

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2015 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Office of Management and Budget			
Salaries and wages	\$15,549,754	\$15,388,231	(\$161,523)
Operating expenses	11,364,985	11,328,756	(36,229)
Capital assets	733,000	733,000	
Grants	179,000	179,000	
Total all funds	<u>\$27,826,739</u>	<u>\$27,628,987</u>	<u>(\$197,752)</u>
Less estimated income	<u>7,918,764</u>	<u>7,888,476</u>	<u>(30,288)</u>
General fund	<u>\$19,907,975</u>	<u>\$19,740,511</u>	<u>(\$167,464)</u>
FTE	162.00	162.00	0.00
Legislative Council			
Operating expenses		\$30,000	\$30,000
Total all funds	<u>\$0</u>	<u>\$30,000</u>	<u>\$30,000</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$30,000</u>	<u>\$30,000</u>
FTE	0.00	0.00	0.00
Department of Agriculture			
Ag in the classroom		\$45,000	\$45,000
Total all funds	<u>\$0</u>	<u>\$45,000</u>	<u>\$45,000</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$45,000</u>	<u>\$45,000</u>
FTE	0.00	0.00	0.00
Bill Total			
Total all funds	\$27,826,739	\$27,703,987	(\$122,752)
Less estimated income	7,918,764	7,888,476	(30,288)
General fund	<u>\$19,907,975</u>	<u>\$19,815,511</u>	<u>(\$92,464)</u>
FTE	162.00	162.00	0.00

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

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$15,549,754	(\$144,805)	\$15,404,949
Operating expenses	11,364,985	96,760	11,461,745
Capital assets	733,000		733,000
Grants	179,000		179,000
Total all funds	<u>\$27,826,739</u>	<u>(\$48,045)</u>	<u>\$27,778,694</u>
Less estimated income	<u>7,918,764</u>	<u>(27,016)</u>	<u>7,891,748</u>
General fund	<u>\$19,907,975</u>	<u>(\$21,029)</u>	<u>\$19,886,946</u>
FTE	162.00	0.00	162.00

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

	Removes Recommended Salary Increase¹	Increases Funding For State Dues²	Total Senate Changes
Salaries and wages	(\$144,805)		(\$144,805)
Operating expenses		96,760	96,760
Capital assets			
Grants			
Total all funds	(\$144,805)	\$96,760	(\$48,045)
Less estimated income	(27,016)	0	(27,016)
General fund	(\$117,789)	\$96,760	(\$21,029)
FTE	0.00	0.00	0.00

¹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

² Increases funding for the operating line item for the state's membership in the Education Commission of the States.

A section is added prohibiting bonuses or temporary salary adjustments to state employees for extra working hours because of the legislative session.

A section is added to provide language for a transfer from the bonding fund to the general fund.

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

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$15,549,754	\$15,404,949	(\$16,718)	\$15,388,231
Operating expenses	11,364,985	11,461,745	(888,129)	10,573,616
Capital assets	733,000	733,000		733,000
Grants	179,000	179,000		179,000
Technology critical needs pool			1,000,000	1,000,000
Total all funds	\$27,826,739	\$27,778,694	\$95,153	\$27,873,847
Less estimated income	7,918,764	7,891,748	(3,272)	7,888,476
General fund	\$19,907,975	\$19,886,946	\$98,425	\$19,985,371
FTE	162.00	162.00	0.00	162.00

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

	Removes Funding For Washington Lobbyist¹	Reduces Recommended Funding for Health Insurance²	Reduces Funding for Information Technology Costs³	Provides Funding For Technology Critical Needs Pool⁴	Total House Changes
Salaries and wages		(\$16,718)			(\$16,718)
Operating expenses	(120,000)		(768,129)		(888,129)
Capital assets					
Grants					
Technology critical needs pool				1,000,000	1,000,000
Total all funds	(\$120,000)	(\$16,718)	(\$768,129)	\$1,000,000	\$95,153
Less estimated income	0	(3,272)	0	0	(3,272)
General fund	(\$120,000)	(\$13,446)	(\$768,129)	\$1,000,000	\$98,425
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment removes \$120,000 from the general fund for funding a lobbyist in Washington, D.C.

² This amendment reduces funding for state employee health insurance premiums from \$493 to \$488.70 per month.

