

STUDY OF BUDGET SECTION FUNCTIONS

STUDY RESPONSIBILITIES

Section 40 of Senate Bill No. 2015 (attached as an [appendix](#)) provides for a study of the functions of the Budget Section. The study must review the duties and studies assigned to the Budget Section, including the need to continue the duties and the ability of the Budget Section to authorize financial decisions, including full-time equivalent (FTE) positions, North Dakota University System building projects, and project scope changes. The responsibility for this study was assigned to the Government Finance Committee by the Legislative Management.

This memorandum lists duties and responsibilities assigned to the Budget Section for the 2015-17 biennium by the North Dakota Century Code, Session Laws, or Legislative Management directive. The duties are listed in two categories--continuing duties (duties which were also assigned to the Budget Section during a previous biennium) and new duties. Continuing duties are listed in two categories--those that were acted on during the previous biennium and those that were not.

CONTINUING DUTIES

Continuing Duties Acted on During the Previous Biennium

1. **Status of the State Board of Agricultural Research and Education (Section 4-05.1-19(10))** - This section requires, within the duties of the State Board of Agricultural Research and Education, a status report to be presented to the Budget Section. (Duty since 1997)
2. **Higher education campus improvements and building construction (Section 15-10-12.1)** - This section requires the approval of the Budget Section or the Legislative Assembly for the construction of any building financed by donations, gifts, grants, and bequests on land under the control of the State Board of Higher Education. Campus improvements and building maintenance of more than \$385,000 also require the approval of the Budget Section or Legislative Assembly. Budget Section approval can only be provided when the Legislative Assembly is not in session, excluding the six months prior to a regular legislative session and the three months following the close of a regular session. The Budget Section approval regarding the construction of buildings and campus improvements must include a specific dollar limit for each building, campus improvement, or maintenance project. If a request is to be considered by the Budget Section, the Legislative Council must notify each member of the Legislative Assembly and allow any member to present testimony to the Budget Section regarding the request. Campus improvements and building maintenance of \$385,000 or less and the sale of real property received by gift or bequest may be authorized by the board. (Duty since 1971)
3. **Sources of funds received for construction projects of entities under the State Board of Higher Education (Section 15-10-12.3)** - This section requires each institution under the State Board of Higher Education undertaking a capital construction project that was approved by the Legislative Assembly and for which local funds are to be used to present a biennial report to the Budget Section detailing the source of all funds used in the project. (Duty since 2001)
4. **State Board of Higher Education's semiannual project variance reports (Section 15-10-47)** - This section requires the Office of Management and Budget (OMB) to provide to the Budget Section upon request information relating to the State Board of Higher Education's semiannual project variance reports regarding construction projects valued at more than \$250,000. (Duty since 2011)
5. **Annual audits from center of excellence awarded funds under Chapter 15-69 (Section 15-69-05, effective through July 31, 2023)** - This section requires a center of excellence that is awarded funds under Chapter 15-69 to provide an annual audit report to the Budget Section on the funds distributed to the center until the completion of the Centers of Excellence Commission's postaward monitoring of the center. (Duty since 2005)
6. **State Fire Marshal report on fire departments funding (Section 18-04-02)** - This section provides the Budget Section receive a biennial report from the State Fire Marshal summarizing the expenditures by certified city fire departments, certified rural fire departments, and certified fire protection districts of funds received under Section 18-04-05 and the information on committed and uncommitted reserve fund balances of these entities. (Duty since 2013)
7. **Game and Fish Department land acquisitions (Section 20.1-02-05.1)** - This section provides Budget Section approval is required for Game and Fish Department land acquisitions of more than 10 acres or \$10,000. (Duty since 1991)

