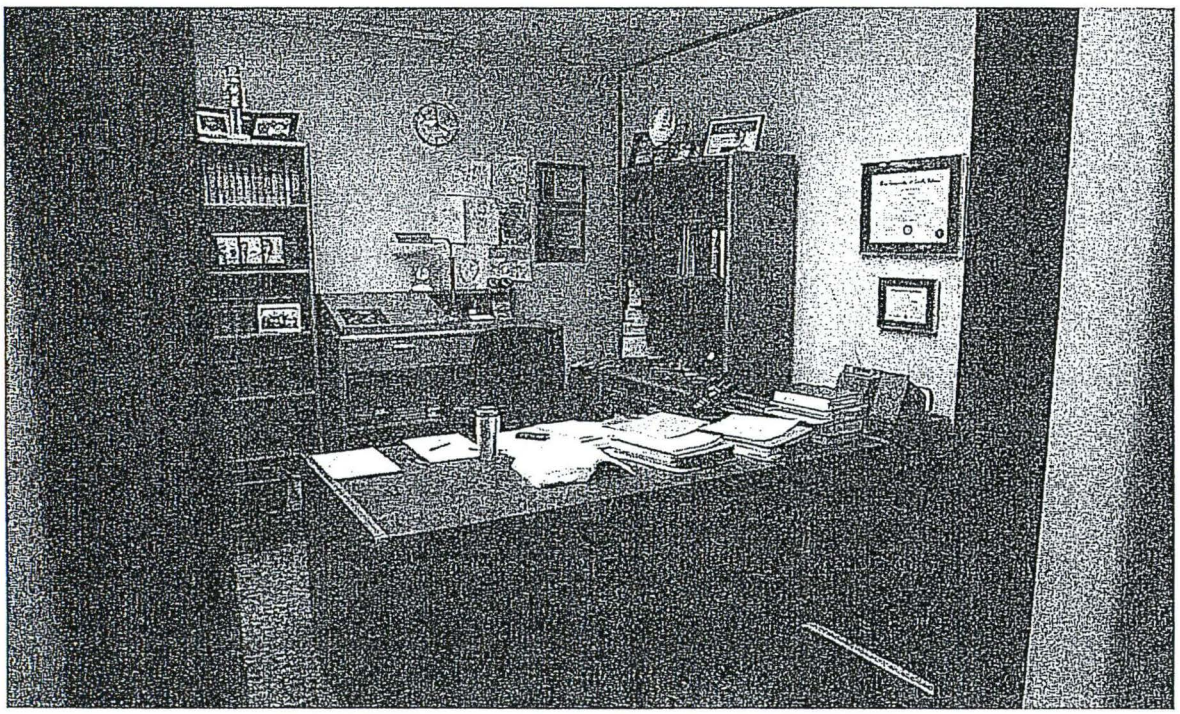


Central Legal workstations with bookshelves lining the room

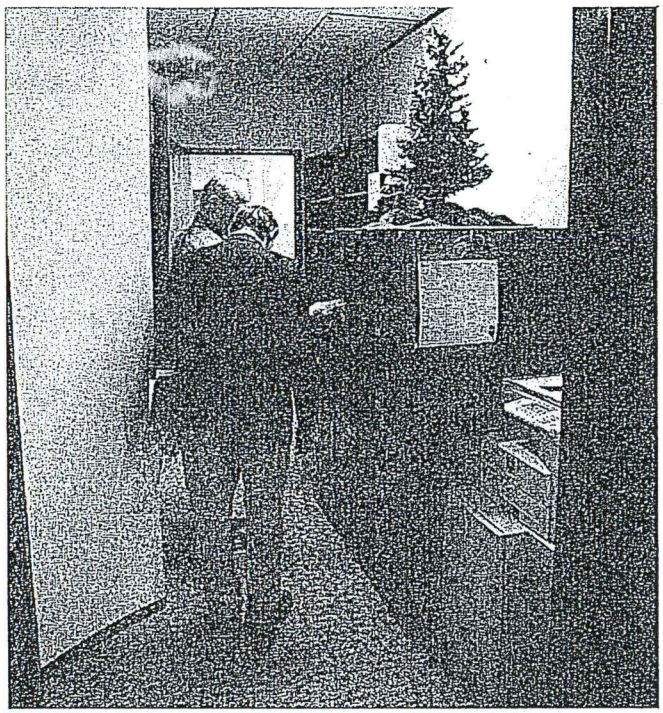
iv. INTERIOR PHOTOS - JUDICIAL WING IN CAPITOL COMPLEX



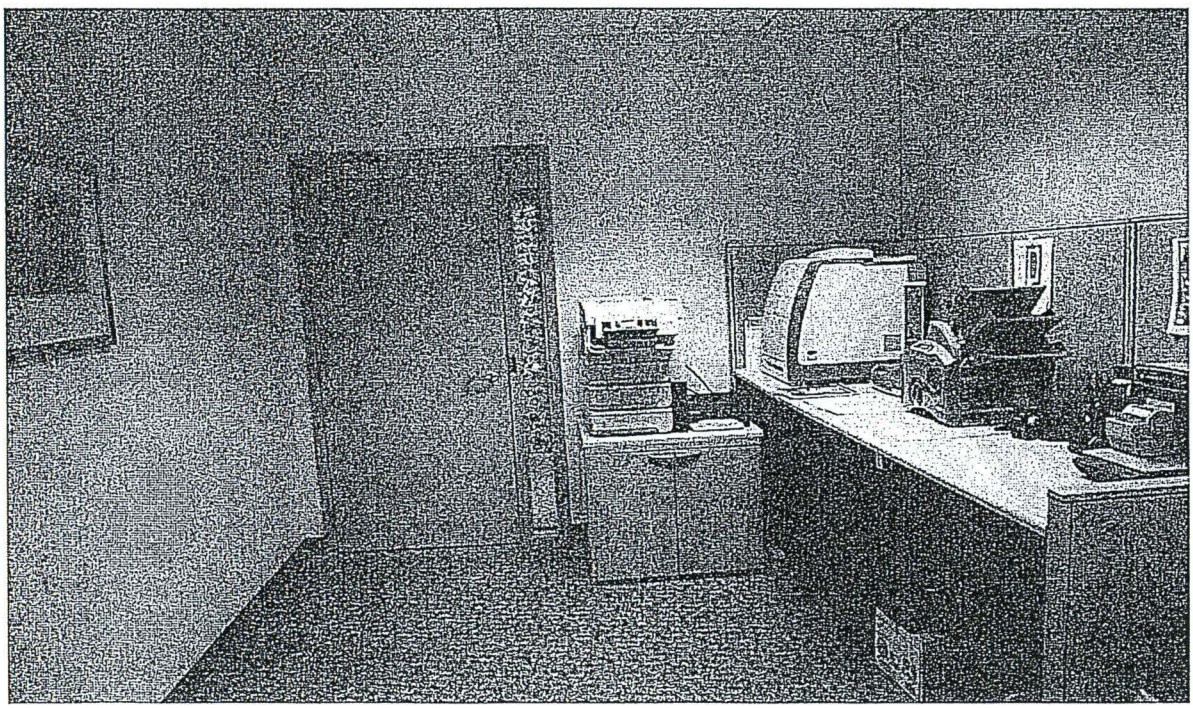
Central Legal Director office



Typical Central Legal office

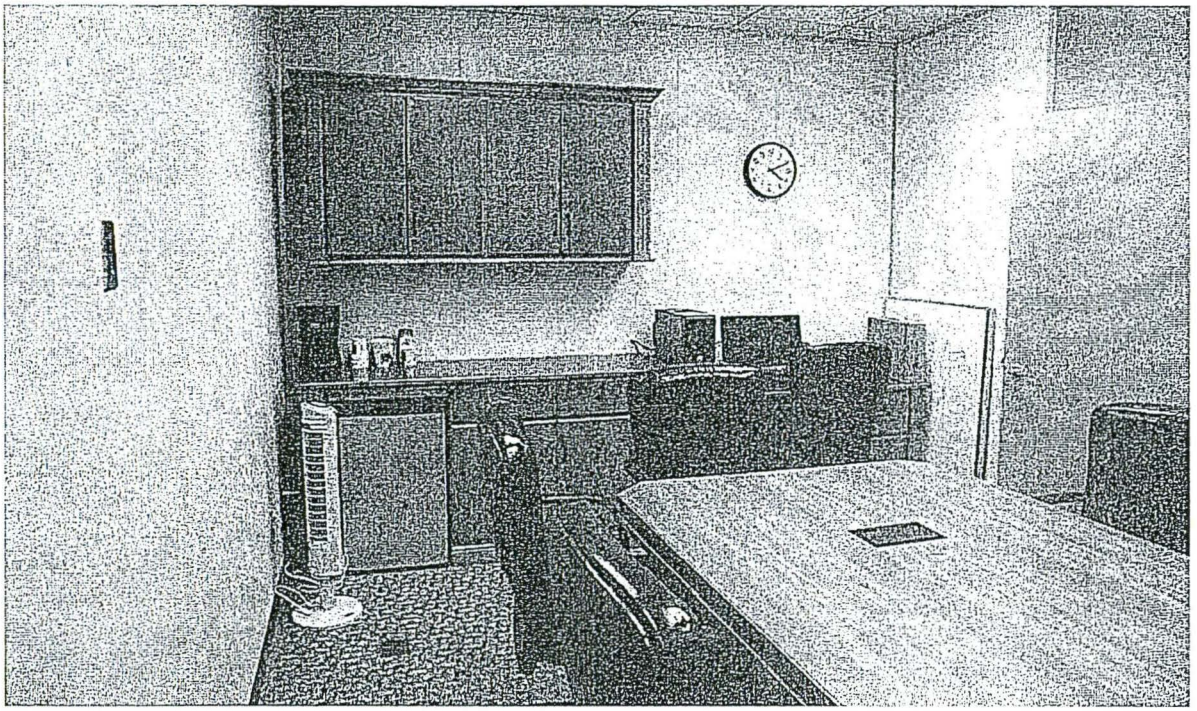


File storage in narrow access hall in Central Legal offices

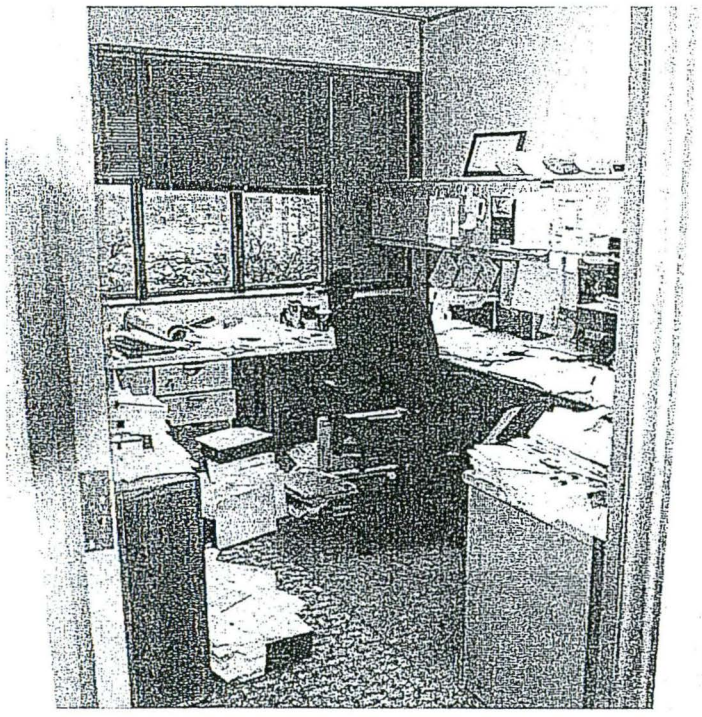


Entry & Copy counter for Fiscal Department offices

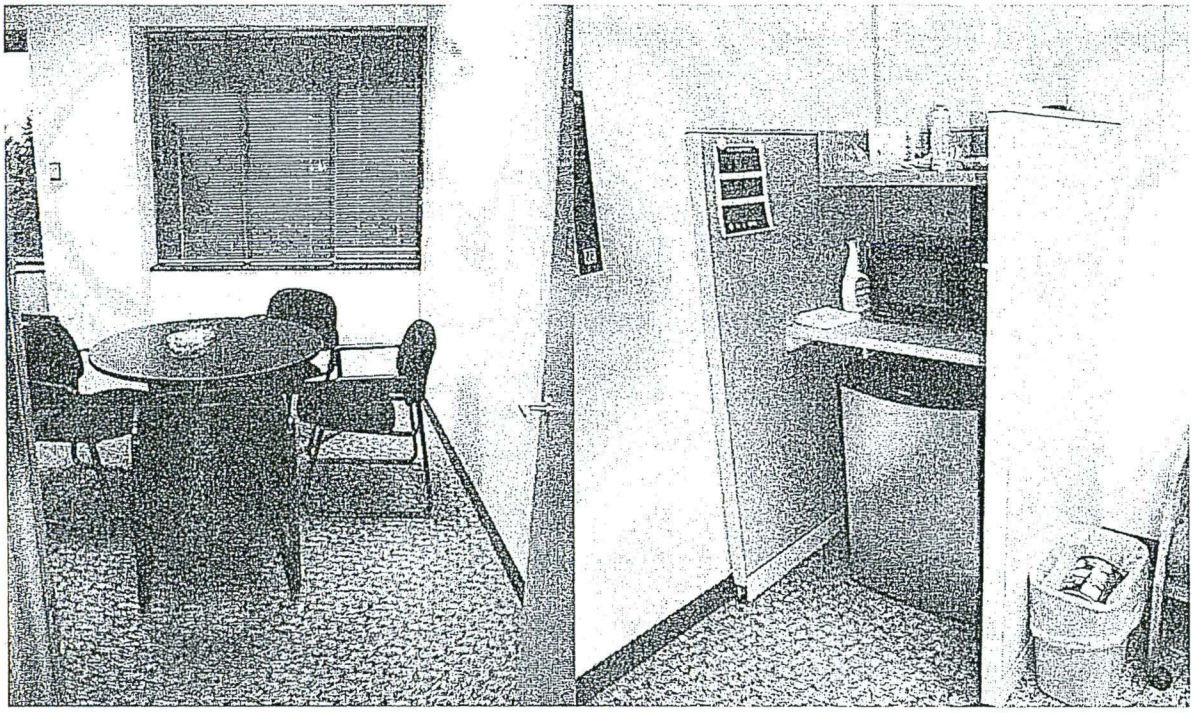
iv. INTERIOR PHOTOS - JUDICIAL WING IN CAPITOL COMPLEX



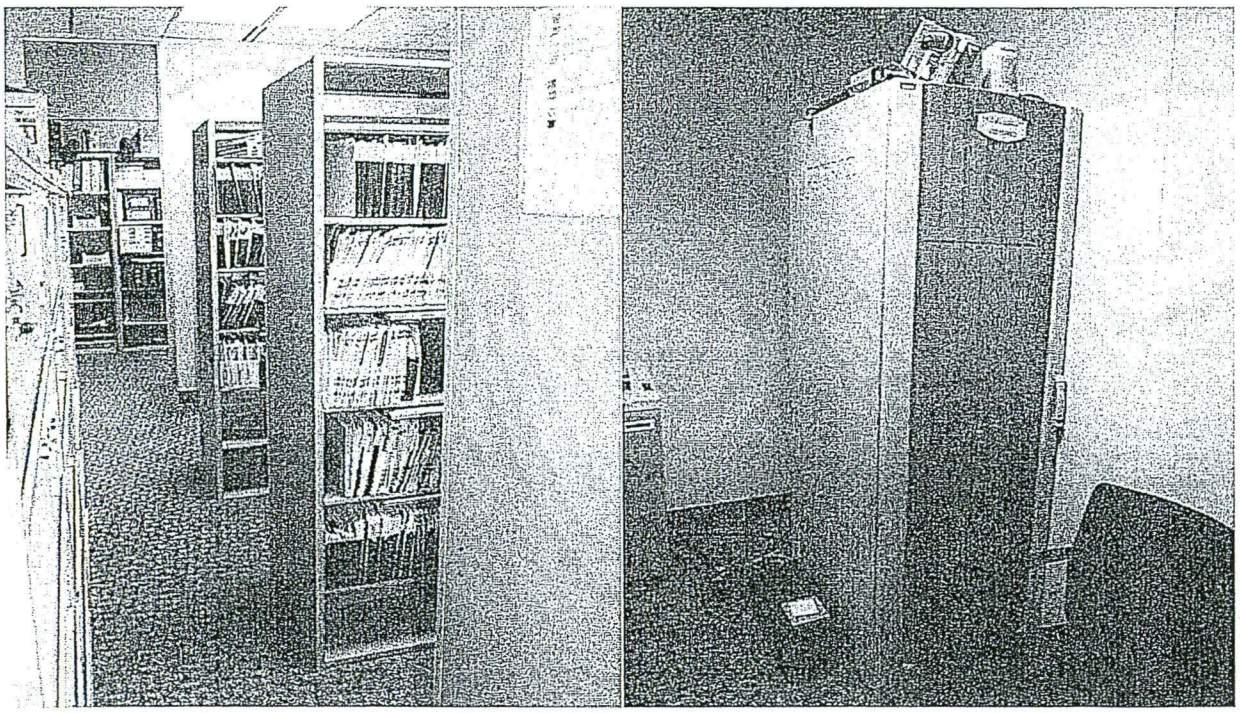
Fiscal Department conference room with conference computer and storage



Typical Fiscal Department office

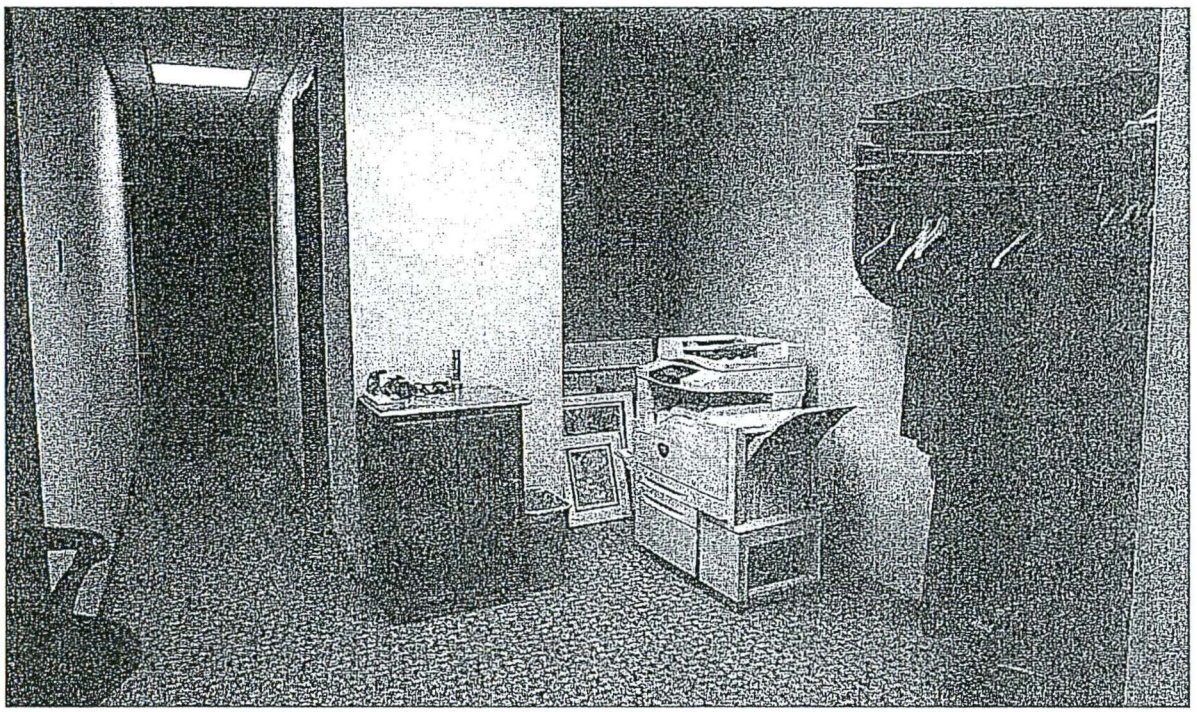


Fiscal Department Break Room

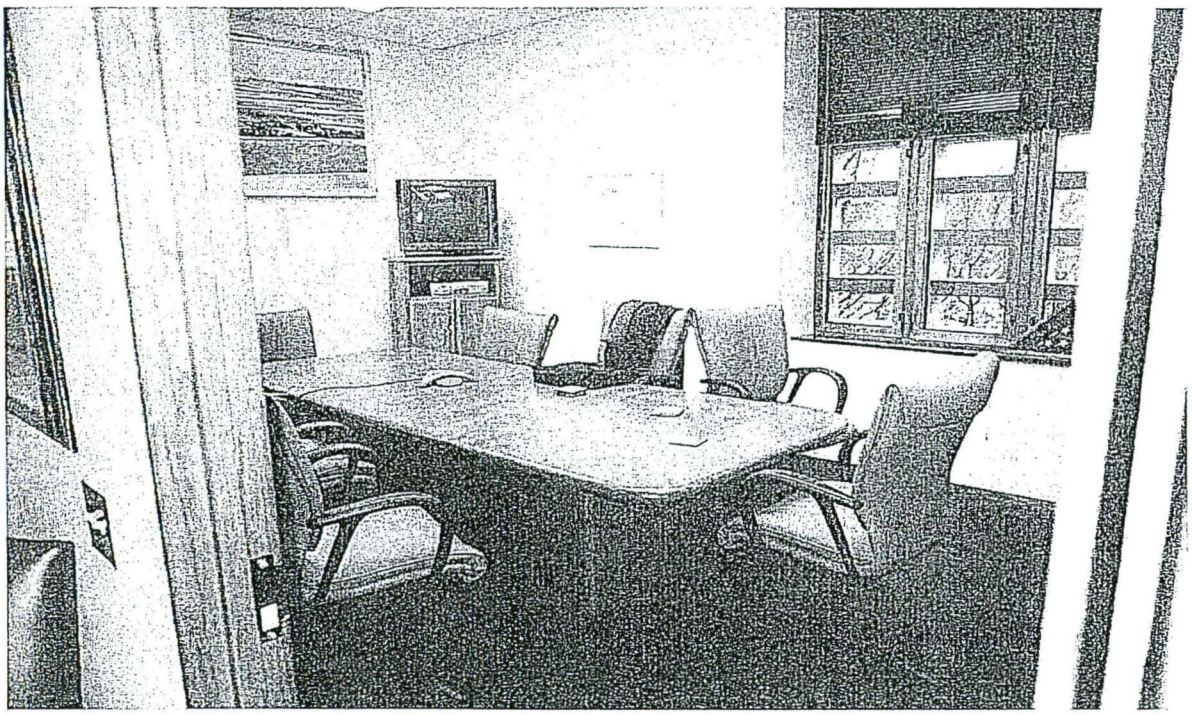


Fiscal Department Storage room with Web Hosting Server

iv. INTERIOR PHOTOS - JUDICIAL WING IN CAPITOL COMPLEX



Justice Robing room



Chief Justice Conference room

SB 2015
3

Testimony on SB 2015
Senate Appropriations
John Harris, President & CEO
Prairie Public Broadcasting
January 22, 2015

Mr. Chairman and members of the committee, thank you for the opportunity to speak with you today about the budget request for Prairie Public Broadcasting, North Dakota's public broadcasting network.

For the record, I am John Harris, President & CEO of Prairie Public Broadcasting.

Prairie Public celebrated 50 years of service to the citizens of North Dakota in 2014. The network began broadcasting with its first television transmitter in 1964 and since then has grown to provide public media services that enrich the lives of the citizens of our state.

Prairie Public is committed to improving educational access and outcomes for our state's citizens from birth through all phases of life.

Also, Prairie Public has embraced our public safety mission with growing impact to maximize our spectrum for the public good. Public television stations are the backbone of the WARN system of presidential alerts in times of national emergency.

Even as public distrust of national institutions is at an all-time high, studies have shown that public broadcasters have retained the trust of the American people as an essential resource for a well-informed citizen.

As a locally-owned and operated media organization in our state, Prairie Public provides public affairs programming, local history and culture, candidate debates, specialized energy and agricultural news, community partnerships to deal with issues of concern to your constituents and civic information of all kinds to everyone in the state.

Today, I stand before you to ask for your support of the Governor's recommended funding levels for Prairie Public Broadcasting in Senate Bill 2015.

Your support will allow Prairie Public to continue to provide our valuable services to all citizens across our great state.

Mr. Chairman and Members of the Committee, on behalf of the Board of Directors and staff of Prairie Public, I thank you for your time and your consideration.

3.1

#4

North Dakota 2015-2017 Biennium Capital Funding Request

Prairie Public Broadcasting, Inc.

January 22, 2015

Item	Projects - One-Time Capital Funding	Project
1	Fargo Studio Lighting Pkg	300,000
2	Bismarck Studio Camera & Equipment Pkg	200,000
3	Television Network MPEG HD Encoder Pkg	150,000
4	HD Production/Editing Equipment Pkg	200,000
5	Radio Network Audio Processing Pkg	230,000
6	KSRE (Minot) Analog Antenna/Line Removal	125,000
7	KBME (Bismarck) Analog Antenna/Combiner Removal & New LED Tower Lights	150,000
8	KFME (Fargo) UHF Antenna/Combiner Removal	125,000
9	KDSE, KBME, KSRE, KFME TX Building Ventilation Systems	300,000
10	Fargo Studio Window Restoration	100,000
11	Fargo Studio Mechanical, Elevator, Lighting and Fire Alarm Equipment	500,000
12	Microwave Interconnection Transport IP Upgrade	750,000
		3,130,000

1.) Equipment necessary to replace the studio lighting system at the Fargo facility. The existing lighting system is over 25 years old and was not designed for high definition camera operation. This energy efficient system would utilize the latest in LED lighting technology.

The proposed audio equipment includes a digital, intercom and monitoring system associated with the Fargo studio to replace the existing analog equipment.

2.) Equipment for television studio conversion to digital and allow high definition (HD) productions at the Bismarck studio facilities.

Requested equipment includes HD studio cameras, production switcher, monitors and conversion equipment to replace old obsolete analog studio production equipment currently used at the Bismarck studio.

3.) High definition encoding equipment used in the Fargo and Bismarck studios that would replace old and obsolete encoders that are no longer supported by the manufacturer and lack important features now available in new products. Failure of the existing encoders would prevent programming distribution across the statewide network.

4.) The digital production equipment includes high definition field cameras, lighting, microphones and editing equipment to enhance Prairie Public's ability to capture and produce local content throughout the region.

5.) FM audio processing equipment associated with the 10 radio transmitters in Prairie Public's statewide radio network. This equipment would provide consistent and improved sound quality on both its main and HD digital channels for all its FM stations.

4.1

6.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KSRE digital antenna that serves Minot and the surrounding area. The KSRE digital antenna and transmission line were side-mounted on an existing 1031' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned analog antenna and associated transmission line as part of the final digital conversion cost for this station. Removal is estimated to significantly decrease wind loading and would eliminate 11,350 lbs. of dead weight.

7.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KBME digital antenna that serves Bismarck and the surrounding area. The KBME digital antenna and transmission line were side-mounted on an existing 1088' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned analog antenna and associated transmission line combiners as part of the final digital conversion cost for this station. Removal is estimated to significantly decrease wind loading and would eliminate 11,250 lbs. of dead weight. A new LED tower lighting system would be installed per FAA specifications.

8.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KFME digital antenna that serves Fargo and the surrounding area. The KFME UHF digital antenna and transmission line combiner were side-mounted on an existing 1178' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned UHF antenna and associated transmission line combiners as part of the final digital conversion cost for this station.

9.) For reliable and long-term operation of the KDSE, KBME, KSRE, KFME and KJRE transmitters, proper cooling of the equipment is vital. Not only does proper cooling extend equipment life, but also reduces off-air outages and service calls. Prairie Public is requesting funding to improve the mechanical air handling capabilities of referenced transmitter buildings.

10.) The proposed window restoration project will significantly improve the overall appearance of our downtown Fargo studio building. The proposed windows in need of restoration are original to the building constructed in 1954. The metal frames have severe corrosion and the window seals have deteriorated beyond repair.

11.) Prairie Public's Fargo studio building was built in the early 1950's and significant improvements have been made to the building since moving into the facility over 25 years ago. Unfortunately, many of the building components are original and are long overdue for replacement. Funding is requested for the following items:

a. Replace the original asbestos insulated and corroded steam piping and registers used throughout the building as part of the main heating system.

b. Replace the original building fire alarm system that is outdated and no longer serviceable.

c. Replace the roof mounted HVAC mechanical unit used to heat and cool the 4th floor office areas.

d. Replace the original main passenger and freight elevator controls and hydraulic rams used in the building.

e. Update and replace the original office and hallway ceiling lights for greatly improved energy efficiency.

12.) Proposed cost to upgrade our microwave distribution system from the Asynchronous Transfer Mode (ATM) format to and Internet Protocol (IP) format that would eliminate the old ATM equipment that is obsolete and no longer supported by manufacturers. All broadcast network equipment is now IP based, allowing us to easily interface with the upgraded microwave system. The FCC has also changed its "final link" rule, allowing us to increase the microwave radio capacity to our remote transmitter sites that will greatly benefit our transmitter remote control systems and transmitter site network speeds.

#5

Senate Bill 2015
Senate Appropriations Committee
Senator Ray Holmberg, Chairman
January 22, 2015

Mr. Chairman and members of the Senate Appropriations Committee, my name is Aaron Hummel, Administrative Services Commander at the North Dakota Highway Patrol. I am here to provide testimony supporting Senate Bill 2015, specifically the rental assistance and oil patch differential funding.

The Highway Patrol has been and will continue to be one of the agencies that have had significant change due to increasing demands for services energy impacted areas within the state.

Since the programs began, the Highway Patrol has been able to utilize both the rental assistance and oil patch differential funding. Since July 2013, we have had a total of 24 employees that have been able to use the rental assistance program. We are projected to have 18 employees that will be using this program after our current recruit class of 14 new troopers graduate in February.

The Highway Patrol also utilizes the funding made available through the oil patch differential program. Currently, all of our employees residing in the counties of Williams, Mountrail, Dunn, and McKenzie receive an additional $500.00 per month. After the recruit class currently in the LETA graduates in February and transitions to their post assignments, we will have 28 employees receiving the differential funding.

The Highway Patrol will use all of the funding made available through OMB during the 2013-2015 biennium and will need approximately $60,000 from our own budget to cover the ongoing monthly expenses and rental assistance. We still find recruitment and retention efforts in the energy impacted areas to be challenging and we would be appreciative of the continuation of these programs. They will help us as an agency to retain current employees, as well as be more competitive in our recruitment efforts. It is more and more challenging to locate, recruit, and hire quality employees within the field of law enforcement.

An informal survey was recently conducted soliciting feedback from our employees in the areas receiving funding from the rental assistance and/or oil patch differential programs. Although the survey was informal, it did provide very useful comments provided by those employees. The majority of employees surveyed have less than 5 years of service with the NDHP. I have attached some comments that were received by employees submitting the survey. These comments illustrate the importance of the program and the positive impact that it is having on employee welfare and the recruitment and retention efforts of the Highway Patrol

I will close with offering you a quote provided by a trooper that is stationed in Williston and has been with the NDHP for less than 2 years.

The programs are important for me because I would not be able to sustain a good quality of living here. If I did not have the assistance I would have meager living at best and would not be able to stay in Williston. I would be living paycheck to paycheck in a profession that is dangerous and demanding. One needs a quality of off duty life to be able to maintain this career. – **1 year trooper, Williston receiving rental assistance and oil patch differential funding.**

This concludes my testimony. I would be happy to answer questions.

I had considered applying for a higher paying oilfield job or moving somewhere where living expenses were not as affected by the oilfield. The extra money helps my family offset some expenses that have gone up because of the oilfield activity.

I feel for an established family $500 is adequate but for a young family that comes to the oil activity region it's not enough. The rental assistance is a good tool to get families here and get housing but that is a temporary fix. These young families are not able to save enough money to buy a house at the current rate they are selling at and no one wants to rent forever. I would like to see a grant program started that would award money to young couples in non-oilfield related jobs that are making less money to buy a house in the Bakken area. In return they would be required to stay in that home for a period of time (5, 10, 15 years) or they have to pay back that amount.

For now as with the extra $500 impact money my family is able to afford the higher cost of living. If the $500 impact money goes away, I'm not sure we'll be able to afford to stay. – **16 year trooper stationed in Stanley, receiving oil patch differential funding.**

I can't start a life when houses are $300,000+, which gets you a box on a 1/8 acre of land.

It Helped pay for expensive groceries. Also, keep my insanity by having some extra money for vacation, to get out of the Bakken and back to civilization. – **2 year trooper, Watford City receiving both the oil patch differential and rental assistance funding.**

The impact funding & housing assistance were a great benefit to living in the energy impacted area. It greatly helped to offset the cost of living & took away some of the stress with being in that area. – **3 year trooper who was stationed in Williston and transferred to New Salem.**

Increased costs that I've noticed the most deal directly with things you need or use every day. These include food, clothing, and housing and even vehicle maintenance. Everything in this area is tagged with the "oil field" price. The same gallon of gas is sometimes 50 cents or more cheaper in other areas of the state. I've had to go to the eastern part of the state to buy tires for my car as they were almost $400 cheaper. For a family, we have to buy in bulk in larger cities, up to 150 miles away just to offset the higher costs of food. Heat, water, gas and internet access are all very expensive out here compared to other parts of the state. Extra money a month helps deal with those costs.

The impact funding has helped keep me in this part of the state and continue to serve this part of the state. Receiving the extra $500 a month is like a reward for working in one of the most

challenging areas of North Dakota. The work out here is challenging and those who stay out here are rewarded not only by the experiences they gain but are rewarded financially. The costs out in this area are also higher for me compared to a Trooper in the other parts of the state. I have to travel sometimes 70-150 miles to shop for groceries as the costs locally are too high. As a family we will either drive to Fargo or Bismarck to stock up on bulk food so that we don't have to buy as much locally and the $500 a month allows for that to happen. -**1 year trooper in New Town receiving oil patch differential funding.**

Groceries, food, gasoline, household goods, housing all cost more. Housing costs seem to be the biggest obstacle to Troopers staying here. They are forced to live in apartments with their families because they can't afford to buy a house on the salary of a 1-5 year trooper. – **Supervisor in Williston, 11 year employee receiving oil patch differential funding**

Having recently left the impact area, the cost of living is significantly less at my current post. Gas is consistently 25-30 cents per gallon cheaper, childcare is actually available and also significantly cheaper, as well as housing and grocery prices. Milk is approximately $1.50/gal less in DL vs. the impact area. Our realtor in the impact area saw our current house in DL and was confident that the same home in Williston would be easily 100K more than the price it was listed for in DL.

While living in the impact area, the impact funding was very helpful in taking some of the financial stress that comes with the area away, therefore providing a better quality of life. This in turn gave a better morale to the troopers in the area, especially the troopers that had been posted there prior to the impact funding being implemented. For those that already had roots in the area prior to the boom, or those who wanted to make the area their new "home", it gave them peace of mind that the Patrol recognized the need for extra funding for the troops in the impacted area. For me personally, it made me not want to put the transfer letter in when that time of year came around. Once our trailer lot rent was increased the impact funding did cover the difference, however the benefit of the impact funding (at this time it was prior to lot rent being included in housing assistance) had to be used exclusively to cover the increase in lot rent. This left no extra coverage for increased prices of other goods/services. Some other housing issues/concerns arose, and it was decided that it would be best to relocate. If I could have my current house moved to the oil impact area and retain my current mortgage, I would still be living in the oil impact area. - **5 year trooper that transferred from Williston to Devils Lake, received oil patch differential funding**

Almost all goods are more expensive in Mountrail County. For example a gallon of milk costs about 6 dollars. Gasoline is about a dollar more per gallon than the state average. All vehicle repair and maintenance costs are overly inflated. Cost of internet is 3 times more than in Fargo area for example (for a1/10 of the speed). Traveling to Minot for groceries at least once a week adds up to the cost. **- 1 year trooper Parshall receiving oil patch differential funding. He came from another agency and already owned a home in Parshall.**

My lot rent went from 350.00 dollars a month to 850.00 after the mobile home park I was living in was sold. The housing assistance has allowed me to stay there in my mobile home without having to look for a different place to live or to transfer somewhere that I could afford to buy a home on a single income as I am not married. **– 8 year trooper, Williston, receiving rental assistance and oil patch differential funding**

I live in a 3 bedroom apartment. I'm grateful for my home but with 4 kids, we are quickly outgrowing the place and having trouble finding an affordable home that would be big enough.

With the trouble of finding an affordable home that fits our needs, we may very well attempt to transfer to east side of ND.

We enjoy living in Williston and would try to find a way to make it work.

Houses in Williston are selling for twice as much, if not more, than the houses on the east side of ND. Groceries are also higher priced. Thank God we have a Wal-Mart that keeps prices competitive. Houses that are in poor shape are being listed at very high prices and are selling soon after being put on the market. We have been waiting for prices to come down since we moved here but have only seen an increase in prices. I basically can't afford a decent home in Williston. I had a nice home in Fargo before we moved here and we are really starting to miss that.

The impact funding and housing assistance have been crucial to my family's quality of life. It's made it possible for us stay in Williston and not regret being here. Williston has been good for us and we've put down some roots here. It would be hard to leave but if we can't find an affordable home soon, we may have to. The extra money has been very helpful and we appreciate the effort put forth to make us eligible for. I believe without the assistance, we would have probably attempted to leave already. **– 3 year trooper in Williston, receives rental assistance and oil patch differential funding.**

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The inflated costs of this region pose a grand threat to exceptional loss in real estate investment. Based off of the current energy impact situation and fluctuation I would not be confident in investment, a necessary key to grounding myself in this location. Renting short term is a very viable option considering the rental assistance provided by the department. Apartment living however is a temporary residential situation, and is limited in the time I am willing to spend in this location for the unforeseen future.

This is a time sensitive issue. I will do my duty out here for a number of years. If I am unable to transfer, or am denied a transfer for such a number of years, then yes the over inflated, energy impacted economy out here could drive me to find other occupational opportunities.

Groceries are elevated in cost, generally a few extra hundred dollars a month. Rent is roughly 3x the cost that I have previously paid for in other areas of the state. Commodities can sometimes be difficult to come by, and services are increased in cost and are more difficult to receive. Dental, clinical checkups take weeks to months in advance to schedule, vehicle repairs and maintenance, also take weeks to months in advance to schedule.

I could not afford to live out here without housing assistance. Costs are just too high with respect to my salary. I have no qualms with my salary, as my pay is very respectable, however prices are overly inflated in this region. With housing assistance I am able to afford a normal 1 bedroom apartment. This apartment is not large, and exceptional in any way, but with rental assistance I was able to afford a decent, respectable abode. Without housing assistance, I would be lucky to afford to rent a finished basement. – **1 year trooper in Dickinson receiving rental assistance**

I went to college in Fargo, ND and rented a 3 bedroom, two bathroom apartment. The cost was only $1000 per month and I got two parking spaces in a parking garage. After moving out to Williston, I pay $1300 a month for a two bedroom, one bathroom apartment and have one assigned parking spot out in the parking lot. Prices for food are more expensive out in Williston. Going out to eat, prices are nearly doubled than from Fargo, ND. Purchases groceries are even more expensive. I am purchasing the same amount of groceries as when I was in Fargo, ND and the cost in almost 3 times that of Fargo, ND. Cost for utilities is more expensive. In my 3 bedroom, 2 bathroom apartment in Fargo, I was paying nearly 100 dollars for everything including cable and internet. In Williston, I pay nearly $300 per month for everything. Prices for houses are the major factor. In Fargo, houses that I would look at would be approximately $180,000-$250,000 for a 3 bedroom, two bathroom home with a 3 car garage. In Williston for a house like this, it would cost at least $38,000,000. Vehicle insurance is nearly 4 times that of what I paid in Fargo, ND. While in Fargo, I paid $25 dollars a month, in Williston, I would have to pay $100 a month with a clear record. I was able to bring it down due to defensive driving courses and clear record. Health Preventive care is more expensive including dentist, doctor visits and eye care. Vehicle maintenance is more expensive. In Fargo, ND I would pay $40 dollars

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for a synthetic oil change. In ND, for a simple oil change, it can be from $60-$70. Fuel prices are more expensive. The last time I checked, there was 30 cents different in fuel prices compared to Fargo, ND than Williston, ND.

