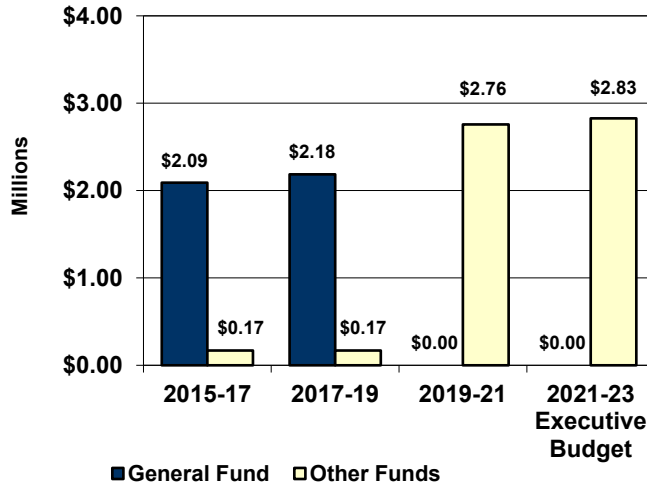


**Department 414 - Securities Department  
House Bill No. 1011**

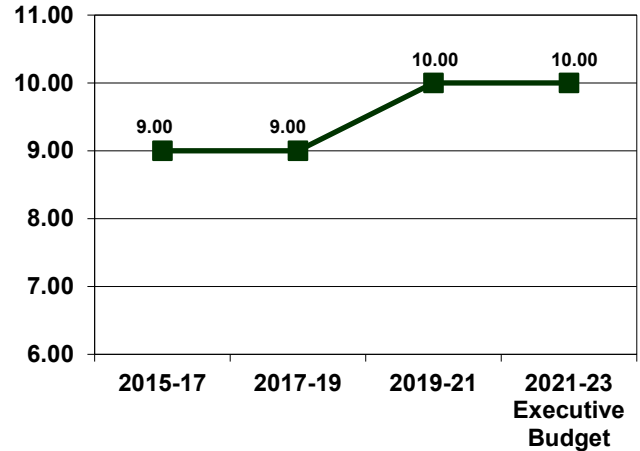
**Executive Budget Comparison to Prior Biennium Appropriations**

	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	10.00	\$0	\$2,825,725	\$2,825,725
2019-21 Legislative Appropriations	10.00	0	2,757,119	2,757,119
Increase (Decrease)	0.00	\$0	\$68,606	\$68,606

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2021-23 Executive Budget	\$0	\$2,825,725	\$2,825,725
2021-23 Base Level	0	2,757,119	2,757,119
Increase (Decrease)	\$0	\$68,606	\$68,606

**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. Adds funding for state employee salary and benefit increases, of which \$55,213 is for salary increases, \$487 is for health insurance increases, and \$11,364 is for retirement contribution increases. <b>The House added funding for salary adjustments of 1.5 percent per year with a \$100 minimum and \$250 maximum monthly increase and increases in health insurance premiums from \$1,427 to \$1,429 per month. The House did not add funding for retirement contribution increases.</b>	\$0	\$67,064	\$67,064
2. Adds funding for Microsoft Office 365 license expenses	\$0	\$1,542	\$1,542

**Other Sections in House Bill No. 1011**

There are no other sections included in this bill.

**Continuing Appropriations**

**Investor education and technology fund** - North Dakota Century Code Section 10-04-03 - This fund receives funding from tuition, grants, donations, and certain civil penalties assessed by the securities commissioner. The money in the fund can be used for public education services and for the technology needs of the Securities Department.

**Investor restitution fund** - Section 10-04-03 - This fund is used to deposit civil penalties collected from enforcement action to be distributed to aggrieved investors.

### **Deficiency Appropriation**

There are no deficiency appropriations for this agency.

### **Significant Audit Findings**

There are no significant audit findings for this agency.

### **Major Related Legislation**

At this time, no major related legislation is under consideration for this agency.

**Securities Department - Budget No. 414**  
**House Bill No. 1011**  
**Base Level Funding Changes**

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2021-23 Biennium Base Level</b>	10.00	\$0	\$2,757,119	\$2,757,119	10.00	\$0	\$2,757,119	\$2,757,119
<b>2021-23 Ongoing Funding Changes</b>								
Base payroll changes				\$0				\$0
Salary increase			\$55,213	55,213			\$47,115	47,115
Health insurance increase			487	487			487	487
Retirement contribution increase			11,364	11,364				0
Adds funding for Microsoft Office 365 license expenses			1,542	1,542			1,542	1,542
<b>Total ongoing funding changes</b>	0.00	\$0	\$68,606	\$68,606	0.00	\$0	\$49,144	\$49,144
<b>One-time funding items</b>								
No one-time funding items				\$0				\$0
<b>Total one-time funding changes</b>	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	0.00	\$0	\$68,606	\$68,606	0.00	\$0	\$49,144	\$49,144
<b>2021-23 Total Funding</b>	10.00	\$0	\$2,825,725	\$2,825,725	10.00	\$0	\$2,806,263	\$2,806,263
<i>Total ongoing changes as a percentage of base level</i>	0.0%		2.5%	2.5%	0.0%		1.8%	1.8%
<i>Total changes as a percentage of base level</i>	0.0%		2.5%	2.5%	0.0%		1.8%	1.8%

