

**SENATE BILL NO. 2379**

Introduced by

Senators Wardner, Holmberg

Representatives Carlson, Delzer

(Approved by the Delayed Bills Committee)

1 A BILL for an Act to provide for the reduction of general fund appropriation authority; to  
2 authorize transfers from the budget stabilization fund and the Bank of North Dakota; to provide  
3 appropriations for the department of human services and the department of corrections and  
4 rehabilitation; to provide for reports; to provide legislative intent; and to provide an effective  
5 date.

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

7 **SECTION 1. APPROPRIATION REDUCTIONS - EXECUTIVE BRANCH.** The amounts  
8 identified for the agencies and institutions in this section reflect a reduction to the 2015-17  
9 biennium general fund appropriation authority enacted by the sixty-fourth legislative assembly  
10 for the respective agency or institution for the biennium ending June 30, 2017. The amounts  
11 identified in this section are the legislative recognition of the 4.05 percent budget allotment  
12 ordered by the governor in February 2016, and the 2.5 percent budget allotment ordered by the  
13 governor in August 2016.

|  | Original General      | General Fund     | Adjusted General      |
|--|-----------------------|------------------|-----------------------|
| <u>Agency or Institution</u>   | <u>Fund Authority</u> | <u>Reduction</u> | <u>Fund Authority</u> |
| 16 Governor  | \$4,499,475           | (\$294,716)      | \$4,204,759           |
| 17 Secretary of state  | 10,085,308            | (660,588)        | 9,424,720             |
| 18 Office of management and budget,<br>19 including House Bill No. 1432 appropriations | 43,988,258            | (2,881,231)      | 41,107,027            |
| 20 Information technology department   | 27,905,987            | (1,827,842)      | 26,078,145            |
| 21 State auditor   | 10,461,832            | (685,250)        | 9,776,582             |
| 22 State treasurer   | 260,057,355           | (17,033,757)     | 243,023,598           |
| 23 Attorney general  | 55,376,870            | (3,627,185)      | 51,749,685            |
| 24 Tax commissioner  | 58,769,918            | (3,849,430)      | 54,920,488            |

Sixty-fourth  
Legislative Assembly

|    |   |               |               |               |
|----|---|---------------|---------------|---------------|
| 1  | Commission on legal counsel for indigents | 18,304,103    | (1,198,919)   | 17,105,184    |
| 2  | Department of public instruction          | 1,820,982,952 | (119,274,383) | 1,701,708,569 |
| 3  | North Dakota university system            | 154,629,019   | (10,128,201)  | 144,500,818   |
| 4  | Bismarck state college                    | 38,155,826    | (2,499,207)   | 35,656,619    |
| 5  | Lake region state college                 | 16,635,979    | (1,089,657)   | 15,546,322    |
| 6  | Williston state college                   | 12,748,265    | (835,011)     | 11,913,254    |
| 7  | University of North Dakota                | 240,445,904   | (15,749,207)  | 224,696,697   |
| 8  | University of North Dakota school of      | 71,437,396    | (4,679,149)   | 66,758,247    |
| 9  | medicine and health sciences              |               |               |               |
| 10 | North Dakota state university             | 157,410,540   | (10,310,390)  | 147,100,150   |
| 11 | North Dakota state college of science     | 58,029,764    | (3,800,950)   | 54,228,814    |
| 12 | Dickinson state university                | 27,015,931    | (1,769,543)   | 25,246,388    |
| 13 | Mayville state university                 | 16,739,145    | (1,096,414)   | 15,642,731    |
| 14 | Minot state university                    | 48,758,181    | (3,193,661)   | 45,564,520    |
| 15 | Valley City state university              | 39,758,668    | (2,604,193)   | 37,154,475    |
| 16 | Dakota college at Bottineau               | 9,802,405     | (642,058)     | 9,160,347     |
| 17 | Forest service                            | 5,007,844     | (328,014)     | 4,679,830     |
| 18 | State library                             | 6,773,655     | (443,674)     | 6,329,981     |
| 19 | School for the deaf                       | 9,140,590     | (598,709)     | 8,541,881     |
| 20 | North Dakota vision services - school     | 5,081,484     | (332,837)     | 4,748,647     |
| 21 | for the blind                             |               |               |               |
| 22 | Department of career and technical        | 33,920,062    | (2,221,764)   | 31,698,298    |
| 23 | education                                 |               |               |               |
| 24 | State department of health                | 51,521,680    | (3,374,670)   | 48,147,010    |
| 25 | Veterans' home                            | 8,697,725     | (569,701)     | 8,128,024     |
| 26 | Indian affairs commission                 | 1,217,245     | (79,730)      | 1,137,515     |
| 27 | Department of veterans' affairs           | 1,612,495     | (105,618)     | 1,506,877     |
| 28 | Department of human services              | 1,332,202,833 | (87,259,286)  | 1,244,943,547 |
| 29 | Protection and advocacy project           | 3,034,111     | (198,734)     | 2,835,377     |
| 30 | Job service North Dakota                  | 2,116,191     | (138,611)     | 1,977,580     |
| 31 | Industrial commission                     | 34,966,173    | (2,290,284)   | 32,675,889    |

