

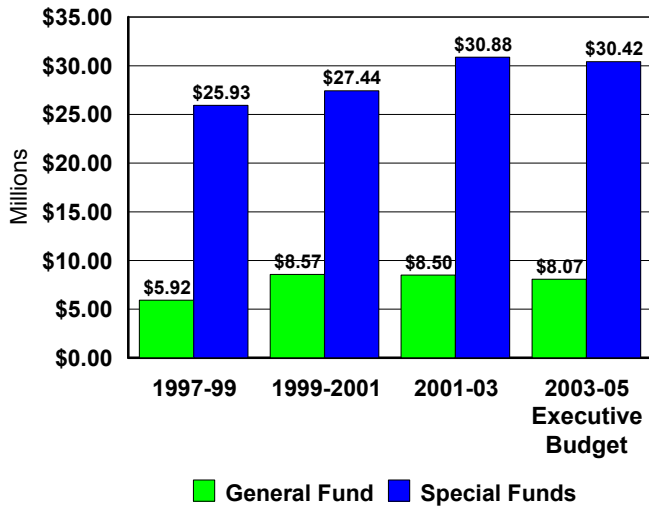
**Department 471 - Bank of North Dakota
 House Bill No. 1015**

	FTE Positions	General Fund	Other Funds	Total
2003-05 Executive Budget	178.50	\$8,075,000	\$30,419,966	\$38,494,966
2001-03 Legislative Appropriations	178.50	8,500,000 ¹	30,881,998	39,381,998 ²
Increase (Decrease)	0.00	(\$425,000)	(\$462,032)	(\$887,032)

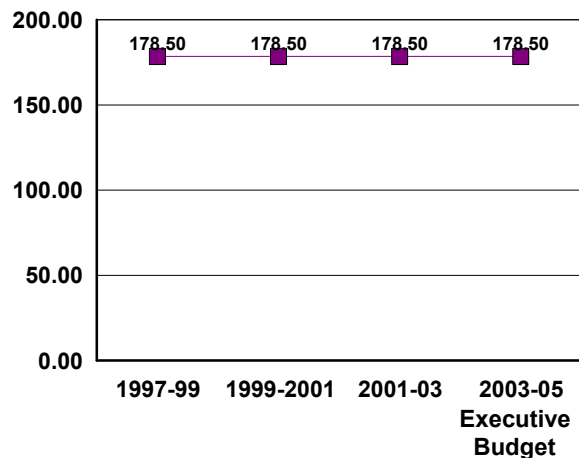
¹ The 2001-03 general fund appropriation is the amount appropriated by the 2001 Legislative Assembly and does not include a reduction of \$89,250 relating to the 1.05 percent budget allotment ordered by Governor Hoeven in July 2002.

² The 2001-03 appropriation amounts include \$101,131 of other funds for the agency's share of the \$5 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees.

Agency Funding



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides a 3.1 percent net decrease in operating expenses due in part to a reduction in information technology production costs (\$2,041,824), a reduction in information technology contractual services (\$317,000), an increase in information technology software purchases (\$450,000), an increase in professional services (\$895,000), and an increase in information technology equipment (\$320,000)		(\$366,386)	(\$366,386)
2. Reduces contingency line item from \$2,850,000 to \$1,500,000 for the potential need for additional time for the Information Technology Department to complete development of student loan software		(\$1,350,000)	(\$1,350,000)
3. Reduces general fund appropriation for PACE (\$300,000), Ag PACE (\$75,000), and beginning farmers (\$50,000) for the 2003-05 biennium by 5 percent providing the following program amounts: PACE - \$5.7 million Ag PACE - \$1.425 million Beginning farmers - \$950,000	(\$425,000)		(\$425,000)
4. Provides an increase in capital assets of \$49,062, resulting in \$825,000 for capital assets for office and information technology equipment		\$49,062	\$49,062

Major Related Legislation

House Bill No. 1116 - This bill changes the authority of the Bank of North Dakota regarding trust preferred securities transactions to include the authority to make, purchase, guarantee, or hold loans to an investment company created for completing a trust preferred securities transaction for the benefit of a financial institution located in this state.

House Bill No. 1118 - This bill provides that notwithstanding any other provision of law, the Bank may transfer any unobligated funds between funds that have been appropriated by the Legislative Assembly for interest buydown in the beginning farmers loan fund and the agriculture partnership in assisting community expansion fund.

Senate Bill No. 2015 - Section 9 of this bill provides that the Bank of North Dakota transfer \$60 million from the Bank's current earnings and accumulated undivided profits to the general fund. No more than \$15 million of the \$60 million to be transferred may come from the accumulated and undivided profits of the Bank, and no transfer may reduce the Bank's capital structure below \$140 million.

Senate Bill No. 2015 - Section 10 of this bill allows for a contingency transfer of additional funds from the Bank of North Dakota to the general fund if actual 2003-05 revenues are less than projected. The additional funds transferred may not exceed the lesser of the amount of the revenue shortfall or \$25 million, and no transfer could be made which would reduce the Bank's capital structure below \$140 million.