The funding and housing assistance has made it somewhat easier to live in the area. I am able to have an apartment, even though, would prefer to live in a house. With prices for everything being expensive in the area, the cost has help cut some high burdens and I am able to live in the area, but unable to experience some benefits of owning own home. – 1 year trooper in Williston

The cost of living in an energy impacted area is significantly higher. Groceries, utilities, and general necessities for basic living are practically double those of non impacted areas.

Groceries are at least 150% higher than in non- energy impacted areas.

The impact funding and housing assistance has enabled me to become much more involved with the NDHP and promote into a supervisor position. Without the funding and housing assistance it wouldn't have been possible for me. – **Supervisor in Williston took a promotion to move to the area, 8 year employee receiving rental assistance and oil patch differential funding.**

I came from the Twin Cities area. Even in an area such as the cities I was only paying 800 for a 1 bedroom apt. Since coming here gas, groceries, and utilities have doubled that of living in the twin cities.

I would like to reside here for a long time; however assistance in buying a home would solidify me here.

The programs are important for me because I would not be able to sustain a good quality of living here. If I did not have the assistance I would have meager living at best and would not be able to stay in Williston. I would be living paycheck to paycheck in a profession that is dangerous and demanding. One needs a quality of off duty life to be able to maintain this career. – **1 year trooper, Williston receiving rental assistance and oil patch differential funding.**

The cost of living is higher here than anywhere else. Almost everything from housing to fuel to groceries is more expensive than anywhere else. I could move to Bismarck, lose my energy impact fund, and make more money.

These funds have kept troopers in Williston. I have personally seen troopers remain longer than they would have if the funds did not exist. I would consider leaving the department and going to work in the private sector for considerably more money and less stress if these funds are dropped. **- Supervisor in Williston, 10 year employee receiving oil patch differential funding.**

1-22-15
#6

Testimony to the
Senate Appropriations Committee
January 22, 2015
By the North Dakota Association of Counties
Terry Traynor, Assistant Executive Director

RE: Senate Bill No. 2015 – OMB Budget/Public Guardianship Funding

Mr. Chairman and members of the committee, I would like to speak on behalf of county officials in support for the funding for public guardianships contained in the OMB Budget.

In response to the previous interim study of guardianship issues by the Legislature's consultant, Dr. Winsor Schmidt, the 2013 Legislature began a process of reforming the Public Guardianship/Public Administrator system. The haphazard and unequally funded "system" of public guardianships throughout the State was set on a course for greater uniformity, better training, and limited but consistent funding.

For those that may be unfamiliar with public guardians, they are really no different than private guardians in their duties and responsibilities, but they are assigned by the State Court when no family member, friend or acquaintance is available or willing to serve. Oftentimes the wards served by public guardians also lack the financial resources for the compensation of the guardian's time.

With a goal of 100% state funding to support those guardianships appointed for truly indigent individuals, the 2013 Legislature proposed a two-year, phased-in, cost-share where counties would pay one-half the cost of public guardianships that were established prior to the current biennium, and the state would fund the other half of those existing cases and 100% of all newly established public guardianships. The conference committee discussed this funding plan as a necessary transitional step toward full state funding in the 2015-2017 biennium.

The 2013 Legislature made an $828,600 appropriation to OMB, which would be available for payments to public guardians if the counties would provide matching funds, with no county contributing funds in excess of 1/10 of a one mill. The

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counties, through a joint powers agreement, agreed to contribute half of the match from their CY2014 budgets and the other half from their CY2015 budgets.

An oversight committee, consisting of OMB, DHS, the State Court Administrator, NDACo, and a representative of the public guardians, developed reimbursement guidelines consistent with the appropriations bill. These guidelines were quite straightforward – the ward must be enrolled in Medicaid and/or have an income less than 100% of poverty, AND the guardian must be taking no fees from the ward.

NDACo agreed to collect the county matching funds, combine it with the state appropriated dollars, and process the reimbursement requests through a county web portal.

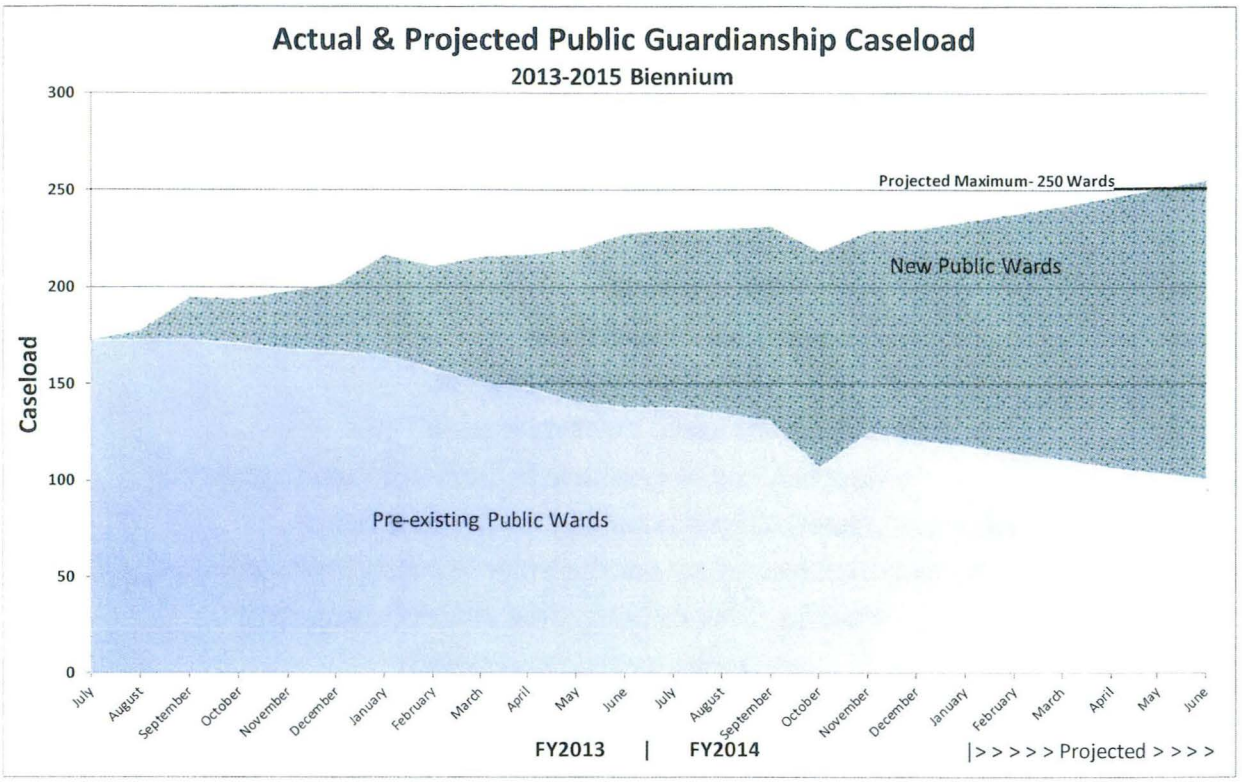
The appropriation and county match together, was calculated to provide sufficient funding for a statewide caseload beginning at 164 and growing to 250 by the end of the biennium - assuming a reimbursement rate of $7.50/day for the first fiscal year of the biennium and $8.33/day for the second fiscal year.

NDACo has subsequently provided monthly reimbursements to 5 corporate and 5 individual guardians. The actual funded caseload has grown from 173 wards at the start of the biennium, to 233 for the month of December 2014. Several charts are attached to characterize the wards for the committee's information.

Each month there are wards that are no longer supported – for various reasons but most often they pass away. The number of new wards assigned a public guardian by the State Court each month, however, increase at a faster rate. Over the 18 months of the program, the average net increase in eligible public wards has been 4 per month. Right now we are projecting that the caseload will come in at 255 for June 2015, however the funding need will be slightly below the available revenue.

The inclusion in the OMB budget, consistent with legislative intent, of the 100% State funding, is very much appreciated, and very much supported. I would point out however, this funding level will allow for no net caseload growth and no adjustment of the daily rate for the public guardians.

6.2



I would also point out that the reimbursement rates are also well below the $10.93/day and $11.24/day recommended for the current biennium by the Legislature's consultant.

Based on the current caseload growth, we have projected the costs for the upcoming biennium at the current rates, and with 4% annual rate increases – similar to what I understand is being considered for human service contracts.

Based on this, I would respectively request consideration of a $308,013 increase to the guardianship appropriation contained in the budget.

Thank you, Mr. Chairman and committee members, for this opportunity to support this important funding.

2015-2017 Funding Need Projections

Based on Caseload Data through Dec. 2014

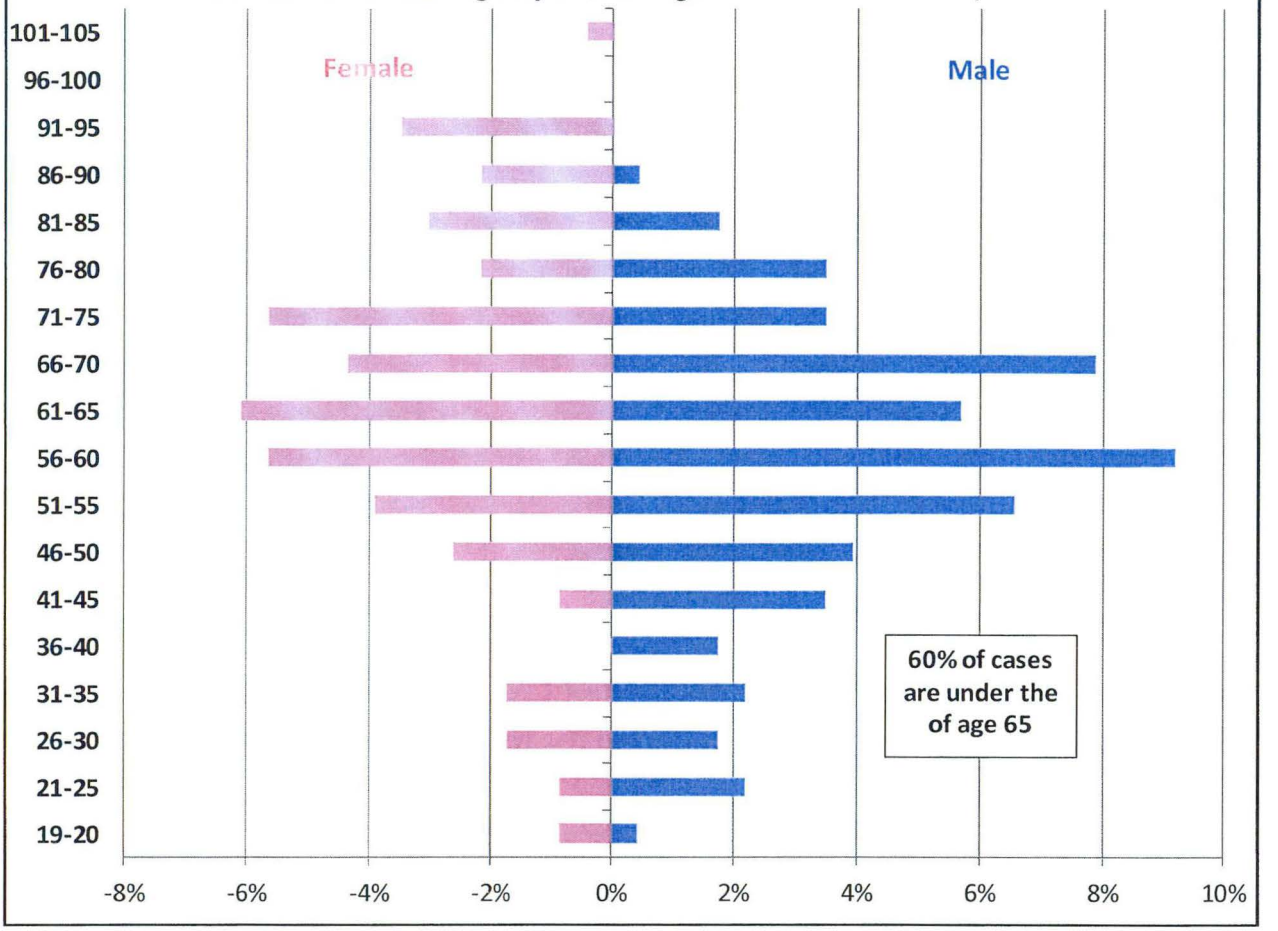
	Caseload Projections	No Rate Change	4% per year Rate Change
Jul-15	259		
Jun-16	306	$ 848,094	$ 882,018
Jul-16	311		
Jun-17	357	$ 1,001,474	$ 1,083,195
	Biennial Total	$ 1,849,568	$ 1,965,213

Executive Budget	$ 1,657,200	$ 1,657,200
Difference	$ 192,368	$ 308,013

6.3

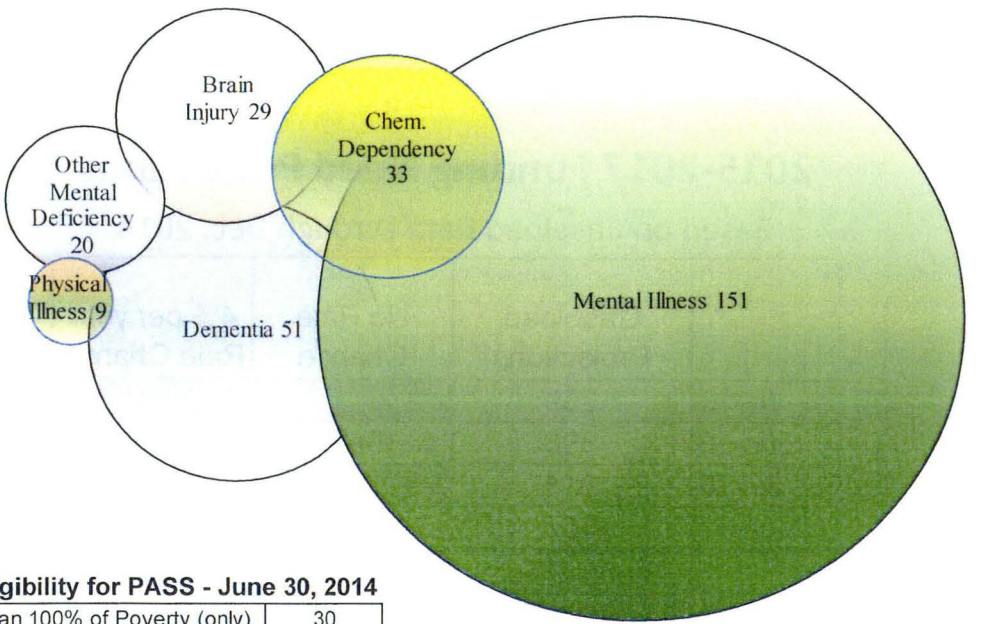
Indigent Individuals with Public Guardians (PASS)

Caseload Percentage by 5-Year Age Cohort on June 30, 2014



Indigent Individuals with Public Guardians (PASS)

Distribution by Reason for Guardianship - June 30, 2014



Caseload Eligibility for PASS - June 30, 2014

Income Less than 100% of Poverty (only)	30
Medicaid Eligibile (only)	38
Both Medicaid and Income Eligible	161

SB 2015
#7
1-22-15

FRIENDS OF
LAKE SAKAKAWEA

P.O. Box 303 Glenview, North Dakota 58540 friends@lakesakakawea.com www.lakesakakawea.com

Senate Appropriations Committee

In Support of SB2015

Michael H. Gunsch, Vice Chairman
Phone 701-527-2134 (cell)

Chairman Holmberg and members of the committee, I'm Michael Gunsch, Vice Chairman of the Friends of Lake Sakakawea (FOLS) and a registered professional engineer in North Dakota. Funding to construct and improve roadways to recreational, tourist and historical sites in North Dakota is inadequate to meet current and future needs, and has been for a number of years.

The North Dakota Special Roads Fund, created under the ND Century Code 24-02-37 and 24-02-37.2, is an excellent vehicle to receive, review and provide funding for needed recreational roadway projects. However, available funding cannot begin to meet current needs. In the 2013/2014 funding cycle there were $1.9 million in requests with only $345,000, just over 18% being funded. The Special Roads Funds Committee currently limits funding to a $250,000 maximum, based on a 60% participation in construction costs. At these funding levels you can't construct much, and larger projects cannot begin to be funded.

The interest and use in recreation areas around North Dakota has dramatically increased in recent years. As you can see from the information we provided, residential fishing licenses were up 20 percent, and non-residents are also enjoying these recreational opportunities. There were around 3,500 non-residents who purchased 10 day licenses, up 24 percent from the prior year. In addition 16,000 non-residents bought annual fishing licenses, up 18 percent from the year before. As our state's population has and continues to grow, so has the interest and need for recreational opportunities.

Outdoor recreation is the number one reason people visit our state, according to a study commissioned by the North Dakota Tourism Department. Whether we're accommodating residents or non-residents to fish, boat, hike, hunt, *we have an obligation as promoters our state* to provide them with a positive experience. This is becoming increasing difficult as roadways to our recreation sites deteriorate with increased use.

Although I'm here representing the Friends of Lake Sakakawea, our efforts support statewide recreational road improvements. Our organization sees the big picture, like when we were the first recreational stakeholder organization to support the Red River Valley Water Supply project. We recognized the importance of using the Missouri River water supply for municipalities, irrigation and hydropower, and made our position known. The recreational roadway needs around Lake Sakakawea alone are estimated at around $84 Million, and the state-wide need is far greater. The $5 million is just a beginning, and considerably more is necessary, if we are going to move forward.

While we greatly appreciate the $5 million allocation into the Special Roads Fund; we also recognize the greater need and would appreciate the Committee's consideration of additional resources, up to $20 Million, for this biennium. If we receive just $5 million every two years, it would take more than 30 years to address the current needs.

7.1

FRIENDS OF
LAKE SAKAKAWEA

P.O. Box 309 · Garrison, North Dakota · 58540 · friends@lakesakakawea.com · www.lakesakakawea.com

Reconomics: Investment in Recreation = A Strong Economy

Hunting and fishing generated gross business volume of $1.4 billion in 2011.

- Hunting and fishing activities in North Dakota generated nearly $634 million in direct expenditures.
- Expenditures for open water fishing generated the most spending with $384.6 million – that's 61 percent of all resident and non-resident hunting and fishing expenditures in the state.
- The secondary economic effects of hunting and fishing generated nearly $727 million.
- Taking the direct and secondary economic effects of hunting and fishing in North Dakota, the gross business volume was estimated at $1.4 billion in 2011 and 2012.

(Source: Hunter and Angler Expenditures, Characteristics, and Economic Effects, North Dakota, 2011-2012; January 2013; NDSU Department of Agribusiness and Applied Economics)

Fishing licenses sales were up significantly in 2014 over sales in 2013.

- Exactly 35,019 residential fishing licenses were sold last year – almost 20% higher than in 2013.
- Non-resident three-day licenses were up 10% (12,397).
- Non-resident ten-day licenses were up a whopping 24% (3,452).
- Non-resident annual fishing licenses were up 18% (16,344).

(Source: North Dakota Game & Fish Department)

Outdoor recreation is the number one reason people take trips to North Dakota.

- The most recent study, conducted in 2012, by Strategic Marketing and Research, Inc. (SMARI), on behalf of the North Dakota Tourism Department, shows that outdoor recreation is the number one draw for tourists.
- In fact, 11% of overnight guests to North Dakota participated in fishing. Four percent (4%) stated they were motivated to make their trip to North Dakota entirely because they wanted to fish.
- Among day trip travelers the numbers are even stronger with 15% participating in fishing and 8% who were motivated to fish.

(Source: SMARI North Dakota Visitor Profile Report 2012)

7.2

House Appropriations, Government Operations Division
Testimony in support of HB 2015
Kelly Sorge, Indian Hills Resort, Garrison ND.
January 13, 2015

8

Good morning Chairman Holmberg and member of the Senate Appropriations Committee. I'm Kelly Sorge, owner of Indian Hills Resort. If you haven't been there, it's a beautiful spot nestled in lush hills, offering fantastic fishing and rich experiences.

That being said, first impressions are lasting and irreplaceable. I spend thousands of dollars and countless hours on advertising our beautiful oasis on the lake. Our resort offers fantastic camping, lodging, newly constructed world class mountain bike trails and North Dakota hospitality.

The first experience for our guests after traveling several hours or hundreds of miles is a primitive country road full of washboards and loose rock. A couple miles of travel on this road with campers and boats is often a battle with dust, potential damage to trailers and spilled cupboard goods. It can actually be quite embarrassing at times.

Our location is not the only one at the end of roads that need improving. I believe we have the opportunity to provide a better experience and we all want to be proud of our state in the eyes of our out of state guests.

Please support $5 million for the Special Roads Fund.

8.1

Monday, January 19, 2015

McKenzie Bay Marine Club
c/o 635 Oak Street
Dickinson, ND 58601
701.483.1447

Senate Appropriations Committee
Chairman Holmberg and Committee Members
In Support of SB 2015

Chairman Holmberg and Committee Members,

I am writing on behalf of the McKenzie Bay Marine Club in support of SB 2015 to provide $50 $5 million for the NDDOT Special Roads Fund for recreational access roads.

The McKenzie Bay Marine Club provides for the McKenzie Bay Recreation Area, the only full service recreation area along the southwestern shores of the Little Missouri River and Lake Sakakawea. The marina has full facilities for the public including concessions, food, fuel, bait, camping sites, boat ramps, sewage disposal, garbage disposal and a fish cleaning station. This facility and its' access to the lake is vitally important to thousands of recreationists and campers annually. In addition, there are over 300 seasonal homes that use these services including the lake communities of McKenzie Bay, Elmer's Point and Mosset Bay.

Road improvements and maintenance of the bay's access roads and campsite roads are the single largest expense of the McKenzie Bay Marine Club and their project partners. ***Since 1996, road improvement costs for lake access roads at McKenzie Bay have totaled $1.9 million.***

Access to Lake Sakakawea has been a huge issue since the dam was built and the area flooded. Terrain is unstable and hilly. Construction in these remote areas is very costly and those costs have risen even more due to energy development. The inclusion of the Corp of Engineers, land owners and the Three Affiliated Tribes in the implementation of road access projects is always challenging. For over five decades, the McKenzie Bay Marine Club has worked through many obstacles to improve access to Lake Sakakawea at McKenzie Bay.

It is also important to note that some private lakeside camping areas in western North Dakota have converted recreation facilities to long-term energy related camping and RV sites. In a 2013 McKenzie County community planning session, residents agreed diminishing access to Lake Sakakawea has affected their quality of life.

Funding SB 2015 is the best avenue towards the long-range sustainability of recreation areas. We sincerely appreciate your partnership, support and endorsement of SB 2015.

Shirley Brentrup

Shirley Brentrup, Secretary

SB 2015
#10
1-22-15

NORTH DAKOTA
D M R
Department of Mineral Resources

Senate Bill 2015
Senate Appropriations Committee
January 22, 2015

Testimony of Lynn D. Helms, Director

The North Dakota Industrial Commission – Department of Mineral Resources – Oil and Gas Division has field offices located in Dickinson, Williston, and Minot.

Before funding was made available for housing rental assistance and temporary salary increases, recruiting and retaining employees in areas affected by energy development was difficult. We experienced two potential hires that declined job offers simply due to the inability to find affordable housing in Williston. Since the funding has been made available, we have been able to recruit new employees, and retain current employees affected by the rising cost of living in the energy development areas, including two in that same city.

The Department of Mineral Resources has eight (8) employees that have received housing assistant funding. Some examples of how the oil patch differential and the housing allowance has greatly helped include:

An employee in Minot was living in a $700/month basement sleeping room with a shared bathroom and no cooking facilities. He was evicted due to the sale of the property. Because of the housing assistance he was able move into the lowest cost one bedroom apartment he could find - $1200/month in an older existing 49 unit complex.

An employee in Dickinson experienced a 90% in increase in rent this past fall (from $950 to $1800/month). A search for more affordable housing found nothing available. Because of housing assistance, we retained the employee as they did not have to move out of state.

10.1

Two employees in Williston that are receiving housing assistance are living in the lowest cost best rate they could find. Both are in a one bedroom, one bath apartment and paying heat and electricity. Without the housing allowance they could not afford the $1200-$1800/month rates.

During Oil and Gas Division interviews earlier this week, both potential employees inquired about housing allowance and differential pay. This shows that it is a continuing concern for those seeking employment in the energy impacted areas.

Mr. Chairman and members of the Senate Appropriations Committee, the North Dakota Industrial Commission urges a do not pass for the Senate Bill 2015 Energy Impact funding Pool.

District Field Office Housing Survey

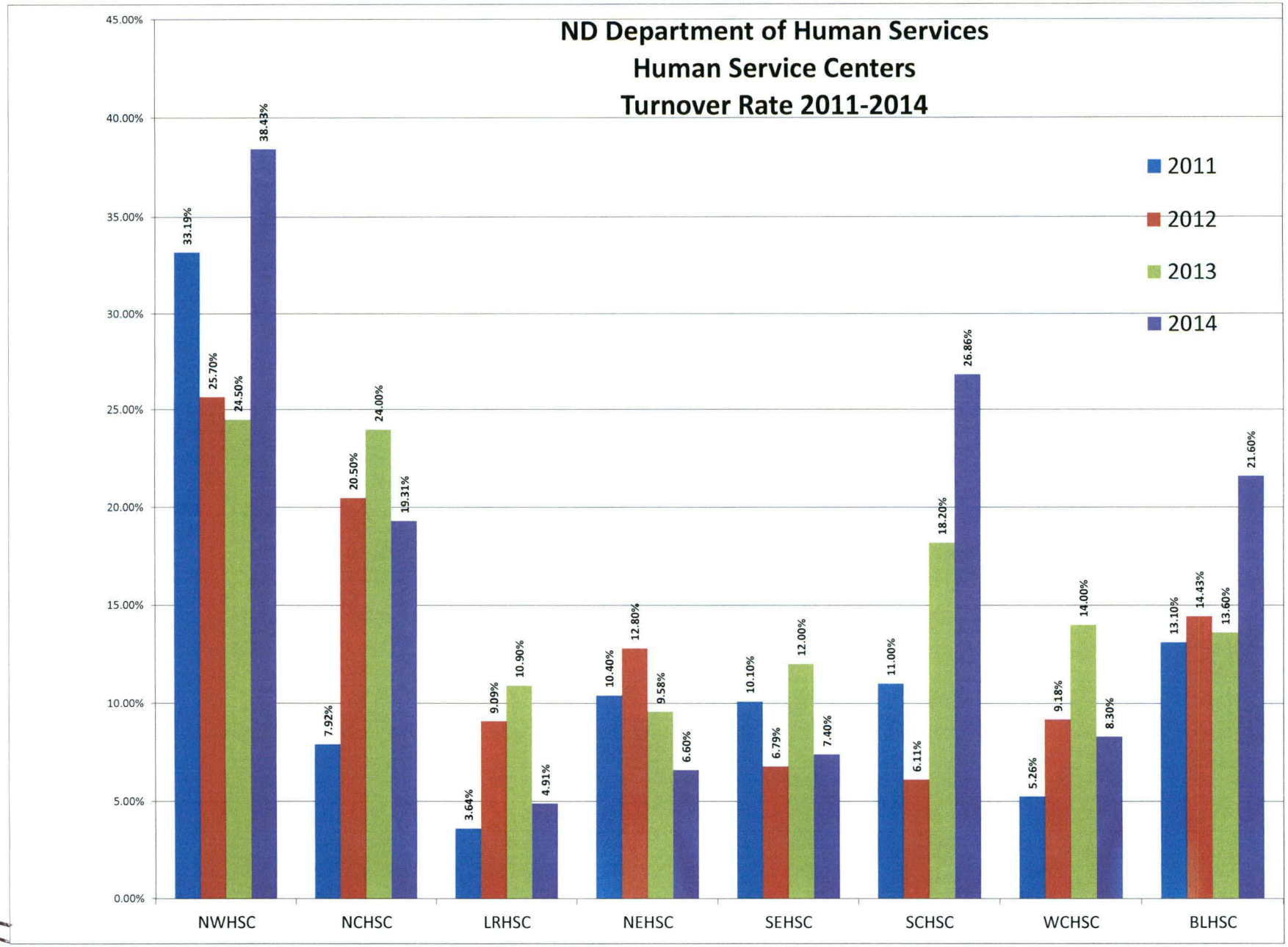
Dickinson	2006	2012	Mar-2013	Nov-2013	Jun-2014
Housing Cost (existing)	$75,000.00	$150,000.00	$150,000.00	$150,000 - $300,000	$175,000 - $450,000
New Construction	$170,000.00	$177,000.00	$222,000.00	$225,000 on up	$245,000 and up
Apt Rental / month	$600.00	$3,000.00	$2,400.00	$2,600	$2,700
Hotel rates / night	$69.00	$189.00	$165.00	$160.00	$160.00
			Govt rate sometimes available		

Anecdotal: recent hires include $1700 for one bedroom and another purchased older home for $225.000

Williston	2006	2012	current		
Housing Cost	$78,000.00	$155,000.00	$225,000.00	$225,000 - $275,000	$275,000
New Construction	$150,000.00	$256,000.00	$290,000.00	$300,000	$300,000
Apt Rental (old existing)	$450.00	$1,100.00	$1,500.00	$1,500	$1,500
Apt Rental (new)	$600.00	$2,450.00	$3,000.00	$3,000	$3,000
Hotel rates	$65.00	$165.00	$132.00	Gov rate - $200	Gov rate - $200
			Gov rates sometimes available		

Minot	2006	2012			
Housing Cost	$127,000.00	$176,000.00	$185,000.00	$185,000	$185,000
New Construction	$149,860.00	$207,680.00	$218,300.00	$220,000	$220,000
Apt Rental / month	$670.00	$965.00	$1,250.00	$1,100	$1,100
Hotel rates / night	$70.00	$118.00	$107.00	$106	$91

10.2



Prepared by DHS HR Division
January 16, 2015

SB 2015
#12
1-22-15

SENATE APPROPRIATIONS COMMITTEE
January 22, 2015 - 9:30 a.m. – Harvest Room

North Dakota Department of Transportation
Darcy Rosendahl, Deputy Director

SB 2015

Mr. Chairman and members of the committee, I'm Darcy Rosendahl, Deputy Director for the North Dakota Department of Transportation (DOT). I'm here in support of the Energy Development Impact Funding Pool which is contained in OMB's budget. That funding pool is essential for the Department to retain existing employees and assist in recruiting new employees.

We have been granted appropriation authority for $3,383,180 of Oil Impact Salaries and $426,054 of Oil Impact Rental Assistance for this biennium.

We currently have 16 vacancies in western North Dakota. In the Williston District we have 67 budgeted positions and since the energy industry expanded in the area, we have averaged 10-15 vacancies a month.

Our greatest employment challenges are equipment operators, mechanics, and engineering positions. Some examples of the challenges we face in hiring are listed below:

- A DOT equipment operator's starting salary is equivalent to $16.18/hour. Recent ads for drivers for other companies in the Williston area show a minimum hourly rate of $20-$27 per hour with comparable benefit packages. The current oil patch add-on for equipment operators in the Williston District adds $4.33/hour bringing our starting pay to $20.51/hour. We are still at the very low end even with the oil patch add-on.

- A DOT mechanic's starting salary is equivalent to $18.46/hour. Recent ads for mechanics for other companies in the Williston area show a minimum hourly rate of $28 - $36 per hour with comparable benefit packages. The current oil patch add-on for mechanics in the Williston District adds $4.33/hour bringing our starting pay to $22.79/hour. Even with the add-on we are not at the lower end of what others are paying. We have two mechanic positions vacant in our Williston District. One position has been vacant for two years and the other for one year. We recently issued an RFP to procure the services of a vendor to come into our Williston shop and provide mechanic services. We had no responses to the RFP. We have had to implement a roving mechanic position where one of our mechanics drives to Williston to assist with the mechanic duties.

- Currently 5 of the 9 engineering positions in the Williston District are vacant. We have temporarily assigned employees from other districts to give added support.

The DOT currently has 24 employees utilizing the rental assistance program. Without this program we definitely would have lost some employees and would not have been able to hire some of the new employees we did acquire. The average rent for a two-bedroom apartment in Williston is $2515/month. We hire an equipment operator at $2805/month so you can see the necessity of this program. Without it, current employees that are renting, or new employees we hire, would not be able to afford to live in Williston with the salaries we can offer.

Thank you. That concludes my testimony. I'd be happy to answer any questions you may have.

Prepared by the North Dakota Legislative Council staff for Senate Appropriations
January 23, 2015

SB 2015
2-17-15
#1

Department 110 - Office of Management and Budget
Senate Bill No. 2015

Executive Budget Comparison to Prior Biennium Appropriations

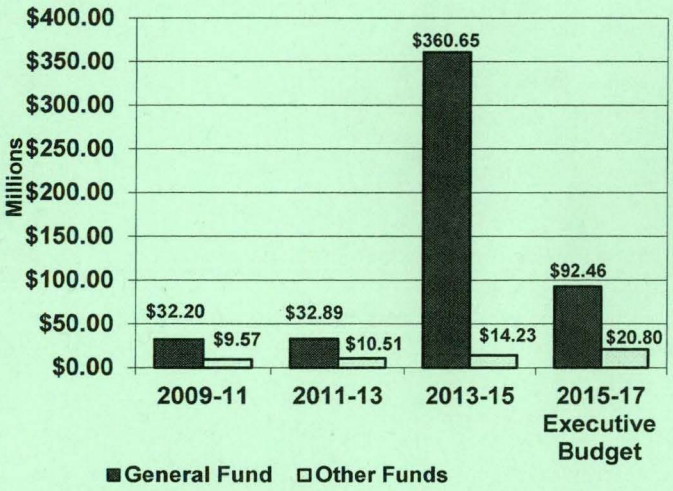
	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	122.50	$92,464,958	$20,802,718	$113,267,676
2013-15 Legislative Appropriations	130.50	360,646,688	14,230,630	374,877,318
Increase (Decrease)	(8.00)	($268,181,730)	$6,572,088	($261,609,642)

NOTE: The amounts shown for the 2015-17 executive budget do not include a transfer of $904,115,558 from the general fund to the highway fund and a transfer of $5,000,000 from the general fund to the special roads fund for total transfers of $909,115,558 from the general fund included in Senate Bill No. 2015.

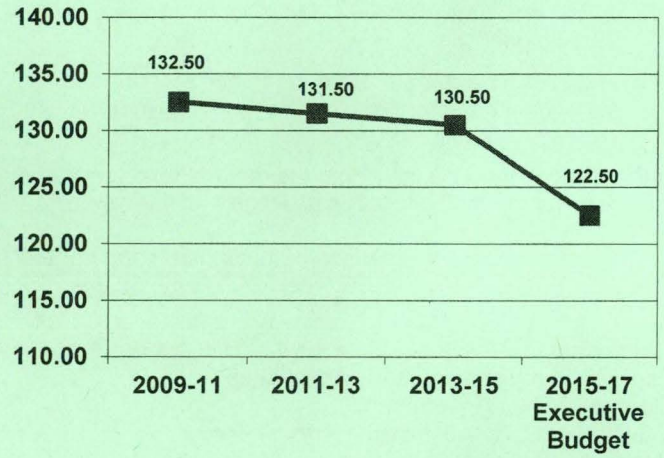
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	$34,809,958	$57,655,000	$92,464,958
2013-15 Legislative Appropriations	31,746,688	328,900,000	360,646,688
Increase (Decrease)	$3,063,270	($271,245,000)	($268,181,730)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2015-17 Executive Budget	$92,464,958	$20,802,718	$113,267,676
2015-17 Base Level	31,746,688	8,730,630	40,477,318
Increase (Decrease)	$60,718,270	$12,072,088	$72,790,358

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which $959,935 relates to performance increases, $136,226 is for market equity adjustments, $509,504 is for health insurance increases, and $98,111 is for retirement contribution increases	$1,423,498	$280,278	$1,703,776
2. Increases funding for facility management relating to heat pump, carpet replacement, and other maintenance projects	$2,425,009	$0	$2,425,009
3. Adds funding for central services equipment	$0	$200,000	$200,000
4. Increases funding for utility rate increases	$650,000	$0	$650,000

5. Increases funding for Prairie Public Broadcasting from $1,937,138 to $2,300,000	$362,862	$0	$362,862
6. Increases funding for guardianship grants to counties to provide total grant funding of $1,657,200	$828,600	$0	$828,600
7. Adds **one-time funding** for mailroom equipment upgrades	$30,000	$0	$30,000
8. Adds **one-time funding** for Governor's residence security enhancements	$175,000	$0	$175,000
9. Adds **one-time funding** for the student internship program for a total of $250,000	$50,000	$0	$50,000
10. Adds **one-time funding** for mechanical upgrades in the Heritage Center	$600,000	$0	$600,000
11. Adds **one-time funding** for Prairie Public Broadcasting projects	$1,500,000	$0	$1,500,000
12. Adds **one-time funding** to upgrade Capitol elevators	$1,400,000	$0	$1,400,000
13. Adds **one-time funding** for Capitol entrance and building identification signs	$1,400,000	$0	$1,400,000
14. Adds **one-time funding** for repairs to the west parking lot	$1,300,000	$0	$1,300,000
15. Adds **one-time funding** to renovate and expand the Liberty Memorial Building to house the Supreme Court	$40,000,000	$0	$40,000,000
16. Adds **one-time funding** for a health insurance pool for temporary employees	$5,000,000	$5,000,000	$10,000,000
17. Adds **one-time funding** for a state agency energy impact funding pool	$6,200,000	$8,500,000	$14,700,000
18. Provides for a transfer from the general fund to the highway fund for enhanced state highway investments (not reflected in totals on Page 1 of this report)	$904,115,558	$0	$904,115,558
19. Provides for a transfer from the general fund to the special roads fund (not reflected in totals on Page 1 of this report)	$5,000,000	$0	$5,000,000

The following is a comparison of funding from the general fund for statewide dues and memberships:

Statewide Dues and Memberships		
	2013-15 Biennium	**2015-17 Biennium**
Commission on Uniform State Laws (This budget includes travel costs, conference registration, and annual dues.)	$145,000	$145,000
Council of State Governments	188,000	188,000
Governmental Accounting Standards Board	6,000	6,000
Western Governors' Association	74,300	74,300
National Governors Association	81,500	81,500
National Lieutenant Governors Association	1,200	1,200
Education Commission of the States	115,000	115,000
Total dues and memberships	$611,000	$611,000

Other Sections in Bill

Property tax relief sustainability fund transfer to general fund - Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.

Strategic investment and improvements fund transfer to general fund - Section 4 provides for a transfer of $700 million from the strategic investment and improvements fund to the general fund during the 2015-17 biennium.

General fund transfer to highway fund - Section 5 provides for a transfer of $904,115,558 from the general fund to the highway fund during the 2015-17 biennium.

General fund transfer to special roads fund - Section 6 provides for a transfer of $5 million from the general fund to the special roads fund during the 2015-17 biennium.

Community service supervision grants - Section 7 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.

Unexpended appropriation continuation - Section 8 provides that amounts appropriated to the Fiscal Management Division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.

State internship program - Section 10 authorizes the Human Resource Management Services Division to transfer funds appropriated for the state student internship program to other agencies.

State agency energy development impact funding pool - Section 11 authorizes the Human Resource Management Services Division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.

Temporary employee health insurance pool - Section 12 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.

State employee compensation transfers - Section 13 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the energy development impact funding pool.

State employee compensation adjustments - Section 14 provides legislative intent that funding provided for state employee salary increases be used to provide 3 to 5 percent annual performance compensation adjustments and up to 2 percent annual market equity adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and equity and employees whose documented performance does not meet standards are not eligible for compensation adjustments. Market equity adjustments are to be provided to employees below their respective market policy point.

Management of school fund - Section 15 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.

Continuing Appropriations

Risk management fund - Chapter 32-12.2 - Risk fund used to timely settle claims and lawsuits.

Risk management workers' compensation fund - Section 65-04-03.1 - Provides workers' compensation for state employees.

Human Resource Management Services training fund - Section 54-44-11 - State personnel training and development operating fund.

Capitol building fund - Chapter 48-10 - Income and interest of the fund may be used for Capitol grounds projects approved by the Capitol Grounds Planning Commission. The continuing appropriation amount is limited to 50 percent of the unencumbered balance of the fund on the first day of the biennium subject to a maximum amount of $175,000.