Sixty-fourth  
Legislative Assembly

|    |   |                    |                     |                    |
|----|---|--------------------|---------------------|--------------------|
| 1  | Department of labor and human rights        | 2,511,761          | (164,520)           | 2,347,241          |
| 2  | Public service commission                   | 7,935,207          | (519,756)           | 7,415,451          |
| 3  | Aeronautics commission                      | 1,000,000          | (65,500)            | 934,500            |
| 4  | Securities department                       | 2,237,326          | (146,545)           | 2,090,781          |
| 5  | Highway patrol                              | 46,656,563         | (3,056,005)         | 43,600,558         |
| 6  | Department of corrections and               | 215,387,242        | (14,107,864)        | 201,279,378        |
| 7  | rehabilitation                              |                    |                     |                    |
| 8  | Adjutant general                            | 33,033,118         | (2,163,669)         | 30,869,449         |
| 9  | Department of commerce                      | 56,203,701         | (3,681,342)         | 52,522,359         |
| 10 | Agriculture commissioner                    | 11,581,056         | (758,559)           | 10,822,497         |
| 11 | Upper great plains transportation institute | 4,847,099          | (317,485)           | 4,529,614          |
| 12 | Branch research centers                     | 20,073,447         | (1,314,811)         | 18,758,636         |
| 13 | North Dakota state university extension     | 29,788,188         | (1,951,126)         | 27,837,062         |
| 14 | service                                     |                    |                     |                    |
| 15 | Northern crops institute                    | 2,102,158          | (137,691)           | 1,964,467          |
| 16 | Main research center                        | 59,067,612         | (3,868,929)         | 55,198,683         |
| 17 | State fair association                      | 1,070,000          | (70,085)            | 999,915            |
| 18 | Racing commission                           | 415,004            | (27,183)            | 387,821            |
| 19 | State historical society                    | 21,592,039         | (1,414,279)         | 20,177,760         |
| 20 | Council on the arts                         | 1,744,723          | (114,279)           | 1,630,444          |
| 21 | Parks and recreation department             | 33,294,213         | (2,180,771)         | 31,113,442         |
| 22 | Department of transportation                | <u>656,375,558</u> | <u>(42,992,599)</u> | <u>613,382,959</u> |
| 23 | Total                                       | \$5,904,207,184    | (\$386,725,572)     | \$5,517,481,612    |

**SECTION 2. APPROPRIATION REDUCTIONS - LEGISLATIVE AND JUDICIAL**

**BRANCHES.** The amounts identified for the agencies in this section reflect a reduction to the 2015-17 biennium general fund appropriation authority enacted by the sixty-fourth legislative assembly for the respective branch and agency for the biennium ending June 30, 2017.