**Other Sections in Securities Department - Budget No. 414**

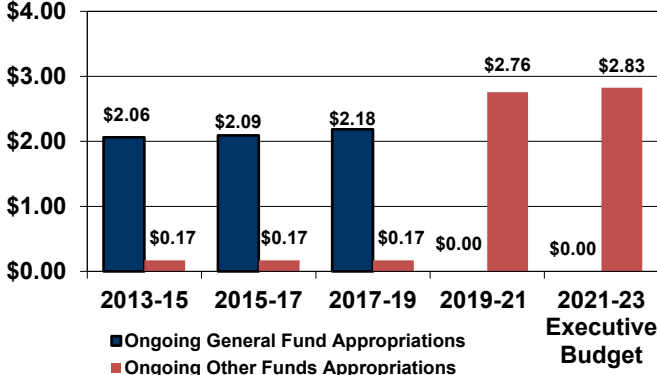
Executive Budget Recommendation	House Version
There are no other sections recommended to be added in the executive budget.	There are no other sections in the House version.

Department 414 - Securities Department

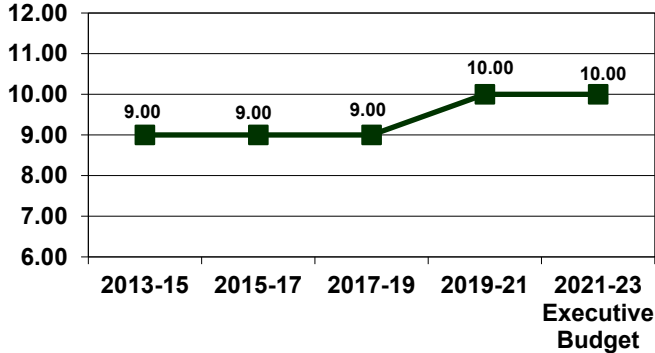
# Historical Appropriations Information

## Ongoing Agency Appropriations Since 2013-15

Agency Funding (in Millions)



FTE Positions



Ongoing Agency Appropriations					
	2013-15	2015-17	2017-19	2019-21 <sup>1</sup>	2021-23 Executive Budget
Ongoing appropriations	\$2,233,005	\$2,260,781	\$2,354,714	\$2,757,119	\$2,825,725
Increase (decrease) from previous biennium	N/A	\$27,776	\$93,933	\$402,405	\$68,606
Percentage increase (decrease) from previous biennium	N/A	1.2%	4.2%	17.1%	2.5%
Cumulative percentage increase (decrease) from 2013-15 biennium	N/A	1.2%	5.5%	23.5%	26.5%

<sup>1</sup>The 2019 Legislative Assembly amended Section 10-04-03 to provide for the Securities Department to be a special funded agency by creating the Securities Department special fund and by directing all fees, civil penalties, or other money collected by the agency into the fund; and to transfer all revenues in excess of the agency's appropriation to the general fund.

### Major Increases (Decreases) in Ongoing Agency Appropriations

**2015-17 Biennium**

- 1. Added funding from the general fund for desktop support services and hardware \$46,805

**2017-19 Biennium**

- 1. Restored a portion of funding from the general fund for operating expenses that was removed as a result of the August 2016 general fund budget reductions \$46,545

**2019-21 Biennium**

- 1. Added from the general fund 1 FTE financial technology research and investigation position (\$209,294) and related operating expenses (\$23,000) \$232,294
- 2. Added funding from other funds for rent and for the statewide cost allocation plan \$64,000
- 3. Changed the source of funding for the agency by reducing funding from the general fund by \$2,524,124 and increasing funding from other funds by \$2,524,124 \$0

**2021-23 Biennium (Executive Budget Recommendation)**

- 1. No major changes included in the executive budget recommendation \$0

**GOVERNOR'S RECOMMENDATION FOR THE  
SECURITIES DEPARTMENT AS SUBMITTED  
BY THE OFFICE OF MANAGEMENT AND BUDGET**

**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 securities department special fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, to the securities department of the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2021 and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$2,163,558	\$67,064	\$2,230,622
Operating Expenses	<u>593,561</u>	<u>1,542</u>	<u>595,103</u>
Total All Funds	\$2,757,119	\$68,606	\$2,825,725
Less Estimated Income	<u>2,757,119</u>	<u>68,606</u>	<u>2,825,725</u>
Total General Fund	\$ 0	\$ 0	\$ 0
Full-time Equivalent Positions	10.00	0.00	10.00