

PROPOSED AMENDMENTS TO SENATE BILL NO. 2008

Page 1, line 2, replace "and to provide for a transfer" with "to amend and reenact sections 57-43.2-19 and 49-01-05 of the North Dakota Century Code, relating to the salaries of the public service commissioners and the transfer and distribution of funds in the highway tax distribution fund; and to provide a report"

Page 1, replace lines 10 through 24 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,991,488	\$1,956,555	\$11,948,043
Operating expenses	1,801,570	296,167	2,097,737
Capital assets	25,000	100,000	125,000
Grants	20,000	0	20,000
Abandoned mined lands contractual services	6,000,000	0	6,000,000
Rail rate complaint case	900,000	0	900,000
Railroad safety program	614,724	61,274	675,998
Specialized legal services	<u>420,000</u>	<u>0</u>	<u>420,000</u>
Total all funds	\$19,772,782	\$2,413,996	\$22,186,778
Less estimated income	<u>13,347,095</u>	<u>641,306</u>	<u>13,988,401</u>
Total general fund	\$6,425,687	\$1,772,690	\$8,198,377
Full-time equivalent positions	43.00	4.00	47.00"

Page 2, line 1, after "FUNDING" insert "- **EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

Page 2, line 2, after "biennium" insert "and the 2023-25 one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 4 through 7 with:

"Real-time kinematic equipment	\$120,000	\$0
Indirect cost recovery shortfall	0	101,700
Drone	0	20,000
Weights and measures equipment	0	70,000
Copier replacement	<u>0</u>	<u>10,000</u>
Total all funds	\$120,000	\$201,700
Total other funds	<u>114,600</u>	<u>18,200</u>
Total general fund	\$5,400	\$183,500

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The public service commission shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 2, replace lines 8 through 16 with:

"SECTION 3. BANK OF NORTH DAKOTA - LINE OF CREDIT. The Bank of North Dakota shall extend a line of credit to the public service commission to provide funding to pay costs associated with a rail rate complaint case. The line of credit may

not exceed \$900,000, and the interest rate associated with the line of credit must be the prevailing interest rate charged to North Dakota governmental entities. The public service commission shall repay the line of credit from amounts available from damages or proceeds received, net of legal fees, from a successful outcome of a rail complaint case. If moneys available on June 30, 2025, are not sufficient to repay the line of credit, the public service commission shall request from the legislative assembly a deficiency appropriation to repay the line of credit.

SECTION 4. AMENDMENT. Section 57-43.2-19 of the North Dakota Century Code is amended and reenacted as follows:

57-43.2-19. Transfer, deposit, and distribution of funds. (Effective through June 30, 2025)

All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in a highway tax distribution fund, except all special fuels excise taxes collected on sales of diesel fuel to a railroad under section 57-43.2-03 of up to ~~two~~three hundred ~~ninety-seven~~thirty-two thousand three hundred ~~sixty-two~~twenty-seven dollars per year must be transferred to the state treasurer who shall deposit the moneys in the rail safety fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.

~~**Transfer, deposit, and distribution of funds. (Effective after June 30, 2025)**~~
~~All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in the highway tax distribution fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.~~

SECTION 5. AMENDMENT. Section 49-01-05 of the North Dakota Century Code is amended and reenacted as follows:

49-01-05. Salary of commissioners.

The annual salary of a commissioner is one hundred ~~fifteen~~twenty-four thousand ~~three~~eight hundred ~~four~~ dollars through June 30, ~~2022~~2024, and one hundred ~~seventeen~~twenty-nine thousand ~~six~~seven hundred ~~ten~~ninety-two dollars thereafter. All fees received or charged by any commissioner for any act or service rendered in any official capacity must be accounted for and paid over by the commissioner monthly to the state treasurer and must be credited to the general fund of the state."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2008 - Public Service Commission - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$9,991,488	\$1,956,555	\$11,948,043
Operating expenses	1,801,570	296,167	2,097,737
Capital assets	25,000	100,000	125,000
Grants	20,000		20,000
Abandoned mined lands contractual services	6,000,000		6,000,000
Rail rate complaint case	900,000		900,000
Railroad safety program	614,724	61,274	675,998