8. **Legacy and Budget Stabilization Fund Advisory Board semiannual reports (Section 21-10-11)** - This section requires the Legacy and Budget Stabilization Fund Advisory Board to provide at least semiannual reports to the Budget Section regarding asset allocation and investment policies developed for the legacy and budget stabilization funds as well as recommendations presented to the State Investment Board regarding investment of funds in the legacy and budget stabilization funds. (Duty since 2011)
9. **Approve expenditures from the state disaster relief fund (Section 37-17.1-27)** - This section requires Emergency Commission and Budget Section approval of expenditures from the state disaster relief fund to provide the required state share of funding for expenses associated with presidentially declared disasters in the state. (Duty since 2011)
10. **Abandoned oil and gas well plugging and site reclamation fund (Section 38-08-04.5)** - This section requires the Industrial Commission to report to the Budget Section on the status of the abandoned oil and gas well plugging and site reclamation fund and related information. (Duty since 2013)
11. **Annual audits of renaissance fund organizations (Section 40-63-07(9))** - This section requires the Department of Commerce Division of Community Services to provide annual reports to the Budget Section on the results of audits of renaissance fund organizations. (Duty since 2001)
12. **Report identifying every state agency that has not submitted a claim for property belonging to that agency (Section 47-30.1-24.1)** - This section requires the Commissioner of the Board of University and School Lands to present a report to the Budget Section identifying every state agency that has not submitted a claim for unclaimed property belonging to that agency within one year of receipt of the certified mail notification. (Duty since 2003)
13. **Relinquishment of agency rights to recover property (Section 47-30.1-24.1)** - This section provides each state agency that does not submit a claim for unclaimed property belonging to that agency within one year of receipt of the certified mail notification relinquishes its right to recover the property upon approval of the Budget Section. (Duty since 2003)
14. **Change or expansion of state building construction projects (Section 48-01.2-25)** - This section provides a state agency or institution may not significantly change or expand a building construction project approved by the Legislative Assembly unless the change, expansion, or additional expenditure is approved by the Legislative Assembly or the Budget Section if the Legislative Assembly is not in session, excluding the six months prior to a regular legislative session and the three months following the close of a regular session. (Duty since 2007)
15. **Job insurance trust fund (Section 52-02-17)** - This section requires Job Service North Dakota report to the Legislative Council before March 1 of each year the actual job insurance trust fund balance and the targeted modified average high cost multiplier, as of December 31 of the previous year, and a projected trust fund balance for the next three years. The Legislative Management has assigned this responsibility to the Budget Section. (Duty since 1995)
16. **Report on the number of employees receiving bonuses above the 25 percent limitation (Section 54-06-30)** - This section authorizes agencies to pay bonuses to not more than 25 percent of the employees employed by the agency on July 1 of each state fiscal year. Human Resource Management Services may approve the payment of bonuses above the 25 percent limitation but is required to report any exceptions granted under this subsection to the Budget Section. (Duty since 2009)
17. **Warrants and checks outstanding for more than 90 days and less than three years (Section 54-11-01)** - This section requires the State Treasurer to report to the Budget Section, within 90 days of the beginning of each fiscal year, all warrants and checks outstanding for more than 90 days and less than three years. (Duty since 2011)
18. **Irregularities in the fiscal practices of the state (Section 54-14-03.1)** - This section requires the OMB to submit a written report to the Budget Section documenting:
 - a. Any irregularities in the fiscal practices of the state.
 - b. Areas where more uniform and improved fiscal procedures are desirable.
 - c. Any expenditures or governmental activities contrary to law or legislative intent.
 - d. The use of state funds to provide bonuses, cash incentive awards, or temporary salary adjustments for state employees. (Duty since 1973)