Preliminary planning revolving fund - Section 54-27-22 - Preliminary planning revolving fund for state agencies to study and plan for capital projects.

Postage revolving fund - Chapter 48-06 - Used to purchase postage for postage machines in central mailroom.

Indigent civil legal services fund - Section 54-06-20 - Used for distributions to legal services programs that provide civil legal assistance to indigent individuals.

State purchasing operating fund - Section 54-44-11 - Used for the procurement and maintenance of an equipment and supply inventory for state agencies.

Significant Audit Findings

The operational audit of the Office of Management and Budget conducted by the State Auditor's office for the biennium ending June 30, 2013, included a significant audit finding related to a lack of independent reconciliations in the Surplus Property Division.

Major Related Legislation

Senate Bill No. 2051 - Removes the Office of Management and Budget's authority to exempt agencies from the use of electronic mail, file and print server administration, database administration, application server, and hosting services.

Senate Bill No. 2190 - Provides for the Office of Management and Budget to transfer funds from the abandoned oil and gas well plugging and site reclamation fund to the environmental quality restoration fund.

House Bill No. 1033 - Requires the Office of Management and Budget to determine the amount equal to 15 percent of the principal balance of the legacy fund in accordance with Article X, Section 26, of the Constitution of North Dakota.

House Bill No. 1034 - Clarifies the use of the foundation aid stabilization fund and budget stabilization fund for state school aid payments in the event of a general fund revenue shortfall.

House Bill No. 1053 - Requires all state agencies to obtain centralized desktop support services from the Information Technology Department, except the legislative and judicial branches and other large state agencies, based on the results of a hardware relocation and consolidation study.

House Bill No. 1085 - Requires the Office of Management and Budget to report to the Budget Section on the amount of federal funds appropriated by the Legislative Assembly and the amount of federal funds received by state agencies.

Office of Management and Budget - Budget No. 110
Senate Bill No. 2015
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	130.50	$31,746,688	$8,730,630	$40,477,318
2015-17 Ongoing Funding Changes				
Base payroll changes	(8.00)	($6,614)	($1,477,206)	($1,483,820)
Salary increases - Performance		800,672	159,263	959,935
Salary increases - Market equity		116,021	20,205	136,226
Retirement contribution increase		81,833	16,278	98,111
Health insurance increase		424,972	84,532	509,504
2013-15 biennium funding adjustments		(2,620,085)	(430,984)	(3,051,069)
Facility management projects		2,425,009		2,425,009
Central services equipment			200,000	200,000
Funding for utility increases		650,000		650,000
Prairie Public Broadcasting		362,862		362,862
Increased funding for guardianship grants		828,600		828,600
Total ongoing funding changes	(8.00)	$3,063,270	($1,427,912)	$1,635,358
One-time funding items				
Mailroom equipment upgrades		$30,000		$30,000
Govenor's residence security enhancements		175,000		175,000
Student internship program		50,000		50,000
Mechanical upgrades in Heritage Center		600,000		600,000
Prairie Public Broadcasting projects		1,500,000		1,500,000
Capitol elevator upgrade		1,400,000		1,400,000
Capitol entrance and building signs		1,400,000		1,400,000
West parking lot repair		1,300,000		1,300,000
Expansion of Liberty Memorial Building		40,000,000		40,000,000
Health insurance pool for temporary employees		5,000,000	5,000,000	10,000,000
Energy impact funding pool		6,200,000	8,500,000	14,700,000
Total one-time funding changes	0.00	$57,655,000	$13,500,000	$71,155,000
Total Changes to Base Level Funding	(8.00)	$60,718,270	$12,072,088	$72,790,358
2015-17 Total Funding	122.50	$92,464,958	$20,802,718	$113,267,676

Other Sections in Senate Bill No. 2015

	Executive Budget Recommendation
Property tax relief sustainability fund transfer to general fund	Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.
Strategic investment and improvements fund transfer to general fund	Section 4 provides for a transfer of $700 million from the strategic investment and improvements fund to the general fund during the 2015-17 biennium.
General fund transfer to highway fund	Section 5 provides for a transfer of $904,115,558 from the general fund to the highway fund during the 2015-17 biennium.
General fund transfer to special roads fund	Section 6 provides for a transfer of $5 million from the general fund to the special roads fund during the 2015-17 biennium.

	Executive Budget Recommendation
Community service supervision grants	Section 7 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.
Unexpended appropriation continuation	Section 8 provides that amounts appropriated to the fiscal management division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.
State internship program	Section 10 authorizes the Human Resource Management Services division to transfer funds appropriated for the state student internship program to other agencies.
State agency energy development impact funding pool	Section 11 authorizes the Human Resource Management Services division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.
Temporary Employee Health Insurance Pool	Section 12 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.
State employee compensation transfers	Section 13 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the energy development impact funding pool.
State employee compensation adjustments	Section 14 provides legislative intent that funding provided for state employee salary increases be used to provide 3 to 5 percent annual performance compensation adjustments and up to 2 percent annual market equity adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and equity and employees whose documented performance does not meet standards are not eligible for compensation adjustments. Market equity adjustments are to be provided to employees below their respective market policy point.
Management of school fund	Section 15 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.

2015
2-23-15
#1

Office of Management and Budget - Budget No. 110
Senate Bill No. 2015
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version				Senate Version Changes to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	130.50	$31,746,688	$8,730,630	$40,477,318	130.50	$31,746,688	$8,730,630	$40,477,318	0.00	$0	$0	$0
2015-17 Ongoing Funding Changes												
Base payroll changes	(8.00)	($6,614)	($1,477,206)	($1,483,820)	(8.00)	($6,614)	($1,477,206)	($1,483,820)				$0
Salary increases - Performance		800,672	159,263	959,935		599,321	118,363	717,684		(201,351)	(40,900)	(242,251)
Salary increases - Market equity		116,021	20,205	136,226				0		(116,021)	(20,205)	(136,226)
Retirement contribution increase		81,833	16,278	98,111				0		(81,833)	(16,278)	(98,111)
Health insurance increase		424,972	84,532	509,504		424,972	84,532	509,504				0
2013-15 biennium funding adjustments		(2,620,085)	(430,984)	(3,051,069)		(2,620,085)	(430,984)	(3,051,069)				0
Facility management projects		2,425,009		2,425,009		2,425,009		2,425,009				0
Central services equipment			200,000	200,000			200,000	200,000				0
Funding for utility increases		650,000		650,000		650,000		650,000				0
Prairie Public Broadcasting		362,862		362,862		362,862		362,862				0
Increases funding for guardianship grants		828,600		828,600		1,109,200		1,109,200		280,600		280,600
Increases funding for community supervision grant				0		125,000		125,000		125,000		125,000
Other change				0				0				0
Other change				0				0				0
Other change				0				0				0
Total ongoing funding changes	(8.00)	$3,063,270	($1,427,912)	$1,635,358	(8.00)	$3,069,665	($1,505,295)	$1,564,370	0.00	$6,395	($77,383)	($70,988)
One-time funding items												
Mailroom equipment upgrades		$30,000		$30,000		$30,000		$30,000		$0		$0
Govenor's residence security enhancements		175,000		175,000		175,000		175,000		0		0
Student internship program		50,000		50,000		50,000		50,000		0		0
Mechanical upgrades in Heritage Center		600,000		600,000		600,000		600,000		0		0
Prairie Public Broadcasting projects		1,500,000		1,500,000		1,500,000		1,500,000		0		0
Capitol elevator upgrade		1,400,000		1,400,000		1,400,000		1,400,000		0		0
Capitol entrance and building signs		1,400,000		1,400,000			1,400,000	1,400,000		(1,400,000)	1,400,000	0
West parking lot repair		1,300,000		1,300,000		1,300,000		1,300,000		0		0
Expansion of Liberty Memorial Building		40,000,000		40,000,000				0		(40,000,000)		(40,000,000)
Health insurance pool for temporary employees		5,000,000	5,000,000	10,000,000		2,500,000	2,500,000	5,000,000		(2,500,000)	(2,500,000)	(5,000,000)
Energy impact funding pool		6,200,000	8,500,000	14,700,000		6,200,000	8,500,000	14,700,000		0	0	0
Other one-time funding item				0				0				0
Other one-time funding item				0				0				0
Total one-time funding changes	0.00	$57,655,000	$13,500,000	$71,155,000	0.00	$13,755,000	$12,400,000	$26,155,000	0.00	($43,900,000)	($1,100,000)	($45,000,000)
Total Changes to Base Level Funding	(8.00)	$60,718,270	$12,072,088	$72,790,358	(8.00)	$16,824,665	$10,894,705	$27,719,370	0.00	($43,893,605)	($1,177,383)	($45,070,988)
2015-17 Total Funding	122.50	$92,464,958	$20,802,718	$113,267,676	122.50	$48,571,353	$19,625,335	$68,196,688	0.00	($43,893,605)	($1,177,383)	($45,070,988)

Other Sections in Senate Bill No. 2015

	Executive Budget Recommendation	Senate Version
Property tax relief sustainability fund transfer to general fund	Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.	Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.

	Executive Budget Recommendation	Senate Version
Strategic investment and improvements fund transfer to general fund	Section 4 provides for a transfer of $700 million from the strategic investment and improvements fund to the general fund during the 2015-17 biennium.	
General fund transfer to highway fund	Section 5 provides for a transfer of $904,115,558 from the general fund to the highway fund during the 2015-17 biennium.	
General fund transfer to special roads fund	Section 6 provides for a transfer of $5 million from the general fund to the special roads fund during the 2015-17 biennium.	
Community service supervision grants	Section 7 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.	Section 4 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.
Unexpended appropriation continuation	Section 8 provides that amounts appropriated to the fiscal management division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.	Section 5 provides that amounts appropriated to the fiscal management division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.
State internship program	Section 10 authorizes the Human Resource Management Services division to transfer funds appropriated for the state student internship program to other agencies.	Section 7 authorizes the Human Resource Management Services division to transfer funds appropriated for the state student internship program to other agencies.
State agency energy development impact funding pool	Section 11 authorizes the Human Resource Management Services division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.	Section 8 authorizes the Human Resource Management Services division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.
Temporary Employee Health Insurance Pool	Section 12 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.	Section 9 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.
State employee compensation transfers	Section 13 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the state employee compensation adjustments.	Section 10 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the state employee compensation adjustments.
State employee compensation adjustments	Section 14 provides legislative intent that funding provided for state employee salary increases be used to provide 3 to 5 percent annual performance compensation adjustments and up to 2 percent annual market equity adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and equity, and employees whose documented performance does not meet standards are not eligible for compensation adjustments. Market equity adjustments are to be provided to employees below their respective market policy point.	Section 11 provides legislative intent that funding provided for state employee salary increases be used to provide 2 to 4 percent annual performance compensation adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and employees whose documented performance does not meet standards are not eligible for compensation adjustments.
Management of school fund	Section 15 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.	Section 12 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.

SB 2015
2-23-15
#1

15.8148.01003
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Holmberg
February 20, 2015

PROPOSED AMENDMENTS TO SENATE BILL NO. 2015

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	$19,803,315	$313,779	$20,117,094
Accrued leave	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	5,278,944	7,530,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	828,600	1,657,200
Prairie public broadcasting	1,337,138	1,862,862	3,200,000
State student internship program	200,000	50,000	250,000
Energy impact funding pool	0	14,700,000	14,700,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$27,438,770	$67,916,088
Less estimated income	8,730,630	10,894,705	19,625,335
Total general fund	$31,746,688	$16,544,065	$48,290,753"

Page 2, remove lines 13 through 31

Page 3, replace lines 1 through 3 with:

"Capitol complex parking lot repairs	$4,000,000	$0
Health insurance pool	2,000,000	0
Exterior restoration of legislative and j-wing	1,500,000	0
Repair and cleaning capitol and j-wing	1,200,000	0
Capitol south entrance	1,000,000	0
Prairie public broadcasting	600,000	1,500,000
North Dakota 125th anniversary coordinator	190,000	0
Energy impact funding	8,500,000	0
Transfer to property tax relief	315,210,000	0
Information technology hardware relocation study	200,000	0
Student internship	0	50,000
Facility projects	0	2,205,000
Signage on the capitol grounds	0	1,400,000
West parking lot repair	0	1,300,000
ACA Health Insurance	0	5,000,000
Energy impact pool	0	14,700,000
Total all funds	$334,400,000	$26,155,000
Less estimated income	5,500,000	12,400,000
Total general fund	$328,900,000	$13,755,000"

Page 3, remove lines 14 through 31

Page 4, remove lines 1 and 2

Page 4, after line 2 insert:

"**SECTION 4. ESTIMATED INCOME - CAPITOL BUILDING FUND.** The estimated income line item in section 1 of this Act includes $1,400,000 from the capitol building fund for capitol building entrance and signage projects."

Page 4, line 5, replace "$375,000" with "$500,000"

Page 4, replace lines 10 through 24 with:

"Barnes County	$12,121
Bismarck (urban)	27,057
Bismarck (rural)	14,223
Devils Lake	14,329
Dickinson	16,911
Fargo	32,169
Grand Forks	26,404
Jamestown	18,511
Minot	21,592
Richland County	13,241
Rugby	15,543
Sargent County	10,781
Wells County	10,919
Williston	16,199
Total	$250,000"

Page 6, line 4, replace "three to five" with "two to four"

Page 6, remove lines 5 and 6

Page 6, line 7, remove "employee whose salary is in the second quartile of the employee's assigned salary range"

Page 6, line 12, remove "market and"

Page 6, line 19, after "employees" insert ", excluding employees under the control of the state board of higher education,"

Page 6, line 20, replace "three to five" with "two to four"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Office of Management and Budget - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	$19,803,315	$313,779	$20,117,094
Operating expenses	14,356,788	(150,003)	14,206,785
Capital assets	2,251,065	5,278,944	7,530,009
Grants	430,000	125,000	555,000
Emergency commission contingency fund	700,000		700,000
Prairie public broadcasting	1,337,138	1,862,862	3,200,000
State student internship program	200,000	50,000	250,000
Guardianship grants	828,600	828,600	1,657,200
Accrued leave payments	570,412	(570,412)	
Health insurance pool - temp employees		5,000,000	5,000,000
Energy impact funding pool		14,700,000	14,700,000
Total all funds	$40,477,318	$27,438,770	$67,916,088

1.2

Less estimated income	8,730,630	10,894,705	19,625,335
General fund	$31,746,688	$16,544,065	$48,290,753
FTE	130.50	(8.00)	122.50

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

	Adjusts Funding for Base Payroll Changes[1]	Adds Funding for Salary and Benefit Increases[2]	Adjusts Base Level Funding[3]	Adds Funding for Facility Management Projects[4]	Adds Funding for Central Services Equipment[5]	Adds Funding for Utility Increases[6]
Salaries and wages	($913,409)	$1,227,188				
Operating expenses	1		(800,004)			650,000
Capital assets			(2,251,065)	2,425,009	200,000	
Grants						
Emergency commission contingency fund						
Prairie public broadcasting						
State student internship program						
Guardianship grants						
Accrued leave payments	(570,412)					
Health insurance pool - temp employees						
Energy impact funding pool						
Total all funds	($1,483,820)	$1,227,188	($3,051,069)	$2,425,009	$200,000	$650,000
Less estimated income	(1,477,206)	202,895	(430,984)	0	200,000	0
General fund	($6,614)	$1,024,293	($2,620,085)	$2,425,009	$0	$650,000
FTE	(8.00)	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Prairie Public Broadcasting[7]	Increases Funding for Guardianship Grants[8]	Increases Funding for Community Service Supervision Grants[9]	Adds Funding for One-Time Items[10]	Total Senate Changes
Salaries and wages					$313,779
Operating expenses					(150,003)
Capital assets				4,905,000	5,278,944
Grants			125,000		125,000
Emergency commission contingency fund					
Prairie public broadcasting	1,862,862				1,862,862
State student internship program				50,000	50,000
Guardianship grants		828,600			828,600
Accrued leave payments					(570,412)
Health insurance pool - temp employees				5,000,000	5,000,000
Energy impact funding pool				14,700,000	14,700,000
Total all funds	$1,862,862	$828,600	$125,000	$24,655,000	$27,438,770
Less estimated income	0	0	0	12,400,000	10,894,705
General fund	$1,862,862	$828,600	$125,000	$12,255,000	$16,544,065
FTE	0.00	0.00	0.00	0.00	(8.00)

[1] Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

[2] The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	$599,321	$118,363	$717,684

Health insurance increase	424,972	84,532	509,504
Total	$1,024,293	$202,895	$1,227,188

[3] Base level funding is reduced from the general fund ($2,620,085) and special funds ($430,984) related to the removal of prior biennium project funding.

[4] Funding is increased by $2,425,009 from the general fund for facility management relating to heat pump, carpet replacement, and other maintenance projects.

[5] Funding of $200,000 from special funds is added for central services equipment.

[6] Funding of $650,000 from the general fund is added for utility rate increases.

[7] Funding is added for Prairie Public Broadcasting ongoing operating costs, of which $362,862 is ongoing funding and $1.5 million is one-time funding.

[8] Funding is added for guardianship grants to provide a total of $1,657,200.

[9] Funding is added for community service supervision grants to provide a total of $500,000.

[10] One-time funding is added for the following:

	General Fund	Other Funds	Total
Mailroom equipment upgrades	$30,000		$30,000
Governor's residence security enhancements	175,000		175,000
Student internship program	50,000		50,000
Mechanical upgrades in Heritage Center	600,000		600,000
Capitol elevator upgrade	1,400,000		1,400,000
Capitol entrance and building signs (Capitol building fund)		$1,400,000	1,400,000
West parking lot repair	1,300,000		1,300,000
Health insurance pool for temporary employees	2,500,000	2,500,000	5,000,000
Energy impact funding pool	6,200,000	8,500,000	14,700,000
Total	$12,255,000	$12,400,000	$24,655,000

This amendment includes sections to provide the following:

- A $657 million transfer from the property tax relief sustainability fund to the general fund;
- Guidelines for the distribution of community service supervision grants;
- Carryover authority for funding appropriated in the 2013-15 biennium for the fiscal management division;
- Authorization to transfer funds appropriated for the state student internship program to other agencies;
- Authorization to transfer funds appropriated from the energy development impact funding pool line item to other agencies;
- Authorization to transfer funds to eligible state agencies from the temporary employee health insurance pool;
- Authorization for state agencies to transfer funding between line items for the 2015-17 biennium compensation increases;
- Legislative intent for a 2 to 4 percent annual performance compensation adjustment for state employees; and
- The repeal of Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.

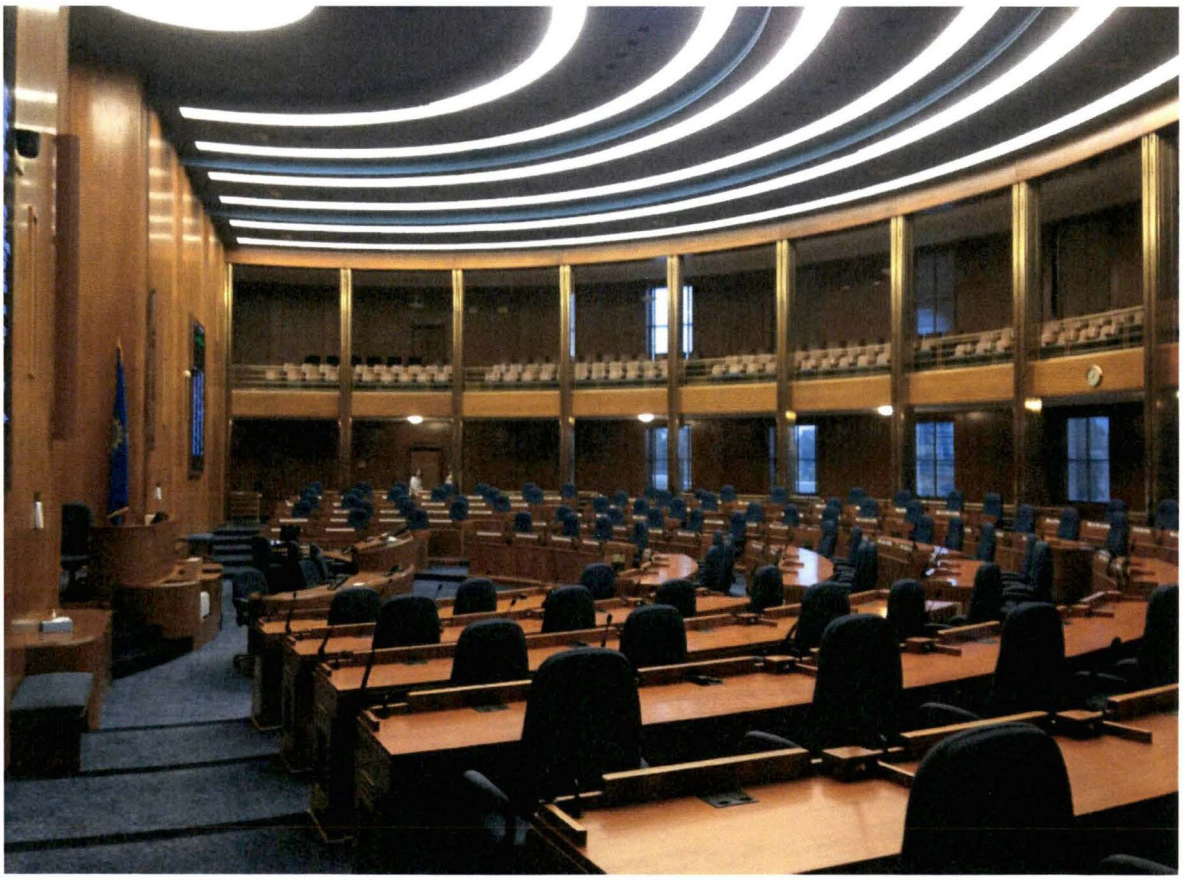
This amendment also removes three sections related to the following transfers:

- $700 million from the strategic investment and improvements fund;
- $904,115,558 from the general fund to the highway fund; and
- $5 million from the general fund to the special roads fund.

SB2015 March 12, 2015 Attachment A

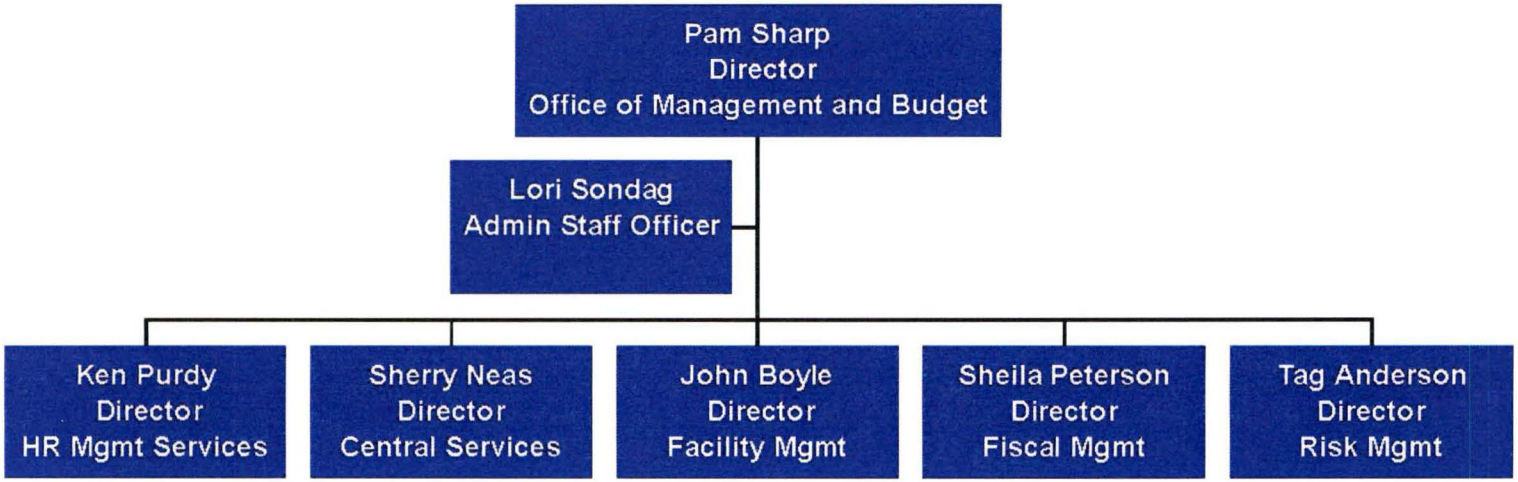
Office of Management and Budget

Testimony on Senate Bill 2015



House Appropriations Committee
Government Operations
March 12, 2015

Office of Management and Budget Organizational Chart



Testimony on SB 2015
Pam Sharp, Director
Office of Management and Budget
March 12, 2015

Good morning Chairman Thoreson and members of the Government Operations Division of the House Appropriations Committee. For the record, my name is Pam Sharp and I am the Director of the Office of Management and Budget.

Before each of the division directors of OMB provides testimony on their respective divisions, I will give you an overview of the proposed budget for OMB.

Proposed General Fund Increases

2015-17 Budget Request – General Fund Ongoing

Salary and Benefits – Compensation Plan	$1,703,776
Operating Expenses	650,000
Prairie Public Operating Funds	362,862
Guardianship Grants	828,600

2015-17 Budget Request – General Fund One-time

Health Insurance pool	$5,000,000
Prairie Public Projects	1,500,000
Mailroom Upgrades	30,000
Security Enhancements	175,000
Mechanical Upgrade in Inspiration Gallery	600,000
Upgrade Capitol Elevators	1,400,000
New Entrance Pathway and Building Signs	1,400,000
West Parking Lot Repairs	1,300,000
Student Internship (see attached amendment)	50,000
Liberty Memorial Remodel and Addition	40,000,000
Energy Pool	6,200,000

FTE Reduction

Currently OMB has 130.5 authorized FTEs. We are proposing to reduce that number by eight. Seven of those FTEs are in Facility Management and are currently working as custodians and maintenance workers at the Heritage Center. The Heritage Center would like to have those FTEs be under the control of the Heritage Center. We are proposing transferring those seven FTEs from OMB to the Heritage Center. All of these positions are filled so the FTEs and the people filling those positions would be transferred to the Heritage Center.

The eighth position we are giving up relates to ITD and the IT developers that work on the state PeopleSoft system. ITD bills OMB for their services, since OMB technically owns the PeopleSoft system. There is need for an additional developer at

ITD to work on PeopleSoft. ITD has requested an additional FTE for that position. Because that FTE at ITD will benefit OMB, we carefully evaluated positions at OMB, so the net increase to the state with the addition of the FTE at ITD would be zero. Central Services was able to do some realigning with positions in Central Duplicating, so we were able to give up a position.

When you work on the budgets for ITD and the Heritage Center, please keep in mind that we reduced our FTE count so the FTE counts for ITD and the Heritage Center could be increased by the same number.

Changes Made by Senate Appropriations

- Reduced ACA Health Insurance Pool (at OMB's request) from $5 million of general funds to $2.5 million and reduced $5 million of special funds to $2.5 million.
- Increased Community Service Supervision Grants from $375,000 to $500,000.
- Increased Guardianship Grants from $1,657,200 to $1,987,800.
- Eliminated the transfer from the Strategic Improvement and Investment Fund to the General Fund.
- Changed state employee compensation.
- Eliminated transfers from the General Fund to the Highway Tax Distribution Fund and to the Special Roads Fund.
- Changed the funding source for the building entrance and signage project from the general fund to the Capitol Building Fund.
- Removed $40 million expansion to the Liberty Memorial Building.

Explanation of Section 3. This section transfers $657 million from the Property Tax Relief fund to the general fund. Last biennium the legislature provided a transfer of $315 million from the general fund to this fund. In addition to that transfer, $342 million flows into this fund from oil tax revenue. This fund is available to be transferred to the general fund for use in the 2015-17 biennium.

Explanation of Section 4. Provides $1.4 million of funding from the Capitol Building Fund for the signage project.

Explanation of Section 5. This section appropriates $500,000 for community service grants to community correction associations.

Explanation of Section 6. This section provides carryover authority for the Fiscal Management division of OMB. We have had this authority for several biennia. The purpose of this carryover is to have funds available to deal with any development or operating costs necessary for managing the statewide systems OMB is responsible for. This includes PeopleSoft financials and human resources, payroll, and budget. It is

essential for us to be able to deal with issues that come up during the biennium so we can ensure our statewide systems provide the services as intended.

Explanation of Section 7. This provides the authority for OMB to provide funding for 4-H clubs, pay statewide dues and memberships, unemployment insurance and an appropriation to the Capitol Grounds Planning Commission. Statewide dues and memberships are unchanged from the current biennium.

Explanation of Section 8. This section allows HRMS to transfer appropriation authority to eligible agencies for the state student internship program. If an internship qualifies, up to half of the funding required for a student internship in an agency can be funded from this program.

Explanation of Section 9. This section provides OMB with the authority to transfer appropriation authority from the energy development impact funding pool line item to individual agencies. This bill provides $6.2 million of general funds for this pool and $8.5 million of special funds for this pool.

Explanation of Section 10. This section allows OMB to transfer appropriation authority to agencies that need to pay for temporary employee health insurance as a requirement of ACA. This bill appropriates $2.5 million of general funds and $2.5 million of special funds.

Explanation of Section 11. This section allows agencies to transfer appropriation authority between line items as it relates to the compensation increases. This language is needed for those agencies that pay employees out of special lines.

Explanation of Section 12. This section outlines the proposed compensation package for state employees.

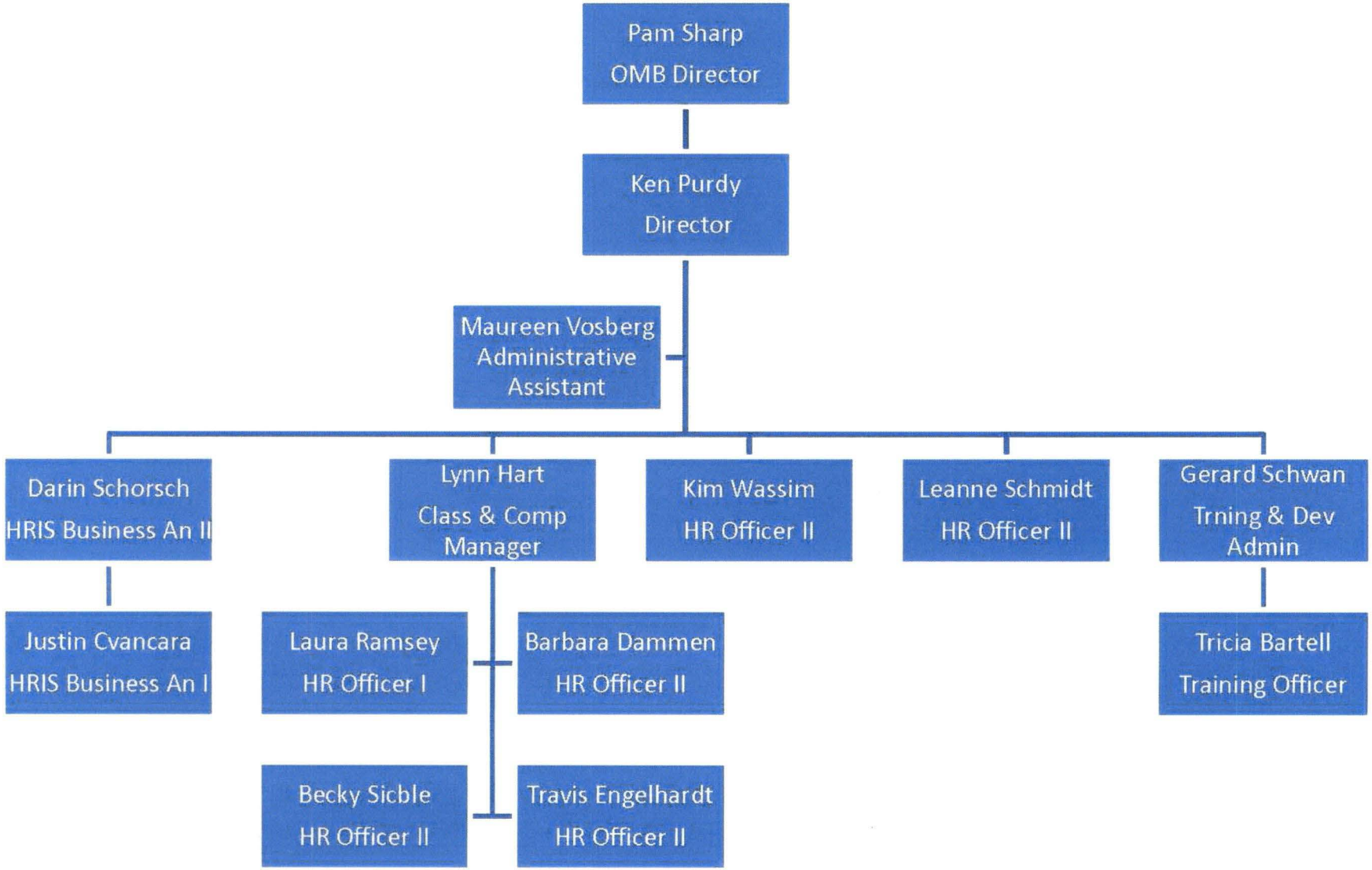
Explanation of Section 13. This section repeals Section 55-44-06 of the North Dakota Century Code. This section dates back to 1959 and reads as follows:

55-44-06. Duties as to school fund. *The office of management and budget shall keep a separate account of the school fund and of the interest and income thereof, together with such moneys as may be raised by special tax or otherwise for school purposes. The office shall perform such duties with reference to the apportionment of such fund as are described in title 15.*

Office of Management and Budget

Human Resource Management Services Division

January 2015



Testimony SB 2015
Ken Purdy, Director
OMB Human Resource Management Services
March 12, 2015

Good morning, Chairman Thoreson and members of the Government Operations Division of the House Appropriations Committee. I am Ken Purdy, Director of Human Resource Management Services (HRMS), a division of the Office of Management and Budget.

HRMS provides an overall structure or framework of rules, policies, job classifications and compensation plans covering some 7,253 employees in the state classified service.

HRMS has 13 FTE positions. We provide an array of services in four general areas:

- HR Management and Employment Services Support and Consulting
- Classification and Compensation
- HR Information System – HR Data, Enterprise Learning Management, Talent Management, ePerformance, Recruiting Solutions
- Training and Development

All of the functions overlap and integrate with staff involved in multiple areas.

As Director of HRMS I also serve as chair of the State Personnel Board.

In addition to direct contact, we provide significant resources and support to agencies through the continued development and maintenance of the HRMS website, www.nd.gov/hrms.

Ninety-four percent (94%) of HRMS' program costs are salaries. Operating expenses account for six percent (6%) of HRMS' program costs. All of the division's services require human capital. Operating expenses support agencies through printing, website, staff training & Development, and supplies and materials.

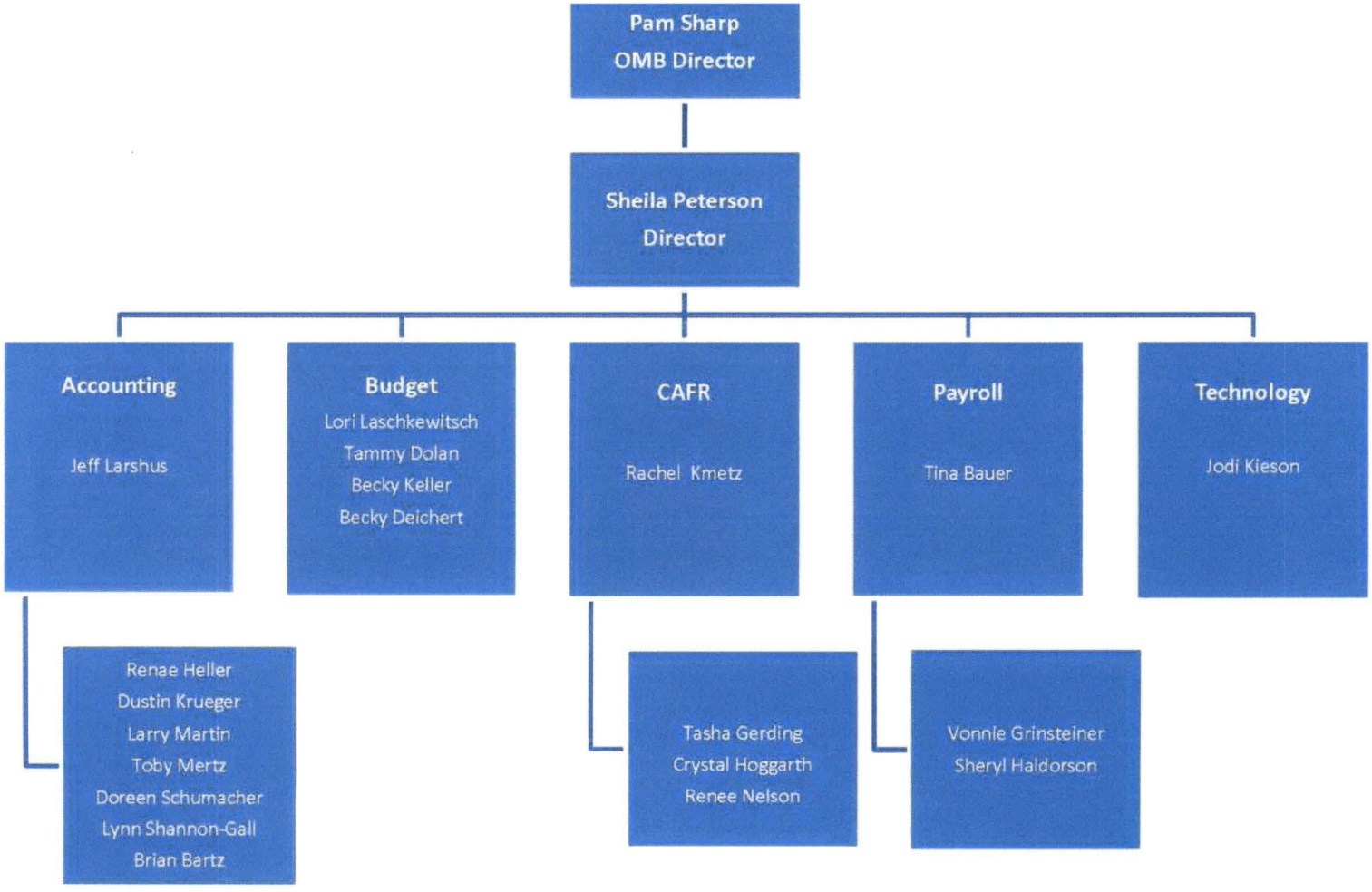
State Internship Program
HRMS has administered the state internship program for 3 bienniums. Since inception 20 agencies have received assistance with 78 internships. 23 internships are currently in progress. At least 18 interns have joined state service in regular positions. At this time, all of the funds for the 2013-15 biennium are obligated and additional requests of about $70,000 cannot be funded.

The executive budget is recommending a $50,000 increase from $200,000 to $250,000 for the 2015-17 biennium.

The student internship program is a win-win-win opportunity:

- It enhances the education provided by the college.
- Offers valuable, practical experience for the student intern.
- Benefits agencies by giving them extra help for a time and gives them a potential 'leg up' in recruiting the student for a regular job.

Mr. Chairman, this concludes my remarks. I would be happy to answer any questions.


Pam Sharp
OMB Director
Sheila Peterson
Director
Accounting
Jeff Larshus
Budget
Lori Laschkewitsch
Tammy Dolan
Becky Keller
Becky Deichert
CAFR
Rachel Kmetz
Payroll
Tina Bauer
Technology
Jodi Kieson
Renae Heller
Dustin Krueger
Larry Martin
Toby Mertz
Doreen Schumacher
Lynn Shannon-Gall
Brian Bartz
Tasha Gerding
Crystal Hoggarth
Renee Nelson
Vonnie Grinsteiner
Sheryl Haldorson

Testimony on SB 2015
Sheila Peterson, Director
OMB Fiscal Management Division
March 12, 2015

Good morning Mr. Chairman and members of the Government Operations Division of the House Appropriations Committee. My name is Sheila Peterson. I am the Director of the Fiscal Management Division of OMB.

The Fiscal Management Division has four major areas of responsibility: budget, accounting, payroll, and financial reporting.

