

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions
 2 under the supervision of the director of the office of management and budget; to provide for
 3 various transfers and financial transactions; to provide an exemption from the provisions of
 4 section 54-44.1-11 of the North Dakota Century Code; to create and enact a new subsection to
 5 section 54-44-11 of the North Dakota Century Code, relating to a facility management special
 6 fund; to amend and reenact subsection 6 of section 37-17.1-06, and sections 54-23.2-01,
 7 57-40.6-12, and 57-51.1-07.2 of the North Dakota Century Code, relating to the division of
 8 emergency management, state radio, and the permanent oil tax trust fund; to repeal section
 9 54-27.2-02 of the North Dakota Century Code, relating to the budget stabilization fund; and to
 10 declare an emergency.

11 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

12 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this
 13 section represent the base level funding component appropriated to the office of management
 14 and budget in section 3 of this Act as follows:

15 Salaries and wages	\$15,388,231
16 Operating expenses	11,328,756
17 Capital assets	733,000
18 Grants	<u>179,000</u>
19 Total all funds - Base level	\$27,628,987
20 Less estimated income - Base level	<u>7,888,476</u>
21 Total general fund - Base level	\$19,740,511

22 **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The
 23 amounts identified in this section represent the funding adjustments or enhancements to the
 24 base funding level for the office of management and budget which are included in the
 25 appropriation in section 3 of this Act as follows:

Fifty-ninth
Legislative Assembly

1	Salaries and wages	(\$1,829,306)
2	Operating expenses	(94,850)
3	Capital assets	1,911,000
4	Prairie public broadcasting	1,337,138
5	Statewide equity pool	<u>5,000,000</u>
6	Total all funds - Adjustments/enhancements	\$6,323,982
7	Less estimated income - Adjustments/enhancements	<u>3,794,805</u>
8	Total general fund - Adjustments/enhancements	\$2,529,177

9 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
10 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and
12 other income, to the office of management and budget for the purpose of defraying the
13 expenses of that agency, for the biennium beginning July 1, 2005, and ending June 30, 2007,
14 as follows:

15	Salaries and wages	\$13,558,925
16	Operating expenses	11,233,906
17	Capital assets	2,644,000
18	Grants	179,000
19	Prairie public broadcasting	1,337,138
20	Statewide equity pool	<u>5,000,000</u>
21	Total all funds	\$33,952,969
22	Less estimated income	<u>11,683,281</u>
23	Total general fund appropriation	\$22,269,688

24 **SECTION 4. CAPITOL BUILDING FUND.** The amount of \$25,000, or so much of the
25 sum as may be necessary, included in the estimated income line item in section 3 of this Act, is
26 to be spent by the administration division from the capitol building fund for capitol grounds
27 planning, during the biennium beginning July 1, 2005, and ending June 30, 2007.

28 **SECTION 5. EXEMPTION.** The amount appropriated for the fiscal management
29 division, as contained in section 1 of chapter 36 of the 2003 Session Laws is not subject to the
30 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available

1 for continued development and operating costs of the accounting, management, and payroll
2 systems, during the biennium beginning July 1, 2005, and ending June 30, 2007.

3 **SECTION 6. STATEWIDE EQUITY POOL FOR CLASSIFIED STATE EMPLOYEES.**

4 The statewide equity pool included in section 3 of this Act must be used for market equity
5 compensation adjustments for classified state employees. The market equity adjustments are
6 to begin with the month of July 2005, to be paid in August 2005. The market equity
7 adjustments are to be independent of any general salary increase provided by the fifty-ninth
8 legislative assembly.

9 The market equity increases are to be prioritized based on equity for employees whose
10 salaries are furthest from their respective salary range midpoints effective July 1, 2005. Market
11 equity increases may not be given to employees whose salary exceeds the midpoints of their
12 assigned salary range effective July 1, 2005.

13 Probationary employees are eligible for the market equity increases. Employees whose
14 documented performance levels do not meet standards are not eligible for the market equity
15 increases.

16 The human resource management services shall provide a model base plan to each
17 agency. Agencies may adopt the model plan, adopt the model plan with exceptions, or offer an
18 alternative plan which meets the intent outlined in this section.

19 Upon adoption of an appropriate plan and application to the human resource
20 management services, the fiscal management division shall transfer appropriated general fund
21 or special fund spending authority for the increases to the agencies.

22 **SECTION 7. INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS -**

23 **GUIDELINES.** It is the intent of the fifty-ninth legislative assembly that an agency may provide
24 salary increases for permanent state employees of four percent for the first year of the 2005-07
25 biennium, beginning with the month of July 2005, to be paid in August 2005 and of three
26 percent beginning with the month of July 2006, to be paid in August 2006.