³ This amendment reduces funding for information technology by \$768,129 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

⁴ This amendment provides funding of \$1 million from the general fund for a technology critical needs pool to address areas of critical technology needs. State agencies, departments, and institutions interested in obtaining critical needs funding must submit a written request detailing the purpose and need to the Information Technology Department, and the Office of Management and Budget may transfer funding from the pool to agencies, departments, and institutions upon approval of requests by the Budget Section.

The House amendment reduces the 2003-05 biennium transfer from the lands and minerals trust fund to the general fund from \$3 million to \$2 million and limits the transfer from the permanent oil tax trust fund to the general fund to \$14.3 million.

The House provided a \$30,000 general fund appropriation to the Legislative Council for upgrading the sound systems in the House and Senate chambers.

The House changed the membership and continued the Electric Industry Competition Committee through August 1, 2007.

The House amended North Dakota Century Code (NDCC) Section 54-44.1-06 to provide for the budget data presented by the director of the budget to include in the general fund budget status any deficiency appropriation relating to general fund expenditures for the current biennium.

The House removed the section in the bill providing for a contingent transfer of up to \$25 million of earnings and accumulated and undivided profits of the Bank of North Dakota to the general fund if general fund revenue collections will not meet revenues as forecasted in the March 2003 legislative forecast for the 2003-05 biennium.

The House amended NDCC Section 57-51.1-07.2 to provide that at the end of any biennium oil and gas production and extraction tax collections during any biennium in excess of \$66,641,000, rather than \$62 million, be transferred from the general fund to the permanent oil tax trust fund. This amendment would be effective starting with the 2003-05 biennium.

The House amended NDCC Section 54-44.1-12 to provide that any allotment ordered by the Governor must be made to the extent necessary to address any projected deficiency appropriations for agencies receiving moneys from the fund.

The House added a section providing for the Tax Commissioner to examine all mineral production from lands under the ownership or control of federal or quasi-federal entities to assure mineral severance taxes are being imposed, collected, and reported as required by law. The Tax Commissioner is to report the findings and recommendations from the examination to a committee designated by the Legislative Council.

The House added a section requiring the Governor to submit any proposal to spend or transfer moneys from the student loan trust fund included as part of the 2005-07 biennium budget in a separate bill.

The House added a section requiring executive branch agencies to report to the Appropriations Committees during the 2005 legislative session regarding expenditures made pursuant to continuing appropriations and justification for needing the continuing appropriation authority.

The House provided that the 2005-07 budgets for four agencies--the Department of Public Instruction, Department of Corrections and Rehabilitation, State Treasurer, and Secretary of State--be prepared based on the 2003-05 biennium budget as approved by the Legislative Assembly.

The House added sections providing for a reduction of 176.6 FTE positions during the 2003-05 biennium and providing for contingent state employee salary increases of 1 percent in January 2004 and 2 percent in January 2005.

The House added a section for a Legislative Council study of public employee health insurance benefits.

The House added a section for a report to the Budget Section on specified exempt commodities and services relating to procurement requirements in NDCC Chapter 54-44.4.

The House added sections providing for the establishment of an information technology advisory committee, to provide for an information technology consolidation study, to provide for consolidation of information technology positions and functions, and to recognize general fund revenue related to accumulated information technology savings of \$4 million from the Information Technology Department and \$2 million from the North Dakota University System to be transferred to the general fund.

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

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Salaries and wages	\$15,549,754	\$15,404,949	(\$16,718)	\$15,388,231	\$15,388,231	
Operating expenses	11,364,985	11,461,745	(132,989)	11,328,756	10,573,616	\$755,140
Capital assets	733,000	733,000		733,000	733,000	
Grants	179,000	179,000		179,000	179,000	
Technology critical needs pool					1,000,000	(1,000,000)
Total all funds	<u>\$27,826,739</u>	<u>\$27,778,694</u>	<u>(\$149,707)</u>	<u>\$27,628,987</u>	<u>\$27,873,847</u>	<u>(\$244,860)</u>
Less estimated income	<u>7,918,764</u>	<u>7,891,748</u>	<u>(3,272)</u>	<u>7,888,476</u>	<u>7,888,476</u>	<u>0</u>
General fund	<u>\$19,907,975</u>	<u>\$19,886,946</u>	<u>(\$146,435)</u>	<u>\$19,740,511</u>	<u>\$19,985,371</u>	<u>(\$244,860)</u>
FTE	162.00	162.00	0.00	162.00	162.00	0.00

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

	Reduces Recommended Funding for Health Insurance¹	Reduces Funding for Information Technology Costs²	Total Conference Committee Changes
Salaries and wages	(\$16,718)		(\$16,718)
Operating expenses		(132,989)	(132,989)
Capital assets			
Grants			
Total all funds	(\$16,718)	(\$132,989)	(\$149,707)
Less estimated income	(3,272)	0	(3,272)
General fund	(\$13,446)	(\$132,989)	(\$146,435)
FTE	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$493 to \$488.70 per month.