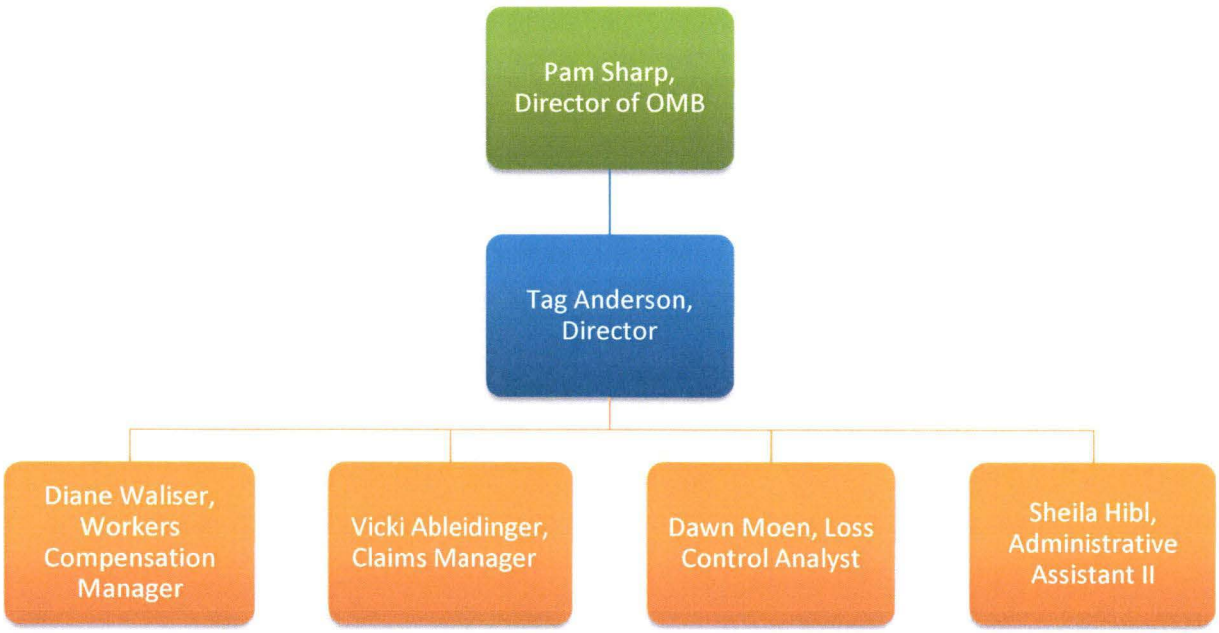
We measure our success in terms of peer evaluation. Our peer evaluations come through the Government Finance Officers Association (GFOA) of the United States and Canada. Our last Comprehensive Annual Financial Report (CAFR) again received the GFOA Certificate of Achievement for Excellence in Financial Reporting. We have received this award every year since 1991. Our last budget documents again received the GFOA Distinguished Budget Presentation Award. We have received this award every biennium since 1993.

Ninety-four percent (94%) of the Fiscal Management budget falls into two categories - data processing and salaries. All of our functions depend on technology and people. The remainder of our bigger expenses includes consultants and printing. Consultants are hired for revenue and economic forecasting, cost allocation, and assisting us in the statewide comprehensive annual financial reports. Printing expenses include the CAFR and the budget documents.

The only increase from our current appropriation to the Governor's recommendation is the compensation package. This increase is offset by decreases in data processing and auditing fees based on actual expenses this current biennium.

Mr. Chairman that concludes my remarks. I would be happy to answer any questions.

Office of Management and Budget
Risk Management Division
January 2015



Testimony on SB 2015
Tag Anderson, Director
OMB Risk Management Division
March 12, 2015

Mr. Chairman, and members of the Government Operations Division of the House Appropriations Committee, my name is Tag Anderson. I am the Director of the Risk Management Division of OMB.

The Risk Management Division was established to address the State's exposure to tort liability following the loss of sovereign immunity. The Risk Management Division has also been delegated the responsibility of administering the consolidated state agency workers compensation account.

The division staff consists of 5 FTE - the director, the manager of the risk management workers compensation program, a claims manager, a loss control analyst, and an administrative assistant.

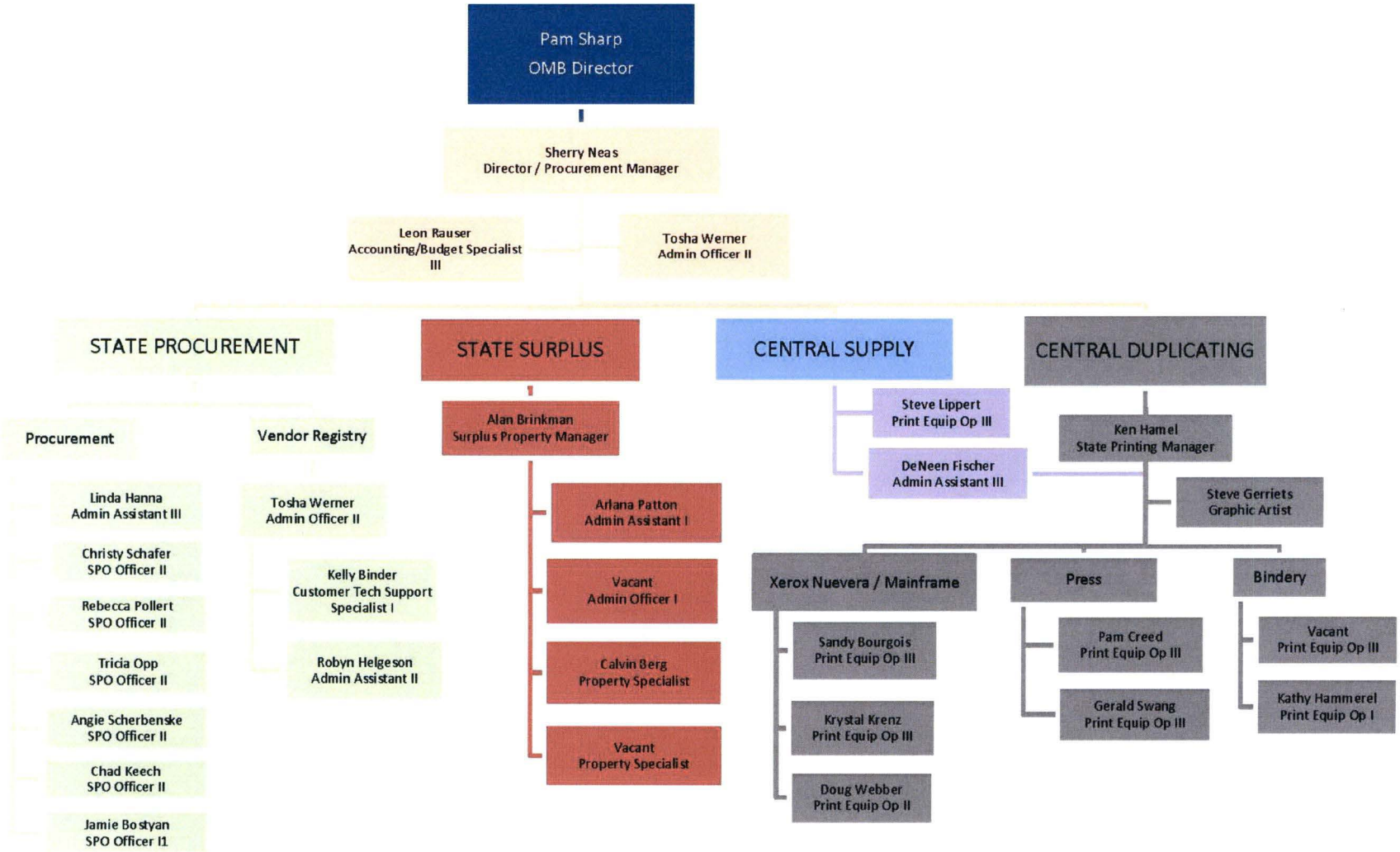
On the tort liability side, the division administers all claims and lawsuits filed against the State and state employees through the Risk Management Fund. Contribution rates for the Fund are determined by an actuarial review which includes a review of each state entity's loss history. State entities can reduce their required contributions if they can document that they have implemented pro-active loss control procedures pursuant to criteria established by the division that are designed to reduce the number and severity of claims and lawsuits.

On the workers compensation side, the risk management workers compensation program (RMWCP) continues to save workers compensation premium dollars through the establishment of the account that consolidated 143 state agency accounts, authorized a $100,000 deductible per claim, and facilitated the cross agency return-to-work program.

The 2013 legislative appropriation was based upon $1,569,897 for the division's budget. Our requested budget for 2015-17 biennium is $1,650,546 all in special funds.

Thank you.

Office of Management and Budget
Central Services Division
January 2015



Testimony on SB 2015
Sherry Neas, Director
OMB Central Services Division
March 12, 2015

Chairman Thoreson and members of the committee, my name is Sherry Neas, director of the OMB Central Services Division. Our division operates four programs.

One program is general funded. The State Procurement Office establishes state contracts for goods and services, assists agencies with their purchases, and hosts a state bidding opportunities website. Its Vendor Registry section administers the PeopleSoft/Oracle vendor database and purchasing.

Three programs are special funded. These programs are self-supporting, and charge reasonable fees to recover the cost of operations:

- Central Duplicating provides printing service for state government entities.
- Central Supply provides office supplies and paper products to state agencies.
- State Surplus Property distributes state and federal surplus property to state agencies, political subdivisions, and eligible non-profit entities.

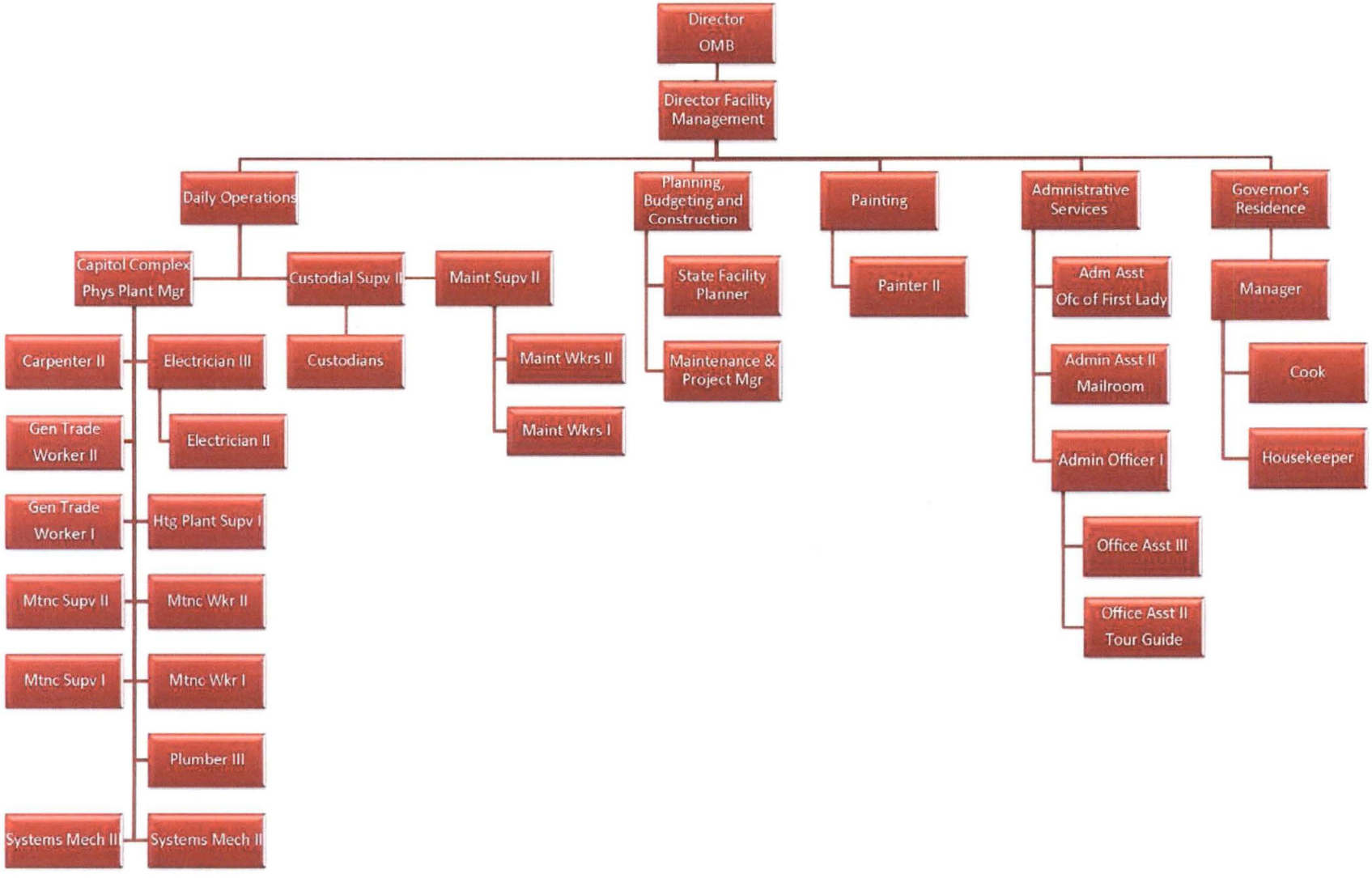
The total budget request for Central Services Divisions is $7,729,291. The budget is 27% General Fund and 73% Special Funds.

- Salaries make up 55% of the total budget, and 55% of salaries are special funded.
- Salaries increased to continue the current legislatively authorized increases.

Central Services gave up one FTE position, so total authorized employees were reduced to 27.

Mr. Chairman, this concludes my testimony. I will be happy to answer any questions.

Office of Management and Budget
Facility Management Division
January 2015



Testimony on SB 2015
John Boyle, Director
OMB Facility Management Division
March 12, 2015

Good morning Chairman Thoreson and members of the Government Operations Division of the House Appropriations Committee. My name is John Boyle. I am the Director of the Facility Management Division at the Office of Management and Budget.

The Facility Management Division is comprised of 61.5 full-time employees. As Ms. Sharp mentioned in her testimony, we are decreasing our FTEs by 7 due to a transfer of the custodians working in the Heritage Center to the Historical Society. The remaining 54.5 employees provide central mailroom and tour guide services as well as custodial, grounds and landscaping, and maintenance services within the Capitol Complex. These state employees ensure the public, elected officials, appointed officials, and other state employees working within the Capitol Complex are provided a safe, clean and friendly environment.

We are requesting $59,489,968 in general fund spending authority for next biennium. The Senate changes reflect removal of $40 million for the renovation and addition to the Liberty Memorial Building and the reallocation of funding source from general funds to special funds for the new sign project. As Ms. Sharp stated, we would like the House to reconsider the Senate's decision on the $40 million one-time spending project. The amount requested from the general fund is a 136.7 percent increase from the budgeted amount requested two years ago. Most of this increase is attributable to the $40 million one-time capital project expenditure for the renovation and addition to the Liberty Memorial Building to serve as the new location of the ND Supreme Court. In working with architects and the State Court, we created a conceptual schematic design that would accomplish two goals—(1) to meet the needs of the State Court as provided in their space needs study, and (2) provide a facility to house the ND Supreme Court in a manner worthy of its distinction. When the Liberty Memorial Building opened in 1924 the ND Supreme Court was located on the third floor.

Additional one-time spending items include removal and repaving of the west parking lots, installation of new signs, upgrading the four capitol tower elevators, mechanical improvements, and security enhancements.

The capitol grounds planning commission approved and prioritized two projects for the 2015-17 biennium. The first priority is construction of a two-level parking structure located west of the legislative wing with a connecting tunnel into the Capitol. The second project is installation of new signs throughout the capitol grounds to identify entrances, pathways and buildings for first time visitors.

The governor likes the concept of the parking structure. However, when prioritizing capital projects throughout the state, this $13 million one-time spending project was omitted from his budget recommendations. Included in the budget was $1.3 million to remove and repave the existing parking areas. This $1.3 million project includes two parking areas located south of the loop road to 4th Street and west of the legislative wing. These parking areas have surpassed their useful life and are in desperate need of replacement. The project will include the removal of all asphalt and base material and replacement with same.

The second project approved by the planning commission is the $1.4 million installation of new signs. The location and design of these signs will follow criteria established in the 2000 Capitol Grounds master plan. The first building identification sign was installed during the Heritage Center expansion project, as a prototype for each of the buildings. The capitol grounds planning commission approved the granite and LED back lit raised stainless steel letters for this sign with intent to continue installations during the 2015-17 biennium. The planning commission approved the project as general funding and the Senate changed it to the capitol building special funds.

The upgrade of the four capitol tower elevators will include new motors, electronic controllers, doors on each floor and elevator car interiors. The elevator motors are original and have received no major work since installation. The electronic controllers were last replaced in the late 1980s. The software that directs the electronic controllers (the brains of the elevator) are no longer supported by the manufacturer.

The mechanical improvements project includes the replacement of a 30-year-old, 400-ton chiller for the Judicial Wing, a 35-year-old air handling unit for the Inspiration Gallery of the State Museum, and the replacement of the remaining heat pumps in the Legislative Wing. Each of these pieces of equipment has surpassed its useful life by at least five years and need replacing. Once these projects are complete, all buildings except the Judicial Wing will have had new mechanical equipment installed during the past four bienniums.

The security enhancement project includes upgrading of cameras and 15-year-old underground cables with CAT-6 cable at the Governor's residence, addition of new cameras and cable in the new parking areas located north of the Capitol, and updating of new monitors and software in the capitol security command center. It has been over ten years since any security work has been done at the Governor's residence.

Mr. Chairman, this concludes my prepared remarks. At this time, I would be happy to answer any of your questions.

SB 2015 March 12, 2015 Attachment B

Salary Increase History

Year	Parameters	
1983	2.0%	Retirement Contribution in lieu of salary increase
1984	2.0%	Retirement Contribution in lieu of salary increase; in May 1984, $60/Mo increase allowed by Governor within available agency funds (not appropriated)
1985	5.5%	Minimum increase of $50; increase given on 4/1/85
1986	4.0%	Minimum increase of $50; deferred for Governor controlled agencies to January 1, 1987
1987	0.0%	
1988	0.0%	
1989	7.1%	Minimum increase of $50
1990	0.0%	
1991	4.0%	Minimum increase of $50
1992	$40/Mo	Averaged approximately 2%
1993	$60/Mo	Averaged approximately 3.2%
1994	3.0%	
1995	2.0%	
1996	3.0%	2% across the board; 1% for performance & equity
1997	3.0%	$30 across the board; remainder of 3% appropriation based on merit & equity
1998	3.0%	$30 across the board; remainder of 3% appropriation based on merit & equity
1999	2.0%	$35 across the board; remainder of 2% appropriation based on merit & equity ($5.4 mill Mkt/Eqty Fund)
2000	2.0%	$35 across the board; remainder of 2% appropriation based on merit & equity (additional 1% allowed with funding from existing appropriations)
2001	3.0%	$35 across the board; remainder of 3% appropriation based on merit & equity ($5 mill Mkt/Eqty Fund)
2002	2.0%	$35 across the board; remainder of 2% appropriation based on merit & equity
2003	0.0%	Up to 1% available based on Pooled Vacancy Savings; **Exec Branch 0%**
2004	0.0%	Up to 2% available based on Pooled Vacancy Savings; **Exec Branch 0%**
2005	4.0%	Across the board
2006	4.0%	Across the board
2007	4.0%	Based on performance and/or equity; minimum of $75 ($10 mill Mkt/Eqty Fund)
2008	4.0%	Based on performance and/or equity; minimum of $75
2009	5.0%	Based on performance and/or equity; minimum of $100 ($23 mill Mkt/Eqty Fund)
2010	5.0%	Based on performance and/or equity; minimum of $100
2011	3.0%	Based on performance and equity; minimum of 1.0%
2012	3.0%	Implemented recommendations from the 2009-11 leg study of emp compensation; new job evaluations, grade structure, market-based ranges
2013	Performance based increases of 3-5% plus Mkt Pol increases of 2% 1st Qtl, 1% 2nd Qtl. Total appropriation approx 5%	
2014	Performance based increases of 2-4% plus Mkt Pol increases of 2% 1st Qtl, 1% 2nd Qtl. Total appropriation approx 4%	

HRMS Mission
To provide leade[redacted] and expertise in Human Resource Management

HRMS's primary responsibility is to provide ". . . a unified system of personnel administration for the classified service . . ."

Beyond the **basic** framework of human resource management rules, job classification, and salary ranges; **HRMS** provides assistance to agencies in their management of human resources. **HRMS** services include:

- Management Consulting
- Supervisor/Employee Training
- Employee Compensation
- Recruitment/Selection Assistance
- Mediation
- Legislative & Regulatory Compliance
- Performance Management Tools
- Model Policies, Handbooks, and Guides
- Student Internship Program

HRMS also makes current information available to agencies at:

www.nd.gov/hrms

HRMS offices are located on the 14th Floor of the State Capitol.

Phone Number: **(701) 328-3290**
FAX: **(701) 328-1475**

Please feel free to contact any HRMS staff member:

Name	Phone	Name	Phone
Purdy, Ken Director	328-4735	Hart, Lynn Class & Comp Mgr	328-4739
Dammen, Barbara HR Officer	328-3374	Engelhardt, Travis HR Officer	328-3357
Ramsey, Laura HR Officer	328-1606	Sicble, Becky HR Officer	328-3299
Schmidt, Leanne HR Officer	328-4738	Wassim, Kim HR Officer	328-4737
Cvancara, Justin HR Bus Analyst	328-3363	Schorsch, Darin HR Bus Analyst	328-3347
Schwan, Gerard Training & Dev Admin	328-1638	Vosberg, Maureen Admin Assistant	328-3293
Bartell, Tricia Training Officer	328-1632		

NORTH DAKOTA STATE EMPLOYEE FACT SHEET

December 2014

This fact sheet is prepared by **Human Resource Management Services (HRMS)** to provide a snapshot of state employment. Data are from a variety of sources, and are an accurate, overall reflection of state employment as of December 2014.

The 7,253 state employees in positions classified by **HRMS** are employed in over 50 separate state agencies. 89% of classified employees work in 16 agencies with over 100 employees. The remaining employees work in agencies ranging from 1 to 90 employees.

Agencies > 100 Employees	# Classified Employees
Dept of Human Services	2118
Dept of Transportation	1038
Dept of Cor & Rehab	774
Health Dept	338
Information Tech Dept	325
Workforce Safety & Ins	244
Job Service ND	217
Highway Patrol	199
Adj Gen/Nat'l Guard	181
Attorney General	174
Dept of Public Instr	172
Game & Fish	153
Bank of ND	149
Veterans Home	138
Tax Dept	125
Office of Mgmt & Budget	123

Average Classified State Employee

	Years of Age	Years of Service	Annual Salary	Actual Increase	Appropriated	Compa Ratio	Notes
Aug 2001	44.8	12.5	31,467	4.9%	3.0%	0.96	(1)
Dec 2002	45.4	12.6	32,262	2.5%	2.0%	0.96	
Dec 2003	45.7	13.2	32,627	1.1%	0.0%	0.96	
Dec 2004	45.9	13.2	32,604	0.0%	0.0%	0.96	
Dec 2005	46.1	13.6	34,158	4.8%	4.0%	0.96	(2)
Dec 2006	46.2	13.4	35,640	4.3%	4.0%	0.96	
Dec 2007	46.2	13.2	37,834	6.2%	4.0%	0.95	(3)
Dec 2008	46.4	13.2	39,622	4.7%	4.0%	0.96	
Dec 2009	46.6	13.4	42,382	6.9%	5.0%	0.96	(4)
Dec 2010	46.6	13.2	44,698	5.5%	5.0%	0.96	
Dec 2011	46.5	13.2	46,057	3.0%	3.0%	0.96	
Dec 2012	46.4	13.1	48,554	5.4%	3.0%	0.92	(5)
Dec 2013	46.3	13.0	50,942	4.9%	(6)	0.93	
Dec 2014	46.3	12.9	53,297	4.6%	(7)	0.94	

1) Included 1999 & 2001 Market/Equity Funds ($5.4 & $5.0 mill respectively)
2) Leg approp included $1.5 mill for DOCR & $413,000 for Hwy Patrol
3) Included Market/Equity Fund ($10 mill)
4) Included Market/Equity Fund ($23 mill)
5) July 1, 2012 implementation of employee compensation study; agencies ensured all employees met the new salary range minimums
6) July 1, 2013 performance based increases of 3-5% plus Mkt Pol increases of 2% 1st Qtl, 1% 2nd Qtl. Total appropriation approx 5%
7) July 1, 2014 performance based increases of 2-4% plus Mkt Pol increases of 2% 1st Qtl, 1% 2nd Qtl. Total appropriation approx 4%

NORTH DAKOTA STATE EMPLOYEE FACT SHEET

Classified employees under **HRMS** (ND's civil service) are covered by administrative rules adopted by **HRMS**. The rules guide equitable pay, open competitive selection, and protection from arbitrary personnel actions and are designed to provide consistent employment conditions.

Unclassified employees do NOT have employment rights under HRMS. The terms and conditions of employment vary by agency, category of employee, or by individual employee.

Employees under the University System are covered by and subject to the policies adopted by the State Board of Higher Education.

Classified Employee Salary Distribution	# of Employees	Percent
$ 20,000 to $ 30,000	368	5.1%
$ 30,000 to $ 40,000	1,379	19.0%
$ 40,000 to $ 50,000	1,814	25.0%
$ 50,000 to $ 60,000	1,501	20.7%
$ 60,000 to $ 70,000	1,031	14.2%
$ 70,000 to $ 80,000	566	7.8%
$ 80,000 to $ 90,000	280	3.9%
$ 90,000 to $100,000	180	2.5%
$100,000 to $110,000	80	1.1%
$110,000 to $120,000	28	0.4%
$120,000 to $130,000	20	0.3%
$130,000 to $140,000	3	0.0%
$140,000 to $150,000	3	0.0%
	7,253	

In the general population of North Dakota

- 90.9% of workers have completed high school
- 27.2% have bachelor's degrees or beyond

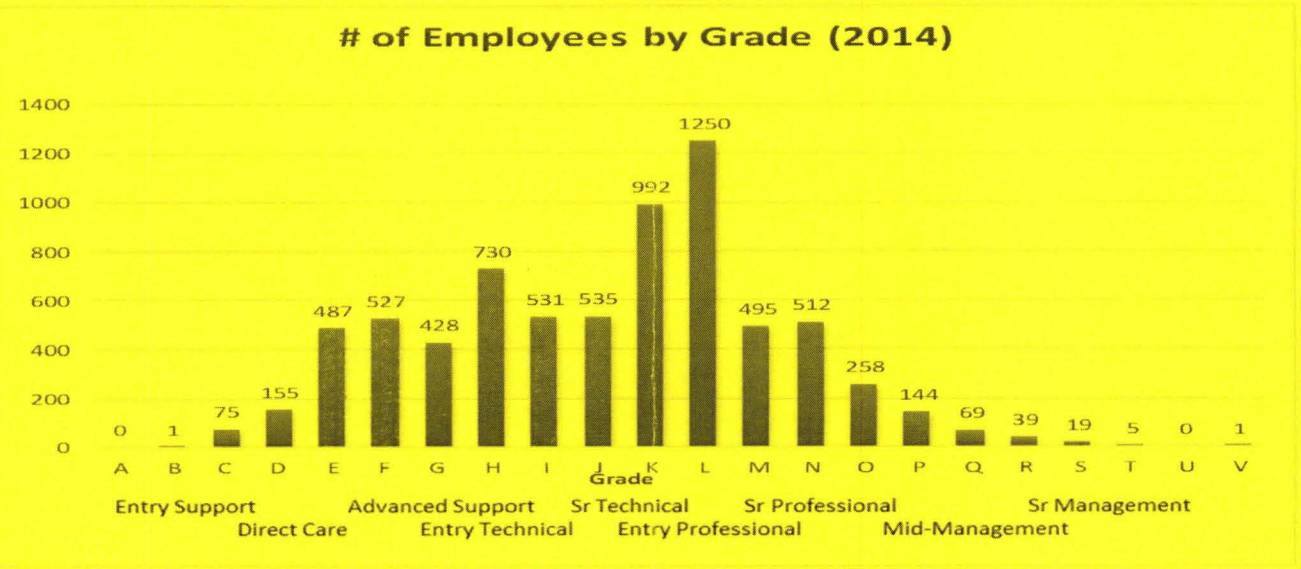
In the Classified Workforce of state government

- 99% have completed high school
- 86% have formal education beyond high school
- 56% have a bachelor's degree or beyond

Number & Categories of State Employees (Excluding University System)

8,047 Total Employees

- **7,253** Total Classified Employees
  - **5,811** # Employees in Cabinet Agencies reporting to Governor
  - **750** # Employees in Agencies reporting to Boards/Commissions
  - **692** # Employees in Elected Officials' Agencies
- **794** Total Unclassified Employees
  - **91** State Officials
    - **13** Elected
    - **51** Appointed
    - **27** Deputies & Assistants
  - **703** Other Unclassified
    - **32** Legislative Council
    - **359** ND Court System
    - **65** Dept of Commerce
    - **21** Physicians & Dentists
    - **30** Assistant Attorney's General
    - **47** Teachers
    - **13** Governor's Staff
    - **65** Mineral Resources Geologists, Petro Engs & Eng Techs
    - **71** Misc (Statute, State Personnel Bd Action, etc)



SB2015 March 12, 2015 Attachment C

Testimony on SB 2015
House Appropriations Sub-committee
John Harris, President & CEO
Prairie Public Broadcasting
March 12, 2015

Mr. Chairman and members of the committee, thank you for the opportunity to speak with you today about the budget request for Prairie Public Broadcasting, North Dakota's public broadcasting network.

For the record, I am John Harris, President & CEO of Prairie Public Broadcasting.

Prairie Public celebrated 50 years of service to the citizens of North Dakota in 2014. The network began broadcasting with its first television transmitter in 1964 and since then has grown to provide public media services that enrich the lives of the citizens of our state.

Prairie Public is committed to improving educational access and outcomes for our state's citizens from birth through all phases of life.

Also, Prairie Public has embraced our public safety mission with growing impact to maximize our spectrum for the public good. Public television stations are the backbone of the WARN system of presidential alerts in times of national emergency.

Even as public distrust of national institutions is at an all-time high, studies have shown that public broadcasters have retained the trust of the American people as an essential resource for a well-informed citizen.

As a locally-owned and operated media organization in our state, Prairie Public provides public affairs programming, local history and culture, candidate debates, specialized energy and agricultural news, community partnerships to deal with issues of concern to your constituents and civic information of all kinds to everyone in the state.

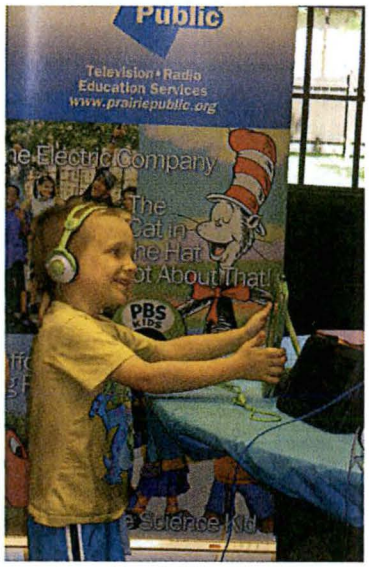
Today, I stand before you to ask for your support for Prairie Public Broadcasting in Senate Bill 2015.

Your support will allow Prairie Public to continue to provide our valuable services to all citizens across our great state.

Mr. Chairman and Members of the Committee, I thank you for your time and your consideration.

House Appropriations Sub-committee
John Harris, President & CEO
Prairie Public Broadcasting
March 12, 2015

Prairie Public accomplishes its mission to educate, involve, and inspire the people of our region with nine HD television transmitters, ten HD radio transmitters, seven radio translators and robust web and streaming services.



Prairie Public is committed to improving educational access and outcomes for our state's citizens from birth through all phases of life. This work begins with unparalleled children's educational content that is available for free every day in every corner of this state and continues with unrivaled classroom and professional development teacher resources and lifelong learning programs that are universally accessible and highly valued.

- Public television's free children's educational content has been proven to close the achievement gap and has helped more than 90 million pre-school age kids get ready to learn and succeed in school.

- More than 1.5 million teachers have now registered to use *PBS LearningMedia* -- a partnership between PBS and local stations -- in K-12 classrooms around the country. This service provides over 100,000 standards-based, curriculum-aligned, interactive digital learning objects to students and teachers.
    - Former Governor Jeb Bush has said that *PBS LearningMedia* -- and other initiatives undertaken locally by hundreds of public television stations -- can be "the tip of the spear" in reforming the teaching and learning experience and in improving educational outcomes in this country.

Educational Impact by the Numbers

- ***90 million graduates of Sesame Street in the U.S. alone.***
- ***PBS Kids is the #1 Educational Media Brand.***
- ***80% of all kids ages 2-8 watched PBS Kids last year.***
- ***NOVA is the #1 video resource in U.S. high schools, providing critical STEM content.***
- ***28,000 homeschoolers, and growing use PBS Learning Media.***
- ***Research shows that PBS Kids content enhances kids' early literacy skills:***
    - ***21% increase in naming letters***
    - ***37% increase in letter sounds***
    - ***12% increase in understanding stories and print***

Prairie Public, along with all public broadcasters, has embraced our public safety mission with growing impact to maximize our spectrum for the public good. Public television stations are the backbone of the WARN system of presidential alerts in times of national emergency. Prairie Public has the capability of connecting agencies with one another, with the public, and with vital data-casting capabilities.

Even as public distrust of national institutions is at an all-time high, studies have shown that public broadcasters have retained the trust of the American people in the comprehensive, transparent, objective and civil coverage of news and public affairs, serving as essential resources for a well-informed citizenry. Further, Prairie Public is helping our citizens understand the issues they face locally and regionally, allowing them to develop the best sustainable solutions.

As a locally-owned and operated media organization in our state, Prairie Public provides public affairs programming, local history and culture, candidate debates, specialized energy and agricultural news, community partnerships to deal with issues of concern to constituents and civic information of all kinds to anyone and everyone in the state.

The state of North Dakota plays an essential supporting role in the operation of our services. And while the state appropriation does not cover all expenses, it provides an important part in creating the foundation for support from many other sources.

Over the past ten years, Prairie Public has received grants totaling approximately $17.9 million, with almost $14.5 million of that coming from federal sources. The remaining "matching" dollars have come from the state of North Dakota, the state of Minnesota, and from local support.

Prairie Public will continue to use the dollars requested from the state of North Dakota in this biennium to allow us to access federal funds when possible and bring dollars back to our state.

In Prairie Public's fiscal year 2014 report, we show a wide variety of funding sources, including local support at about 26%, Corporation for Public Broadcasting support at about 15%, and North Dakota state support at about 10%.

At the present time, Prairie Public has almost 16,000 active members who contribute dollars to support programming expenses for the organization. These citizens are partners with Prairie Public in providing a strong and viable public media entity for the community.

I cannot express enough the thanks Prairie Public and its members extend to you for your support. Technology continues to change, but Prairie Public's mission has not.

North Dakota 2015-2017 Biennium Capital Funding Request

Prairie Public Broadcasting, Inc.

March 12, 2015

Item	Projects - One-Time Capital Funding	Project
1	Fargo Studio Lighting Pkg	300,000
2	Bismarck Studio Camera & Equipment Pkg	200,000
3	Television Network MPEG HD Encoder Pkg	150,000
4	HD Production/Editing Equipment Pkg	200,000
5	Radio Network Audio Processing Pkg	230,000
6	KSRE (Minot) Analog Antenna/Line Removal	125,000
7	KBME (Bismarck) Analog Antenna/Combiner Removal & New LED Tower Lights	150,000
8	KFME (Fargo) UHF Antenna/Combiner Removal	125,000
9	KDSE, KBME, KSRE, KFME TX Building Ventilation Systems	300,000
10	Fargo Studio Window Restoration	100,000
11	Fargo Studio Mechanical, Elevator, Lighting and Fire Alarm Equipment	500,000
12	Microwave Interconnection Transport IP Upgrade	750,000
		3,130,000

1.) Equipment necessary to replace the studio lighting system at the Fargo facility. The existing lighting system is over 25 years old and was not designed for high definition camera operation. This energy efficient system would utilize the latest in LED lighting technology.

The proposed audio equipment includes a digital, intercom and monitoring system associated with the Fargo studio to replace the existing analog equipment.

2.) Equipment for television studio conversion to digital and allow high definition (HD) productions at the Bismarck studio facilities.

Requested equipment includes HD studio cameras, production switcher, monitors and conversion equipment to replace old obsolete analog studio production equipment currently used at the Bismarck studio.

3.) High definition encoding equipment used in the Fargo and Bismarck studios that would replace old and obsolete encoders that are no longer supported by the manufacturer and lack important features now available in new products. Failure of the existing encoders would prevent programming distribution across the statewide network.

4.) The digital production equipment includes high definition field cameras, lighting, microphones and editing equipment to enhance Prairie Public's ability to capture and produce local content throughout the region.

5.) FM audio processing equipment associated with the 10 radio transmitters in Prairie Public's statewide radio network. This equipment would provide consistent and improved sound quality on both its main and HD digital channels for all its FM stations.

6.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KSRE digital antenna that serves Minot and the surrounding area. The KSRE digital antenna and transmission line were side-mounted on an existing 1031' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned analog antenna and associated transmission line as part of the final digital conversion cost for this station. Removal is estimated to significantly decrease wind loading and would eliminate 11,350 lbs. of dead weight.

7.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KBME digital antenna that serves Bismarck and the surrounding area. The KBME digital antenna and transmission line were side-mounted on an existing 1088' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned analog antenna and associated transmission line combiners as part of the final digital conversion cost for this station. Removal is estimated to significantly decrease wind loading and would eliminate 11,250 lbs. of dead weight. A new LED tower lighting system would be installed per FAA specifications.

8.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KFME digital antenna that serves Fargo and the surrounding area. The KFME UHF digital antenna and transmission line combiner were side-mounted on an existing 1178' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned UHF antenna and associated transmission line combiners as part of the final digital conversion cost for this station.

9.) For reliable and long-term operation of the KDSE, KBME, KSRE, KFME and KJRE transmitters, proper cooling of the equipment is vital. Not only does proper cooling extend equipment life, but also reduces off-air outages and service calls. Prairie Public is requesting funding to improve the mechanical air handling capabilities of referenced transmitter buildings.

10.) The proposed window restoration project will significantly improve the overall appearance of our downtown Fargo studio building. The proposed windows in need of restoration are original to the building constructed in 1954. The metal frames have severe corrosion and the window seals have deteriorated beyond repair.

11.) Prairie Public's Fargo studio building was built in the early 1950's and significant improvements have been made to the building since moving into the facility over 25 years ago. Unfortunately, many of the building components are original and are long overdue for replacement. Funding is requested for the following items:

a. Replace the original asbestos insulated and corroded steam piping and registers used throughout the building as part of the main heating system.

b. Replace the original building fire alarm system that is outdated and no longer serviceable.

c. Replace the roof mounted HVAC mechanical unit used to heat and cool the 4th floor office areas.

d. Replace the original main passenger and freight elevator controls and hydraulic rams used in the building.

e. Update and replace the original office and hallway ceiling lights for greatly improved energy efficiency.

12.) Proposed cost to upgrade our microwave distribution system from the Asynchronous Transfer Mode (ATM) format to and Internet Protocol (IP) format that would eliminate the old ATM equipment that is obsolete and no longer supported by manufacturers. All broadcast network equipment is now IP based, allowing us to easily interface with the upgraded microwave system. The FCC has also changed its "final link" rule, allowing us to increase the microwave radio capacity to our remote transmitter sites that will greatly benefit our transmitter remote control systems and transmitter site network speeds.

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3.) High definition encoding equipment used in the Fargo and Bismarck studios that would replace old and obsolete encoders that are no longer supported by the manufacturer and lack important features now available in new products. Failure of the existing encoders would prevent programming distribution across the statewide network.

4.) The digital production equipment includes high definition field cameras, lighting, microphones and editing equipment to enhance Prairie Public's ability to capture and produce local content throughout the region.

5.) FM audio processing equipment associated with the 10 radio transmitters in Prairie Public's statewide radio network. This equipment would provide consistent and improved sound quality on both its main and HD digital channels for all its FM stations.

6.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KSRE digital antenna that serves Minot and the surrounding area. The KSRE digital antenna and transmission line were side-mounted on an existing 1031' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned analog antenna and associated transmission line as part of the final digital conversion cost for this station. Removal is estimated to significantly decrease wind loading and would eliminate 11,350 lbs. of dead weight.