19. **Transfers exceeding \$50,000 (Section 54-16-04(2))** - This section provides, subject to Budget Section approval, the Emergency Commission may authorize a transfer of more than \$50,000 from one fund or line item to another. Budget Section approval is not required if the transfer is necessary to comply with a court order, to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis, or to avoid an imminent financial loss to the state. (Duty since 1995)
20. **Acceptance of federal funds for a specific purpose or program which were not appropriated (Section 54-16-04.1(4))** - This section provides, upon approval by the Emergency Commission and Budget Section, the state may accept any federal funds made available to the state which are not for a specific purpose or program and which are not required to be spent prior to the next regular legislative session for deposit into a special fund until the Legislative Assembly appropriates the funds. (Duty since 1995)
21. **Acceptance and expenditure of federal funds of more than \$50,000 which were not appropriated (Section 54-16-04.1).**
 - a. Acceptance of federal funds - This section requires Budget Section approval for any Emergency Commission action authorizing a state officer to accept more than \$50,000 of federal funds which were not appropriated, and the Legislative Assembly has not indicated intent to reject the money. Budget Section approval is not required if the acceptance is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or to avoid an imminent financial loss to the state.
 - b. Expenditure of federal funds - This section requires Budget Section approval for any Emergency Commission action authorizing a state officer to spend more than \$50,000 of federal funds which were not appropriated, and the Legislative Assembly has not indicated intent to reject the money. (Duty since 1995)
22. **Acceptance and expenditure of other funds of more than \$50,000 which were not appropriated (Section 54-16-04.2).**
 - a. Acceptance of other funds - This section requires Budget Section approval for any Emergency Commission action authorizing a state officer to accept more than \$50,000 from gifts, grants, donations, or other sources which were not appropriated, and the Legislative Assembly has not indicated intent to reject the money or programs. Budget Section approval is not required if the acceptance is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or to avoid an imminent financial loss to the state.
 - b. Expenditure of other funds - This section requires Budget Section approval for any Emergency Commission action authorizing a state officer to spend more than \$50,000 from gifts, grants, donations, or other sources which were not appropriated, and the Legislative Assembly has not indicated intent to reject the money or programs. (Duty since 1995)
23. **Consider authorization of additional FTE positions (Section 54-16-04.3)** - This section provides, on the advice of OMB and the recommendation of the Emergency Commission, the Budget Section may approve the employment by a state officer of FTE positions in addition to those authorized by the Legislative Assembly. (Duty since 2009)
24. **Transfers of spending authority from the state contingencies appropriation exceeding \$50,000 (Section 54-16-09)** - This section provides, subject to Budget Section approval, the Emergency Commission may authorize a transfer of more than \$50,000 from the state contingencies line item to the appropriate line item in the appropriation of the state officer who requested the transfer. Budget Section approval is not required if the transfer is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or to avoid an imminent financial loss to the state. A total of \$700,000 was provided for the 2015-17 biennium. (Duty since 2003)
25. **Housing units owned or master leased by cities, counties, school districts, or other employers of essential service workers (Section 54-17-40)** - This section requires the Housing Finance Agency to report quarterly to the Budget Section on the progress being made to reduce the overall number of units owned, master leased, or subsidized by these entities. (Duty since 2013)
26. **North Dakota Outdoor Heritage Advisory Board (Section 54-17.8-07)** - This section provides the Budget Section receive a report from the North Dakota Outdoor Heritage Advisory Board on a biennial basis regarding the activities of the board. (Duty since 2013)
27. **Capital improvements preliminary planning revolving fund (Section 54-27-22)** - This section provides before any funds can be distributed from the preliminary planning revolving fund to a state agency,