² This amendment reduces funding for information technology by \$132,989 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 5 percent, adjusted for salaries included in the information technology plan.

Section 5 - The House amendment reduces the 2003-05 biennium transfer from the lands and minerals trust fund to the general fund from \$3 million to \$2 million and limits the transfer from the permanent oil tax trust fund to the general fund to \$11,910,000. The Conference Committee agreed to this amendment, increased the transfer from the bonding fund to \$2,800,000, and increased the cap on oil revenues to \$71,000,000.

Section 10 - The House removed the section in the bill providing for a contingent transfer of up to \$25 million of earnings and accumulated and undivided profits of the Bank of North Dakota to the general fund if general fund revenue collections will not meet revenues as forecasted in the March 2003 legislative forecast for the 2003-05 biennium. The Conference Committee reinstated this section; however, it decreased the contingent transfer to \$9 million.

Section 13 - The Conference Committee added a section providing for contracts for the preparation and provision of meals by institutions of higher education.

Section 14 - The Conference Committee added a section relating to legislative membership on the Medical Center Advisory Council.

Section 15 - The Conference Committee added a section relating to forwarding payments from the state tuition fund made on behalf of the student to the student's chosen school district.

Section 16 - A section is added reducing the reserve amount in the bonding fund from \$2.5 million to \$2 million.

Section 17 - The Conference Committee added a section amending Section 34-06-01 relating to overtime and work-period claims.

Section 18 - The Conference Committee provided that until December 31, 2004, the Racing Commission reinstate race dates and issue a license to any racetrack in the state which was operational after December 31, 2000.

Sections 19, 20, 21 - The House changed the membership and continued the Electric Industry Competition Committee through August 1, 2007. The Conference Committee agreed to this amendment

Section 22 - The House amended North Dakota Century Code (NDCC) Section 54-44.1-06 to provide for the budget data presented by the director of the budget to include in the general fund budget status any deficiency appropriation relating to general fund expenditures for the current biennium. The Conference Committee agreed to this amendment.

Section 23 - The House amended NDCC Section 54-44.1-12 to provide that any allotment ordered by the Governor must be made to the extent necessary to address any projected deficiency appropriations for agencies receiving moneys from the fund. The Conference Committee agreed to this amendment. (This section was vetoed by the Governor.)

Sections 24, 28, 29, 30 - The House added sections providing for the establishment of an information technology advisory committee, to provide for an information technology consolidation study, to provide for consolidation of information technology positions and functions, and to recognize general fund revenue related to accumulated information technology savings of \$4 million from the Information Technology Department and \$2 million from the North Dakota University System to be transferred to the general fund. The Conference Committee version provides for a transfer of \$1.4 million from the Information Technology Department to the general fund from realized efficiencies from consolidation, provides for reports to the Budget Section on consolidation, and defines services to be provided by the Information Technology Department. (Sections 24, 28, and 29 were vetoed by the Governor.)

The Conference Committee added language to the section on the consolidation of information technology positions, providing for each affected state agency to identify the information technology positions to be transferred, after consultation with the Information Technology Department, based on the services to be assumed centrally by the Information Technology Department. In addition, as part of the functional consolidation effort, the Supreme Court and the Attorney General's office will continue to collaborate with the Information Technology Department to implement the criminal justice information sharing program.

Section 25 - The Conference Committee added a section requiring the report of the mediator relating to historical significance determinations be published in the state newspaper and the notice of the decision be given directly to the director of the State Historical Society.

Section 26 - The House amended NDCC Section 57-51.1-07.2 to provide that at the end of any biennium oil and gas production and extraction tax collections during any biennium in excess of \$66,641,000, rather than \$62 million, be transferred from the general fund to the permanent oil tax trust fund. This amendment would be effective starting with the 2003-05 biennium. The Conference Committee increased the amount at which funding is transferred to the permanent oil tax trust fund to \$71,000,000.

Section 31 - The House provided a \$30,000 general fund appropriation to the Legislative Council for upgrading the sound systems in the House and Senate chambers. The Conference Committee agreed to this amendment.