7.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KBME digital antenna that serves Bismarck and the surrounding area. The KBME digital antenna and transmission line were side-mounted on an existing 1088' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned analog antenna and associated transmission line combiners as part of the final digital conversion cost for this station. Removal is estimated to significantly decrease wind loading and would eliminate 11,250 lbs. of dead weight. A new LED tower lighting system would be installed per FAA specifications.

8.) Prairie Public is concerned about the overall structural integrity of the broadcast tower that supports the KFME digital antenna that serves Fargo and the surrounding area. The KFME UHF digital antenna and transmission line combiner were side-mounted on an existing 1178' tower that was not designed for this additional loading. To restore the towers structural loading and safety margins, funding is requested to remove the decommissioned UHF antenna and associated transmission line combiners as part of the final digital conversion cost for this station.

9.) For reliable and long-term operation of the KDSE, KBME, KSRE, KFME and KJRE transmitters, proper cooling of the equipment is vital. Not only does proper cooling extend equipment life, but also reduces off-air outages and service calls. Prairie Public is requesting funding to improve the mechanical air handling capabilities of referenced transmitter buildings.

10.) The proposed window restoration project will significantly improve the overall appearance of our downtown Fargo studio building. The proposed windows in need of restoration are original to the building constructed in 1954. The metal frames have severe corrosion and the window seals have deteriorated beyond repair.

11.) Prairie Public's Fargo studio building was built in the early 1950's and significant improvements have been made to the building since moving into the facility over 25 years ago. Unfortunately, many of the building components are original and are long overdue for replacement. Funding is requested for the following items:

a. Replace the original asbestos insulated and corroded steam piping and registers used throughout the building as part of the main heating system.

b. Replace the original building fire alarm system that is outdated and no longer serviceable.

c. Replace the roof mounted HVAC mechanical unit used to heat and cool the 4th floor office areas.

d. Replace the original main passenger and freight elevator controls and hydraulic rams used in the building.

e. Update and replace the original office and hallway ceiling lights for greatly improved energy efficiency.

12.) Proposed cost to upgrade our microwave distribution system from the Asynchronous Transfer Mode (ATM) format to and Internet Protocol (IP) format that would eliminate the old ATM equipment that is obsolete and no longer supported by manufacturers. All broadcast network equipment is now IP based, allowing us to easily interface with the upgraded microwave system. The FCC has also changed its "final link" rule, allowing us to increase the microwave radio capacity to our remote transmitter sites that will greatly benefit our transmitter remote control systems and transmitter site network speeds.

SB 2015 March 12, 2015 attachment B

Testimony to the

House Appropriations Committee – Government Operations Division

Prepared March 12, 2015 by

Terry Traynor, Assistant Executive Director

North Dakota Association of Counties

RE: Engrossed Senate Bill No. 2015 – OMB Budget/Public Guardianship Funding

Mr. Chairman and members of the committee, I would like to speak on behalf of county officials in support for the funding for public guardianships contained in the OMB Budget.

In response to the previous interim study of guardianship issues by the Legislature's consultant, Dr. Winsor Schmidt, the 2013 Legislature began a process of reforming the Public Guardianship/Public Administrator system. The haphazard and unequally funded "system" of public guardianships throughout the State was set on a course for greater uniformity, better training, and limited but consistent funding.

For those that may be unfamiliar with public guardians, they are really no different than private guardians in their duties and responsibilities, but they are assigned by the State Court when no family member, friend or acquaintance is available or willing to serve. Most often the wards served by public guardians also lack the financial resources for the compensation of the guardian's time.

With a goal of 100% state funding to support those guardianships appointed for truly indigent individuals, the 2013 Legislature proposed a two-year, phased-in, cost-share where counties would pay one-half the cost of public guardianships that were established prior to the current biennium, and the state would fund the other half of those existing cases and 100% of all newly established public guardianships. The conference committee discussed this funding plan as a necessary transitional step toward full state funding in the 2015-2017 biennium.

The 2013 Legislature made an $828,600 appropriation to OMB, which would be available for payments to public guardians if the counties would provide matching funds, with no county contributing funds in excess of 1/10 of a one mill. The

counties, through a joint powers agreement, agreed to contribute half of the match from their CY2014 budgets and the other half from their CY2015 budgets.

An oversight committee, consisting of OMB, DHS, the State Court Administrator, NDACo, and a representative of the public guardians, developed reimbursement guidelines consistent with the appropriations bill. These guidelines were quite straightforward – the ward must be enrolled in Medicaid and/or have an income less than 100% of poverty, AND the guardian must be taking no fees from the ward.

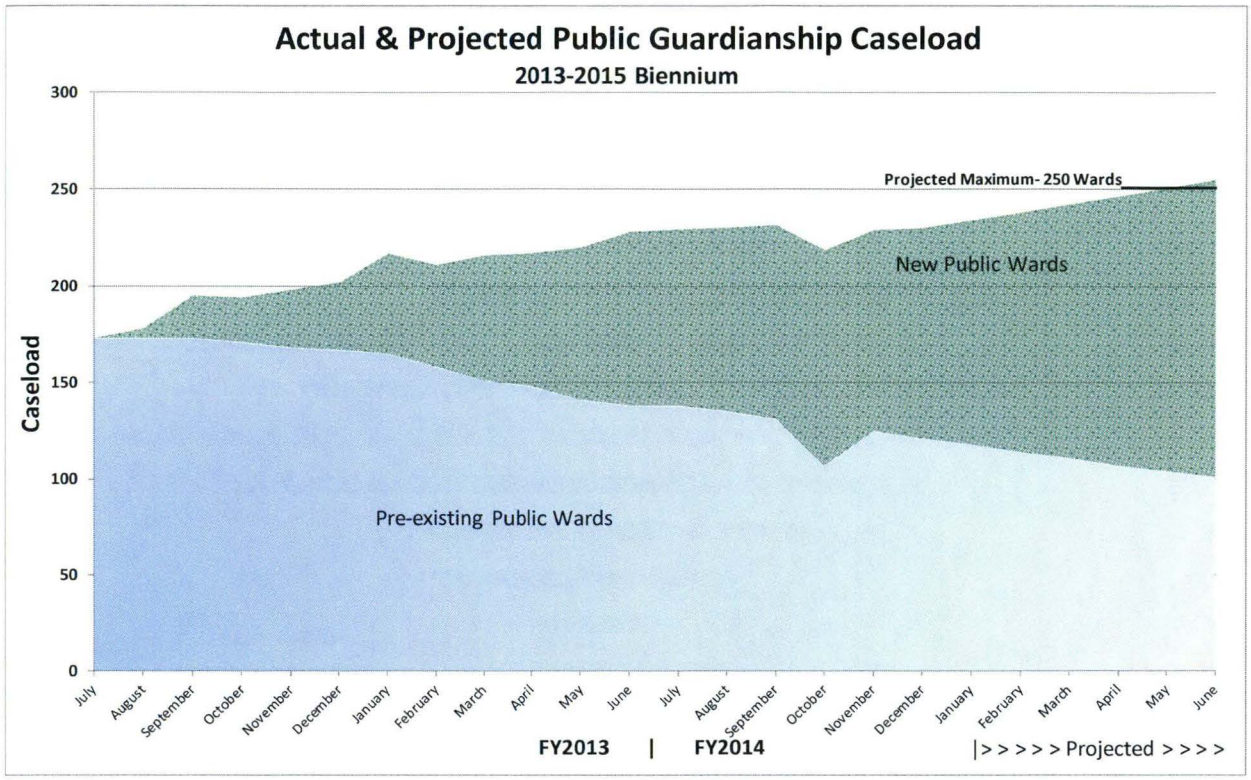
NDACo agreed to collect the county matching funds, combine it with the state appropriated dollars, and process the reimbursement requests through a county web portal.

The appropriation and county match together, was calculated to provide sufficient funding for a statewide caseload beginning at 164 and growing to 250 by the end of the biennium - assuming a reimbursement rate of $7.50/day for the first fiscal year of the biennium and $8.33/day for the second fiscal year.

NDACo has subsequently provided monthly reimbursements to 5 corporate and 5 individual guardians. The actual funded caseload has grown from 173 wards at the start of the biennium, to 233 for the month of December 2014. Several charts are attached to characterize the wards for the committee's information.

Each month there are wards that are no longer supported – for various reasons but most often they pass away. The number of new wards assigned a public guardian by the State Court each month, however, increase at a faster rate. Over the 18 months of the program, the average net increase in eligible public wards has been four per month. Right now we are projecting that the caseload will come in at 255 for June 2015, however the funding need will be slightly below the available revenue.

The inclusion in the Executive Budget recommendation, consistent with legislative intent, of the 100% State funding, was very much appreciated, and is very much supported. The Senate however recognized the 100% of the funds for the current



biennium would not be sufficient to address the growing caseload, or provide an adjustment in the rate for guardianship services.

Based on the current caseload growth, the costs were projected for the upcoming biennium at the current rates, and with 3% annual rate increases – similar to what has been proposed for human service contracts. This is what the Senate included in the bill, and what our Association strongly supports.

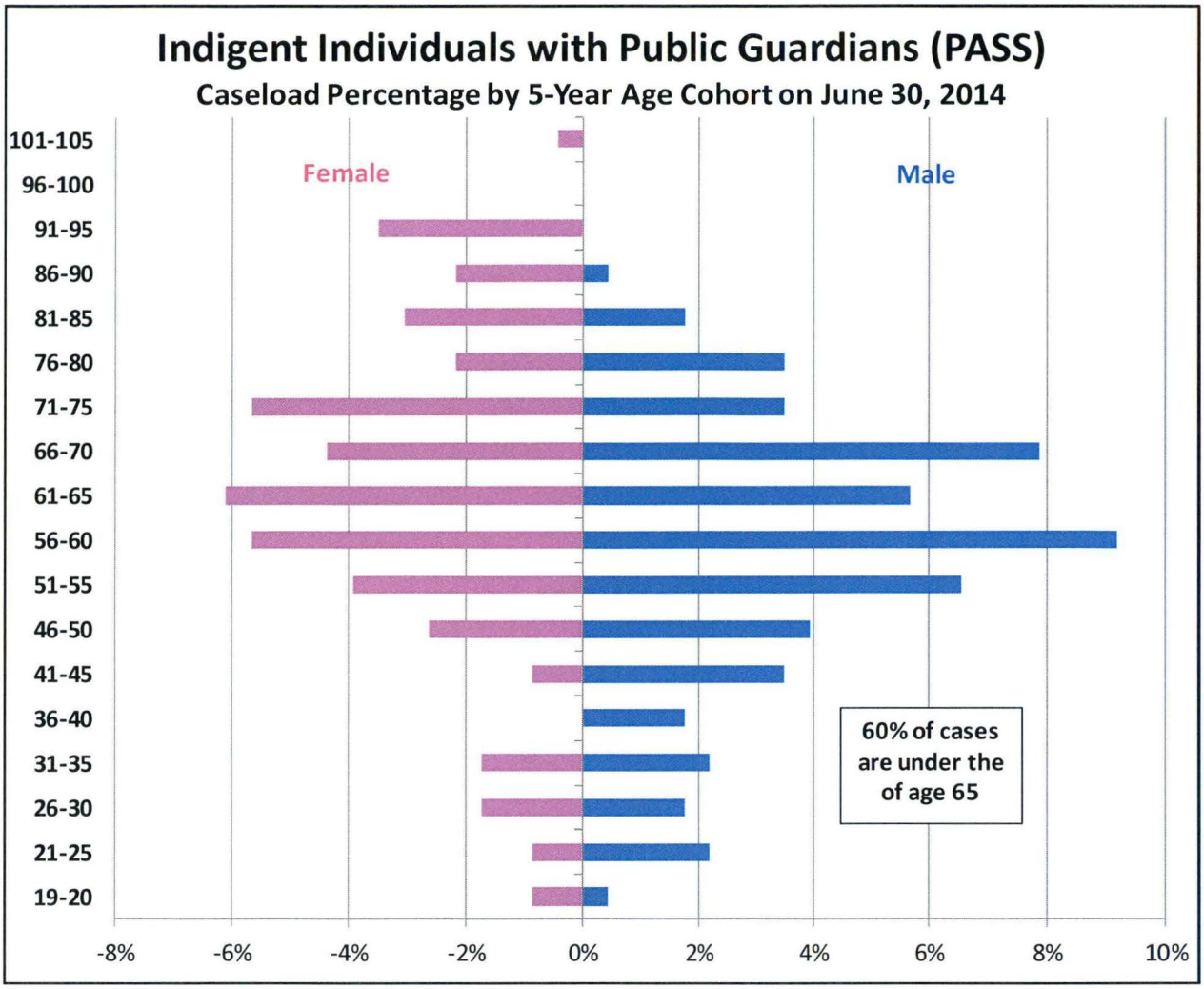
Thank you, Mr. Chairman and committee members, for this opportunity to support this important funding.

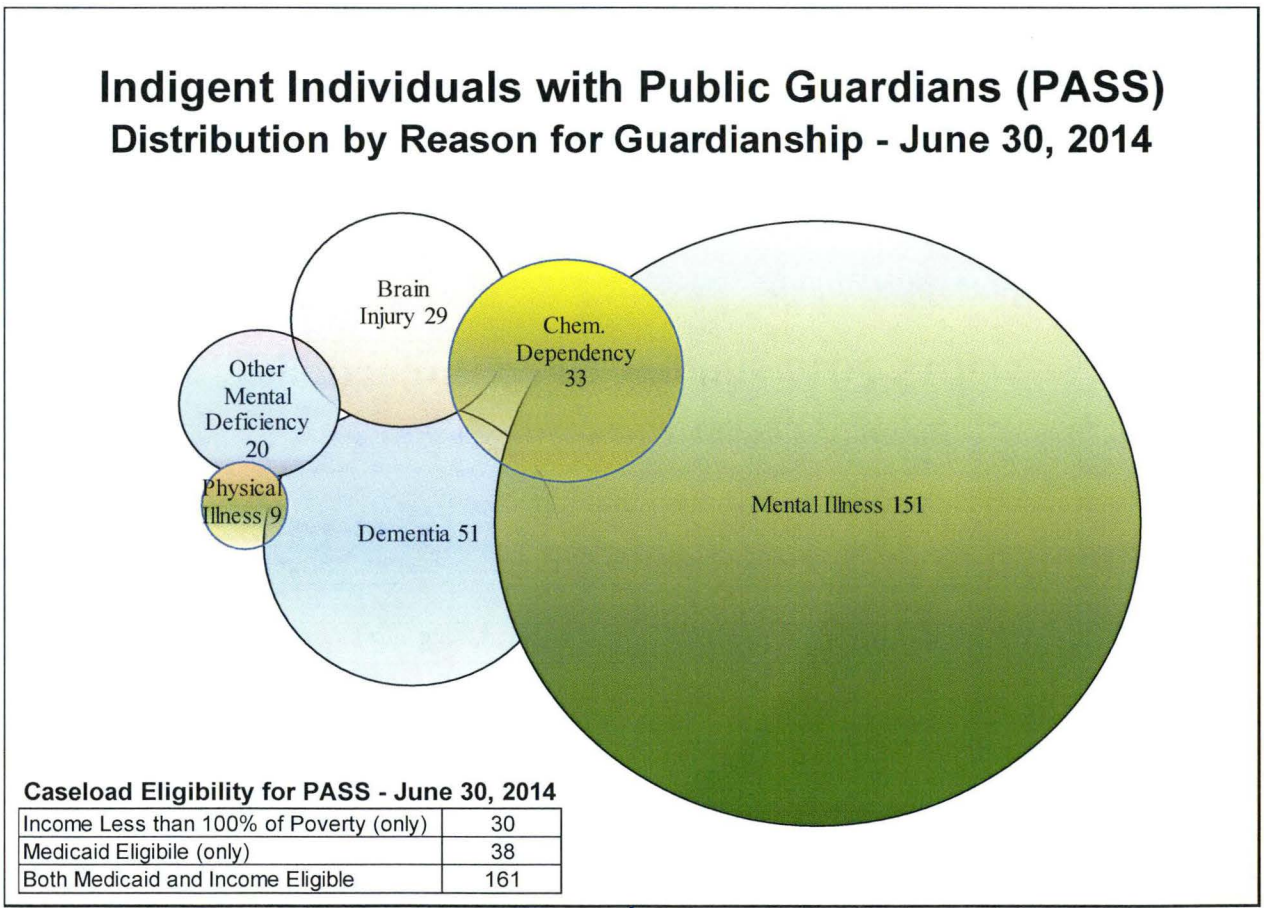
2015-2017 Funding Need Projections

Based on Caseload Data through Dec. 2014

	Caseload Projections	No Rate Change	3% per year Rate Change
Jul-15	259		
Jun-16	306	$ 848,094	$ 873,537
Jul-16	311		
Jun-17	357	$ 1,001,474	$ 1,064,263
	Biennial Total	$ 1,849,568	$ 1,937,800

Executive Budget	$ 1,657,200	$ 1,657,200
Difference	$ 192,368	$ 280,600





Caseload Eligibility for PASS - June 30, 2014

Income Less than 100% of Poverty (only)	30
Medicaid Eligibile (only)	38
Both Medicaid and Income Eligible	161

SB2015 March 12, 2015 Attachment E

Testimony to: **Government Operations Division of House Appropriations**
Representative Blair Thoreson, Chairman
Testimony by: Judy Vetter, Administrator of Guardian and Protective Services, Inc.
March 12, 2015

Chairman Thoreson and Members of the House Appropriations Committee, I am Judy Vetter, Administrator of Guardian and Protective Services, Inc. (GaPS) and the President of the Guardianship Association of North Dakota. I am speaking today on behalf of the Association and in my capacity as Administrator. Guardian and Protective Services Inc. currently serve 8 counties in the South Central Judicial District as the County Public Administrator.

I am asking this committee to support the continued funding for Guardianship grants as requested by OMB under Section 1, Line 21.

As a provider, I can speak from my experiences and knowledge of the increased need. Our agency receives numerous calls and contacts, requesting us to serve as Guardian for many of our State's Vulnerable Adults.

The testimony and statistics shared by Terry Traynor, ND Association of Counties, gives an accurate picture of the continued need and anticipated growth for the next biennium.

Without the funding requested, there are Vulnerable Adults that will end up on a waiting list for Guardianship Providers. This outcome would be tragic for many of these individuals, because the majority of the cases we are requested to serve as Guardian for are in crisis situations.

This funding is crucial for providers to be able to continue serving as Guardian for the individuals that the Court determines are in need of a Guardian. Specific criteria were established during the 2013 Legislative Session that set clear guidelines as to who qualifies for these Guardianship grant funds.

The process that OMB and the ND Association of Counties set up to administer and manage the Public Guardianship Grants is very efficient and effective.

Thank you for your time and consideration of the requests made to support and pass the continuation of the Guardianship grants identified in SB 2015 as requested by the North Dakota Association of Counties and the Guardianship Providers.

Thank you for your time. I would be happy to answer any questions you may have.

SB 2015 March 12, 2015 Attachment F

HOUSE APPROPRIATIONS COMMITTEE
GOVERNMENT OPERATIONS DIVISION
March 12, 2015 - 8:30 a.m. – Medora Room

North Dakota Department of Transportation
Darcy Rosendahl, Deputy Director

SB 2015

Mr. Chairman and members of the committee, I'm Darcy Rosendahl, Deputy Director for the North Dakota Department of Transportation (DOT). I'm here in support of the Energy Development Impact Funding Pool which is contained in OMB's budget. That funding pool is essential for the Department to retain existing employees and assist in recruiting new employees.

We have been granted appropriation authority for $3,383,180 of Oil Impact Salaries and $426,054 of Oil Impact Rental Assistance for this biennium.

We currently have 16 vacancies in western North Dakota. In the Williston District we have 67 budgeted positions and since the energy industry expanded in the area, we have averaged 10-15 vacancies a month.

Our greatest employment challenges are equipment operators, mechanics, and engineering positions. Some examples of the challenges we face in hiring are listed below:

- A DOT equipment operator's starting salary is equivalent to $16.18/hour. Recent ads for drivers for other companies in the Williston area show a minimum hourly rate of $20-$27 per hour with comparable benefit packages. The current oil patch add-on for equipment operators in the Williston District adds $4.33/hour bringing our starting pay to $20.51/hour. We are still at the very low end even with the oil patch add-on.

- A DOT mechanic's starting salary is equivalent to $18.46/hour. Recent ads for mechanics for other companies in the Williston area show a minimum hourly rate of $28 - $36 per hour with comparable benefit packages. The current oil patch add-on for mechanics in the Williston District adds $4.33/hour bringing our starting pay to $22.79/hour. Even with the add-on we are not at the lower end of what others are paying. We have two mechanic positions vacant in our Williston District. One position has been vacant for two years and the other for one year. We recently issued an RFP to procure the services of a vendor to come into our Williston shop and provide mechanic services. We had no responses to the RFP. We have had to implement a roving mechanic position where one of our mechanics drives to Williston to assist with the mechanic duties.

- Currently 5 of the 9 engineering positions in the Williston District are vacant. We have temporarily assigned employees from other districts to give added support.

The DOT currently has 23 employees utilizing the rental assistance program. Without this program we definitely would have lost some employees and would not have been able to hire some of the new employees we did acquire. The average rent for a two-bedroom apartment in Williston is $2515/month. We hire an equipment operator at $2805/month so you can see the necessity of this program. Without it, current employees that are renting, or new employees we hire, would not be able to afford to live in Williston with the salaries we can offer.

Thank you. That concludes my testimony. I'd be happy to answer any questions you may have.

SB 2015 March 12, 2015 attachment G

Senate Bill 2015
House Appropriations – Government Operations Division
Representative Blair Thoreson, Chairman
March 12, 2015

Mr. Chairman and members of the committee, my name is Aaron Hummel, Administrative Services Commander at the North Dakota Highway Patrol. I am here to provide testimony supporting Senate Bill 2015, specifically the rental assistance and oil patch differential funding.

The Highway Patrol has been and will continue to be one of the agencies that have had significant change due to increasing demands for services energy impacted areas within the state.

Since the programs began, the Highway Patrol has been able to utilize both the rental assistance and oil patch differential funding. Since July 2013, we have had a total of 24 employees that have been able to use the rental assistance program. We are projected to have 18 employees that will be using this program after our current recruit class of 14 new troopers graduate in February.

The Highway Patrol also utilizes the funding made available through the oil patch differential program. Currently, all of our employees residing in the counties of Williams, Mountrail, Dunn, and McKenzie receive an additional $500.00 per month. After the recruit class currently in the LETA graduates in February and transitions to their post assignments, we will have 28 employees receiving the differential funding.

The Highway Patrol will use all of the funding made available through OMB during the 2013-2015 biennium and will need approximately $60,000 from our own budget to cover the ongoing monthly expenses and rental assistance. We still find recruitment and retention efforts in the energy impacted areas to be challenging and we would be appreciative of the continuation of these programs. They will help us as an agency to retain current employees, as well as be more competitive in our recruitment efforts. It is more and more challenging to locate, recruit, and hire quality employees within the field of law enforcement.

An informal survey was recently conducted soliciting feedback from our employees in the areas receiving funding from the rental assistance and/or oil patch differential programs. Although the survey was informal, it did provide very useful comments provided by those employees. The majority of employees surveyed have less than 5 years of service with the NDHP. I have attached some comments that were received by employees submitting the survey. These comments illustrate the importance of the program and the positive impact that it is having on employee welfare and the recruitment and retention efforts of the Highway Patrol

1

I will close with offering you a quote provided by a trooper that is stationed in Williston and has been with the NDHP for less than 2 years.

The programs are important for me because I would not be able to sustain a good quality of living here. If I did not have the assistance I would have meager living at best and would not be able to stay in Williston. I would be living paycheck to paycheck in a profession that is dangerous and demanding. One needs a quality of off duty life to be able to maintain this career. – **1 year trooper, Williston receiving rental assistance and oil patch differential funding.**

This concludes my testimony. I would be happy to answer questions.

I had considered applying for a higher paying oilfield job or moving somewhere where living expenses were not as affected by the oilfield. The extra money helps my family offset some expenses that have gone up because of the oilfield activity.

I feel for an established family $500 is adequate but for a young family that comes to the oil activity region it's not enough. The rental assistance is a good tool to get families here and get housing but that is a temporary fix. These young families are not able to save enough money to buy a house at the current rate they are selling at and no one wants to rent forever. I would like to see a grant program started that would award money to young couples in non-oilfield related jobs that are making less money to buy a house in the Bakken area. In return they would be required to stay in that home for a period of time (5, 10, 15 years) or they have to pay back that amount.

For now as with the extra $500 impact money my family is able to afford the higher cost of living. If the $500 impact money goes away, I'm not sure we'll be able to afford to stay. – **16 year trooper stationed in Stanley, receiving oil patch differential funding.**

I can't start a life when houses are $300,000+, which gets you a box on a 1/8 acre of land.

It Helped pay for expensive groceries. Also, keep my insanity by having some extra money for vacation, to get out of the Bakken and back to civilization. – **2 year trooper, Watford City receiving both the oil patch differential and rental assistance funding.**

The impact funding & housing assistance were a great benefit to living in the energy impacted area. It greatly helped to offset the cost of living & took away some of the stress with being in that area. – **3 year trooper who was stationed in Williston and transferred to New Salem.**

Increased costs that I've noticed the most deal directly with things you need or use every day. These include food, clothing, and housing and even vehicle maintenance. Everything in this area is tagged with the "oil field" price. The same gallon of gas is sometimes 50 cents or more cheaper in other areas of the state. I've had to go to the eastern part of the state to buy tires for my car as they were almost $400 cheaper. For a family, we have to buy in bulk in larger cities, up to 150 miles away just to offset the higher costs of food. Heat, water, gas and internet access are all very expensive out here compared to other parts of the state. Extra money a month helps deal with those costs.

The impact funding has helped keep me in this part of the state and continue to serve this part of the state. Receiving the extra $500 a month is like a reward for working in one of the most

challenging areas of North Dakota. The work out here is challenging and those who stay out here are rewarded not only by the experiences they gain but are rewarded financially. The costs out in this area are also higher for me compared to a Trooper in the other parts of the state. I have to travel sometimes 70-150 miles to shop for groceries as the costs locally are too high. As a family we will either drive to Fargo or Bismarck to stock up on bulk food so that we don't have to buy as much locally and the $500 a month allows for that to happen. **-1 year trooper in New Town receiving oil patch differential funding.**

Groceries, food, gasoline, household goods, housing all cost more. Housing costs seem to be the biggest obstacle to Troopers staying here. They are forced to live in apartments with their families because they can't afford to buy a house on the salary of a 1-5 year trooper. – **Supervisor in Williston, 11 year employee receiving oil patch differential funding**

Having recently left the impact area, the cost of living is significantly less at my current post. Gas is consistently 25-30 cents per gallon cheaper, childcare is actually available and also significantly cheaper, as well as housing and grocery prices. Milk is approximately $1.50/gal less in DL vs. the impact area. Our realtor in the impact area saw our current house in DL and was confident that the same home in Williston would be easily 100K more than the price it was listed for in DL.

While living in the impact area, the impact funding was very helpful in taking some of the financial stress that comes with the area away, therefore providing a better quality of life. This in turn gave a better morale to the troopers in the area, especially the troopers that had been posted there prior to the impact funding being implemented. For those that already had roots in the area prior to the boom, or those who wanted to make the area their new "home", it gave them peace of mind that the Patrol recognized the need for extra funding for the troops in the impacted area. For me personally, it made me not want to put the transfer letter in when that time of year came around. Once our trailer lot rent was increased the impact funding did cover the difference, however the benefit of the impact funding (at this time it was prior to lot rent being included in housing assistance) had to be used exclusively to cover the increase in lot rent. This left no extra coverage for increased prices of other goods/services. Some other housing issues/concerns arose, and it was decided that it would be best to relocate. If I could have my current house moved to the oil impact area and retain my current mortgage, I would still be living in the oil impact area. - **5 year trooper that transferred from Williston to Devils Lake, received oil patch differential funding**

Almost all goods are more expensive in Mountrail County. For example a gallon of milk costs about 6 dollars. Gasoline is about a dollar more per gallon than the state average. All vehicle repair and maintenance costs are overly inflated. Cost of internet is 3 times more than in Fargo area for example (for a1/10 of the speed). Traveling to Minot for groceries at least once a week adds up to the cost. **- 1 year trooper Parshall receiving oil patch differential funding. He came from another agency and already owned a home in Parshall.**

My lot rent went from 350.00 dollars a month to 850.00 after the mobile home park I was living in was sold. The housing assistance has allowed me to stay there in my mobile home without having to look for a different place to live or to transfer somewhere that I could afford to buy a home on a single income as I am not married. **– 8 year trooper, Williston, receiving rental assistance and oil patch differential funding**

I live in a 3 bedroom apartment. I'm grateful for my home but with 4 kids, we are quickly outgrowing the place and having trouble finding an affordable home that would be big enough.

With the trouble of finding an affordable home that fits our needs, we may very well attempt to transfer to east side of ND.

We enjoy living in Williston and would try to find a way to make it work.

Houses in Williston are selling for twice as much, if not more, than the houses on the east side of ND. Groceries are also higher priced. Thank God we have a Wal-Mart that keeps prices competitive. Houses that are in poor shape are being listed at very high prices and are selling soon after being put on the market. We have been waiting for prices to come down since we moved here but have only seen an increase in prices. I basically can't afford a decent home in Williston. I had a nice home in Fargo before we moved here and we are really starting to miss that.

The impact funding and housing assistance have been crucial to my family's quality of life. It's made it possible for us stay in Williston and not regret being here. Williston has been good for us and we've put down some roots here. It would be hard to leave but if we can't find an affordable home soon, we may have to. The extra money has been very helpful and we appreciate the effort put forth to make us eligible for. I believe without the assistance, we would have probably attempted to leave already. **– 3 year trooper in Williston, receives rental assistance and oil patch differential funding.**

The inflated costs of this region pose a grand threat to exceptional loss in real estate investment. Based off of the current energy impact situation and fluctuation I would not be confident in investment, a necessary key to grounding myself in this location. Renting short term is a very viable option considering the rental assistance provided by the department. Apartment living however is a temporary residential situation, and is limited in the time I am willing to spend in this location for the unforeseen future.

This is a time sensitive issue. I will do my duty out here for a number of years. If I am unable to transfer, or am denied a transfer for such a number of years, then yes the over inflated, energy impacted economy out here could drive me to find other occupational opportunities.

Groceries are elevated in cost, generally a few extra hundred dollars a month. Rent is roughly 3x the cost that I have previously paid for in other areas of the state. Commodities can sometimes be difficult to come by, and services are increased in cost and are more difficult to receive. Dental, clinical checkups take weeks to months in advance to schedule, vehicle repairs and maintenance, also take weeks to months in advance to schedule.

I could not afford to live out here without housing assistance. Costs are just too high with respect to my salary. I have no qualms with my salary, as my pay is very respectable, however prices are overly inflated in this region. With housing assistance I am able to afford a normal 1 bedroom apartment. This apartment is not large, and exceptional in any way, but with rental assistance I was able to afford a decent, respectable abode. Without housing assistance, I would be lucky to afford to rent a finished basement. – **1 year trooper in Dickinson receiving rental assistance**

I went to college in Fargo, ND and rented a 3 bedroom, two bathroom apartment. The cost was only $1000 per month and I got two parking spaces in a parking garage. After moving out to Williston, I pay $1300 a month for a two bedroom, one bathroom apartment and have one assigned parking spot out in the parking lot. Prices for food are more expensive out in Williston. Going out to eat, prices are nearly doubled than from Fargo, ND. Purchases groceries are even more expensive. I am purchasing the same amount of groceries as when I was in Fargo, ND and the cost in almost 3 times that of Fargo, ND. Cost for utilities is more expensive. In my 3 bedroom, 2 bathroom apartment in Fargo, I was paying nearly 100 dollars for everything including cable and internet. In Williston, I pay nearly $300 per month for everything. Prices for houses are the major factor. In Fargo, houses that I would look at would be approximately $180,000-$250,000 for a 3 bedroom, two bathroom home with a 3 car garage. In Williston for a house like this, it would cost at least $38,000,000. Vehicle insurance is nearly 4 times that of what I paid in Fargo, ND. While in Fargo, I paid $25 dollars a month, in Williston, I would have to pay $100 a month with a clear record. I was able to bring it down due to defensive driving courses and clear record. Health Preventive care is more expensive including dentist, doctor visits and eye care. Vehicle maintenance is more expensive. In Fargo, ND I would pay $40 dollars

for a synthetic oil change. In ND, for a simple oil change, it can be from $60-$70. Fuel prices are more expensive. The last time I checked, there was 30 cents different in fuel prices compared to Fargo, ND than Williston, ND.

The funding and housing assistance has made it somewhat easier to live in the area. I am able to have an apartment, even though, would prefer to live in a house. With prices for everything being expensive in the area, the cost has help cut some high burdens and I am able to live in the area, but unable to experience some benefits of owning own home. – 1 year trooper in Williston

The cost of living in an energy impacted area is significantly higher. Groceries, utilities, and general necessities for basic living are practically double those of non impacted areas.

Groceries are at least 150% higher than in non- energy impacted areas.

The impact funding and housing assistance has enabled me to become much more involved with the NDHP and promote into a supervisor position. Without the funding and housing assistance it wouldn't have been possible for me. – **Supervisor in Williston took a promotion to move to the area, 8 year employee receiving rental assistance and oil patch differential funding.**

I came from the Twin Cities area. Even in an area such as the cities I was only paying 800 for a 1 bedroom apt. Since coming here gas, groceries, and utilities have doubled that of living in the twin cities.

I would like to reside here for a long time; however assistance in buying a home would solidify me here.

The programs are important for me because I would not be able to sustain a good quality of living here. If I did not have the assistance I would have meager living at best and would not be able to stay in Williston. I would be living paycheck to paycheck in a profession that is dangerous and demanding. One needs a quality of off duty life to be able to maintain this career. – **1 year trooper, Williston receiving rental assistance and oil patch differential funding.**

The cost of living is higher here than anywhere else. Almost everything from housing to fuel to groceries is more expensive than anywhere else. I could move to Bismarck, lose my energy impact fund, and make more money.

These funds have kept troopers in Williston. I have personally seen troopers remain longer than they would have if the funds did not exist. I would consider leaving the department and going to work in the private sector for considerably more money and less stress if these funds are dropped. - **Supervisor in Williston, 10 year employee receiving oil patch differential funding.**

SB2015 March 12, 2015 Attachment H

Senate Bill 2015 First Engrossment
House Appropriations Committee Government Operations Division
March 12, 2015

Testimony of Lynn D. Helms, Director

The North Dakota Industrial Commission – Department of Mineral Resources – Oil and Gas Division has field offices located in Dickinson, Williston, and Minot.

Before funding was made available for housing rental assistance and temporary salary increases, recruiting and retaining employees in areas affected by energy development was difficult. We experienced two potential hires that declined job offers simply due to the inability to find affordable housing in Williston. Since the funding has been made available, we have been able to recruit new employees, and retain current employees affected by the rising cost of living in the energy development areas, including two in that same city.

The Department of Mineral Resources has eight (8) employees that have received housing assistance funding. Some examples of how the oil patch differential and the housing allowance has greatly helped include:

An employee in Minot was living in a $700/month basement sleeping room with a shared bathroom and no cooking facilities. He was evicted due to the sale of the property. Because of the housing assistance he was able move into the lowest cost one bedroom apartment he could find - $1200/month in an older existing 49 unit complex.

An employee in Dickinson experienced a 90% in increase in rent this past fall (from $950 to $1800/month). A search for more affordable housing found nothing available. Because of housing assistance, we retained the employee as they did not have to move out of state.

Two employees in Williston that are receiving housing assistance are living in the lowest cost best rate they could find. Both are in a one bedroom, one bath apartment and paying heat and electricity. Without the housing allowance they could not afford the $1200-$1800/month rates.

During Oil and Gas Division interviews in January and February, all potential employees inquired about housing allowance and differential pay. This shows that it continues to be a concern for those seeking employment in the energy impacted areas.

Mr. Chairman and members of the Senate Appropriations Committee, the North Dakota Industrial Commission urges your approval of the Senate Bill 2015 Energy Impact funding Pool on page 1 line 24.

District Field Office Housing Survey

Dickinson	2006	2012	Mar-2013	Nov-2013	Jun-2014
Housing Cost (existing)	$75,000.00	$150,000.00	$150,000.00	$150,000 - $300,000	$175,000 - $450,000
New Construction	$170,000.00	$177,000.00	$222,000.00	$225,000 on up	$245,000 and up
Apt Rental / month	$600.00	$3,000.00	$2,400.00	$2,600	$2,700
Hotel rates / night	$69.00	$189.00	$165.00	$160.00	$160.00
			Govt rate sometimes available		

Anecdotal: recent hires include $1700 for one bedroom and another purchased older home for $225.000

Williston	2006	2012	current		
Housing Cost	$78,000.00	$155,000.00	$225,000.00	$225,000 - $275,000	$275,000
New Construction	$150,000.00	$256,000.00	$290,000.00	$300,000	$300,000
Apt Rental (old existing)	$450.00	$1,100.00	$1,500.00	$1,500	$1,500
Apt Rental (new)	$600.00	$2,450.00	$3,000.00	$3,000	$3,000
Hotel rates	$65.00	$165.00	$132.00	Gov rate - $200	Gov rate - $200
			Gov rates sometimes available		

Minot	2006	2012			
Housing Cost	$127,000.00	$176,000.00	$185,000.00	$185,000	$185,000
New Construction	$149,860.00	$207,680.00	$218,300.00	$220,000	$220,000
Apt Rental / month	$670.00	$965.00	$1,250.00	$1,100	$1,100
Hotel rates / night	$70.00	$118.00	$107.00	$106	$91

SB2015 March 12, 2015 Attachment I

House Appropriations/Government Operations Division
SB 2015
March 12, 2015

Chairman Thoreson and members of the Committee, I am Corinne Hofmann, Director of Policy and Operations for the Project & Advocacy Project (P&A). I am here to testify regarding Section 12 of Senate Bill 2015, relating to state employee compensation adjustments and P&A salary issues.

P&A submitted an Optional Adjustment Request (OAR) with its budget to address its salary issues. We believe an equitable compensation plan pays employees based on their years of valuable work experience in combination with work performance. Of P&A's 27 classified employees, 8 have worked over 25 years for the State of ND. Another 4 have between 20 and 25 years work experience with the State of ND. However, as of August 2014, P&A staff salaries compare as follows:

8.14

Quartile	% of Employees	
	State of ND	P&A
4	10%	0%
3	23%	0%
2	31%	26%
1	36%	74%
Compa-Ratio	.94	.83
Years of Service	13.0	16.5

P&A is experiencing serious compression between experienced and newly-hired advocates. This has a negative effect on current staff morale, as well as new staff recruitment. In response to this concern, the

Governor's recommended budget for P&A for the 15-17 biennium includes increases of 2% for employees with pay in the first quartile and 1% for those in the second quartile. This adds up to $108,462. The Governor's budget also includes funding to P&A of $399,404 for salary equity. Because P&A's federal grants have not seen increases in many years, these amounts are all General Funds and include increased costs for benefits. In total, these changes would bring the compa-ratio for P&A up from .83 to .98, in line with other State agencies.

If funded, a plan and implementation model would be developed in collaboration with HRMS, and approved by the Committee on P&A (the agency's governing board), to ensure objectivity and equity in distribution of any funds made available for this intended purpose.

We ask that the Committee restore the much needed market component of a 2% increase for employees in the 1st quartile and 1% in the 2nd quartile. In addition, we ask the Committee's support for the inclusion of targeted equity funding. These actions will help us address P&A's compression issues and low Compa-Ratio.

We also ask that the Committee restore the performance component to 3%-5%, which will allow our agency to do a more effective performance distribution.

Thank you. I will be happy to answer your questions.

SB 2015 March 12. 2015 attachment 5

NDVS/SB North Dakota Vision Services / School for the Blind

500 Stanford Road, Grand Forks, ND 58203-2799 phone: (701) 795-2700 fax: 701-795-2727

March 12, 2015

Chair Thoreson and members of the Government Operations Appropriations Committee:

My name is Paul Olson and I am Superintendent of ND Vision Services/School for the Blind. I am here to testify in support of SB 2015 to include additional employee compensation for Market Point Policy and Target Equity that the Executive Budget outlined for 2015 - 2017. Tami Purcell, NDVS/SB Business Manager, is also present and available for testimony.

