

**State Treasurer
Budget 120
Senate Bill Nos. 2005, 2371; House Bill No. 1012**

	FTE Positions	General Fund	Other Funds	Total
2011-13 legislative appropriation	7.00	\$49,705,390 ¹	\$0	\$49,705,390
2009-11 legislative appropriation	<u>7.00</u>	<u>37,238,985²</u>	<u>0</u>	<u>37,238,985</u>
2011-13 appropriation increase (decrease) to 2009-11 appropriation	0.00	\$12,466,405	\$0	\$12,466,405

¹This amount includes \$48,266,588 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$1,438,802.

²This amount reflects a \$35 million general fund appropriation approved by the Legislative Assembly in 2011 for supplemental transportation funding distributions to non-oil-producing counties, cities, and townships for the 2009-11 biennium.

Item Description

Position reclassifications - The Legislative Assembly provided \$24,000 from the general fund for position reclassifications for two accounting positions in the 2011-13 biennium.

One-time funding - Information technology costs - In Section 2 of 2011 Senate Bill No. 2005, the Legislative Assembly identified \$266,588 of one-time funding from the general fund for the 2011-13 biennium for information technology development costs. This amount is not to be considered part of the agency's base budget for preparing the 2013-15 executive budget, and the State Treasurer is to report to the Appropriations Committees during the 2013 legislative session on the use of this funding.

One-time funding - Transportation funding - In Section 6 of 2011 House Bill No. 1012, the Legislative Assembly identified \$25 million of one-time funding from the general fund for the 2011-13 biennium for supplemental transportation funding distributions for counties, cities, and townships in non-oil-producing areas.

In Section 27 of 2011 Senate Bill No. 2371, the Legislative Assembly identified \$23 million of contingent one-time funding for transportation funding distributions to non-oil-producing counties, cities, and townships. Funding is contingent on oil and gas tax revenue collections for the period July 1, 2011, through February 29, 2012, exceeding oil and gas tax revenue collection forecasts for that period by at least \$48 million (Senate Bill No. 2371). The State Treasurer must distribute \$6.8 million to non-oil-producing counties and cities pursuant to subsection 4 of North Dakota Century Code Section 54-27-19, \$1.7 million to counties and townships in non-oil-producing counties pursuant to Section 54-27-19.1, and \$14.5 million to counties and townships in non-oil-producing counties through a distribution of \$10,000 to each organized township and a distribution of \$10,000 for each unorganized township to the county in which the unorganized township is located.

Status/Result

The State Treasurer's office reclassified an account budget specialist II position to an account budget specialist III position in November 2011. The agency anticipates reclassifying an account budget specialist I position, which is currently vacant, after the position has been filled.

As of April 15, 2012, the State Treasurer's office has expended \$64,269 of the amount available for information technology costs. The agency anticipates spending the remaining \$202,319 throughout the remainder of the biennium.

On March 1, 2012, the Tax Department certified that total oil and gas tax revenues collected during the period July 1, 2011, through February 29, 2012, exceeded the legislative forecast for that period by more than \$48 million.

The State Treasurer's office distributed a total of \$48 million to counties, cities, and townships in non-oil-producing counties on March 30, 2012.

These amounts are not to be considered part of the agency's base budget for preparing the 2013-15 executive budget, and the State Treasurer is to report to the Appropriations Committees during the 2013 legislative session on the use of this funding.

Warrants and checks outstanding - House Bill No. 1088 (2011) amended Section 54-11-01 to provide that the State Treasurer report to the Budget Section within 90 days of the beginning of each fiscal year of all warrants and checks outstanding for more than 90 days and less than three years. The bill also limits adjustments from the general fund made by the State Treasurer to underpayments, overpayments, or erroneous payments of tax distributions to \$100 per biennium, unless approved by the Emergency Commission.

State aid distribution withholding - Soil survey data - Section 57-02-27.2 requires the State Treasurer to withhold 5 percent of a county's allocation each quarter from the state aid distribution fund beginning with the first quarter of 2013 for any county that has not implemented the use of soil type and soil classification data from detailed or general soil surveys in assessing agricultural property. Allocations withheld from counties are to be deposited in the agricultural land valuation fund.

At the Budget Section meeting on September 15, 2011, the State Treasurer reported a total of \$3.1 million in outstanding checks for fiscal years 2009, 2010, and 2011. The State Treasurer provided a list of outstanding checks to the Unclaimed Property Division of the Department of Trust Lands totaling \$434,749.

As of April 2012, the Tax Department estimates 31 counties have not implemented the use of soil type and soil classification data. The State Treasurer's office has submitted a request to the Information Technology Department for an estimate on the cost of computer programming necessary to withhold the allocation, transfer the withholdings to the agricultural land valuation fund, redistribute funds to counties upon compliance, and provide reports.