|    |                               | Adjustments or      |               |                      |
|----|-------------------------------|---------------------|---------------|----------------------|
|    | <u>Original Appropriation</u> | <u>Enhancements</u> |               | <u>Appropriation</u> |
| 29 | <u>Agency or Branch</u>       |                     |               |                      |
| 30 | Legislative assembly          | \$15,885,367        | (\$1,040,492) | \$14,844,875         |
| 31 | Legislative council           | 13,439,133          | (880,263)     | 12,558,870           |

|   |                 |                    |                    |                    |
|---|-----------------|--------------------|--------------------|--------------------|
| 1 | Judicial branch | <u>112,630,994</u> | <u>(7,377,330)</u> | <u>105,253,664</u> |
| 2 | Total           | \$141,955,494      | (\$9,298,085)      | \$132,657,409      |

3       **SECTION 3. TRANSFER - BUDGET STABILIZATION FUND TO GENERAL FUND.** During  
4 the period beginning with the effective date of this Act and ending June 30, 2017, the director of  
5 the office of management and budget shall transfer the sum of \$572,485,452, or so much of the  
6 sum as may be necessary, from the budget stabilization fund to the general fund to provide for a  
7 positive balance in the general fund on June 30, 2017.

8       **SECTION 4. CONTINGENT BANK OF NORTH DAKOTA TRANSFERS TO STATE**  
9 **GENERAL FUND.** If, during the period beginning with the effective date of this Act and ending  
10 June 30, 2017, the director of the office of management and budget determines the state  
11 general fund will not have a projected positive June 30, 2017, balance, the industrial  
12 commission shall transfer ~~\$100,000,000~~\$100,237,500, or so much of the sum as may be  
13 necessary, from the earnings and accumulated and undivided profits of the Bank of North  
14 Dakota to the state general fund. The moneys must be transferred in amounts and at such  
15 times as requested by the director of the office of management and budget. The sum of the  
16 amounts transferred may not exceed the lesser of \$100,000,000 or the amount necessary to  
17 provide for a positive June 30, 2017, general fund balance.

18       **SECTION 5. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES.** There is  
19 appropriated out of any moneys in the general fund in the state treasury, not otherwise  
20 appropriated, the sum of ~~\$33,305,071~~\$33,542,571, or so much of the sum as may be  
21 necessary, to the department of human services for the purpose of offsetting a portion of the  
22 general fund reductions for the department of human services made in section 1 of this Act, for  
23 the period beginning with the effective date of this Act, and ending June 30, 2017.

24       **SECTION 6. APPROPRIATION - DEPARTMENT OF CORRECTIONS AND**  
25 **REHABILITATION.** There is appropriated out of any moneys in the general fund in the state  
26 treasury, not otherwise appropriated, the sum of \$3,230,809, or so much of the sum as may be  
27 necessary, to the department of corrections and rehabilitation for the purpose of offsetting a  
28 portion of the general fund reductions for the department of corrections and rehabilitation made  
29 in section 1 of this Act, for the period beginning with the effective date of this Act, and ending  
30 June 30, 2017.

1       **SECTION 7. REPORT - AGENCY BUDGET REDUCTIONS.** Before October 1, 2016, each  
2 branch, agency, or institution with a general fund appropriation reduction identified in section 1  
3 or 2 of this Act shall provide a report to the office of management and budget and the legislative  
4 council regarding its plan for specific budget reductions made as a result of this Act. The report  
5 must include detail regarding the reductions made by line item, one-time appropriation item, and  
6 program. The report must identify for each line item, one-time appropriation item, and program:

- 7       1. The original funding amount based on 2015-17 biennium general fund appropriations,  
8       the reduction amount, and the funding amount remaining; and  
9       2. Any changes to federal or special funding as a result of the reductions.

10       **SECTION 8. LEGISLATIVE INTENT.** It is the intent of the sixty-fourth legislative assembly  
11 that if additional revenues become available before the convening of the sixty-fifth legislative  
12 assembly, the sixty-fifth legislative assembly consider, early in the regular session, restoration of  
13 funding for behavioral health, autism, and long-term care services.

14       **SECTION 9. EFFECTIVE DATE.** This Act becomes effective upon its filing with the  
15 secretary of state.