Our agency has 30 FTE's. As of December 31, 2014, our agency has experienced a 22% staff turnover. Currently we are experiencing staff with over an 11% market lag. Our current comp/ratio is .82 with an average of 9.5 years of experience. We continue to face difficulties in recruiting and retaining employees.

Competition for qualified staff is always a challenge. In small agencies in particular, numerous critical functions are carried out by these staff persons and these tasks are increasingly technical. We have found that applicants for these positions are often excited about working for the state, but they express concern about starting wages. We have experienced situations in which the most qualified and capable candidates have declined offers due to what they consider depressed wages.

NDVS/SB has lost staff (recently a 2 year employee) to equivalent positions in Grand Forks where there are other attractive opportunities. We do expect a certain degree of turn over, but it is unfortunate that many additional hours need to be spent recruiting, training and mentoring a new employee.

We support the efforts to alleviate the market lag in compensation that exists for our agency and for other small agencies that are disadvantaged as a result of this lag.

Sincerely,

Paul Olson

Paul Olson—Superintendent

Tami Purcell

Tami Purcell—Business Manager

Office of Management and Budget - Budget No. 110
Senate Bill No. 2015
Base Level Funding Changes

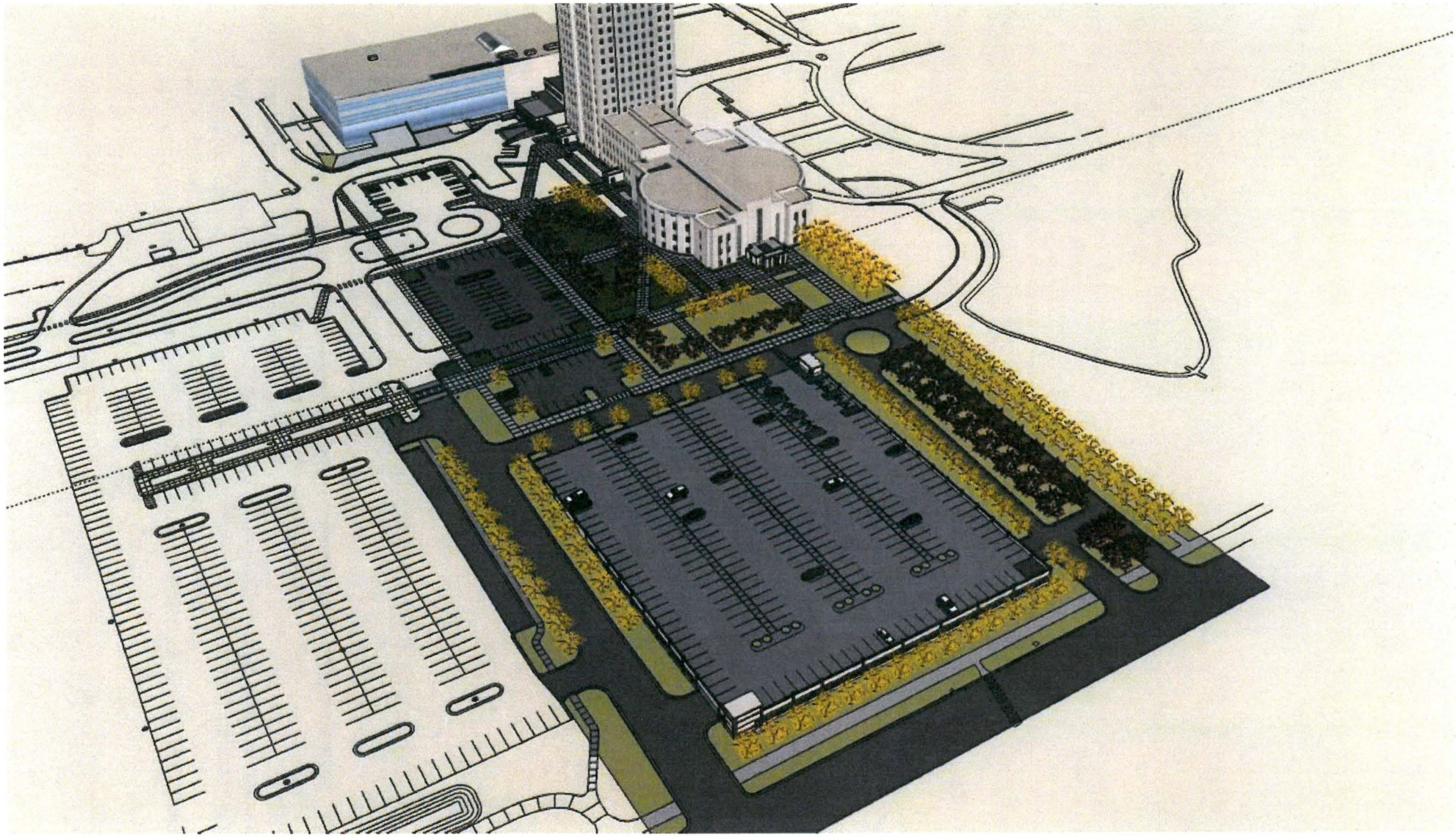
	Executive Budget Recommendation				Senate Version				Senate Version Changes to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	130.50	$31,746,688	$8,730,630	$40,477,318	130.50	$31,746,688	$8,730,630	$40,477,318	0.00	$0	$0	$0
2015-17 Ongoing Funding Changes												
Base payroll changes	(8.00)	($6,614)	($1,477,206)	($1,483,820)	(8.00)	($6,614)	($1,477,206)	($1,483,820)				$0
Salary increase - Performance		800,672	159,263	959,935		599,321	118,363	717,684		(201,351)	(40,900)	(242,251)
Salary increase - Market equity		116,021	20,205	136,226				0		(116,021)	(20,205)	(136,226)
Retirement contribution increase		81,833	16,278	98,111				0		(81,833)	(16,278)	(98,111)
Health insurance increase		424,972	84,532	509,504		424,972	84,532	509,504				0
2013-15 biennium funding adjustments		(2,620,085)	(430,984)	(3,051,069)		(2,620,085)	(430,984)	(3,051,069)				0
Facility Management projects		2,425,009		2,425,009		2,425,009		2,425,009				0
Central Services equipment			200,000	200,000			200,000	200,000				0
Funding for utility increases		650,000		650,000		650,000		650,000				0
Prairie Public Broadcasting		362,862		362,862		362,862		362,862				0
Increases funding for guardianship grants		828,600		828,600		1,109,200		1,109,200		280,600		280,600
Increases funding for community supervision grant:				0		125,000		125,000		125,000		125,000
Other change				0				0				0
Other change				0				0				0
Other change				0				0				0
Total ongoing funding changes	(8.00)	$3,063,270	($1,427,912)	$1,635,358	(8.00)	$3,069,665	($1,505,295)	$1,564,370	0.00	$6,395	($77,383)	($70,988)
One-time funding items												
Mailroom equipment upgrades		$30,000		$30,000		$30,000		$30,000		$0		$0
Govenor's residence security enhancements		175,000		175,000		175,000		175,000		0		0
Student internship program		50,000		50,000		50,000		50,000		0		0
Mechanical upgrades in Heritage Center		600,000		600,000		600,000		600,000		0		0
Prairie Public Broadcasting projects		1,500,000		1,500,000		1,500,000		1,500,000		0		0
Capitol elevator upgrade		1,400,000		1,400,000		1,400,000		1,400,000		0		0
Capitol entrance and building signs		1,400,000		1,400,000			1,400,000	1,400,000		(1,400,000)	1,400,000	0
West parking lot repair		1,300,000		1,300,000		1,300,000		1,300,000		0		0
Expansion of Liberty Memorial Building		40,000,000		40,000,000				0		(40,000,000)		(40,000,000)
Health insurance pool for temporary employees		5,000,000	5,000,000	10,000,000		2,500,000	2,500,000	5,000,000		(2,500,000)	(2,500,000)	(5,000,000)
Energy impact funding pool		6,200,000	8,500,000	14,700,000		6,200,000	8,500,000	14,700,000		0	0	0
Other one-time funding item				0				0				0
Other one-time funding item				0				0				0
Total one-time funding changes	0.00	$57,655,000	$13,500,000	$71,155,000	0.00	$13,755,000	$12,400,000	$26,155,000	0.00	($43,900,000)	($1,100,000)	($45,000,000)
Total Changes to Base Level Funding	(8.00)	$60,718,270	$12,072,088	$72,790,358	(8.00)	$16,824,665	$10,894,705	$27,719,370	0.00	($43,893,605)	($1,177,383)	($45,070,988)
2015-17 Total Funding	122.50	$92,464,958	$20,802,718	$113,267,676	122.50	$48,571,353	$19,625,335	$68,196,688	0.00	($43,893,605)	($1,177,383)	($45,070,988)

Other Sections in Senate Bill No. 2015

	Executive Budget Recommendation	Senate Version
Property tax relief sustainability fund transfer to general fund	Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.	Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.

	Executive Budget Recommendation	Senate Version
Strategic investment and improvements fund transfer to general fund	Section 4 provides for a transfer of $700 million from the strategic investment and improvements fund to the general fund during the 2015-17 biennium.	
General fund transfer to highway fund	Section 5 provides for a transfer of $904,115,558 from the general fund to the highway fund during the 2015-17 biennium.	
General fund transfer to special road fund	Section 6 provides for a transfer of $5 million from the general fund to the special road fund during the 2015-17 biennium.	
Community service supervision grants	Section 7 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.	Section 4 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.
Unexpended appropriation continuation	Section 8 provides that amounts appropriated to the Fiscal Management Division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.	Section 5 provides that amounts appropriated to the Fiscal Management Division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.
State internship program	Section 10 authorizes the Human Resource Management Services Division to transfer funds appropriated for the state student internship program to other agencies.	Section 7 authorizes the Human Resource Management Services Division to transfer funds appropriated for the state student internship program to other agencies.
State agency energy development impact funding pool	Section 11 authorizes the Human Resource Management Services Division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.	Section 8 authorizes the Human Resource Management Services Division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.
Temporary employee health insurance pool	Section 12 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.	Section 9 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.
State employee compensation transfers	Section 13 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the state employee compensation adjustments.	Section 10 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the state employee compensation adjustments.
State employee compensation adjustments	Section 14 provides legislative intent that funding provided for state employee salary increases be used to provide 3 to 5 percent annual performance compensation adjustments and up to 2 percent annual market equity adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and equity, and employees whose documented performance does not meet standards are not eligible for compensation adjustments. Market equity adjustments are to be provided to employees below their respective market policy point.	Section 11 provides legislative intent that funding provided for state employee salary increases be used to provide 2 to 4 percent annual performance compensation adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and employees whose documented performance does not meet standards are not eligible for compensation adjustments.
Management of school fund	Section 15 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.	Section 12 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.

MODEL ANIMATION



NORTH DAKOTA STATE CAPITOL

PARKING STRUCTURE FEASIBILITY ESTIMATE - FEBURARY 12, 2014

PARKING STRUCTURE	Quantity	U/M	Unit Cost		Total
Structural				$	7,500,000
Civil				$	500,000
Tunnel, elevators and new Lobby				$	950,000
Electrical				$	350,000
Mechanical				$	350,000
Construction Subtotal				**$**	**9,650,000**
Inflation Factor (To May 2015)				$	289,500
Construction Total				**$**	**9,939,500**
Soft Costs (Permits, Fees, Surveys and Geotech)				$	868,500
PARKING RAMP PROJECT TOTAL				**$**	**10,808,000**
ADDITIONAL RELATED PROJECTS					
Premium for Vertical Expansion Capability at Ramp				$	1,125,000
New West Plaza, 20 Space Staff Lot and Landscape				$	605,000
New Loop Road and Landscape				$	580,000
Revised South Access Road				$	85,000
Soft Costs				$	161,700
TOTAL ALL PROJECTS				**$**	**13,364,700**

15.8148.02036

Sixty-fourth
Legislative Assembly
of North Dakota

FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2015

SB 2015
4-27-15
#1

Introduced by

Appropriations Committee

(At the request of the Governor)

A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to provide an appropriation to the department of transportation; to provide an appropriation to the state auditor; to provide an appropriation to the legislative assembly; to amend and reenact subdivision c of subsection 1 of section 15-10-17 and section 48-08-04 of the North Dakota Century Code, relating to North Dakota university system personnel and the use of legislative meeting rooms; to repeal section 54-44-06 of the North Dakota Century Code, relating to duties of the office of management and budget as to school fund; to provide an exemption; to provide for various transfers; to provide for a legislative management study; and to provide a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the office of management and budget for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
~~Salaries and wages~~	~~$19,803,315~~	~~$313,779~~	~~$20,117,094~~
~~Accrued leave payments~~	~~570,412~~	~~(570,412)~~	~~0~~
~~Operating expenses~~	~~14,356,788~~	~~(150,003)~~	~~14,206,785~~
~~Emergency commission contingency fund~~	~~700,000~~	~~0~~	~~700,000~~
~~Capital assets~~	~~2,251,065~~	~~5,278,944~~	~~7,530,009~~

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~~Grants~~	~~430,000~~	~~125,000~~	~~555,000~~
~~Guardianship grants~~	~~828,600~~	~~1,109,200~~	~~1,937,800~~
~~Prairie public broadcasting~~	~~1,337,138~~	~~1,862,862~~	~~3,200,000~~
~~State student internship program~~	~~200,000~~	~~50,000~~	~~250,000~~
~~Energy impact funding pool~~	~~0~~	~~14,700,000~~	~~14,700,000~~
~~Health insurance pool - temporary employees~~	~~0~~	~~5,000,000~~	~~5,000,000~~
~~Total all funds~~	~~$40,477,318~~	~~$27,719,370~~	~~$68,196,688~~
~~Less estimated income~~	~~8,730,630~~	~~10,894,705~~	~~19,625,335~~
~~Total general fund~~	~~$31,746,688~~	~~$16,824,665~~	~~$48,571,353~~
Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	0	828,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$6,781,330	$47,258,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,091,570	$35,838,258
Full-time equivalent positions	130.50	(8.00)	122.50

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2013-15	2015-17
Capitol complex parking lot repairs	$4,000,000	$0

Health insurance pool	2,000,000	0
Exterior restoration of legislative and j-wing	1,500,000	0
Repair and cleaning capitol and j-wing	1,200,000	0
Capitol south entrance	1,000,000	0
~~Prairie public broadcasting~~	~~600,000~~	~~1,500,000~~
Prairie public broadcasting	600,000	0
North Dakota 125th anniversary coordinator	190,000	0
Energy impact funding	8,500,000	0
Transfer to property tax relief	315,210,000	0
Information technology hardware relocation study	200,000	0
Student internship	0	50,000
~~Facility projects~~	~~0~~	~~2,205,000~~
Facility projects	0	205,000
Signage on the capitol grounds	0	1,400,000
~~West parking lot repair~~	~~0~~	~~1,300,000~~
West parking lot repair	0	50,000
ACA health insurance	0	5,000,000
~~Energy impact pool~~	~~0~~	~~14,700,000~~
~~Total all funds~~	~~$334,400,000~~	~~$26,155,000~~
~~Less estimated income~~	~~5,500,000~~	~~12,400,000~~
~~Total general fund~~	~~$328,900,000~~	~~$13,755,000~~
Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009

The 2015-17 one-time funding amounts are not a part of the entity's base budget for the 2017-19 biennium. The office of management and budget shall report to the appropriations committees of the sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

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SECTION 3. APPROPRIATION - TRANSFER PROPERTY TAX RELIEF SUSTAINABILITY FUND TO GENERAL FUND. There is appropriated out of any moneys in the property tax relief sustainability fund in the state treasury, not otherwise appropriated, the sum of $657,000,000, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the general fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, which the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall transfer the funds provided in this section at the request of the director of the department of transportation.

SECTION 5. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 6. APPROPRIATION - STATE AUDITOR. There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 7. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS - REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $160,000 or so much of the sum as may be necessary, to the legislative assembly for the purpose of purchasing and installing audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative

1.4

assembly, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding appropriated in this section is considered a one-time funding item.

The state court administrator shall provide periodic reports to the legislative procedure and arrangements committee during the 2015-16 interim regarding the status of the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly.

SECTION 8. ESTIMATED INCOME - CAPITOL BUILDING FUND. The estimated income line item in section 1 of this Act includes ~~$1,400,000~~$1,710,000 from the capitol building fund, of which $1,400,000 is for capitol building entrance and signage projects and $310,000 is for legislative wing electrical and ceiling repairs.

SECTION 9. COMMUNITY SERVICE SUPERVISION GRANTS - FUNDING ALLOCATIONS - ADDITIONAL INCOME APPROPRIATION. The grants line item in section 1 of this Act includes the sum of $500,000 from the general fund for the purpose of providing community service supervision grants. The office of management and budget shall distribute the grant funds on or before August first during each year of the biennium beginning July 1, 2015, and ending June 30, 2017, to North Dakota community corrections association regions as follows:

Barnes County	$12,121
Bismarck (urban)	27,057
Bismarck (rural)	14,223
Devils Lake	14,329
Dickinson	16,911
Fargo	32,169
Grand Forks	26,404
Jamestown	18,511
Minot	21,592
Richland County	13,241
Rugby	15,543
Sargent County	10,781
Wells County	10,919

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Williston	16,199
Total	$250,000

Any moneys in the community service supervision fund are appropriated to the office of management and budget for distribution to community corrections association regions on or before August first of each year during the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 10. EXEMPTION. The amount appropriated for the fiscal management division, as contained in section 1 of chapter 15 of the 2013 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for continued development and operating costs of the accounting, management, and payroll systems, during the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 11. INTENT. Within the authority included in section 1 of this Act are the following grants and special items:

Boys and girls clubwork	$53,000
State memberships and related expenses	$611,000
Unemployment insurance	$1,500,000
Capitol grounds planning commission	$25,000

SECTION 12. STATE STUDENT INTERNSHIP PROGRAM. The human resources division of the office of management and budget may transfer to each eligible agency appropriated general fund spending authority from the state student internship program line item contained in section 1 of this Act.

~~**SECTION 11. OFFICE OF MANAGEMENT AND BUDGET - STATE AGENCY ENERGY DEVELOPMENT IMPACT FUNDING POOL.** The office of management and budget may transfer to each eligible agency appropriation authority from the energy development impact funding pool line item contained in section 1 of this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funds provided under this section are considered a one-time funding item.~~

SECTION 13. OFFICE OF MANAGEMENT AND BUDGET - TEMPORARY EMPLOYEE HEALTH INSURANCE POOL. The office of management and budget may transfer to each eligible agency appropriation authority from the health insurance pool - temporary employees line item contained in section 1 of this Act. Transfers may be made for the purpose of providing

temporary employee health insurance adjustments for state employees, including institutions of higher education, determined to be full time based on guidelines developed by the office of management and budget in accordance with the shared responsibility provisions of the Affordable Care Act for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 14. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION. Notwithstanding section 54-16-04, agencies may transfer appropriation authority between line items, as it relates to compensation increases authorized in section ~~12~~15 of this Act, for the biennium beginning July 1, 2015, and ending June 30, 2017. The agencies shall notify the office of management and budget of any transfer made pursuant to this section.

SECTION 15. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES. It is the intent of the sixty-fourth legislative assembly that 2015-17 biennium compensation adjustments for classified state employees for each year of the biennium are to be a performance component in a range of two to four percent based on documented performance. Increases for classified state employees are not to be the same percentage increase for each employee. The increases for the first year of the biennium are to be given beginning with the month of July 2015, to be paid in August 2015, and for the second year of the biennium are to be given beginning with the month of July 2016, to be paid in August 2016.

Probationary employees are not entitled to the performance increases. However, probationary employees may be given all or a portion of the increases effective in July, paid in August, or upon completion of probation, at the discretion of the appointing authority.

The office of management and budget shall develop guidelines for use by state agencies for providing compensation adjustments for regular classified employees. The guidelines must follow section 54-44.3-01.2, compensation philosophy statement.

Compensation adjustments for regular nonclassified state employees, excluding employees under the control of the state board of higher education, are to be in a range of two to four percent based on market and documented performance and are not to be the same percentage increase for each employee.

Employees whose overall documented performance level does not meet standards are not eligible for any salary increase.

SECTION 16. AMENDMENT. Subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

1.7

c. Appoint and remove all university system office personnel, fix their salaries within the limits of legislative appropriations, fix their terms of office, and prescribe their duties. The board shall adopt a policy that provides that each vice chancellor in the university system office is considered to have resigned the individual's position as a vice chancellor upon the appointment of a commissioner of higher education.

SECTION 17. AMENDMENT. Section 48-08-04 of the North Dakota Century Code is amended and reenacted as follows:

48-08-04. Use of legislative assembly rooms and halls.

During the interim between legislative sessions, the committee rooms, halls, passageways, and other space in the capitol used by the legislative assembly, including the pioneer room and three additional meeting rooms comprising approximately four thousand square feet in the judicial wing of the capitol, may not be used without authorization of the legislative council.

SECTION 18. REPEAL. Section 54-44-06 of the North Dakota Century Code is repealed.

SECTION 19. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES. The funding appropriated to the department of human services in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 20. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 21. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION - SEVERANCE PAY. Notwithstanding any policy adopted by the board, the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of the transfer of positions from the state board of higher education to the attorney general as provided in House Bill No. 1003 as approved by the sixty-fourth legislative assembly.

1.8

15.8148.02036
Title.06000
Fiscal No. 6

Prepared by the Legislative Council

April 24, 2015

SB 2015
4-27-15
#2

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of transportation; to provide an appropriation to the state auditor; to provide an appropriation to the legislative assembly; to amend and reenact subdivision c of subsection 1 of section 15-10-17 and section 48-08-04 of the North Dakota Century Code, relating to North Dakota university system personnel and the use of legislative meeting rooms;"

Page 1, line 4, after the third semicolon insert "to provide for a legislative management study;"

Page 1, line 5, after "provide" insert "a statement of"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$19,803,315	$224,939	$20,028,254
Accrued leave payments	570,412	(570,412)	0
Operating expenses	14,356,788	(150,003)	14,206,785
Emergency commission contingency fund	700,000	0	700,000
Capital assets	2,251,065	1,738,944	3,990,009
Grants	430,000	125,000	555,000
Guardianship grants	828,600	0	828,600
Prairie public broadcasting	1,337,138	362,862	1,700,000
State student internship program	200,000	50,000	250,000
Health insurance pool - temporary employees	0	5,000,000	5,000,000
Total all funds	$40,477,318	$6,781,330	$47,258,648
Less estimated income	8,730,630	2,689,760	11,420,390
Total general fund	$31,746,688	$4,091,570	$35,838,258"

Page 2, replace line 17 with:

"Prairie public broadcasting	600,000	0"

Page 2, replace line 23 with:

"Facility projects	0	205,000"

Page 2, replace line 25 with:

"West parking lot repair	0	50,000"

Page 2, replace lines 27 through 30 with:

"Facility management projects	0	1,825,009
Legislative wing electrical-related repairs	0	310,000
Total all funds	$334,400,000	$8,840,009
Less estimated income	5,500,000	4,210,000
Total general fund	$328,900,000	$4,630,009"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, which the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall transfer the funds provided in this section at the request of the director of the department of transportation.

SECTION 5. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $200,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

SECTION 6. APPROPRIATION - STATE AUDITOR. There is appropriated out of special funds derived from other income from fees charged to the North Dakota university system, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the state auditor for the purpose of conducting information technology security audits of the eleven institutions in the North Dakota university system, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 7. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS - REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $160,000 or so much of the sum as may be necessary, to the legislative assembly for the purpose of purchasing and installing audio and visual equipment, tables, chairs, and other furnishings in legislative meeting rooms within the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding appropriated in this section is considered a one-time funding item.

The state court administrator shall provide periodic reports to the legislative procedure and arrangements committee during the 2015-16 interim regarding the status of the facility space expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative assembly."

Page 3, line 12, replace "$1,400,000" with "$1,710,000"

Page 3, line 12, after "fund" insert ", of which $1,400,000 is"

Page 3, line 13, after "projects" insert "and $310,000 is for legislative wing electrical and ceiling repairs"

Page 4, remove lines 24 through 29

Page 5, line 9, replace "12" with "15"

Page 5, after line 31, insert:

"**SECTION 16. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-17 of the North Dakota Century Code is amended and reenacted as follows:

c. Appoint and remove all university system office personnel, fix their salaries within the limits of legislative appropriations, fix their terms of office, and prescribe their duties. The board shall adopt a policy that provides that each vice chancellor in the university system office is considered to have resigned the individual's position as a vice chancellor upon the appointment of a commissioner of higher education.

SECTION 17. AMENDMENT. Section 48-08-04 of the North Dakota Century Code is amended and reenacted as follows:

48-08-04. Use of legislative assembly rooms and halls.

During the interim between legislative sessions, the committee rooms, halls, passageways, and other space in the capitol used by the legislative assembly, including the pioneer room and three additional meeting rooms comprising approximately four thousand square feet in the judicial wing of the capitol, may not be used without authorization of the legislative council.

Page 6, after line 1, insert:

"**SECTION 19. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding appropriated to the department of human services in Senate Bill No. 2289 as approved by the sixty-fourth legislative assembly, relating to assistive technology services is considered one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 20. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS. During the 2015-16 interim, the legislative management shall study the functions of the budget section. The study must review the duties and studies assigned to the budget section and the ability of the budget section to authorize financial decisions, including full-time equivalent positions, university system building projects, and project scope changes. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 21. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION - SEVERANCE PAY. Notwithstanding any policy adopted by the board, the state board of higher education or an institution under its control may not approve or provide severance pay to any employee whose employment is terminated as a result of the transfer of positions from the state board of higher education to the attorney general as provided in House Bill No. 1003 as approved by the sixty-fourth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Office of Management and Budget				
Total all funds	$40,477,318	$68,196,688	($20,938,040)	$47,258,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,733,095)	$35,838,258

State Auditor				
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
Legislative Assembly				
Total all funds	$0	$0	$160,000	$160,000
Less estimated income	0	0	0	0
General fund	$0	$0	$160,000	$160,000
Department of Transportation				
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
Bill total				
Total all funds	$40,477,318	$68,196,688	$379,421,960	$447,618,648
Less estimated income	8,730,630	19,625,335	191,995,055	211,620,390
General fund	$31,746,688	$48,571,353	$187,426,905	$235,998,258

Senate Bill No. 2015 - Office of Management and Budget - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$19,803,315	$20,117,094	($88,840)	$20,028,254
Operating expenses	14,356,788	14,206,785		14,206,785
Capital assets	2,251,065	7,530,009	(3,540,000)	3,990,009
Grants	430,000	555,000		555,000
Emergency commission contingency fund	700,000	700,000		700,000
Prairie public broadcasting	1,337,138	3,200,000	(1,500,000)	1,700,000
State student internship program	200,000	250,000		250,000
Guardianship grants	828,600	1,937,800	(1,109,200)	828,600
Accrued leave payments	570,412			
Health insurance pool - temp employees		5,000,000		5,000,000
Energy impact funding pool		14,700,000	(14,700,000)	
Total all funds	$40,477,318	$68,196,688	($20,938,040)	$47,258,648
Less estimated income	8,730,630	19,625,335	(8,204,945)	11,420,390
General fund	$31,746,688	$48,571,353	($12,733,095)	$35,838,258
FTE	130.50	122.50	0.00	122.50

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

	Adjusts Funding for Health Insurance Premium Increases[1]	Reduces Funding for Guardianship Grants[2]	Removes One-Time Funding For Projects[3]	Reduces One-Time Funding for Parking Lot Repairs[4]	Removes One-Time Funding for Energy Impact Funding[5]	Adds Funding for Legislative Wing Repairs[6]
Salaries and wages	($88,840)					
Operating expenses						
Capital assets			(2,000,000)	(1,250,000)		310,000
Grants						
Emergency commission contingency fund						
Prairie public broadcasting			(1,500,000)			
State student internship program						
Guardianship grants		(1,109,200)				
Accrued leave payments						
Health insurance pool - temp employees						
Energy impact funding pool					(14,700,000)	
Total all funds	($88,840)	($1,109,200)	($3,500,000)	($1,250,000)	($14,700,000)	$310,000

Less estimated income	(14,945)	0	0	0	(8,500,000)	310,000
General fund	($73,895)	($1,109,200)	($3,500,000)	($1,250,000)	($6,200,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Facility Management Projects[7]	Total House Changes
Salaries and wages		($88,840)
Operating expenses		
Capital assets	(600,000)	(3,540,000)
Grants		
Emergency commission contingency fund		
Prairie public broadcasting		(1,500,000)
State student internship program		
Guardianship grants		(1,109,200)
Accrued leave payments		
Health insurance pool - temp employees		
Energy impact funding pool		(14,700,000)
Total all funds	($600,000)	($20,938,040)
Less estimated income	0	(8,204,945)
General fund	($600,000)	($12,733,095)
FTE	0.00	0.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is reduced for guardianship grants to provide total funding of $828,600, which is the same as the base level. The Senate added funding of $1,109,200 from the general fund.

[3] One-time funding is removed for mechanical upgrades in the Heritage Center ($600,000), Prairie Public Broadcasting projects ($1.5 million), and Capitol elevator upgrades ($1.4 million).

[4] One-time funding is reduced for west parking lot repairs to provide total funding of $50,000 from the general fund. The Senate version provided $1.3 million from the general fund.

[5] One-time funding is removed for the energy impact funding pool.

[6] One-time funding is added from the Capitol building fund for legislative wing electrical and ceiling repairs.

[7] This amendment reduces the funding for facility management projects to provide total funding of $1,825,009 and identifies this funding as one-time funding. The Senate provided $2,425,009 from the general fund as ongoing funding.

This amendment also:

- Adds a section to provide for a Legislative Management study of the functions of the Budget Section.
- Adds a section to identify the funding included in Senate Bill No. 2289 as one-time funding.
- Adds a section of legislative intent to restrict the State Board of Higher Education from providing severance payments to employees who are transferred to the Attorney General's office.
- Adds a section to require the State Board of Higher Education to adopt a policy for the resignation of vice chancellors when a new Commissioner of Higher Education is appointed.

- Clarifies the use of legislative meeting rooms during the interim.
- Provides an emergency clause for certain sections of the bill.

Senate Bill No. 2015 - State Auditor - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$200,000	$200,000
Total all funds	$0	$0	$200,000	$200,000
Less estimated income	0	0	200,000	200,000
General fund	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00

Department No. 117 - State Auditor - Detail of House Changes

	Adds Funding for University System IT Audits[1]	Total House Changes
Operating expenses	$200,000	$200,000
Total all funds	$200,000	$200,000
Less estimated income	200,000	200,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding from fees charged to the North Dakota University System is added for information technology security audits of the 11 institutions in the University System.

Senate Bill No. 2015 - Legislative Assembly - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			$160,000	$160,000
Total all funds	$0	$0	$160,000	$160,000
Less estimated income	0	0	0	0
General fund	$0	$0	$160,000	$160,000
FTE	0.00	0.00	0.00	0.00

Department No. 150 - Legislative Assembly - Detail of House Changes

	Adds One-Time Funding for Meeting Room Furnishings[1]	Total House Changes
Operating expenses	$160,000	$160,000
Total all funds	$160,000	$160,000
Less estimated income	0	0
General fund	$160,000	$160,000
FTE	0.00	0.00

[1] Adds one-time funding from the general fund for equipment, tables, chairs, and other furnishings for

2.6

legislative meeting rooms in the judicial wing.

Senate Bill No. 2015 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Capital assets			$200,000,000	$200,000,000
Transfers			200,000,000	200,000,000
Total all funds	$0	$0	$400,000,000	$400,000,000
Less estimated income	0	0	200,000,000	200,000,000
General fund	$0	$0	$200,000,000	$200,000,000
FTE	0.00	0.00	0.00	0.00

Department No. 801 - Department of Transportation - Detail of House Changes

	General Fund Transfer to Highway Fund[1]	Adds Funding for Enhanced State Highway Investments[2]	Total House Changes
Capital assets		$200,000,000	$200,000,000
Transfers	200,000,000		200,000,000
Total all funds	$200,000,000	$200,000,000	$400,000,000
Less estimated income	0	200,000,000	200,000,000
General fund	$200,000,000	$0	$200,000,000
FTE	0.00	0.00	0.00

[1] This amendment adds a transfer of $200 million from the general fund to the highway fund.

[2] One-time funding is added from the highway fund for enhanced state highway investments.

SB 2015
4-27-15
#3

15.8148.02033
Title.

Prepared by the Legislative Council staff for
Representative Onstad
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - PRAIRIE PUBLIC BROADCASTING.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,500,000, or so much of the sum as may be necessary, to the office of management and budget for prairie public broadcasting projects, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides one-time funding of $1.5 million from the general fund to the Office of Management and Budget for Prairie Public Broadcasting projects.

Passed SB 2015
4-27-15
#4

15.8148.02031
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 24, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - JUDICIAL WING REMODELING PROJECT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $65,693, or so much of the sum as may be necessary, to the judicial branch for the purpose of defraying the additional costs of the remodeling project in the judicial wing, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Funding is provided to the Judicial Branch for the additional costs of the remodeling project in the judicial wing.

4.1

SB 2015
4-27-15
#5
2 pM

15.8148.02038
Title.

Prepared by the Legislative Council staff for
Representative Delzer
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after "budget" insert "; to provide an appropriation to the department of transportation; to provide contingent appropriations and transfers"

Page 3, after line 10, insert:

"**SECTION 4. GENERAL FUND APPROPRIATION AND TRANSFER - HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.**

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, which the director of the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

2. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, or so much of the sum as may be necessary, to the department of transportation for state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 5. CONTINGENT GENERAL FUND TRANSFER AND HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, which the director of the office of management and budget shall transfer to the highway fund, during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. a. The transfer and appropriation in subsection 1 of this section is available only if the director of the office of management and budget determines actual general fund revenues for the period beginning February 1, 2015, and ending June 30, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $20,000,000.

b. For purposes of this subsection, "estimated general fund revenues" excludes transfers to the general fund from the strategic investment

5.1

and improvements fund, property tax relief fund, the lottery, the mill and elevator, and gas tax administration.

SECTION 6. CONTINGENT GENERAL FUND AND STRATEGIC INVESTMENT AND IMPROVEMENTS FUND APPROPRIATIONS AND TRANSFERS - STATE BOARD OF HIGHER EDUCATION - DEPARTMENT OF TRANSPORTATION - BUDGET SECTION APPROVAL.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the state board of higher education for the Valley City state university fine arts building project, including the demolition of two existing buildings, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $25,850,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

3. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the state board of higher education for the North Dakota state university Dunbar Hall project, for the biennium beginning July 1, 2015, and ending June 30, 2017.

4. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $46,000,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

5. a. The appropriations and transfers in subsections 1 and 2 of this section are available, subject to budget section approval, only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000, or if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending June 30, 2016, exceed

the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000.

b. The appropriations and transfers in subsections 3 and 4 of this section are available, subject to budget section approval, only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2016, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $250,000,000. Additionally, the appropriation in subsection 3 is available only if the state board of higher education certifies to the budget section that the Dunbar Hall project conforms to the university system campus master plan and space utilization study and the board receives budget section approval to proceed with the project.

c. For purposes of this subsection, "estimated general fund revenues" excludes the unobligated general fund balance on July 1, 2015, and transfers to the general fund from the strategic investment and improvements fund, property tax relief fund, the lottery, the mill and elevator, and gas tax administration."

Renumber accordingly

SB 2015
4-27-15 4:30 PM

#1

Comparison of Contingent Appropriations in Proposed Amendments to House Bill No. 1003 (15.8111.02026) and Senate Bill No. 2015 (15.8148.02038)

Project	Proposed Amendments to HB 1003	Proposed Amendments to SB 2015
VCSU Fine Arts Project - $25.8 million		
Contingency criteria	General fund revenues exceed legislative estimates by $126 million between July 1, 2015, and December 31, 2015.	General fund revenues exceed legislative estimates by $126 million between July 1, 2015, and December 31, 2015.
Secondary contingency criteria	General fund revenues exceed legislative estimates by $126 million between July 1, 2015, and June 30, 2016.	General fund revenues exceed legislative estimates by $126 million between July 1, 2015, and June 30, 2016.
Budget Section approval	**Not required.**	**Required.**
NDSU Dunbar Hall Project - $46 million		
Contingency criteria	General fund revenues exceed legislative estimates by **$200 million** between July 1, 2015, and December 31, 2016.	General fund revenues exceed legislative estimates by **$250 million** between July 1, 2015, and December 31, 2016.
Budget Section approval	Required.	Required.
Additional requirements	Project must conform to University System campus master plan and space utilization study.	Project must conform to University System campus master plan and space utilization study.
Department of Transportation - Enhanced State Highway Projects		
Regular general fund appropriation of $18 million	Not included.	No contingency criteria - Budget Section approval not required.
General fund appropriation of $20 million	Not included.	General fund revenues exceed legislative estimates by $20 million between February 1, 2015, and June 30, 2015. Budget Section approval not required.
Strategic investment and improvements fund (SIIF) appropriation of $25.8 million	Not included.	Same contingency criteria as VCSU Fine Arts building project. Budget Section approval required.
SIIF appropriation of $46 million	Not included.	Same contingency criteria as NDSU Dunbar Hall building project (Revenues exceed estimates by $250 million). Budget Section approval required.

SENATE BILL NO. 2015 - COMPARISON OF SENATE AND HOUSE VERSIONS AND PROPOSED CONFERENCE COMMITTEE CHANGES

SB 2015
4-27-15 4:30PM

OFFICE OF MANAGEMENT AND BUDGET APPROPRIATIONS - MAJOR CHANGES

The schedule below summarizes the major changes to the appropriations to the Office of Management and Budget in Senate Bill No. 2015 based on the Senate and House versions and the proposed conference committee changes.

#2

	Senate Version	House Version	Proposed Conference Committee Changes
Ongoing funding changes			
Facility management projects	$2,425,009	$0	
Guardianship grants	$1,109,200	$0	
One-time funding item changes			
Mechanical upgrades in the Heritage Center	$600,000	$0	
Prairie Public Broadcasting projects	$1,500,000	$0	
Capitol elevator upgrade	$1,400,000	$0	
West parking lot repair	$1,300,000	$50,000	
Energy impact funding pool	$14,700,000[1]	$0	
Legislative wing repairs	$0	$310,000[2]	
Facility management projects	$0	$1,825,009	

[1]This amount includes $8.5 million from other funds.

[2]This amount reflects funding from the capitol building fund.

DETAIL OF SECTIONS OF BILL

The schedule below summarizes the sections included in Senate Bill No. 2015 in the Senate and House versions and in the proposed conference committee changes.

Senate Version	House Version	Proposed Conference Committee Changes
Property tax relief transfer to general fund • Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015-17 biennium.	**Property tax relief transfer to general fund** • Section 3 provides for a transfer of $657 million from the property tax relief sustainability fund to the general fund during the 2015 17 biennium. (Same as Senate) **General fund transfer to highway fund** • Section 4 provides for a transfer of $200 million from the general fund to the highway fund during the 2015-17 biennium. Section 5 provides an appropriation of $200 million from the highway fund to the Department of Transportation. **State Auditor - University System audits** • Section 6 provides an appropriation of $200,000 from North Dakota University System fees for the State Auditor to conduct information technology security audits of the 11 institutions. **Legislative Assembly - Meeting rooms** • Section 7 provides an appropriation of $160,000 from the general fund to the Legislative Assembly for meeting room furnishings.	