- institution, or department, the Budget Section must approve the request (approximately \$84,000 is estimated to be available in the fund as of June 30, 2015). (Duty since 1975)
28. **Reports from state agencies that applied for federal grants estimated to be \$25,000 or more (Section 54-27-27)** - This section requires OMB to present at each meeting of the Budget Section reports received from state agencies other than entities under the control of the State Board of Higher Education that have applied for federal grants estimated to be \$25,000 or more. (Duty since 2011)
 29. **Tobacco settlement funds (Section 54-44-04(23))** - This section requires the Director of OMB to report to the Budget Section on the status of tobacco settlement funds and related information. (Duty since 1999)
 30. **Form of budget data (Section 54-44.1-07)** - This section requires the Director of the Budget to prepare budget data in the form prescribed by the Legislative Council and to present it to the Legislative Assembly at a time and place set by the Legislative Council. Drafts of proposed general and special appropriations Acts embodying the budget data and recommendations of the Governor for appropriations for the next biennium and drafts of such revenues and other Acts recommended by the Governor for putting into effect the proposed financial plan must be submitted to the Legislative Council within seven days after the day of adjournment of the organizational session. The Budget Section was assigned this responsibility. (Duty since 1965)
 31. **Report on specified commodities and services exempted from the procurement requirements of Section 54-44.4-02.2** - This section requires the Director of OMB to report to the Budget Section in December of even-numbered years on specified commodities and services exempted by written directive of the Director from the procurement requirements of Chapter 54-44.4. (Duty since 2003)
 32. **Report from the Information Technology Department (ITD) (Section 54-59-19)** - This section requires ITD to prepare and present an annual report to the Information Technology Committee and to present a summary of the report to the Budget Section. (Duty since 2001)
 33. **Annual audits from a center of research excellence (Section 54-65-03)** - This section requires a center of research excellence receiving funds under Chapter 54-65 to provide its annual audit on funds distributed to the center. (Duty since 2011)
 34. **Three Affiliated Tribes investment of oil and gas tax receipts (Section 57-51.2-02)** - This section provides the Budget Section receive a report from the Three Affiliated Tribes annually regarding investment of oil and gas tax receipts in essential infrastructure and fees, expenses, and charges the tribe imposes on the oil industry. (Duty since 2013)
 35. **Review and report on budget data (Legislative Management directive)** - Pursuant to Legislative Management directive, the Budget Section is to review and report on the budget data prepared by the Director of the Budget and presented to the Legislative Assembly during the organizational session in December 2016. (Duty since 1965)
 36. **Hub city annual report on use of funding received from allocations from the oil and gas gross production tax (Section 12 of 2013 House Bill No. 1358)** - This bill provides the Budget Section receive a report from a representative of a hub city annually on the use of funding received from allocations from the oil and gas gross production tax under Section 57-51-15. (Duty since 2013)
 37. **Department of Corrections and Rehabilitation annual report on the department's prison population management plan (Section 6 of 2013 Senate Bill No. 2015)** - This bill provides the Budget Section receive a report from the Department of Corrections and Rehabilitation annually on the department's prison population management plan and inmate admissions and the number of inmates the department has not admitted after sentencing. (Duty since 2013)
 38. **Federal block grant hearings (2015 House Concurrent Resolution No. 3001)** - This resolution authorizes the Budget Section, through September 30, 2017, to hold any required legislative hearings for federal block grants. (Duty since 2015)
 39. **Federal funds report** - Receive a report from the Legislative Council staff in the fall of 2016 on the status of the state's federal funds receipts for the current biennium and estimated federal funds receipts for the subsequent biennium. (Duty since 1987)

Continuing Duties Not Acted on During the Previous Biennium

40. **Investment in real property by the Board of University and School Lands (Section 15-03-04)** - This section provides Budget Section approval is required prior to the Board of University and School Lands purchasing, as sole owner, commercial or residential real property in North Dakota. (Duty since 1997)