27 Each agency appropriation for salaries and wages is increased by four percent the first
28 year and three percent the second year of the the 2005-07 biennium for these salary increases.
29 An agency may provide salary increases of four percent for the second year of the 2005-07
30 biennium only to the extent that the increase can be paid within the limits of the agency's
31 appropriation.

1 Employees whose documented performance levels do not meet standards are not
2 eligible for the general or additional increases.

3 Probationary employees are not entitled to the general or additional increases.
4 However, probationary employees may be given all or a portion of the increases effective July,
5 paid in August, or upon completion of probation, at the discretion of the appointing authority.

6 **SECTION 8. STATE AGENCIES - LINE ITEM TRANSFER AUTHORITY.**

7 Notwithstanding the provisions of chapter 54-16, the director of the office of management and
8 budget shall make transfers of funds between line items of an agency or institution upon the
9 request of the agency or institution in order to provide four percent employee salary increases
10 for the second year of the 2005-07 biennium, as provided in section 7 of this Act.

11 **SECTION 9. INTENT.** Within the authority included in section 3 of this Act are the
12 following grants and special items:

13 Boys and girls clubwork	\$53,000
14 State contingencies	500,000
15 State memberships and related expenses	477,860
16 Firefighter's association	126,000
17 Unemployment insurance	1,500,000
18 Capitol grounds planning commission	25,000
19 State consultant	120,000

20 **SECTION 10. TRANSFER.** During the biennium beginning July 1, 2005, and ending
21 June 30, 2007, the director of the office of management and budget is authorized to transfer
22 special funds from the lands and minerals trust fund to the general fund in the amount of
23 \$5,000,000 or such greater amount as may be available.

24 **SECTION 11. FIRE AND TORNADO FUND.** The amount of \$126,000, or so much of
25 the amount as is necessary, included in the estimated income line item in section 3 of this Act,
26 is from the fire and tornado fund.

27 **SECTION 12. BANK OF NORTH DAKOTA TRANSFERS TO STATE GENERAL**
28 **FUND.** During the biennium ending June 30, 2007, the industrial commission shall transfer to
29 the state general fund up to \$60,000,000 from the current earnings and the accumulated
30 undivided profits of the Bank of North Dakota. The moneys shall be transferred in the amounts
31 and at such times as requested by the director of the office of management and budget.

1 **SECTION 13. CONTINGENT PERMANENT OIL TAX TRUST FUND AND BANK OF**
2 **NORTH DAKOTA TRANSFERS TO STATE GENERAL FUND.** If, during the biennium ending
3 June 30, 2007, the director of the office of management and budget determines through revised
4 projections that general fund revenue collections will not meet the revenues as forecast in the
5 March 2005 legislative forecast, the director of the office of management and budget may
6 transfer funds, up to the amount of the projected shortfall, from the permanent oil tax trust fund
7 to the general fund, if additional funds are required, the industrial commission shall transfer to
8 the state general fund an additional amount, up to \$10,000,000, as determined by the director of
9 the office of management and budget, from the earnings and accumulated and undivided profits
10 of the Bank of North Dakota. The moneys must be transferred in amounts and at such times as
11 requested by the director of the office of management and budget. Any transfer authorized may
12 only be made to the extent the transfer does not reduce the Bank's capital structure below
13 \$150,000,000. The director may determine what portion of the shortfall will be covered by the
14 transfers pursuant to this section and what portion will be covered by allotment pursuant to
15 section 54-44.1-12.

16 **SECTION 14. AMENDMENT.** Subsection 6 of section 37-17.1-06 of the North Dakota
17 Century Code is amended and reenacted as follows:

- 18 6. The division of emergency management shall:
- 19 a. Coordinate the procurement and prepositioning of supplies, materials, and
20 equipment for disaster or emergency operations.
 - 21 b. Provide guidance and standards for local disaster or emergency operational
22 plans.
 - 23 c. Periodically review local disaster or emergency operational plans.
 - 24 d. Coordinate state or state and federal assistance to local emergency
25 management organizations.
 - 26 e. Establish and operate or assist local emergency management organizations
27 to establish and operate training programs and programs for emergency
28 public information.
 - 29 f. Make surveys of industries, resources, and facilities, within the state, both
30 public and private, as are necessary to carry out the purposes of this chapter.
31 The use of sensitive and proprietary logistical data submitted to the state in