Senate Version	House Version	Proposed Conference Committee Changes
Capitol building fund • Section 4 identifies that Section 1 includes $1.4 million from the Capitol building fund.	**Capitol building fund** • Section 8 identifies that Section 1 includes $1.71 million from the Capitol building fund.	
Community service supervision grants • Section 5 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund.	**Community service supervision grants** • Section 9 provides guidelines for the distribution of community service supervision grants. The section also provides appropriation authority for the Office of Management and Budget to distribute additional grants from any funds deposited in the community service supervision fund. (Same as Senate)	
Unexpended appropriation continuation • Section 6 provides that amounts appropriated to the Fiscal Management Division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of North Dakota Century Code Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium.	**Unexpended appropriation continuation** • Section 10 provides that amounts appropriated to the Fiscal Management Division in Section 1 of Chapter 15 of the 2013 Session Laws are not subject to the provisions of Section 54-44.1-11 which require unexpended appropriations to be canceled at the end of the biennium. (Same as Senate)	
Grants and special items • Section 7 identifies grants and other special items to be paid by the Office of Management and Budget.	**Grants and special items** • Section 11 identifies grants and other special items to be paid by the Office of Management and Budget. (Same as Senate)	
State internship program • Section 8 authorizes the Human Resource Management Services Division to transfer funds appropriated for the state student internship program to other agencies.	**State internship program** • Section 12 authorizes the Human Resource Management Services Division to transfer funds appropriated for the state student internship program to other agencies. (Same as Senate)	
State agency energy development impact funding pool • Section 9 authorizes the Human Resource Management Services Division to transfer funds appropriated from the energy development impact funding pool line item to other agencies.		
Temporary employee health insurance pool • Section 10 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool.	**Temporary employee health insurance pool** • Section 13 authorizes the Office of Management and Budget to transfer funds to eligible agencies from the temporary employee health insurance pool. (Same as Senate)	
State employee compensation transfers • Section 11 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the state employee compensation adjustments.	**State employee compensation transfers** • Section 14 authorizes state agencies to transfer funding between line items for 2015-17 biennium compensation increases related to the state employee compensation adjustments. (Same as Senate)	

Senate Version	House Version	Proposed Conference Committee Changes
State employee compensation adjustments • Section 12 provides legislative intent that funding provided for state employee salary increases be used to provide 2 to 4 percent annual performance compensation adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and employees whose documented performance does not meet standards are not eligible for compensation adjustments.	**State employee compensation adjustments** • Section 15 provides legislative intent that funding provided for state employee salary increases be used to provide 2 to 4 percent annual performance compensation adjustments to eligible state employees during the 2015-17 biennium. Performance compensation adjustments are to vary based on documented performance and employees whose documented performance does not meet standards are not eligible for compensation adjustments. (Same as Senate) **Vice chancellors of higher education** • Section 16 requires the State Board of Higher Education to adopt a policy for the resignation of vice chancellors when a new Commissioner of Higher Education is appointed. **Legislative Assembly meeting rooms** • Section 17 clarifies the use of legislative meeting rooms during the interim.	
Management of school fund • Section 13 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund.	**Management of school fund** • Section 18 repeals Section 54-44-06 relating to the Office of Management and Budget's duty to manage the school fund. (Same as Senate) **Senate Bill No. 2289 - One-time funding** • Section 19 identifies the funding included in Senate Bill No. 2289 as a one-time funding item. **Budget Section study** • Section 20 provides for a Legislative Management study of the functions of the Budget Section. **Severance payments** • Section 21 provides legislative intent to restrict the State Board of Higher Education from providing severance payments to employees who are transferred to the Attorney General's office.	

15.8148.02037
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

SB 2015
4-27-15 4:30 PM
#3

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide an appropriation to the legislative council; to create and enact a new section to chapter 54-52.6 of the North Dakota Century Code, relating to the defined benefit retirement plan; to amend and reenact section 54-52-17 of the North Dakota Century Code, relating to retirement benefit changes for employees first enrolled after December 31, 2015;"

Page 1, line 4, after the first "to" insert "the"

Page 1, line 4, after the semicolon insert "to provide for a legislative management study;"

Page 1, replace line 21 with:

"Guardianship grants	828,600	828,600	1,657,200"

Page 2, replace lines 3 through 5 with:

"Total all funds	$40,477,318	$27,438,770	$67,916,088
Less estimated income	8,730,630	10,894,705	19,625,335
Total general fund	$31,746,688	$16,544,065	$48,290,753"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - LEGISLATIVE COUNCIL - CONSULTANTS FOR INTERIM STUDY.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $400,000, or so much of the sum as may be necessary, to the legislative council for the purpose of contracting with consultants to study oil and gas tax incentives and oil and gas recovery techniques, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 5, after line 31, insert:

"**SECTION 14. AMENDMENT.** Section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

54-52-17. Formulation of plan.

Participating members shall receive benefits according to this section and according to rules adopted by the board, not inconsistent with this chapter. No person is entitled to receive a prior service benefit if the person was not continuously employed by a governmental unit in North Dakota for a period of not less than two years immediately prior to eligibility for retirement.

1. Participating members shall receive credit for full-time employment or its equivalent from the date they attain eligibility until their normal retirement date, postponed retirement date, or early retirement date, as defined in this section. Part-time employment will be recognized as full-time employment on a prorated basis as the board may prescribe.

2. Retirement benefits are calculated from the participating member's final average salary, which is the average of the highest salary received by the

member for any thirty-six months employed during the last one hundred twenty months of employment. For members who terminate employment on or after August 1, 2010, final average salary is the average of the highest salary received by the member for any thirty-six months employed during the last one hundred eighty months of employment. For members who terminate employment between July 31, 2005, and August 1, 2010, final average salary is the average of the highest salary received by the member for any thirty-six months employed during the period for which the board has appropriate and accurate salary records on its electronic database, but that period may not be more than the last one hundred eighty months of employment. Months not employed are excluded in arriving at the thirty-six months to be used for the purpose of computing an average. If the participating member has worked for less than thirty-six months at the normal retirement date, the final average salary is the average salary for the total months of employment.

3. Retirement dates are defined as follows:

   a. Normal retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is:

      (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

      (2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

   b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, is:

      (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

      (2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.

   ~~b.~~c. Normal retirement date for a national guard security officer or firefighter is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment as a national guard security officer or firefighter.

   ~~c.~~d. Normal retirement date for a peace officer or correctional officer employed by a political subdivision is:

      (1) The first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer or correctional officer; or

(2) When the peace officer or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

~~d.~~e. Normal retirement date for a peace officer employed by the bureau of criminal investigation is:

(1) The first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer; or

(2) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

~~e.~~f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.

~~f.~~g. Early retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment. For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible employment. For a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.

~~g.~~h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03. A member is eligible to receive disability retirement benefits only if the member:

(1) Became disabled during the period of eligible employment; and

(2) Applies for disability retirement benefits within twelve months of the date the member terminates employment.

A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing

required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines that a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may pay the cost of any medical testing or rehabilitation services it deems necessary and these payments are appropriated from the retirement fund for those purposes.

4. The board shall calculate retirement benefits as follows:

   a. Normal retirement benefits for all retirees, except supreme and district court judges, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

      (1) Service benefit equals two percent of final average salary multiplied by the number of years of service employment.

      (2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

   b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

      (1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

      (2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

   c. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.

   d. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning prior to the normal retirement date, which is the earlier of age sixty-five or the age at which current service plus age equals eighty-five. Except for a national guard security officer or firefighter, a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by a fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a

supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.

e. Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars.

5. Upon termination of employment after completing three years of eligible employment, except for supreme and district court judges, who must complete five years of eligible employment, but before normal retirement date, a member who does not elect to receive early retirement benefits is eligible to receive deferred vested retirement benefits payable commencing on the member's normal retirement date in one of the optional forms provided in subsection 9. Members who have delayed or inadvertently failed to apply for retirement benefits to commence on their normal retirement date may choose to receive either a lump sum payment equal to the amount of missed payments, or an actuarial increase to the form of benefit the member has selected, which increase must reflect the missed payments.

6. If before retiring a member dies after completing three years of eligible employment, except for supreme and district court judges, who must have completed five years of eligible employment, the board shall pay the member's account balance to the member's designated beneficiary as provided in this subsection. If the member has designated an alternate beneficiary with the surviving spouse's written consent, the board shall pay the member's account balance to the named beneficiary. If the member has named more than one primary beneficiary, the board shall pay the member's account balance to the named primary beneficiaries in the percentages designated by the member or, if the member has not designated a percentage for the beneficiaries, in equal percentages. If one or more of the primary beneficiaries has predeceased the member, the board shall pay the predeceased beneficiary's share to the remaining primary beneficiaries. If any beneficiary survives the member, yet dies before distribution of the beneficiary's share, the beneficiary must be treated as if the beneficiary predeceased the member. If there are no remaining primary beneficiaries, the board shall pay the member's account balance to the contingent beneficiaries in the same manner. If there are no remaining designated beneficiaries, the board shall pay the member's account balance to the member's estate. If the member has not designated an alternate beneficiary or the surviving spouse is the beneficiary, the surviving spouse of the member may select a form of payment as follows:

   a. If the member was a supreme or district court judge, the surviving spouse may select one of the following optional forms of payment:

      (1) A lump sum payment of the member's retirement account as of the date of death.

(2) Payments as calculated for the deceased member as if the member was of normal retirement age at the date of death, payable until the spouse dies.

b. The surviving spouse of all other members may select one of the following options:

(1) A lump sum payment of the member's retirement account as of the date of death.

(2) Payment of a monthly retirement benefit equal to fifty percent of the deceased member's accrued single life retirement benefits until the spouse dies.

(3) If the member dies on or after the member's normal retirement date, the payment of a monthly retirement benefit equal to an amount that would have been paid to the surviving spouse if the member had retired on the day of the member's death and had selected a one hundred percent joint and survivor annuity, payable until the spouse dies. A surviving spouse who received a benefit under this subsection as of July 31, 1995, is entitled to the higher of that person's existing benefit or the equivalent of the accrued benefit available under the one hundred percent joint and survivor provision as if the deceased member were of normal retirement age, with the increase payable beginning August 1, 1995.

7. If a member not coming under the provisions of subsection 6 terminates employment because of death, permanent and total disability, or any voluntary or involuntary reason prior to retirement, the member or the member's designated beneficiary is entitled to the member's account balance at termination. The board automatically shall refund a member's account balance if the member has completed less than three years of eligible employment, has an account balance of less than one thousand dollars, and was not a supreme or district court judge. If the member was a supreme or district court judge, the board automatically shall refund a member's account balance if the member completed less than five years of eligible employment. A member may waive the refund if the member submits a written statement to the board, within thirty days after termination, requesting that the member's account balance remain in the fund.

8. The surviving spouse of a member receiving retirement benefits must be the member's primary beneficiary unless there is no surviving spouse or the surviving spouse designates an alternate beneficiary in writing. If a member receiving retirement benefits or the member's surviving spouse receiving retirement benefits dies before the total amount of benefits paid to either or both equals the amount of the member's account balance at retirement, the difference must be paid to the named beneficiary of the recipient or, if there is no named beneficiary, to the recipient's estate.

9. The board shall adopt rules providing for the receipt of retirement benefits in the following optional forms:

a. Single life.

b. An actuarially equivalent joint and survivor option, with fifty percent or one hundred percent options.

c. Actuarially equivalent life with ten-year or twenty-year certain options.

d. An actuarially equivalent partial lump sum distribution option with a twelve-month maximum lump sum distribution.

e. An actuarially equivalent graduated benefit option with either a one percent or two percent increase to be applied the first day of January of each year.

Except for supreme and district court judges, unless a member specifically requests that the member receive benefits according to one of these options at the time of applying for retirement, all retirement benefits must be in the form of a single life benefit. For supreme and district court judges, unless a member specifically requests that the member receive benefits according to one of these options at the time of applying for retirement, all retirement benefits must be in the form of a lifetime monthly pension with fifty percent of the benefit continuing for the life of the surviving spouse, if any.

10. The fund may accept rollovers from other eligible plans under rules adopted by the board for the purchase of additional service credit, but only to the extent the transfer is a rollover contribution that meets the requirement of section 408 of the Internal Revenue Code.

11. The board may accept trustee-to-trustee transfers as permitted by Internal Revenue Code section 403(b)(13) and section 457(e)(17) from an Internal Revenue Code section 403(b) annuity or Internal Revenue Code section 457 deferred compensation plan for the purchase of permissive service credit, as defined in Internal Revenue Code section 415(n)(3)(A) or as repayment of a cashout from a governmental plan under Internal Revenue Code section 415(k)(3).

12. The board may establish individual retirement accounts and individual retirement annuities as permitted under section 408(q) of the Internal Revenue Code to allow employees to make voluntary employee contributions. The board may adopt rules to implement and administer the accounts and annuities under this section.

SECTION 15. A new section to chapter 54-52.6 of the North Dakota Century Code is created and enacted as follows:

Changes to election.

1. In this section the term "participating member" is limited in application to a participating member who elected to participate in the defined contribution retirement plan established under this chapter as an active employee of workforce safety and insurance; is an actively participating member of the defined contribution plan as of the effective date of this Act; and is an active employee with workforce safety and insurance on the date an election is made under this section. The term does not include a participant who is not actively employed with workforce safety and insurance on the date of transfer of the funds under this section, has taken a distribution

from the defined contribution plan, is retired, is no longer actively employed with workforce safety and insurance, or who is a member who has a qualified domestic relations order or other court order on the member's account.

2. Notwithstanding any other provision of law, the board shall provide an opportunity for each participating member to elect in writing to terminate membership in the defined contribution retirement plan under this chapter and to elect to become a participating member in the public employees retirement system under chapter 54-52.

3. The board shall establish a three-calendar-month election period beginning not later than February 1, 2016. A participating member who does not make a written election or who does not file the election with the North Dakota public employees retirement system office during the period specified in this section continues to be a member of the defined contribution plan. A participating member who makes and files a written election with the North Dakota public employees retirement system office under this section ceases to be a member of the defined contribution plan upon receipt by the public employees retirement system of the accumulated fund balance of the member's defined contribution plan under this chapter and waives all rights to that employee's accumulated fund balance under the defined contribution plan. If the executive director of the North Dakota public employees retirement system determines a participating member was not adequately notified of the option to make an election under this section, the executive director may provide that participating member a reasonable time, not to exceed three months, within which to make that election.

4. The public employees retirement system shall credit the transferring employee with the service credit and salary history reflected on the public employees retirement system's electronic database.

5. The board shall determine the method by which a participating member may make a written election under this section. If the participating member is married at the time of the election, the election is not effective unless the election is signed by the individual's spouse. However, the executive director of the North Dakota public employees retirement system may waive this spousal signature requirement if the spouse's signature cannot be obtained because of extenuating circumstances.

6. For a participating member who elects to terminate membership in the defined contribution plan under this section, the board shall transfer that member's accumulated fund balance, less any rollovers from other plans made into the defined contribution plan, to the public employees retirement system under chapter 54-52. If funds are transferred from the defined contribution plan to the defined benefit plan under an election made under this section, the board shall record this transfer to the defined benefit plan as employee and employer contributions in the same manner as transferred by the defined contribution provider. If a participating member has a separate account attributable to rollover contributions to the defined contribution plan pursuant to section 54-52.6-09.1, the participating member shall make an election to receive a distribution of the entire amount held in the rollover account at the time of transfer.

7. A participating member who elects a transfer under this section is entitled to vested employer contribution amounts under section 54-52-11.1 prospectively from the date of transfer. A participating member who elects a transfer under this section must be assessed and required to pay monthly to the defined benefit plan an additional employee contribution of an additional two percent of the monthly salary or wages paid to the member."

Page 6, after line 1, insert:

"**SECTION 17. LEGISLATIVE MANAGEMENT STUDY.** During the 2015-16 interim, the legislative management shall study the current scientific and economic information regarding oil and gas recovery and enhanced recovery techniques, including the use of carbon dioxide, the timeline for implementing the techniques, and the estimated future annual economic impact, to determine the desirability and appropriate level of tax incentives to serve the interests of the state, political subdivisions, and fossil fuel energy production industries. The legislative management shall report its recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 18. LEGISLATIVE INTENT - OIL AND GAS IMPACT GRANTS TO AIRPORTS. It is the intent of the sixty-fourth legislative assembly that of the funding designated for grants to airports impacted by oil and gas development included in subsection 1 of section 5 of House Bill No. 1176, as approved by the sixty-fourth legislative assembly, a grant award of at least $39,000,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014, and a grant award of at least $5,800,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the second highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014. It is also the intent of the sixty-fourth legislative assembly that the grant awards designated under this section must be awarded without a local matching requirement."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment:

- Reduces the funding for guardianship grants by $280,600 to provide total funding of $1,657,200 from the general fund for guardianship grants. The Senate version provided $1,937,800 from the general fund. The House version reduced the funding to the base level of $828,600.
- Adds a section to allow employees of Workforce Safety and Insurance to switch from the defined contribution retirement plan to the defined benefit retirement plan.
- Adds a section to change the provisions of retirement benefits for employees first enrolled after December 31, 2015.
- Adds a section of legislative intent to designate grants to the Williston and Dickinson airports from the oil and gas impact grant fund.

- Provides an appropriation of $400,000 from the general fund to the Legislative Council to contract with a consultant related to a Legislative Management study of oil and gas tax incentives.

SB 2015

15.8148.02039
Title.

Prepared by the Legislative Council staff for 4-27-15
Representative Carlson 7:00 pm
April 27, 2015

#1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the Senate accede to the House amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be further amended as follows:

Page 6, after line 1, insert:

"**SECTION 14. STUDENT LOAN TRUST FUND - STATE DEPARTMENT OF HEALTH - DENTAL LOAN REPAYMENT PROGRAM.** The estimated income line item of section 1 of House Bill No. 1004, as approved by the sixty-fourth legislative assembly, includes the sum of $360,000, or so much of the sum as may be necessary, from the student loan trust fund for the dental loan repayment program administered by the state department of health for the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

A section is added clarifying that $300,000 in House Bill No. 1004, the State Department of Health's appropriation bill, for the dental loan repayment program is from the student loan trust fund. This section was inadvertently excluded from House Bill No. 1004.

1.1

SB 2015
4-27-15 7pm
#2

15.8148.02018
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 21, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact subsection 2 of section 61-16.1-09 of the North Dakota Century Code, relating to eminent domain and water resource boards;"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Subsection 2 of section 61-16.1-09 of the North Dakota Century Code is amended and reenacted as follows:

2. Exercise the power of eminent domain in the manner provided by title 32 for the purpose of acquiring and securing any rights, titles, interests, estates, or easements necessary or proper to carry out the duties imposed by this chapter~~, and particularly to~~. A water resource board may acquire the necessary rights in land for the construction of dams, flood control projects, and other water conservation, distribution, and supply works of any nature and to permit the flooding of lands~~, and to~~. In addition, a water resource board may secure the right of access to ~~such~~these dams and other devices and the right of public access to any impounded waters ~~impounded thereby~~. ~~Provided, however, that when~~If the interest sought to be acquired is a right of way for ~~any~~a project authorized in this chapter for which federal ~~or state~~ funds have been appropriated or state funds have been appropriated by the legislative assembly for a specific project, the ~~district~~board, after making a written offer to purchase the right of way and depositing the amount of the offer with the clerk of the district court of the county wherein the right of way is located, may ~~thereupon~~ take immediate possession of the right of way, as authorized by section 16 of article I of the Constitution of North Dakota. Within thirty days after notice has been given in writing to the landowner by the clerk of the district court that a deposit has been made for the taking of a right of way as authorized in this subsection, the owner of the property taken may appeal to the district court by serving a notice of appeal upon the acquiring agency, and the matter must be tried at the next regular or special term of court with a jury unless a jury be waived, in the manner prescribed for trials under chapter 32-15."

Renumber accordingly

2.1

SB 2015 7pm
4-27-15

15.8148.02024
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 23, 2015

#3

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact section 55-01-02.1 of the North Dakota Century Code, relating to operation of the heritage center building;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Section 55-01-02.1 of the North Dakota Century Code is amended and reenacted as follows:

55-01-02.1. Society to have jurisdiction over heritage center.

The society has jurisdiction over the administration and operations of the North Dakota heritage center building. The director of the office of management and budget is responsible for maintenance of the heritage center building. The society shall maintain the collections displayed and stored at the heritage center and shall provide, or arrange, for the security of those collections. The society shall establish a policy that authorizes the consumption of alcoholic beverages, including distilled spirits as defined in section 5-01-01, at the heritage center during an event that is open only to invited guests and if the alcoholic beverages are dispensed by a qualified alcoholic beverage licensee."

Page 6, after line 1, insert:

"**SECTION 15. EMERGENCY.** Section 13 of this Act is declared to be an emergency measure."

Renumber accordingly

3.1

SB2015
4-27-15 7PM
#4

15.8148.02028
Title.

Prepared by the Legislative Council staff for
Representative Delzer
April 24, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide for a legislative management study"

Page 6, after line 1, insert:

"**SECTION 14. LEGISLATIVE MANAGEMENT STUDY - TRANSPORTATION FUNDING DISTRIBUTIONS TO POLITICAL SUBDIVISIONS.** During the 2015-16 interim, the legislative management shall study special transportation funding distributions to political subdivisions. The study must review the feasibility and desirability of using upper great plains transportation institute needs studies, county major collector miles, or a combination of both for future distributions and review options to ensure counties are reporting information consistently. The legislative management shall consider methods to ensure that road projects in each county are properly coordinated with state road projects and projects in adjacent counties. The study must also review the use of special transportation funding in comparison to the legislative assembly's intent. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly."

Renumber accordingly

4.1

SB 2015
4-27-15 7PM
#5

15.8148.02045
Title.

Prepared by the Legislative Council staff for
Senator Hogue

April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 3, after "Code" insert "and section 4 of House Bill No. 1015, as approved by the sixty-fourth legislative assembly"

Page 1, line 4, after "fund" insert "and a legislative management study"

Page 6, after line 1, insert:

"**SECTION 14. REPEAL.** Section 4 of House Bill No. 1015, as approved by the sixty-fourth legislative assembly, is repealed."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment repeals Section 4 of House Bill No. 1015 which provides for mandatory Legislative Management study of incarceration issues.

5.1

(2) The chairman of the Standing Rock Sioux Tribe, or the chairman's designee;
(3) The chairman of the Spirit Lake Tribe, or the chairman's designee;
(4) The chairman of the Three Affiliated Tribes of the Fort Berthold Reservation, or the chairman's designee;
(5) The chairman of the Turtle Mountain Band of Chippewa Indians, or the chairman's designee; and
(6) The chairman of the Sisseton-Wahpeton Oyate of the Lake Traverse Reservation, or the chairman's designee.

b. If the executive director of the Indian affairs commission or any of the tribal chairmen appoint a designee to serve on the task force, only one individual may serve as that designee during the biennium. A substitute designee may be appointed by the executive director of the Indian affairs commission or a tribal chairman in the event of the death, incapacity, resignation, or refusal to serve of the initial designee.

54-35-24. (Effective through August 1, 2017) Commission on alternatives to incarceration.

1. The commission on alternatives to incarceration is composed of:
   a. Three members appointed by the governor, one of whom must be an academic researcher with specialized knowledge of criminal justice sentencing practices and sentencing alternatives;
   b. The attorney general or the attorney general's designee;
   c. Two members appointed by the chief justice of the supreme court;
   d. The director of the department of corrections and rehabilitation;
   e. The director of the department of human services;
   f. Two local law enforcement officers appointed by the attorney general;
   g. One state's attorney appointed by the North Dakota state's attorneys' association;
   h. Three members of the house of representatives, two of whom must be selected by the leader representing the majority faction of the house of representatives and one of whom must be selected by the leader representing the minority faction of the house of representatives;
   i. Three members of the senate, two of whom must be selected by the leader representing the majority faction of the senate and one of whom must be selected by the leader representing the minority faction of the senate; and
   j. One representative of the North Dakota association of counties appointed by the association of counties.
2. The chairman of the legislative management shall select the chairman and vice chairman of the commission from the legislative members of the commission.
3. The commission shall meet at the times and places as determined by the chairman. The legislative council shall provide staffing for the commission.
4. The commission shall study sentencing alternatives, mandatory sentences, treatment options, the expanded use of problem-solving courts, home monitoring, and other related issues. If the commission determines that consultant services are necessary to assist the commission in conducting its assigned studies, the commission may request funding for consultant services from the legislative council and other interested entities. The commission shall provide to the governor information and recommendations for the governor's consideration in time for inclusion of the recommendations in the biennial executive budget. The commission shall report its findings and recommendations together with any legislation required to implement those recommendations to the legislative management.
5. The members of the commission who are not state employees or members of the legislative assembly are entitled to mileage and expenses as provided by law for state officers and employees. Unless otherwise provided in this subsection, the expenses of appointed members are to be paid by the legislative council. A state employee who is a member of the commission must receive that employee's regular salary and is entitled to mileage and expenses, to be paid by the employing agency. The members

5.2

of the commission who are members of the legislative assembly are entitled to compensation from the legislative council for attendance at commission meetings at the rate provided for members of the legislative assembly for attendance at interim committee meetings and are entitled to reimbursement for expenses incurred in attending the meetings in the amounts provided by law for other state officers.

54-35-25. Legislative promotional expenses.

The legislative management shall establish a policy regarding promotional expenses made on behalf of the legislative assembly. Any expenditure made pursuant to this section must be reported to the legislative management. An expenditure under this section may not be construed as a gift for purposes of section 18 of article X of the Constitution of North Dakota.

15.8123.05000

Sixty-fourth
Legislative Assembly
of North Dakota

SECOND ENGROSSMENT
with Conference Committee Amendments
REENGROSSED HOUSE BILL NO. 1015

Introduced by

Appropriations Committee

(At the request of the Governor)

A BILL for an Act to provide an appropriation for defraying the expenses of the department of corrections and rehabilitation; to provide an appropriation to the legislative council; to provide for a legislative management study; and to provide legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of corrections and rehabilitation for the purpose of defraying the expenses of the department of corrections and rehabilitation, for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Adult services	$175,467,210	$46,766,631	$222,233,841
Youth services	28,604,526	2,911,581	31,516,107
Accrued leave payments	4,639,529	(4,639,529)	0
Total all funds	$208,711,265	$45,038,683	$253,749,948
Less estimated income	30,936,922	7,425,784	38,362,706
Total general fund	$177,774,343	$37,612,899	$215,387,242
Full-time equivalent positions	814.29	22.00	836.29

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2013-15	2015-17
Security camera upgrade	$0	$202,500
Equipment	552,900	244,400
License plate issue	4,900,000	4,900,000
Capital projects	349,950	0
Information technology upgrades	652,900	616,144
Missouri River correctional center study	200,000	0
DOCSTARS maintenance	0	150,000
Extraordinary repairs	1,683,296	1,425,267
Total all funds	$8,339,046	$7,538,311
Less estimated income	5,198,000	4,900,000
Total general fund	$3,141,046	$2,638,311

The 2015-17 one-time funding amounts are not a part of the entity's base budget for the 2017-19 biennium. The department of corrections and rehabilitation shall report to the appropriations committees of the sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 3. APPROPRIATION - LEGISLATIVE COUNCIL. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $50,000, or so much of the sum as may be necessary, to the legislative council for the purpose of obtaining consulting services to assist with a legislative management study of incarceration issues, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 4. LEGISLATIVE MANAGEMENT STUDY - INCARCERATION ISSUES. During the 2015-16 interim, the legislative management shall study pretrial services, sentencing alternatives, treatment options, and other related issues. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly. To conduct the study, legislative management shall create an incarceration issues committee consisting of:

1. Two members of the house appropriations committee;
2. Two members of the senate appropriations committee;
3. One member of the house judiciary committee;
4. One member of the senate judiciary committee; and

5.5

5. Other members serving in a nonvoting advisory capacity include:
   a. Two district court judges appointed by the chief justice of the supreme court;
   b. The chief justice of the state supreme court, or a designee of the chief justice;
   c. One local law enforcement official appointed by the governor from a city with a population greater than 10,000, based on the most recent decennial census;
   d. One local law enforcement official appointed by the governor from a city with a population less than 10,000, based on the most recent decennial census;
   e. One state's attorney appointed by the attorney general from a county with a population of 10,000 or more, based on the most recent decennial census;
   f. One state's attorney appointed by the attorney general from a county with a population of less than 10,000, based on the most recent decennial census;
   g. The attorney general, or a designee of the attorney general;
   h. The director of the department of corrections and rehabilitation; and
   i. One member appointed by the director of the department of corrections and rehabilitation.

Legislative management shall select the chairman and vice chairman of the committee. The committee shall meet quarterly, at the times and places as determined by the chairman. The legislative council shall provide staff services for the committee.

SECTION 5. LEGISLATIVE INTENT - CONTRACT HOUSING AND PROGRAMMING. It is the intent of the sixty-fourth legislative assembly that the department of corrections and rehabilitation give priority for the use of funding appropriated for contract housing and programming to contract with in-state local and regional facilities for the placement of overflow inmates for the biennium beginning July 1, 2015, and ending June 30, 2017.

5.6

SB 2015
4-27-15 1pm

15.8148.02002
Title.

Prepared by the Legislative Council

April 3, 2015

#6

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 44-04 of the North Dakota Century Code, relating to open records requests submitted by members of the legislative assembly and the legislative council;"

Page 5, after line 31, insert:

"**SECTION 13.** A new section to chapter 44-04 of the North Dakota Century Code is created and enacted as follows:

Requests for records by members of the legislative assembly and the legislative council.

Notwithstanding section 44-04-18.6, any record of the legislative council relating to a request for public records made by the legislative council on behalf of a member of the legislative assembly is a public record. The legislative council shall maintain a written or digital record of any request for public records made on behalf of a member of the legislative assembly which identifies the member of the legislative assembly who made the request."

Renumber accordingly

6.1

SB 2015
4-27-15
7 PM

15.8148.02040
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 27, 2015

#7

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - DEPARTMENT OF COMMERCE.** There is appropriated out of the student loan trust fund, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing grants to tribally-controlled community colleges, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an additional $1 million from the student loan trust fund to the Department of Commerce for grants to tribally-controlled community colleges.

7.1

SB 2015
4-27-15

15.8148.02017
Title.

Prepared by the Legislative Council staff for
Senator Cook

April 18, 2015

#8

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact subsection 3 of section 57-38-01.7 of the North Dakota Century Code as amended by section 1 of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, relating to income tax credits for charitable contributions to private education institutions;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide an effective date"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Subsection 3 of section 57-38-01.7 of the North Dakota Century Code as amended by section 1 of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

3. At the election of the taxpayer, there must be allowed, subject to the applicable limitations provided in this subsection, as a nonrefundable credit against the income tax liability under section 57-38-30 or, in the case of contributions by a passthrough entity, under section 57-38-30.3 for the taxable year, an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the year directly to nonprofit private institutions of primary education, located within the state. The amount allowable as a credit under this subsection for any taxable year may not exceed twenty percent of the taxpayer's total income tax under this chapter for the year, or two thousand five hundred dollars, whichever is less."

Page 6, after line 1, insert:

"**SECTION 15. EFFECTIVE DATE.** Section 13 of this Act is effective for taxable years beginning after December 31, 2014."

Renumber accordingly

8.1

SB 2015
4-27-15
7PM
#9

15.8148.02016
Title.

Prepared by the Legislative Council staff for
Senator Cook

April 16, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact section 57-38-01.34 of the North Dakota Century Code, relating to an income tax credit for contributions to leadership program tuition scholarships;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide an effective date"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Section 57-38-01.34 of the North Dakota Century Code is amended and reenacted as follows:

57-38-01.34. Corporate credit for contributions to rural leadership North Dakota and leadership North Dakota.

There is allowed a credit against the tax imposed by section 57-38-30 in an amount equal to fifty percent of the aggregate amount of contributions made by the taxpayer during the taxable year for tuition scholarships for participation in rural leadership North Dakota conducted through the North Dakota state university extension service and for tuition scholarships for participation in leadership North Dakota. Contributions by a taxpayer may be earmarked for use by a designated recipient."

Page 6, after line 1, insert:

"**SECTION 15. EFFECTIVE DATE.** Section 13 of this Act is effective for taxable years beginning after December 31, 2014."

Renumber accordingly

9.1

SB 2015
4-27-15
7PM
#10

15.8148.02026
Title.

Prepared by the Legislative Council staff for
Representative Weisz
April 23, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact a new section to House Bill No. 1255 as approved by the sixty-fourth legislative assembly;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 4, after line 8, insert:

"**SECTION 6.** A new section to House Bill No. 1255, as approved by the sixty-fourth legislative assembly, is created and enacted as follows:

SECTION 5. EMERGENCY. Section 1 of House Bill No. 1255, as approved by the sixty-fourth legislative assembly, is declared to be an emergency measure."

Page 6, after line 1, insert:

"**SECTION 15 EMERGENCY.** Section 6 of this Act is declared to be an emergency measure."

Renumber accordingly

10.1

SB 2015
4-27-15 7PM

15.8148.02032
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 24, 2015

#11

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to provide a contingent appropriation; to provide a transfer;"

Page 3, after line 10, insert:

"**SECTION 4. CONTINGENT APPROPRIATION - TRANSFER - GENERAL FUND TO HOUSING INCENTIVE FUND - HOUSING FINANCE AGENCY.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $10,000,000, which the office of management and budget shall transfer to the housing incentive fund if the monthly average drilling rig count exceeds 160 drilling rigs for any month during the biennium beginning July 1, 2015, and ending June 30, 2017. For purposes of this section, the "monthly average drilling rig count" means the number, rounded to the nearest whole number, calculated by dividing the sum of the daily drilling rig counts for a calendar month by the number of days in the month. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides for a contingent transfer of $10 million from the general fund to the housing incentive fund if the monthly average drilling rig count exceeds 160 drilling rigs.

11.1

SB 2015
4-27-15
9 PM

15.8148.02050
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 27, 2015

#1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, replace "exemption" with "exemptions"

Page 3, after line 10, insert:

"**SECTION 4. EXEMPTION - DEPARTMENT OF PUBLIC INSTRUCTION - CONTINGENT FUNDING - 2013-15 BIENNIUM - TRANSPORTATION GRANTS.** Notwithstanding section 54-44.1-11, if any moneys remain in the integrated formula payments line item after the superintendent of public instruction complies with all statutory payment obligations imposed for the 2013-15 biennium, the superintendent shall fifthly use $3,000,000, or so much of the sum as may be necessary, for the purpose of providing additional transportation grants for the biennium beginning with the effective date of this Act and ending June 30, 2017.

If funding is provided for additional transportation grants pursuant to this section, the superintendent of public instruction shall prorate the available amount according to the percentage of the total transportation formula amount to which each school district is entitled during the 2013-15 biennium."

Page 6, after line 1, insert:

"**SECTION 15. EMERGENCY.** Section 4 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment directs the Superintendent of Public Instruction to use remaining 2013-15 biennium integrated formula payments funding to provide an additional $3 million in transportation grants during the 2015-17 biennium. The grants are to be prorated based on the percentage of the total transportation formula each school district received during the 2013-15 biennium.

1.1

SB 2015
4-27-15 9PM
#2

15.8148.02018
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 21, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact subsection 2 of section 61-16.1-09 of the North Dakota Century Code, relating to eminent domain and water resource boards;"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Subsection 2 of section 61-16.1-09 of the North Dakota Century Code is amended and reenacted as follows:

2. Exercise the power of eminent domain in the manner provided by title 32 for the purpose of acquiring and securing any rights, titles, interests, estates, or easements necessary or proper to carry out the duties imposed by this chapter~~, and particularly to~~. A water resource board may acquire the necessary rights in land for the construction of dams, flood control projects, and other water conservation, distribution, and supply works of any nature and to permit the flooding of lands~~, and to~~. In addition, a water resource board may secure the right of access to ~~such~~these dams and other devices and the right of public access to any impounded waters ~~impounded thereby~~. ~~Provided, however, that when~~If the interest sought to be acquired is a right of way for ~~any~~a project authorized in this chapter for which federal ~~or state~~ funds have been appropriated or state funds have been appropriated by the legislative assembly for a specific project, the ~~district~~board, after making a written offer to purchase the right of way and depositing the amount of the offer with the clerk of the district court of the county wherein the right of way is located, may ~~thereupon~~ take immediate possession of the right of way, as authorized by section 16 of article I of the Constitution of North Dakota. Within thirty days after notice has been given in writing to the landowner by the clerk of the district court that a deposit has been made for the taking of a right of way as authorized in this subsection, the owner of the property taken may appeal to the district court by serving a notice of appeal upon the acquiring agency, and the matter must be tried at the next regular or special term of court with a jury unless a jury be waived, in the manner prescribed for trials under chapter 32-15."

Renumber accordingly

2.1

SB 2015
4-27-15
9 PM
#3

15.8148.02017
Title.

Prepared by the Legislative Council staff for
Senator Cook

April 18, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to amend and reenact subsection 3 of section 57-38-01.7 of the North Dakota Century Code as amended by section 1 of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, relating to income tax credits for charitable contributions to private education institutions;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide an effective date"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Subsection 3 of section 57-38-01.7 of the North Dakota Century Code as amended by section 1 of House Bill No. 1462, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

3. At the election of the taxpayer, there must be allowed, subject to the applicable limitations provided in this subsection, as a nonrefundable credit against the income tax liability under section 57-38-30 or, in the case of contributions by a passthrough entity, under section 57-38-30.3 for the taxable year, an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the year directly to nonprofit private institutions of primary education, located within the state. The amount allowable as a credit under this subsection for any taxable year may not exceed twenty percent of the taxpayer's total income tax under this chapter for the year, or two thousand five hundred dollars, whichever is less."

Page 6, after line 1, insert:

"**SECTION 15. EFFECTIVE DATE.** Section 13 of this Act is effective for taxable years beginning after December 31, 2014."

Renumber accordingly

3.1

SB 2015
4-27-15
9pm
#4

15.8148.02049
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after "budget" insert "; to provide an appropriation to the department of transportation; to provide contingent appropriations and transfers"

Page 3, after line 10, insert:

"SECTION 4. GENERAL FUND APPROPRIATION AND TRANSFER - HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, which the director of the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

2. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $18,000,000, or so much of the sum as may be necessary, to the department of transportation for state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 5. CONTINGENT GENERAL FUND TRANSFER AND HIGHWAY FUND APPROPRIATION - DEPARTMENT OF TRANSPORTATION.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, which the director of the office of management and budget shall transfer to the highway fund, during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $20,000,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. a. The transfer and appropriation in subsection 1 of this section is available only if the director of the office of management and budget determines actual general fund revenues for the period beginning February 1, 2015, and ending June 30, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $20,000,000.

   b. For purposes of this subsection, "estimated general fund revenues" excludes transfers to the general fund from the strategic investment

4.1

and improvements fund, property tax relief fund, the lottery, the mill and elevator, and gas tax administration.

SECTION 6. CONTINGENT GENERAL FUND AND STRATEGIC INVESTMENT AND IMPROVEMENTS FUND APPROPRIATIONS AND TRANSFERS - STATE BOARD OF HIGHER EDUCATION - DEPARTMENT OF TRANSPORTATION - BUDGET SECTION APPROVAL.

1. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the state board of higher education for the Valley City state university fine arts building project, including the demolition of two existing buildings, for the biennium beginning July 1, 2015, and ending June 30, 2017.

2. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $25,850,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $25,850,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

3. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the state board of higher education for the North Dakota state university Dunbar Hall project, for the biennium beginning July 1, 2015, and ending June 30, 2017.

4. Subject to the provisions of this section, the director of the office of management and budget shall transfer the sum of $46,000,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2015, and ending June 30, 2017. If a transfer of funds occurs under this subsection, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of $46,000,000, or so much of the sum as may be necessary, to the department of transportation for enhanced state highway investments, for the biennium beginning July 1, 2015, and ending June 30, 2017.

5. a. The appropriations and transfers in subsections 1 and 2 of this section are available, subject to budget section approval, only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2015, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000, or if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending June 30, 2016, exceed

the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $126,000,000.

b. The appropriations and transfers in subsections 3 and 4 of this section are available, subject to budget section approval, only if the director of the office of management and budget determines actual general fund revenues for the period beginning July 1, 2015, and ending December 31, 2016, exceed the legislative estimates made at the close of the 2015 legislative session for general fund revenues during the same period by at least $250,000,000. Additionally, the appropriation in subsection 3 is available only if the state board of higher education certifies to the budget section that the Dunbar Hall project conforms to the university system master plan and space utilization study and the board receives budget section approval to proceed with the project. The board may not seek approval from the budget section to proceed with the project until the state auditor's office performance audit of the university system master plan and space utilization study is completed.

c. For purposes of this subsection, "estimated general fund revenues" excludes the unobligated general fund balance on July 1, 2015, and transfers to the general fund from the strategic investment and improvements fund, property tax relief fund, the lottery, the mill and elevator, and gas tax administration."