41. **Reduction of the game and fish fund balance below \$15 million (Section 20.1-02-16.1)** - This section provides the Game and Fish Department can spend money in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below \$15 million, unless otherwise authorized by the Budget Section. (Duty since 1999)
42. **Provision of contract services by the Life Skills and Transition Center (Section 25-04-02.2)** - This section provides, subject to Budget Section approval, the Life Skills and Transition Center may provide services under contract with a governmental or nongovernmental person. (Duty since 1993)
43. **Waiver of exemption of special assessments levied for flood control purposes on state property (Section 40-23-22.1)** - This section provides state property in a city is exempt from special assessments levied for flood control purposes unless the governing body of the city requests waiver of the exemption and the exemption is completely or partially waived by the Budget Section. The exemption does not apply to any privately owned structure, fixture, or improvement located on state-owned land if the structure, fixture, or improvement is used for commercial purposes unless the structure, fixture, or improvement is primarily used for athletic or educational purposes at a state institution of higher education. (Duty since 2001)
44. **Termination of food stamp program (Section 50-06-05.1(17))** - This section provides, subject to Budget Section approval, the Department of Human Services (DHS) may terminate the food stamp program if the rate of federal financial participation in administrative costs is decreased or if the state or counties become financially responsible for the coupon bonus payments. (Duty since 1975)
45. **Termination of energy assistance program (Section 50-06-05.1(19))** - This section provides, subject to Budget Section approval, DHS may terminate the energy assistance program if the rate of federal financial participation in administrative costs is decreased or if the state or counties become financially responsible for the energy assistance program payments. (Duty since 1981)
46. **Purchase or lease of aircraft by a state agency or entity of state government (Section 54-06-37)** - This section requires Budget Section approval for state agency or other entity of state government purchase or lease of an aircraft without specific authorization from the Legislative Assembly. This section does not apply to aircraft purchased or leased by the Adjutant General's office or the University of North Dakota School of Aviation. (Duty since 2013)
47. **Transfers resulting in program elimination (Section 54-16-04(1))** - This section provides, subject to Budget Section approval, the Emergency Commission may authorize a transfer which would eliminate or make impossible the accomplishment of a program or objective for which funding was provided by the Legislative Assembly. (Duty since 1995)
48. **New correctional programs which exceed \$100,000 of cost during a biennium (Section 54-23.3-09)** - This section requires the Director of the Department of Corrections and Rehabilitation to report to the Legislative Assembly or, if the Legislative Assembly is not in session, the Budget Section prior to the implementation of any new program that serves adult or juvenile offenders, including alternatives to conventional incarceration and programs operated on a contract basis, if the program is anticipated to cost in excess of \$100,000 during the biennium. (Duty since 2001)
49. **Cashflow financing (Section 54-27-23)** - This section provides that in order to meet the cashflow needs of the state, OMB may borrow, subject to Emergency Commission approval, from special funds on deposit in the state treasury. However, the proceeds of any such indebtedness cannot be used to offset projected deficits in state finances unless first approved by the Budget Section. Additional cashflow financing, subject to certain limitations, must be approved by the Budget Section. (Duty since 1987)
50. **Budget stabilization fund (Section 54-27.2-03)** - This section provides any transfers from the budget stabilization fund must be reported to the Budget Section. (Duty since 1991)
51. **Purchases of "put" options (Section 54-44-16)** - This section requires OMB to report any purchases of "put" options to the Budget Section. (Duty since 2003)
52. **Objection to budget allotments or expenditures (Section 54-44.1-12.1)** - This section allows the Budget Section to object to a budget allotment, an expenditure, or the failure to make an allotment or expenditure if such action is contrary to legislative intent. (Duty since 1995)
53. **Budget reduction due to initiative or referendum action (Section 54-44.1-13.1)** - This section provides, subject to Budget Section approval, the Director of the Budget may reduce state agency budgets by a percentage sufficient to cover estimated revenue reductions caused by initiative or referendum action. (Duty since 1987)

54. **Children's Services Coordinating Committee grants (Section 54-56-03)** - This section provides Budget Section approval is required prior to the distribution by the Children's Services Coordinating Committee of any grants not specifically authorized by the Legislative Assembly. (Duty since 1997)
55. **Requests by ITD to finance the purchase of software, equipment, or implementation of services (Section 54-59-05(4))** - This section requires ITD to receive Budget Section or Legislative Assembly approval before executing any proposed agreement to finance the purchase of software, equipment, or implementation of services in excess of \$1 million. The department may finance the purchase of software, equipment, or implementation of services only to the extent the purchase amount does not exceed 7.5 percent of the amount appropriated to the department during that biennium. (Duty since 2001)
56. **Report on reductions made in homestead property income tax credit (Section 57-38-01.29)** - This section requires the Tax Commissioner to report to the Budget Section, for review, any adjustments in the homestead property income tax credit which was available in taxable years 2007 and 2008. (Duty since 2007)
57. **Consider request to reduce the commercial property income tax credit (Section 57-38-01.30)** - This section provides Budget Section approval is required for any adjustments made by the Tax Commissioner to the commercial property income tax credit which was available in taxable years 2007 and 2008. (Duty since 2007)
58. **Extraterritorial workers' compensation insurance (Section 65-08.1-02)** - This section authorizes Workforce Safety and Insurance to establish, subject to Budget Section approval, a casualty insurance organization to provide extraterritorial workers' compensation insurance. (Duty since 1993)
59. **Approval of North Central Research Extension Center and Williston Research Extension Center property (Section 1 of 2013 Senate Bill No. 2352)** - This bill requires Budget Section approval conveyance of the North Central Research Extension Center and Williston Research Extension Center property. (Duty since 2013)