Section 32 - The Conference Committee provided an appropriation of \$45,000 from the general fund to the Department of Agriculture for the agriculture in the classroom program.

Section 33 - The House added a section requiring the Governor to submit any proposal to spend or transfer moneys from the student loan trust fund included as part of the 2005-07 biennium budget in a separate bill. The Conference Committee agreed to this amendment.

Section 34 - The House added a section requiring executive branch agencies to report to the Appropriations Committees during the 2005 legislative session regarding expenditures made pursuant to continuing appropriations and justification for needing the continuing appropriation authority. The Conference Committee agreed to this amendment.

Section 35 - The House provided that the 2005-07 budgets for four agencies--the Department of Public Instruction, Department of Corrections and Rehabilitation, State Treasurer, and Secretary of State--be prepared based on the 2003-05 biennium budget as approved by the Legislative Assembly. The Conference Committee agreed to this amendment. (This section was vetoed by the Governor.)

Sections 36, 37, 38, 39 - The House added sections providing for a reduction of 176.6 FTE positions during the 2003-05 biennium and providing for contingent state employee salary increases of 1 percent in January 2004 and 2 percent in January 2005. The Conference Committee provided for the establishment of employee compensation pools resulting from savings from employee reductions, and funding of state employee salary increases from the pool contingent on a reduction of 176 FTE positions. (These sections were vetoed by the Governor.)

Section 40 - The Conference Committee added a section providing for additional lodging reimbursement for members of the Legislative Assembly who incur expenses greater than \$650 during the month of April 2003.

Section 41 - The House added a section for a Legislative Council study of public employee health insurance benefits. The Conference Committee agreed to this amendment.

Section 42 - The House added a section for a report to the Budget Section on specified exempt commodities and services relating to procurement requirements in NDCC Chapter 54-44.4. The Conference Committee agreed to this amendment.

Section 43 - A section is added allowing the Department of Commerce to carry over up to \$850,000 of its 2001-03 biennium grants appropriation.

The Conference Committee reinstated funding of \$120,000 for a lobbyist in Washington, D.C.

The Conference Committee removed the section from Engrossed House Bill No. 2015, which prohibited bonuses or temporary salary adjustments to state employees for extra working hours incurred as a result of the legislative session.

Section 44 - The Conference Committee added a section of intent that the 2005-07 executive budget provide for the funding for Prairie Public Broadcasting as a separate line item in the Office of Management and Budget's budget request.

Section 45 - The Conference Committee added a section providing an emergency clause for House Bill No. 1414, relating to infectious disease outbreaks and the ability for the State Department of Health to provide for quarantines.

Section 46 - The Conference Committee added a section providing for an emergency clause for House Bill No. 1012, relating to the speed limit on paved two-lane county and township highways.

Section 47 - The Conference Committee added a section providing an emergency clause for subdivision 3 of Section 1 and Sections 12 and 13 of House Bill No. 1015, relating to the partnership in assisting community expansion fund, the agriculture partnership in assisting community expansion fund, and the beginning farmer loan fund.

Section 48 - The Conference Committee added a section providing for an emergency clause for Senate Bill No. 2176, relating to participation by retired political subdivision employees in the uniform group insurance program.

Section 49 - The Conference Committee provided for the Tax Commissioner to conduct a one-time tax amnesty program beginning before December 31, 2003. The authorizing language is intended to grant the Tax Commissioner discretionary authority to implement the program.

Department No. 160 - Legislative Council - Detail of House Changes

	Provides Funding For Upgrading Sound Systems¹	Provides Funding For Information Technology Study	Total House Changes
Operating expenses	30,000	350,000	\$380,000
Total all funds	\$30,000	\$350,000	\$380,000
Less estimated income	0	0	0
General fund	\$30,000	\$350,000	\$380,000
FTE	0.00	0.00	0.00

¹ This amendment adds a section to the bill providing a \$30,000 general fund appropriation to the Legislative Council for upgrading the sound systems in the House and Senate chambers.

Senate Bill No. 2015 - Legislative Council - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Operating expenses			30,000	30,000	\$380,000	(350,000)
Total all funds	\$0	\$0	\$30,000	\$30,000	\$380,000	(\$350,000)
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$30,000	\$30,000	\$380,000	(\$350,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 160 - Legislative Council - Detail of Conference Committee Changes

	Provides Funding For Upgrading Sound Systems¹	Total Conference Committee Changes
Operating expenses	\$30,000	\$30,000
Total all funds	\$30,000	\$30,000
Less estimated income	0	0
General fund	\$30,000	\$30,000
FTE	0.00	0.00

¹ This amendment adds a section to the bill providing a \$30,000 general fund appropriation to the Legislative Council for upgrading the sound systems in the House and Senate chambers.