Renumber accordingly

4.3

SB2015
4-27-15
9PM

15.8148.02048
Title.

Prepared by the Legislative Council staff for
Representative Onstad
April 27, 2015

#5

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, after the third semicolon insert "to provide a legislative study;"

Page 5, after line 31, insert:

"**SECTION 13. LEGISLATIVE MANAGEMENT STUDY - OIL TAX FORMULA.** During the 2015-16 interim, the legislative management shall study oil and gas gross production tax formula distributions to political subdivisions. The study must review the definition of hub cities, the use of the county major collector roadway miles compared to the upper great plains transportation institute reports for determining county road needs, impact grants, and demographic, social, and economic impacts of energy development. The study must consider alternative formulas for the distribution of the oil and gas gross production tax collections to meet the future needs of counties, cities, schools, emergency services, and any other consideration relevant to the study. Any recommended formula change must ensure equitable distribution of oil and gas gross production tax revenue to political subdivisions experiencing unanticipated growth as the result of oil and gas development, regardless of whether oil is produced in the jurisdiction of the political subdivision. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly. "

Renumber accordingly

5.1

SB 2015
4-27-15
9PM
#6

15.8148.02053
Title.

Prepared by the Legislative Council staff for
Representative Kreidt
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide an appropriation to the department of human services;"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - HEALTH CARE TRUST FUND - DEPARTMENT OF HUMAN SERVICES - CRITICAL ACCESS HOSPITAL GRANT.** There is appropriated out of any moneys in the health care trust fund in the state treasury, not otherwise appropriated, the sum of $250,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a grant to a critical access hospital in a city with a population of more than 2,406 and fewer than 2,430 according to the last official decennial federal census, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an appropriation of $250,000 from the health care trust fund to the Department of Human Services for a grant to a critical access hospital in Hazen.

6.1

SB 2015
4-27-15
9pm
#7

15.8148.02044
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____of the Senate Journal and pages 1976-1982 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - PUBLIC SERVICE COMMISSION - RAILROAD SAFETY PILOT PROGRAM.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $123,345, or so much of the sum as may be necessary, to the public service commission for the purpose of defraying the expenses of the railroad safety pilot program, for the biennium beginning July 1, 2015, and ending June 30, 2017. The public service commission is authorized one additional full-time equivalent position for the railroad safety program. In addition to the funding appropriated in this section, the public service commission shall use $200,000 from the rail safety fund as provided in section 3 of Senate Bill No. 2008, as approved by the sixty-fourth legislative assembly for a railroad safety pilot program temporary employee for defraying the expenses of their full-time equivalent positions and related operating expenses."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides $123,345 from the general fund and designates $200,000 from the rail safety fund appropriated in Section 3 of Senate Bill No. 2008 for an additional FTE position for the railroad safety pilot program to provide a total of 2 FTE positions for the railroad safety pilot program.

7.1

SB 2015
4-28-15
9 AM

15.8148.02054
Title.

Prepared by the Legislative Council staff for
Representative Delzer
April 27, 2015

#1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert "to amend and reenact Senate Bill No. 2019, as approved by the sixty-fourth legislative assembly, relating to appropriations to the parks and recreation department;"

Page 5, after line 31, insert:

"**SECTION 13. AMENDMENT.** Section 1 of Senate Bill No. 2019, as approved by the sixty-fifth legislative assembly, is amended and reenacted as follows:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the parks and recreation department for the purpose of defraying the expenses of the parks and recreation department, for providing funding to the Lewis and Clark interpretive center, and for providing a grant to the International Peace Garden, for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

	Base Level	Adjustments or Enhancements	Appropriation
Administration	$2,573,593	$598,129	$3,171,722
Accrued leave payments	181,577	(181,577)	0
Park operations and maintenance	15,045,525	20,128,406	35,173,931
~~Recreation~~	~~5,585,875~~	~~2,021,544~~	~~7,607,419~~
~~Total all funds~~	~~$23,386,570~~	~~$22,566,502~~	~~$45,953,072~~
~~Less estimated income~~	~~10,505,431~~	~~4,357,404~~	~~14,862,835~~
~~Total general fund~~	~~$12,881,139~~	~~$18,209,098~~	~~$31,090,237~~
Recreation	5,585,875	1,711,245	7,297,120
Total all funds	$23,386,570	$22,256,203	$45,642,773
Less estimated income	10,505,431	4,357,404	14,862,835
Total general fund	$12,881,139	$17,898,799	$30,779,938
Full-time equivalent positions	55.00	11.00	66.00

Subdivision 2.

INTERNATIONAL PEACE GARDEN

	Base Level	Adjustments or Enhancements	Appropriation

1.1

International Peace Garden	$973,699	$535,297	$1,508,996
Total general fund	$973,699	$535,297	$1,508,996

Subdivision 3.

LEWIS AND CLARK INTERPRETIVE CENTER

	Base Level	Adjustments or Enhancements	Appropriation
Lewis and Clark interpretive center	$0	$1,005,279	$1,005,279
Total general fund	$0	$1,005,279	$1,005,279

Subdivision 4.

BILL TOTAL

	Base Level	Adjustments or Enhancements	Appropriation
~~Grand total general fund~~	~~$13,854,838~~	~~$19,749,674~~	~~$33,604,512~~
~~Grand total special funds~~	~~10,505,431~~	~~4,357,404~~	~~14,862,835~~
~~Grand total all funds~~	~~$24,360,269~~	~~$24,107,078~~	~~$48,467,347~~
Grand total general fund	$13,854,838	$19,439,375	$33,294,213
Grand total special funds	10,505,431	4,357,404	14,862,835
Grand total all funds	$24,360,269	$23,796,779	$48,157,048

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2013-15	2015-17
Parks enhancements	$3,897,800	$14,750,000
Parks equipment	350,000	600,000
Lewis and Clark interpretive center grant	1,350,000	0
Parks strategic plans	100,000	0
Community grant program	500,000	500,000
International Peace Garden capital projects	1,250,000	335,297
Trail lease renewals	0	200,000
~~Web application for snowmobile registration~~	~~0~~	~~310,299~~
Statewide comprehensive outdoor recreation plan	0	90,000
Repairs at Lewis and Clark interpretive center	0	75,000
50th anniversary	0	25,000
Retirement leave payouts	0	100,000
International Peace Garden demolition project	0	200,000
~~Total all funds~~	~~$7,447,800~~	~~$17,185,596~~
~~Less estimated income~~	~~1,270,300~~	~~345,000~~
~~Total general fund~~	~~$6,177,500~~	~~$16,840,596~~
Total all funds	$7,447,800	$17,185,596
Less estimated income	1,270,300	345,000
Total general fund	$6,177,500	$16,840,596

The 2015-17 one-time funding amounts are not a part of the entity's base budget for the 2017-19 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

A section is added amending Senate Bill No. 2019, the Parks and Recreation District Appropriation to remove one-time funding of $310,299 from the general fund, relating to website application for snowmobile registration.

SB 2015
4-28-15 9AM
#2

15.8148.02061
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 28, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on page(s) _____ of the Senate Journal and pages 1976-1982 and 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide an appropriation to the legislative council; to amend and reenact subdivision b of subsection 3 of section 57-51.1-03 of the North Dakota Century Code as amended in section 5 of House Bill No. 1476, as approved by the sixty-fourth legislative assembly, relating to an oil extraction tax exemption for tertiary recovery projects;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; to provide for a legislative management study; and to provide an effective date"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - LEGISLATIVE COUNCIL - CONSULTANTS FOR INTERIM STUDY.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $400,000, or so much of the sum as may be necessary, to the legislative council for the purpose of contracting with consultants to study oil and gas tax incentives and oil and gas recovery techniques, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 5, after line 31, insert:

"**SECTION 14. AMENDMENT.** Subdivision b of subsection 3 of section 57-51.1-03 of the North Dakota Century Code as amended in section 5 of House Bill No. 1476, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

b. The incremental production from a tertiary recovery project ~~that does not use carbon dioxide and~~ which has been certified as a qualified project by the industrial commission is exempt from any taxes imposed under this chapter for a period of ten~~five~~ years from the date the incremental production begins. Incremental production from a tertiary recovery project ~~that uses carbon dioxide in a~~from a horizontal well drilled and completed ~~outside~~within the Bakken and Three Forks formations, ~~and ten miles [16.10 kilometers] or more outside an established field in which the industrial commission has defined the pool to include the Bakken or Three Forks formation and~~ which has been certified as a qualified project by the industrial commission is not exempt from July 1, 2015, through June 30, 2017, and is thereafter exempt from any taxes imposed under this chapter for a period of five years from July 1, 2017, or the date the incremental production begins, whichever is later.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY. During the 2015-16 interim, the legislative management shall study the current scientific and economic information regarding oil and gas recovery and enhanced recovery techniques,

2.1

including the use of carbon dioxide, the timeline for implementing the techniques, and the estimated future annual economic impact, to evaluate existing and alternative tax incentives and recommend tax incentives that under current and foreseeable conditions, and within different oil formations, would best serve the interests of the state, political subdivisions, and fossil fuel energy production industries. The legislative management shall report its recommendations, together with any legislation necessary to implement the recommendations, to the sixty-fifty legislative assembly."

Page 6, after line 1, insert:

"**SECTION 17. EFFECTIVE DATE.** Section 14 of this Act is effective for taxable events occurring after December 31, 2015, and for a tertiary recovery project the exemption of five years applies only for a project from which incremental production begins after December 31, 2015."

Renumber accordingly

SB 2015 9AM
4-28-15

15.8148.02060
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

3

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 6, after line 1, insert:

"**SECTION 14. SECTION 18. LEGISLATIVE INTENT - OIL AND GAS IMPACT GRANTS TO AIRPORTS.** It is the intent of the sixty-fourth legislative assembly that of the funding designated for grants to airports impacted by oil and gas development included in subsection 1 of section 5 of House Bill No. 1176, as approved by the sixty-fourth legislative assembly, a grant award of at least $39,000,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014, and a grant award of at least $5,800,000 be awarded to the airport in the hub city as defined under section 57-51-01 that received the second highest total allocation under subsection 1 of section 57-51-15 for the period beginning September 1, 2013, and ending August 31, 2014. It is also the intent of the sixty-fourth legislative assembly that the grant awards designated under this section must be awarded without a local matching requirement."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds a section of legislative intent to designate grants to the Williston and Dickinson airports from the oil and gas impact grant fund.

3.1

SB 2015
4-28-15 9AM
#4

15.8148.02056
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 54-52.6 of the North Dakota Century Code, relating to the defined benefit retirement plan;"

Page 5, after line 31, insert:

"**SECTION 13.** A new section to chapter 54-52.6 of the North Dakota Century Code is created and enacted as follows:

Changes to election.

1. In this section the term "participating member" is limited in application to a participating member who elected to participate in the defined contribution retirement plan established under this chapter as an active employee of a participating employer, is an actively participating member of the defined contribution plan as of the effective date of this Act, and is an active employee with a participating employer on the date an election is made under this section. The term does not include a participant who is not actively employed with a participating employer on the date of transfer of the funds under this section, has taken a distribution from the defined contribution plan, is retired, is no longer actively employed with a participating employer, or who is a member who has a qualified domestic relations order or other court order on the member's account.

2. Notwithstanding any other provision of law, the board shall provide an opportunity for each participating member to elect in writing to terminate membership in the defined contribution retirement plan under this chapter and to elect to become a participating member in the public employees retirement system under chapter 54-52.

3. The board shall establish a three-calendar-month election period beginning not later than February 1, 2016. A participating member who does not make a written election or who does not file the election with the North Dakota public employees retirement system office during the period specified in this section continues to be a member of the defined contribution plan. A participating member who makes and files a written election with the North Dakota public employees retirement system office under this section ceases to be a member of the defined contribution plan upon receipt by the public employees retirement system of the accumulated fund balance of the member's defined contribution plan under this chapter and waives all rights to that employee's accumulated fund balance under the defined contribution plan. If the executive director of the North Dakota public employees retirement system determines a participating member was not adequately notified of the option to make an election under this section, the executive director may provide that

participating member a reasonable time, not to exceed three months, within which to make that election.

4. The public employees retirement system shall credit the transferring employee with the service credit and salary history reflected on the public employees retirement system's electronic database.

5. The board shall determine the method by which a participating member may make a written election under this section. If the participating member is married at the time of the election, the election is not effective unless the election is signed by the individual's spouse. However, the executive director of the North Dakota public employees retirement system may waive this spousal signature requirement if the spouse's signature cannot be obtained because of extenuating circumstances.

6. For a participating member who elects to terminate membership in the defined contribution plan under this section, the board shall transfer that member's accumulated fund balance, less any rollovers from other plans made into the defined contribution plan, to the public employees retirement system under chapter 54-52. If funds are transferred from the defined contribution plan to the defined benefit plan under an election made under this section, the board shall record this transfer to the defined benefit plan as employee and employer contributions in the same manner as transferred by the defined contribution provider. If a participating member has a separate account attributable to rollover contributions to the defined contribution plan pursuant to section 54-52.6-09.1, the participating member shall make an election to receive a distribution of the entire amount held in the rollover account at the time of transfer.

7. A participating member who elects a transfer under this section is entitled to vested employer contribution amounts under section 54-52-11.1 prospectively from the date of transfer. A participating member who elects a transfer under this section must be assessed and required to pay monthly to the defined benefit plan an additional employee contribution of an additional two percent of the monthly salary or wages paid to the member.

SECTION 14. AMENDMENT. Subsection 3 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

3. Retirement dates are defined as follows:

   a. Normal retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is:

      (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

      (2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

   b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a peace

officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, is:

(1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

(2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.

c. Normal retirement date for a national guard security officer or firefighter is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment as a national guard security officer or firefighter.

d. Normal retirement date for a peace officer or correctional officer employed by a political subdivision is:

(1) The first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer or correctional officer; or

(2) When the peace officer or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

e. Normal retirement date for a peace officer employed by the bureau of criminal investigation is:

(1) The first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer; or

(2) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.

g. Early retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment. For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible

employment. For a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.

h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03. A member is eligible to receive disability retirement benefits only if the member:

(1) Became disabled during the period of eligible employment; and

(2) Applies for disability retirement benefits within twelve months of the date the member terminates employment.

A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines that a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may pay the cost of any medical testing or rehabilitation services it deems necessary and these payments are appropriated from the retirement fund for those purposes.

SECTION 15. AMENDMENT. Subsection 4 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

4. The board shall calculate retirement benefits as follows:

a. Normal retirement benefits for all retirees, except supreme and district court judges, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

(1) Service benefit equals two percent of final average salary multiplied by the number of years of service employment.

(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

(1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent

of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

(2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

c. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.

d. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning prior to the normal retirement date, which is the earlier of age sixty-five or the age at which current service plus age equals eighty-five. Except for a national guard security officer or firefighter, a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by a fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.

e. Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment:

- Adds a section to allow state employees to switch from the defined contribution retirement plan to the defined benefit retirement plan.
- Adds two section to change the provisions of retirement benefits for employees first enrolled after December 31, 2015.

SB2015
4-28-15
9AM
#5

15.8148.02058
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 4, after the first "to" insert "the"

Page 1, replace line 21 with:

"Guardianship grants	828,600	828,600	1,657,200"

Page 2, replace lines 3 through 5 with:

"Total all funds	$40,477,318	$27,438,770	$67,916,088
Less estimated income	8,730,630	10,894,705	19,625,335
Total general fund	$31,746,688	$16,544,065	$48,290,753"

Renumber accordingly

STATEMENT OF PURPOSE AMENDMENT:

This amendment reduces funding for guardianship grants by $280,600 to provide total funding of $1,657,200 from the general fund for guardianship grants. The Senate version provided $1,937,800 from the general fund. The House version reduced funding to the base level of $828,600.

5.1

15.8148.02013
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 14, 2015

SB 2015
4-28-15 9AM

#6

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 57-15 of the North Dakota Century Code, relating to a limitation on property tax levy increases;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide an effective date"

Page 5, after line 31, insert:

"**SECTION 13.** A new section to chapter 57-15 of the North Dakota Century Code is created and enacted as follows:

Limitation on property tax levy increases.

1. Notwithstanding that a taxing district may have property tax levy authority to levy or request a levy on its behalf up to an amount established under any other provision of law, this section supersedes and limits that authority. For purposes of this section, "taxing district" includes every political subdivision empowered by law to levy property taxes or to request the levy of property taxes for its use.

2. Property taxes levied in dollars by a taxing district may not exceed the amount the taxing district levied in dollars in the preceding taxable year by more than five percent unless approved by a majority of the qualified electors of the taxing district voting on the question at a regular or special election of the taxing district.

3. The limitation being determined for a taxable year under this section is subject to adjustment as provided in this subsection.

   a. The determination of the increase in property taxes levied in dollars must exclude consideration of property taxes levied against improvements to property which were not taxable in the previous taxable year.

   b. When property that was taxable in the previous year is not taxable in that taxing district for the current year, the amount levied in dollars in the previous taxable year by the taxing district must be reduced by the amount of the taxes that were imposed in the previous taxable year against the taxable valuation attributable to that property.

   c. When a property tax exemption existed in the previous taxable year which has been reduced or does not exist, the amount levied in dollars in the previous taxable year by the taxing district must be adjusted to reflect the taxes that would have been imposed at the mill rate imposed in the previous taxable year against the portion of the taxable valuation of the property which is no longer exempt.

   d. When temporary mill levy increases authorized by the electors of the taxing district or mill levies authorized by state law existed in the

6.1

previous taxable year but are no longer applicable or have been reduced, the amount levied in dollars in the previous taxable year by the taxing district must be reduced to reflect the expired temporary mill levy increases and the reduced or eliminated mill levies authorized by state law before the percentage increase allowed under this section is applied.

4. The limitation on the total amount levied by a taxing district under subsection 2 does not apply to:

   a. New or increased mill levies authorized by state law or the electors of the taxing district, which did not exist in the previous taxable year.

   b. Any irrepealable tax to pay bonded indebtedness levied in compliance with section 16 of article X of the Constitution of North Dakota."

Page 6, after line 1, insert:

"**SECTION 15. EFFECTIVE DATE.** Section 13 of this Act is effective for taxable years beginning after December 31, 2014."

Renumber accordingly

6.2

SB 2015
4-28-15 9AM

15.8148.02041
Title.

Prepared by the Legislative Council staff for
Senator Schneider
April 27, 2015

#7

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, after the third semicolon insert "to provide a legislative management report;"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES - BEHAVIORAL HEALTH SERVICES - LEGISLATIVE MANAGEMENT REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $600,000, or so much of the sum as may be necessary, to the department of human services for the purpose of supporting ongoing behavioral health services programs, for the biennium beginning July 1, 2015, and ending June 30, 2017. Of the funds appropriated in this section, $200,000 must be used to support ongoing statewide implementation of a trauma-informed system of care for youth; $150,000 must be used for fifteen additional extended services slots for youth; and $250,000 must be used to expand the department's mobile crisis program into an additional region. During the 2015-16 interim, the department of human services shall provide a report to the legislative management regarding the use and impact of the funding."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

A section is added appropriating $600,000 from the general fund for supporting ongoing behavioral health services of the Department of Human Services and requires the department to report to the Legislative Management on the use and impact of the funding.

7.1

Department of Human Services
Prepared for Senator Mathern – Behavioral Health Information
SB 2012

Trauma-Informed System of Care for Youth- *(Executive Budget was $287,630, with $229,130 being general fund – No funding is in SB 2012 for this program). The amendment provides $200,000 for this service.*

The funding will support ongoing statewide implementation of a trauma-informed system of care. This work includes training and consultation with the child welfare system, Human Service Centers, medical providers, other system partners, and the Residential Child Care Facilities and Psychiatric Residential Treatment Facilities.

During the 2014 DHS stakeholder meetings 50-60% of locations visited indicated more complex client issues and were concerned with the number of youth placed out-of-state for treatment. These children are traumatized and multiple placements make the situation worse.

By focusing on and implementing evidenced-based trauma awareness and treatment, children will have better opportunities to do better in their lives. With full implementation of a trauma-informed system of care we anticipate better child outcomes such as; less expensive levels of care, fewer out of state placements, families staying together, and children doing better in school.

Extended Services - Seriously Mentally Ill (50 Slots) – *(Executive Budget was $554,989 all general fund. – SB 2012 currently has funding for 35 additional slots at $388,492 all general fund, a decrease of $166,497) The amendment provides $150,000 for additional slots.*

In 2013-2015, there are **164 slots** for Serious Mental Illness (SMI) Extended Services. Extended Services provides job coaching that helps consumers maintain integrated, competitive, community-based employment, which is an important part of their recovery, rehabilitation, and habilitation process. In the Executive Budget, the Department requested to add 50 slots to allow more individuals diagnosed with a serious mental illness to access employment support services through Extended Services. Extended services results in more people with a serious mental illness being employed.

Mobile On-Call Crisis Services)- *(Executive Budget Included $1M for Staggered Implementation Dates – SB 2012 currently has $250,000 to implement program in the West Central (Bismarck) Region). The amendment would add $250,000 to provide the service in another region.*

The Mobile On-Call Service in the Southeast (Fargo) Region has successfully helped clients remain in the community, diverted inpatient hospitalizations and reduced law enforcement involvement. The program links clients to services and prevents future crises. The amount requested in the Executive Budget would have expanded Mobile On-Call Services to the remaining human service center regions.

The Executive Budget would have implemented Mobile On-Call Services by Region to occur on or before these dates; January 1, 2016 - Lake Region, Northeast and South Central; July 1, 2016 - Northwest and Badlands; October 1, 2016 - North Central and West Central.

Between April 2013 and January 2015, Mobile Crisis Team in the Southeast (Fargo) region was dispatched for a total of 519 crisis calls. Out of the 519 crisis dispatches, **only 14** of the individuals needed hospitalization (2.7%) and law enforcement were involved in **only 24** dispatches (4.6%).

7.2

SB 2015
4-28-15 11AM

#1

Senate Bill No. 2015 - Office of Management and Budget
Conference Committee Amendments

Amendment Order	Conference Committee Action	LC Number	Sponsor	Description
1	Failed	15.8148.02033	Onstad	Add $1.5 million from general fund for Prairie Public Broadcasting projects.
2	Passed	15.8148.02031	Carlson	Appropriate $65,693 from the general fund to the Judicial Branch for Judicial wing remodeling.
3	No Action - Replaced by amendment 18	15.8148.02038	Delzer	Provide an $18 million general fund appropriation to the Department of Transportation, provide contingent appropriations for VCSU Fine Arts Building and NDSU Dunbar Hall project, and provide contingent transfers and appropriations for Department of Transportation road projects.
4	No Action - Amendment split into separate amendments	15.8148.02037	Wardner	Various amendments including funding for guardianship grants, allow for certain defined-contribution retirement plan employees to switch to the defined-benefit plan, provide for retirement program changes, designate a portion of oil and gas impact grants, and provide legislative management study of oil and gas tax incentives.
5	Passed	15.8148.02039	Carlson	Clarifies the funding source of a special funds appropriation in House Bill No. 1004.
6	Passed	15.8148.02018	Carlson	Relating to eminent domain by water resource boards.
7	Passed	15.8148.02024	Carlson	Relating to distilled spirts at Heritage Center events.
8	Passed	15.8148.02028	Delzer	Study of transportation funding distribution to political subdivisions. Revised to make study optional.
9	Passed	Verbal	Carlson	Declare operation intern funding and transfer to internship fund in HB 1018 to be an emergency.
10	No Action	15.8148.02045	Hogue	Repeal a section of the DOCR budget bill which creates a committee to study incarceration issues.
11	Passed	15.8148.02002	Unknown	Open records requests made by the Legislative Council on behalf of a member of the Legislative Assembly.
12	Failed	15.8148.02040	Schneider	Add $1 million of funding from the student loan trust fund for tribal college workforce grants.
13	Passed	15.8148.02017	Cook	Income tax credits for charitable contributions to private education institutions.
14	No Action	15.8148.02016	Cook	Income tax credits for contribution to leadership program tuition scholarships.
15	Passed	15.8148.02026	Weisz	Adds emergency clause for a section in House Bill No. 1255 relating to air ambulance services.
16	Failed	15.8148.02032	Schneider	Contingent transfer from general fund to housing incentive fund.
17	Failed	15.8148.02050	Schneider	Allow carryover authority of $3 million for DPI transportation formula grants.

1.1

18	Passed	15.8148.02049	Carlson	Provide an $18 million general fund appropriation to the Department of Transportation, provide contingent appropriations for VCSU Fine Arts Building and NDSU Dunbar Hall project, and provide contingent transfers and appropriations for Department of Transportation road projects. Amendment revised to remove Budget Section approval for VCSU Fine Arts Building, to provide for a Budget Section report regarding the VCSU building project if the appropriation becomes effective, and change the funding source for the contingent $46 million transfer to the highway fund to be from the general fund rather than the strategic investment and improvements fund.
19	Passed	Verbal	Carlson	Remove $200 million appropriated to the Department of Transportation in SB 2015 for enhanced state highway investments.
20	Failed	15.8148.02048	Onstad	Provide for a study of oil tax formula.
21	Failed	15.8148.02053	Kreidt	Appropriate $250,000 from health care trust fund for critical access hospital grant.
22	Failed	15.8148.02044	Schneider	Provide for adjustments to the Public Service Commission railroad safety program.
23	Passed	15.8148.02054	Delzer	Amend Parks and Recreation Department appropriation to remove funding relating to snowmobile registration website application
24	Passed	15.8148.02061	Carlson	Relating to an oil tax exemption for tertiary recovery projects and provides for a study.
25	Approved	15.8148.02060	Wardner	Designate a portion of oil and gas impact grants for specific airports.
26	Approved	15.8148.02056	Wardner	Allow employees enrolled in the defined contribution plan to change to the defined benefit plan and change defined benefit plan retirement benefits for employees first enrolled after December 31, 2015.
27	Approved (Substitute Motion)	15.8148.02058	Wardner	Increase funding for guardianship grants by $280,600 to provide total funding of $1,657,200. Substitute motion to increase grant funding to provide a total of $1,328,600. Substitute motion passed.
28	No Action	15.8148.02013	Carlson	Provide for the limitation of property tax levy increases.
29	Failed	15.8148.02041	Schneider	Appropriate $600,000 from the general fund to the Department of Human Services for behavioral health services.

SB 2015
4-28-15
11 AM

15.8148.02052
Title.

Prepared by the Legislative Council staff for
Representative Monson
April 27, 2015

#2

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the Senate accede to the House amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be further amended as follows:

Page 1, line 2, after "budget" insert "; to provide a contingent appropriation to the superintendent of public instruction"

Page 3, after line 10, insert:

"**SECTION 4. CONTINGENT APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION - TRANSPORTATION GRANTS.** If any funding appropriated to the superintendent of public instruction for integrated formula payments to school districts remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2015, and ending June 30, 2017, the superintendent shall provide up to $3,000,000 of the funds remaining for additional transportation grants. The superintendent shall prorate the available funding according to the percentage of the total transportation formula amount to which each school district is entitled."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides that if any funding remains unspent in the integrated formula payments line item during the 2015-17 biennium, the Superintendent of Public Instruction must provide up to $3 million as additional transportation grants. The funding is to be prorated based on transportation grant payments to school districts during the 2015-17 biennium.

2.1

SB 2015
4-28-15 11AM

15.8148.02043
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 27, 2015

#3

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide for legislative management reports"

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - STATE AGENCY ENERGY DEVELOPMENT IMPACT FUNDING POOL - TRANSFER AUTHORITY - EMERGENCY COMMISSION APPROVAL - LEGISLATIVE MANAGEMENT REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,700,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $6,000,000, or so much of the sum as may be necessary, to the office of management and budget for a state agency energy development impact funding pool, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funds provided under this section are considered a one-time funding item and may not be continued into the biennium beginning July 1, 2017, and ending June 30, 2019.

A state agency may submit an application to the office of management and budget for a transfer of appropriation authority from the state agency energy development impact funding pool for employee housing rental assistance and temporary salary increases for employees affected by energy development. As part of the application, an agency must document how the agency will discontinue energy impact adjustments for employees at the end of the biennium. The office of management and budget, subject to emergency commission approval, shall transfer appropriation authority from the state agency energy development impact funding pool to eligible agencies for approved applications.

The office of management and budget shall provide a report to the legislative management regarding distributions from the energy development impact funding pool. Each agency receiving a distribution from the energy impact funding pool must provide a report to the legislative management regarding its plan to discontinue energy impact adjustments for employees at the end of the biennium beginning July 1, 2015, and ending June 30, 2017."

Renumber accordingly

3.1

SB 2[illegible] 11AM
4-28-15
#4

Oil/E[illegible]nomic Impact

Agency No.	Agency Name	General Fund	Other Funds
127	Tax Dept	90,426	
325	DHS	2,856,611	512,865
380	Job Service		115,046
405	Industrial Commission	1,187,903	
504	Highway Patrol	666,000	96,000
530	DOCR	648,004	
630	Extension Service	250,000	
640	Ag Experiment Stations	430,000	
701	Historical Society	55,368	
720	Game & Fish		100,000
801	DOT		7,534,840
	TOTAL	**$6,184,312**	**$8,358,751**

Gen Fund		Other Fund
40,000	-	0
1.5M	-	1.0M
0	-	115,046
200,000	-	0
200,000	-	0
200,000	-	0
80,000	-	0
150,000	-	0
30,000	-	0
0	-	50,000
0	-	4.9M
$2,400,000		$6,065,046

$8,465,046

SB2015
4-28-15 #
11AM 5

15.8148.02063
Title.

Prepared by the Legislative Council staff for
Representative Carlson
April 28, 2015

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 57-15 of the North Dakota Century Code, relating to a limitation on property tax levy increases;"

Page 1, line 4, remove "and"

Page 1, line 5, after "intent" insert "; and to provide an effective date"

Page 5, after line 31, insert:

"**SECTION 13.** A new section to chapter 57-15 of the North Dakota Century Code is created and enacted as follows:

Limitation on property tax levy increases.

1. Notwithstanding that a taxing district may have property tax levy authority to levy or request a levy on its behalf up to an amount established under any other provision of law, this section supersedes and limits that authority, unless otherwise provided in subsection 2. For purposes of this section, "taxing district" includes every political subdivision empowered by law to levy property taxes or to request the levy of property taxes for its use.

2. Property taxes levied in dollars by a taxing district may not exceed the amount the taxing district levied in dollars in the preceding taxable year by more than five percent unless approved by a majority of the qualified electors of the taxing district voting on the question at a regular or special election of the taxing district. The limitation under this subsection does not supersede the authority of a school district to levy an increase of up to twelve percent, up to the mill levy limitation established under subsection 1 of section 57-15-14.2.

3. The limitation being determined for a taxable year under this section is subject to adjustment as provided in this subsection.

   a. The determination of the increase in property taxes levied in dollars must exclude consideration of property taxes levied against improvements to property which were not taxable in the previous taxable year.

   b. When property that was taxable in the previous year is not taxable in that taxing district for the current year, the amount levied in dollars in the previous taxable year by the taxing district must be reduced by the amount of the taxes that were imposed in the previous taxable year against the taxable valuation attributable to that property.

   c. When a property tax exemption existed in the previous taxable year which has been reduced or does not exist, the amount levied in dollars in the previous taxable year by the taxing district must be adjusted to reflect the taxes that would have been imposed at the mill rate imposed in the previous taxable year against the portion of the taxable valuation of the property which is no longer exempt.

5.1

d. When temporary mill levy increases authorized by the electors of the taxing district or mill levies authorized by state law existed in the previous taxable year but are no longer applicable or have been reduced, the amount levied in dollars in the previous taxable year by the taxing district must be reduced to reflect the expired temporary mill levy increases and the reduced or eliminated mill levies authorized by state law before the percentage increase allowed under this section is applied.

4. The limitation on the total amount levied by a taxing district under subsection 2 does not apply to:

a. New or increased mill levies authorized by state law or the electors of the taxing district, which did not exist in the previous taxable year.

b. Any irrepealable tax to pay bonded indebtedness levied in compliance with section 16 of article X of the Constitution of North Dakota."

Page 6, after line 1, insert:

"**SECTION 15. EFFECTIVE DATE.** Section 13 of this Act is effective for taxable years beginning after December 31, 2014."

Renumber accordingly

5.2

SB 2015
4-21-15 2 PM

#1

Senate Bill No. 2015 - Office of Management and Budget
Conference Committee Amendments

Amendment Order	Conference Committee Action	LC Number	Sponsor	Description
1	Failed	15.8148.02033	Onstad	Add $1.5 million from general fund for Prairie Public Broadcasting projects.
2	Passed	15.8148.02031	Carlson	Appropriate $65,693 from the general fund to the Judicial Branch for Judicial wing remodeling.
3	No Action - Replaced by amendment 18	15.8148.02038	Delzer	Provide an $18 million general fund appropriation to the Department of Transportation, provide contingent appropriations for VCSU Fine Arts Building and NDSU Dunbar Hall project, and provide contingent transfers and appropriations for Department of Transportation road projects.
4	No Action - Amendment split into separate amendments	15.8148.02037	Wardner	Various amendments including funding for guardianship grants, allow for certain defined-contribution retirement plan employees to switch to the defined-benefit plan, provide for retirement program changes, designate a portion of oil and gas impact grants, and provide legislative management study of oil and gas tax incentives.
5	Passed	15.8148.02039	Carlson	Clarifies the funding source of a special funds appropriation in House Bill No. 1004.
6	Passed	15.8148.02018	Carlson	Relating to eminent domain by water resource boards.
7	Passed	15.8148.02024	Carlson	Relating to distilled spirts at Heritage Center events.
8	Passed	15.8148.02028	Delzer	Study of transportation funding distribution to political subdivisions. Revised to make study optional.
9	Passed	Verbal	Carlson	Declare operation intern funding and transfer to internship fund in HB 1018 to be an emergency.
10	No Action	15.8148.02045	Hogue	Repeal a section of the DOCR budget bill which creates a committee to study incarceration issues.
11	Passed	15.8148.02002	Unknown	Open records requests made by the Legislative Council on behalf of a member of the Legislative Assembly.
12	Failed	15.8148.02040	Schneider	Add $1 million of funding from the student loan trust fund for tribal college workforce grants.
13	Passed	15.8148.02017	Cook	Income tax credits for charitable contributions to private education institutions.
14	No Action	15.8148.02016	Cook	Income tax credits for contribution to leadership program tuition scholarships.
15	Passed	15.8148.02026	Weisz	Adds emergency clause for a section in House Bill No. 1255 relating to air ambulance services.
16	Failed	15.8148.02032	Schneider	Contingent transfer from general fund to housing incentive fund.
17	Failed	15.8148.02050	Schneider	Allow carryover authority of $3 million for DPI transportation formula grants.

1.1

18	Passed	15.8148.02049	Carlson	Provide an $18 million general fund appropriation to the Department of Transportation, provide contingent appropriations for VCSU Fine Arts Building and NDSU Dunbar Hall project, and provide contingent transfers and appropriations for Department of Transportation road projects. Amendment revised to remove Budget Section approval for VCSU Fine Arts Building, to provide for a Budget Section report regarding the VCSU building project if the appropriation becomes effective, and change the funding source for the contingent $46 million transfer to the highway fund to be from the general fund rather than the strategic investment and improvements fund.
19	Passed	Verbal	Carlson	Remove $200 million appropriated to the Department of Transportation in SB 2015 for enhanced state highway investments.
20	Failed	15.8148.02048	Onstad	Provide for a study of oil tax formula.
21	Failed	15.8148.02053	Kreidt	Appropriate $250,000 from health care trust fund for critical access hospital grant.
22	Failed	15.8148.02044	Schneider	Provide for adjustments to the Public Service Commission railroad safety program.
23	Passed	15.8148.02054	Delzer	Amend Parks and Recreation Department appropriation to remove funding relating to snowmobile registration website application
24	Passed	15.8148.02061	Carlson	Relating to an oil tax exemption for tertiary recovery projects and provides for a study.
25	Approved	15.8148.02060	Wardner	Designate a portion of oil and gas impact grants for specific airports.
26	Approved	15.8148.02056	Wardner	Allow employees enrolled in the defined contribution plan to change to the defined benefit plan and change defined benefit plan retirement benefits for employees first enrolled after December 31, 2015.
27	Approved (Substitute Motion)	15.8148.02058	Wardner	Increase funding for guardianship grants by $280,600 to provide total funding of $1,657,200. **Substitute motion to increase grant funding to provide a total of $1,328,600. Substitute motion passed.**
28	No Action	15.8148.02013	Carlson	Provide for the limitation of property tax levy increases.
29	Failed	15.8148.02041	Schneider	Appropriate $600,000 from the general fund to the Department of Human Services for behavioral health services.
30	Passed	15.8148.02052	Monson	Contingent appropriation for the Department of Public Instruction to use any unspent integrated formula payment funding for transportation grants.
31	Passed	15.8148.02043	Wardner	Provide an appropriation for a state agency energy impact funding pool. Change appropriations amounts to provide $2,400,000 from the general fund and $5,565,046 of special funds.
32	Failed	15.8148.02063	Carlson	Provide for the limitation of property tax levy increases.

SB 2015
4-28-15 2pm

15.8148.02065
Title.

Prepared by the Legislative Council staff for
Senator Holmberg
April 28, 2015

#2

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages 1803-1809 of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 3, after "Code" insert "and Section 5 of House Bill No. 1003, as approved by the sixty-fourth legislative assembly"

Page 1, line 4, after "to" insert "the"

Page 1, line 4, after "fund" insert "and contingent appropriations to the state board of higher education"

Page 6, after line 1, insert:

"**SECTION 14. REPEAL.** Section 5 of House Bill No. 1003, as approved by the sixty-fourth legislative assembly, is repealed."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment repeals Section 5 of House Bill No. 1003 which provides contingent appropriations to the State Board of Higher Education for the Valley City State University Fine Arts building project and the North Dakota State University Dunbar Hall project.

2.1

SB 2015
4-28-15
2 PM

15.8148.02064
Title.

Prepared by the Legislative Council staff for
Senator Wardner
April 28, 2015

#3

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the House recede from its amendments as printed on pages 1803-1809 of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 3, after line 10, insert:

"**SECTION 4. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - TARGETED MARKET EQUITY POOL - LEGISLATIVE MANAGEMENT REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $3,750,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of $740,000, or so much of the sum as may be necessary, to the office of management and budget for a state agency targeted market equity salary funding pool to provide compensation adjustments for state employees in accordance with the provisions of this section. The market equity increases must be prioritized based on a statewide plan prepared by the office of management and budget within the funding available in the pool. The plan must address occupational market disparities, economic growth areas, recruitment and retention challenges, and external pay inequities for employees who are critical to the mission of the agency. The plan must give priority to employees whose salary is in the first or second quartile of their assigned salary range and employees whose salary is below the average classified state employee salary level.

One-half of the market equity pool funding is available for market equity adjustments in July 2015, to be paid in August 2015, and any remaining funding in the pool is available for market equity adjustments in July 2016, to be paid in August 2016. The market equity adjustments must be provided after any general compensation increase authorized by the sixty-fourth legislative assembly for these respective months and are independent of the general compensation increases. Employees whose documented performance levels do not meet standards are not eligible for the market equity increases. Notwithstanding any other provision of law, the office of management and budget shall transfer appropriation authority from the targeted market equity salary pool line item included in section 1 of this Act to eligible agencies for approved market equity salary adjustments. The office of management and budget shall provide a report to the legislative management regarding its statewide plan and any appropriation authority transferred from the pool.

Employees in the following agencies are eligible to receive a targeted market equity salary adjustment under this section:

1. Adjutant general;
2. Veterans' home;
3. State department of health;
4. Department of human services; and
5. Protection and advocacy project."

3.1

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates $3,750,000 from the general fund and $740,000 from other funds for a targeted market equity pool for state employee compensation adjustments. The funds are to be used for positions that are experiencing recruitment and retention issues. Agencies eligible to receive a transfer from the pool include the Adjutant General, Veterans' Home, State Department of Health, Department of Human Services, and Protection and Advocacy Project.

3.2

15.8148.02066
Title.

Prepared by the Legislative Council
Representative Carlson
April 28, 2015

SB 2015
4-28-15 2PM
#4

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

That the Senate accede to the House amendments as printed on pages _____ of the Senate Journal and pages 1976-1982 and page 2001 of the House Journal and that Engrossed Senate Bill No. 2015 be further amended as follows:

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 6, after line 1, insert:

"**SECTION 22. EMERGENCY.** Section 16 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an emergency clause for Section 16 related to the resignation of vice chancellors in the North Dakota University System.

4.1