

**FIRST ENGROSSMENT
with Senate Amendments**

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1023

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 various state
2 retirement and investment agencies; and to amend and reenact sections 54-44.1-11 and
3 54-44.3-12.1 of the North Dakota Century Code, relating to the cancellation of unexpended
4 appropriations and revisions to compensation plans under the central personnel system.

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

6 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this
7 section represent the base level funding component appropriated to the retirement and
8 investment agencies in section 3 of this Act as follows:

9 Subdivision 1.

10 RETIREMENT AND INVESTMENT OFFICE

11 Salaries and wages	\$1,774,885
12 Operating expenses	986,444
13 Contingencies	82,000
14 Contracted services	<u>2,000,000</u>
15 Total special funds - Base level	\$4,843,329

16 Subdivision 2.

17 PUBLIC EMPLOYEES RETIREMENT SYSTEM

18 Salaries and wages	\$2,653,654
19 Operating expenses	1,487,504
20 Contingencies	<u>250,000</u>
21 Total special funds - Base level	\$4,391,158
22 Total special funds - Section 1	\$9,234,487

23 **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The
24 amounts identified in this section represent the funding adjustments or enhancements to the

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1 base funding level for the retirement and investment agencies which are included in the
2 appropriation in section 3 of this Act as follows:

3 Subdivision 1.

4 RETIREMENT AND INVESTMENT OFFICE

5 Salaries and wages	\$185,525
6 Operating expenses	(71,836)
7 Contracted services	<u>(2,000,000)</u>
8 Total special funds - Adjustments/enhancements	(\$1,886,311)

9 Subdivision 2.

10 PUBLIC EMPLOYEES RETIREMENT SYSTEM

11 Salaries and wages	\$208,378
12 Operating expenses	<u>77,207</u>
13 Total special funds - Adjustments/enhancements	\$285,585
14 Total special funds - Section 2	(\$1,600,726)

15 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
16 funds as may be necessary, are appropriated out of any moneys from special funds derived
17 from income, to the retirement and investment agencies listed in this section for the purpose of
18 defraying their expenses, for the biennium beginning July 1, 2005, and ending June 30, 2007,
19 as follows:

20 Subdivision 1.

21 RETIREMENT AND INVESTMENT OFFICE

22 Salaries and wages	\$1,960,410
23 Operating expenses	914,608
24 Contingencies	<u>82,000</u>
25 Total special funds appropriation	\$2,957,018

26 Subdivision 2.

27 PUBLIC EMPLOYEES RETIREMENT SYSTEM

28 Salaries and wages	\$2,862,032
29 Operating expenses	1,564,711
30 Contingencies	<u>250,000</u>

1	Total special funds appropriation	\$4,676,743
2	Grand total special funds appropriation H.B. 1023	\$7,633,761

3 **SECTION 4. EXEMPTION.** The amount appropriated for the retirement and
4 investment office, as contained in subdivision 1 of section 1 of chapter 45 of the 2003 Session
5 Laws is not subject to the provision of section 54-44.1-11. Any unexpended funds from the
6 contracted services appropriation line are available for continued development and
7 implementation of the pension software replacement project.

8 **SECTION 5. APPROPRIATION LINE ITEM TRANSFERS.** Upon approval of the
9 respective boards, the retirement and investment office and the public employees retirement
10 system may transfer from their respective contingencies line items in subdivisions 1 and 2 of
11 section 3 of this Act to all other line items. The agencies shall notify the office of management
12 and budget of each transfer made pursuant to this section.

13 **SECTION 6. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **54-44.1-11. (Effective through June 30, 2005) Office of management and budget**
16 **to cancel unexpended appropriations - When they may continue.** Except as otherwise
17 provided by law, the office of management and budget, thirty days after the close of each
18 biennial period, shall cancel all unexpended appropriations or balances of appropriations after
19 the expiration of the biennial period during which they became available under the law.
20 Unexpended appropriations for the North Dakota university system are not subject to this
21 section and the North Dakota university system shall report on the amounts and uses of funds
22 carried over from one biennium to the next to subsequent appropriations committees of the
23 legislative assembly. The chairmen of the appropriations committees of the senate and house
24 of representatives of the legislative assembly with the office of the budget may continue
25 appropriations or balances in force for not more than two years after the expiration of the
26 biennial period during which they became available upon recommendation of the director of the
27 budget for:

- 28 1. New construction projects.
- 29 2. Major repair or improvement projects.

1 3. Purchases of new equipment costing more than ten thousand dollars per unit if it
2 was ordered during the first twelve months of the biennium in which the funds were
3 appropriated.

4 4. The purchase of land by the state on a "contract for deed" purchase if the total
5 purchase price is within the authorized appropriation.

6 **(Effective after June 30, 2005) Office of management and budget to cancel**

7 **unexpended appropriations - When they may continue.** The office of management and
8 budget, thirty days after the close of each biennial period, shall cancel all unexpended
9 appropriations or balances of appropriations after the expiration of the biennial period during
10 which they became available under the law. The chairmen of the appropriations committees of
11 the senate and house of representatives of the legislative assembly with the office of the
12 budget may continue appropriations or balances in force for not more than two years after the
13 expiration of the biennial period during which they became available upon recommendation of
14 the director of the budget for:

15 1. New construction projects.

16 2. Major repair or improvement projects.

17 3. Purchases of new equipment costing more than ten thousand dollars per unit if it
18 was ordered during the first twelve months of the biennium in which the funds were
19 appropriated.

20 4. The purchase of land by the state on a "contract for deed" purchase if the total
21 purchase price is within the authorized appropriation.

22 5. Authorized ongoing information technology projects.

23 **SECTION 7. AMENDMENT.** Section 54-44.3-12.1 of the North Dakota Century Code
24 is amended and reenacted as follows:

25 **54-44.3-12.1. Revisions to compensation plan.** Revisions to the compensation plan
26 may only be made on July first, following the close of a regular legislative session, except that
27 new classifications may be added to the compensation plan during a biennium when deemed
28 necessary by the director. Revisions to the compensation plan ~~do not become effective~~ for
29 county employees covered by the plan ~~until~~ become effective on January first of the first full
30 calendar year following the revision or on July first following the close of a regular legislative
31 session, based on official action by the board of county commissioners. Revisions to the

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- 1 compensation plan may only be made to the extent the legislative assembly appropriates funds
- 2 to implement such plans.