Senate Bill No. 2015 - Department of Agriculture - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Ag in the classroom			\$45,000	\$45,000	\$0	\$45,000
Total all funds	\$0	\$0	\$45,000	\$45,000	\$0	45,000
Less estimated income	0	0	0	0	0	0)
General fund	\$0	\$0	\$45,000	\$45,000	\$0	\$45,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 602 - Department of Agriculture - Detail of Conference Committee Changes

	Provides Funding for Ag in the Classroom¹	Total Conference Committee Changes
Ag in the classroom	\$45,000	\$45,000
Total all funds	\$45,000	\$45,000
Less estimated income	0	0
General fund	\$45,000	\$45,000
FTE	0.00	0.00

¹ This amendment adds a section to the bill providing a \$45,000 general fund appropriation to the Department of Agriculture for agriculture in the classroom.

Senate Bill No. 2015 – All agencies - House Action

Sections are added providing for a reduction of 176.6 FTE positions during the 2003-05 biennium and providing for contingent state employee salary increases of 1 percent in January 2004 and 2 percent in January 2005. Funding of \$8,460,097, of which \$4,335,022 is from the general fund is added for all agencies as follows:

Agency or Institution	General Fund	Special Funds	Total
Governor	\$22,593		\$22,593
Secretary of State	21,981		21,981
Office of Management and Budget	117,789	\$27,016	144,805
Information Technology Department	18,751	301,822	320,573
State Auditor	43,149	19,763	62,912
State Treasurer	6,480		6,480
Attorney General	172,694	20,084	192,778
Tax Commissioner	135,185		135,185
Administrative Hearings Office		10,494	10,494
Legislative Council	45,518		45,518
Judicial branch	310,233	2,486	312,719
Retirement and Investment Office		19,290	19,290
Public Employees Retirement System		27,363	27,363
Department of Public Instruction	36,013	65,110	101,123
University System office	36,294		36,294
Board of University and School Lands		20,144	20,144
Forest Service	18,125		18,125
State Library	20,069	781	20,850
School for the Deaf	48,273		48,273
Vision Services – School for the Blind	23,679	2,931	26,610
Board for career and technical education	31,339	705	32,044
State Department of Health	110,886	215,934	326,820
Veterans Home	50,855	21,630	72,485
Indian Affairs Commission	3,487		3,487
Department of Veterans' Affairs	4,167	339	4,506
Children's Services Coordinating Committee		594	594
Department of Human Services	1,295,048	577,842	1,872,890
Protection and Advocacy Project	10,971	14,127	25,098
Job Service North Dakota	949	354,292	355,241
Insurance Commissioner		51,708	51,708
Industrial Commission	62,331	6,335	68,666
Labor Commissioner	7,812	2,512	10,324
Public Service Commission	34,287	18,565	52,852
Aeronautics Commission		7,075	7,075
Department of Financial Institutions		31,327	31,327
Securities Commissioner	10,392		10,392
Bank of North Dakota		176,363	176,363
Housing Finance Agency		42,525	42,525
Workers Compensation Bureau		251,735	251,735
Highway Patrol	144,377	62,795	207,172
Division of Emergency Management	7,816	11,978	19,794
Department of Corrections and Rehabilitation	574,357	51,418	625,775
Adjutant General	42,773	95,383	138,156
Department of Commerce	56,877	18,783	75,660
Agriculture Commissioner	32,488	27,064	59,552
Seed Department		28,168	28,168
Upper Great Plains Transportation Institute	4,241	48,986	53,227
Branch research centers	69,670	15,552	85,222
NDSU Extension Service	186,441	117,672	304,113
Northern Crops Institute	6,400	5,072	11,472
Main Research Station	314,140	152,415	466,555
Agronomy Seed Farm		3,471	3,471
Historical Society	52,931		52,931
Council on the Arts	4,577		4,577
Game and Fish Department		164,679	164,679
Parks and Recreation Department	40,796	1,753	42,549
Water Commission	97,788	1,841	99,629
Department of Transportation		1,027,153	1,027,153
Total	\$4,335,022	\$4,125,075	\$8,460,097