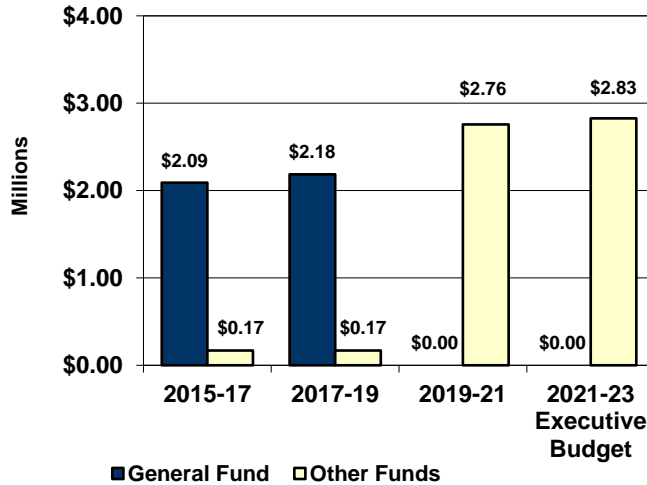


**Department 414 - Securities Department
House Bill No. 1011**

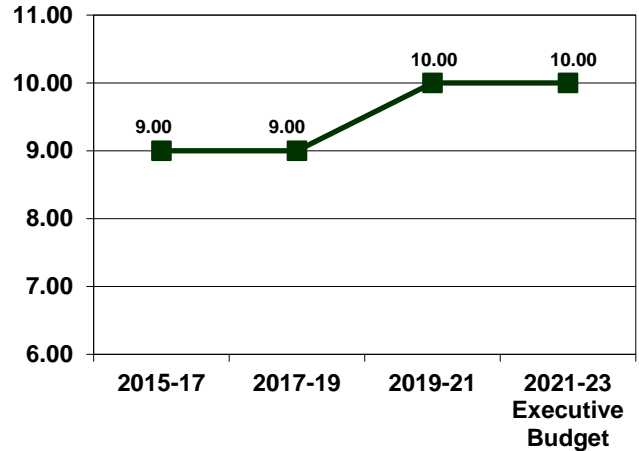
Executive Budget Comparison to Prior Biennium Appropriations

	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

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations

Executive Budget Highlights

	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	\$0	\$67,064	\$67,064
2. Adds funding for Microsoft Office 365 license expenses	\$0	\$1,542	\$1,542

**Other Sections Recommended to be Added in the Executive Budget
(As Detailed in the Attached Appendix)**

There are no other sections recommended to be added in the executive budget.

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

There is no major related legislation for this agency at this time.

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

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

Other Sections in Securities Department - Budget No. 414

Executive Budget Recommendation

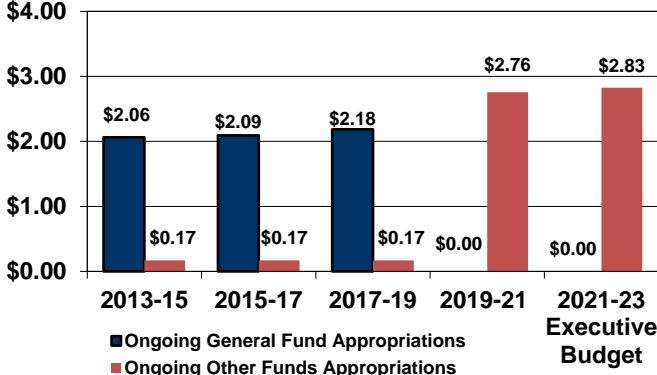
There are no other sections recommended to be added in the executive budget.

Department 414 - Securities Department

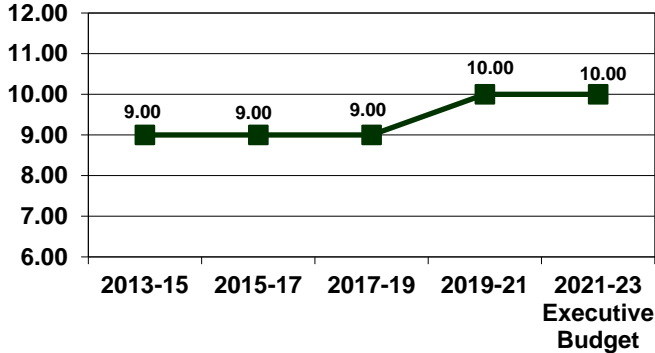
Historical Appropriations Information

Ongoing Agency Appropriations Since 2013-15

Agency Funding (in Millions)



FTE Positions



Ongoing Agency Appropriations					
	2013-15	2015-17	2017-19	2019-21 ¹	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%

¹The 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