- 1 confidence by individual industries and suppliers must be accorded full
2 confidentiality and will be released only in aggregate form.
- 3 g. Plan and make arrangements for the availability and use of any private
4 facilities, services, and property, and, if necessary and if in fact used,
5 coordinate payment for that use under terms and conditions agreed upon.
- 6 h. Establish access to a register of persons with types of training and skills
7 important in mitigation, preparedness, response, and recovery.
- 8 i. Establish access to a register of equipment and facilities available for use in a
9 disaster or emergency.
- 10 j. Prepare, for issuance by the governor, executive orders, proclamations, and
11 guidance as necessary or appropriate in managing a disaster or emergency.
- 12 k. Coordinate with the federal government and any public or private agency or
13 entity in achieving any purpose of this chapter and in implementing programs
14 for disaster mitigation, preparation, response, and recovery.
- 15 l. Be the state search and rescue coordinating agency, establish access to a
16 register of search and rescue equipment and personnel in the state, and plan
17 for its effective utilization in carrying out the search for and rescue of persons
18 when no violation of criminal laws exists.
- 19 m. Operate a state radio broadcasting system as set out in chapter 54-23.2.
- 20 n. Do other things necessary, incidental, or appropriate for the implementation of
21 this chapter.

22 **SECTION 15. AMENDMENT.** Section 54-23.2-01 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **54-23.2-01. Definitions.** ~~Wherever~~ As used in this chapter, the word "director" is
25 ~~hereinafter used, it shall mean~~ means the director of the ~~office of management and budget~~
26 ~~division of emergency management.~~ The word "system" ~~hereinafter used shall mean~~ means
27 the state radio broadcasting system.

28 **SECTION 16.** A new subsection to section 54-44-11 of the North Dakota Century Code
29 is created and enacted as follows:

30 The office of management and budget shall establish a facility management fund
31 to be used for the construction, maintenance, and repair of state facilities

1 maintained by the office of management and budget. Funds in the facility
2 management fund may be spent by the office of management and budget within
3 the limits of legislative appropriation.

4 **SECTION 17. AMENDMENT.** Section 57-40.6-12 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-40.6-12. Reports of coordination of public safety answering points coverage.**

7 The governing body of a city or county, which adopted a fee on telephone exchange access
8 service and wireless service under this chapter, shall make an annual report of the income,
9 expenditures, and status of its emergency services communication system. The annual report
10 must be submitted to the state radio division and to the public safety answering points
11 coordinating committee. The committee is composed of three members, one appointed by the
12 North Dakota 911 association, one appointed by the North Dakota association of counties, and
13 one appointed by the ~~office of management and budget~~ adjutant general to represent the state
14 radio division. The public safety answering points coordinating committee shall file its report
15 with the legislative council by November first of each even-numbered year.

16 **SECTION 18. AMENDMENT.** Section 57-51.1-07.2 of the North Dakota Century Code
17 is amended and reenacted as follows:

18 **57-51.1-07.2. Permanent oil tax trust fund - Deposits - Interest - Adjustment of**
19 **distribution formula.** At the end of any biennium beginning after June 30, 1997, all revenue
20 deposited in the general fund during that biennium and derived from taxes imposed on oil and
21 gas under chapters 57-51 and 57-51.1 which exceeds ~~seventy-one~~ eighty-four million five
22 hundred thousand dollars must be transferred by the state treasurer to a special fund in the
23 state treasury known as the permanent oil tax trust fund. The state treasurer shall transfer
24 interest earnings of the permanent oil tax trust fund to the general fund at the end of each fiscal
25 year. The principal of the permanent oil tax trust fund may not be expended except upon a
26 two-thirds vote of the members elected to each house of the legislative assembly.

27 If the distribution formulas under chapter 57-51 or 57-51.1 are amended effective after
28 June 30, 1997, the director of the budget shall adjust the ~~seventy-one~~ eighty-four million five
29 hundred thousand dollar amount in this section by the same percentage increase or decrease
30 in the amount of revenue allocable to the general fund after the change in the allocation
31 formula, and transfers to the permanent oil tax trust fund shall thereafter be made using that

1 adjusted figure so that the dollar amount of the transfers to the permanent oil tax trust fund is
2 not increased or decreased merely because of changes in the distribution formulas.

3 ~~Notwithstanding section 54-27.2-02, the~~ The state treasurer shall make the transfers
4 required by this section before calculating any general fund revenue balance available for
5 transfer to the budget stabilization fund under chapter 54-27.2. ~~In this section, "at the end of~~
6 ~~any biennium" has the same meaning as in section 54-27.2-02.~~

7 **SECTION 19. REPEAL.** Section 54-27.2-02 of the North Dakota Century Code is
8 repealed.

9 **SECTION 20. EMERGENCY.** Section 19 of this Act is declared to be an emergency
10 measure.