Specialized legal services	420,000		420,000
Total all funds	\$19,772,782	\$2,413,996	\$22,186,778
Less estimated income	13,347,095	641,306	13,988,401
General fund	\$6,425,687	\$1,772,690	\$8,198,377
FTE	43.00	4.00	47.00

Department 408 - Public Service Commission - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Adds Funding for Temporary Salaries and Railroad Safety Program³	Adds 4 FTE Positions⁴	Adds Salary Equity Funding for Elected Officials⁵	Adds Funding for ITD Increases⁶
Salaries and wages	\$71,888	\$715,983	\$129,648	\$919,018	\$18,318	
Operating expenses				21,500		\$42
Capital assets						
Grants						
Abandoned mined lands contractual services						
Rail rate complaint case						
Railroad safety program	9,173	37,043	15,058			
Specialized legal services						
Total all funds	\$81,061	\$753,026	\$144,706	\$940,518	\$18,318	\$42
Less estimated income	27,589	309,523	106,706	209,330	0	0
General fund	\$53,472	\$443,503	\$38,000	\$731,188	\$18,318	\$42
FTE	0.00	0.00	0.00	4.00	0.00	0.00

	Adds Funding for Operating Expenses⁷	Adds Funding for Capitol Space Rent Model⁸	Adds One-Time Funding for Shortfall of Indirect Cost Recovery⁹	Adds One-Time Funding for Capital Assets¹⁰	Total Senate Changes
Salaries and wages			\$101,700		\$1,956,555
Operating expenses	\$53,558	\$221,067			296,167
Capital assets				\$100,000	100,000
Grants					
Abandoned mined lands contractual services					
Rail rate complaint case					
Railroad safety program					61,274
Specialized legal services					
Total all funds	\$53,558	\$221,067	\$101,700	\$100,000	\$2,413,996
Less estimated income	(30,042)	0	0	18,200	641,306
General fund	\$83,600	\$221,067	\$101,700	\$81,800	\$1,772,690
FTE	0.00	0.00	0.00	0.00	4.00

¹ Funding is added for the cost to continue salary increases.

² The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance from \$1,429 to \$1,648 per month:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary Increases	\$314,322	\$217,702	\$532,024
Health insurance increase	<u>129,181</u>	<u>91,821</u>	<u>\$221,002</u>
Total	\$443,503	\$309,523	\$753,026

³ Funding is increased for temporary salaries and the railroad safety program.

⁴ Funding of \$940,518, including \$731,188 from the general fund and \$209,330 from other funds, is added for 4 FTE positions and related operating expenses:

	<u>FTE</u>	<u>Salaries and Wages</u>	<u>Operating Expenses</u>	<u>Total</u>
Environmental scientist	1.00	\$216,564	\$0	\$216,564
Legal assistant	1.00	164,482	3,000	167,482
Analyst and engineer	<u>2.00</u>	<u>537,972</u>	<u>18,500</u>	<u>556,472</u>
Total	4.00	\$919,018	\$21,500	\$940,518

⁵ Funding is added for providing a salary equity increase for the Public Service Commissioners. The Public Service Commissioners' annual salaries are increased from the current level of \$117,610 to \$124,800 (6 percent) effective July 1, 2023. This funding is in addition to the funding added for the general 4 percent annual salary increases for state employees.

⁶ Funding is added for Information Technology Department rate increases.

⁷ Funding for operating expenses is increased by \$83,600 from the general fund and decreased by \$30,042 from federal funds for dues and memberships.

⁸ Funding is added from the general fund for a new Capitol space rent model.

⁹ One-time funding is added for a shortfall of indirect cost recovery due to decreased federal indirect cost rates.

¹⁰ One-time funding of \$100,000 is added for a drone (\$20,000), weights and measures equipment (\$70,000), and copier replacement (\$10,000).

This amendment also adds sections to:

- Provide for a line of credit at the Bank of North Dakota of \$900,000 to pay costs associated with a rail rate complaint case. The section authorizing a \$900,000 transfer from the beginning farmer revolving loan fund is removed.
- Amend North Dakota Century Code Section 57-43.2-19 to increase the deposit from special fuel taxes into the rail safety fund and to remove the sunset date.
- Provide the statutory changes necessary to increase the Public Service Commissioners' annual salaries to \$124,800 (6 percent) effective July 1, 2023, and to \$129,792 (4 percent) effective July 1, 2024.