

## PRELIMINARY MAJOR GENERAL FUND COST-TO-CONTINUE ITEMS - 2013-15 BIENNIUM

This memorandum provides a summary of preliminary estimates of major general fund requirements due to 2011 legislative action or federal program changes for the 2013-15 biennium.

Cost to continue the 3 percent second-year state employee salary increase for two years in the 2013-15 biennium	\$8,000,000
Cost to continue the retirement contribution increase (a state contribution of 1 percent beginning January 1, 2012, and an additional state contribution of 1 percent beginning January 1, 2013) for two years in the 2013-15 biennium	4,916,000
Cost to continue the new state employee minimum salary levels implemented by the Office of Management and Budget on July 1, 2012, relating to the implementation of recommendations from the classified state employee compensation study completed by Hay Group	1,900,000
Cost to continue the second-year state school aid per student payment levels for two years in the 2013-15 biennium assuming no increase in student enrollment (including funding to replace the \$9 million of 2009-11 biennium appropriation authority authorized to continue in the 2011-13 biennium for state aid per student payments)	29,300,000
Funding to support the State Department of Health's Provider Choice immunization program resulting from the loss of federal 317 vaccine for insured children vaccinated at local public health units	2,000,000
Cost to continue the 3 percent second-year inflationary increase for the Department of Human Services' providers for two years in the 2013-15 biennium	8,000,000
Increased costs for Department of Human Services' grants resulting from a potential reduction in the federal medical assistance percentage (FMAP) from 52.27 percent for federal fiscal year 2013 to 50 percent for federal fiscal years 2014 and 2015	91,500,000
Cost to continue property tax relief in the 2013-15 biennium based on the same percentage increase from the 2009-11 biennium to the 2011-13 biennium	48,192,400
Funding for the Heritage Center expansion project relating to utilities and staff provided for only one year during the 2011-13 biennium	450,000
Funding for the Department of Corrections and Rehabilitation for staffing, maintenance, and inmate costs associated with the State Penitentiary expansion project	1,500,000
Funding for the Industrial Commission for costs associated with new employees that started at various times during the 2011-13 biennium	230,000
Funding for the Highway Patrol for costs related to new trooper positions authorized during the November 2011 special legislative session	262,053
Funding for the Department of Human Services for costs related to positions authorized during the November 2011 special legislative session for implementation of the federal Affordable Care Act	150,000
Funding for the North Dakota University System for costs related to adding new medical and allied health students	2,000,000
Funding for the Secretary of State for costs related to three new full-time equivalent (FTE) positions authorized during the 2011-13 biennium by the Emergency Commission and Budget Section to respond to the increase in demand for services, including increases in legal business registration documents and in contractor licensing applications	324,000
Funding for the State Department of Health for costs related to three new FTE positions authorized during the 2011-13 biennium by the Emergency Commission for the department's Environmental Health Section to provide inspection, outreach, investigation, and other services relating to water quality, wastewater disposal and treatment, and oil spill response and remediation in western North Dakota	747,500
<b>Total</b>	<b>\$199,471,953</b>