NEW DUTIES

60. **Annual report from the North Dakota State University (NDSU) Main Research Center (Section 4-05.1-05)** - This section requires, within the duties of the NDSU Main Research Center, an annual report to be presented to the Budget Section regarding any adjustments or increases of FTE positions.
61. **Annual report from the NDSU Extension Service (Section 4-08-10)** - This section requires, within the duties of the NDSU Extension Service, an annual report to be presented to the Budget Section regarding any adjustments or increases of FTE positions.
62. **Annual report Standing Rock Sioux Tribe agreements (Section 57-39.8-02)** - This section provides the Budget Section receive a report from the Standing Rock Sioux Tribe annually regarding any agreements entered by the Standing Rock Sioux Tribe under Chapter 57-39.8.
63. **State Board of Higher Education plan to reorganize the Office of the Commissioner of Higher Education (Section 4 of 2015 House Bill No. 1003)** - This bill requires the State Board of Higher Education to obtain Budget Section approval of its plan and related spending of its appropriation amount of up to \$1 million, to reorganize the Office of the Commissioner of Higher Education.
64. **North Dakota State University report on the status of the Minard Hall project (Section 27 of 2015 House Bill No. 1003)** - This bill provides the Budget Section receive a report from NDSU regarding the status of the Minard Hall project and approval of increased spending authorization.
65. **State Board of Higher Education tuition increases (Section 39 of 2015 House Bill No. 1003)** - This bill requires the State Board of Higher Education to obtain Budget Section approval of any tuition rate increases over 2.5 percent by the board for the 2015-16 or 2016-17 academic years.
66. **Industrial Commission core library expansion project (Section 25 of 2015 House Bill No. 1014)** - This bill provides the Budget Section receive a report from the Industrial Commission regarding the use of funding provided for the core library expansion project, including the amounts spent to date and the amounts anticipated to be continued into the 2017-19 biennium, and on the progress of the project.
67. **Bank of North Dakota financial center project (Section 26 of 2015 House Bill No. 1014)** - This bill provides the Budget Section receive a report from the Bank, contingent upon the Bank's net income exceeding \$125 million for calendar year 2015, regarding the use of funding provided for the North Dakota

Financial Center project, including the amounts spent to date and the amounts anticipated to be continued into the 2017-19 biennium, and on the progress of the project.

68. **Annual report from the State Board of Higher Education (Section 15 of 2015 House Bill No. 1020)** - This bill requires the board to report on FTE position adjustments made.
69. **Report from the Main Research Center regarding the flooded lands study (Section 16 of 2015 House Bill No. 1020)** - This bill requires the Main Research Center to report to the Budget Section regarding the status of the flooded lands study and spending related to the study.
70. **Department of Veterans' Affairs service dog program (Section 4 of 2015 House Bill No. 1025)** - This bill requires the Department of Veterans' Affairs to obtain Budget Section approval of the service dog program to assist veterans with posttraumatic stress disorder.
71. **Report from the Department of Transportation on distributions to non-oil-producing counties (Section 4 of 2015 House Bill No. 1176)** - This bill requires the Department of Transportation to report to the Budget Section regarding the use of one-time funding appropriated in Section 4 of the bill, including the amounts distributed to each county, the amounts spent to date, and the amounts anticipated to be continued into the 2017-19 biennium.
72. **Report from the Commissioner of the Board of University and School Lands (Section 5 of 2015 House Bill No. 1176)** - This bill requires the Commissioner of the Board of University and School Lands to report to the Budget Section regarding the use of funding provided in Section 5 of the bill, including the amounts awarded, the amounts spent to date, and the amounts anticipated to be continued into the 2017-19 biennium.
73. **Report from the Governor on federal funds (Section 3 of 2015 Senate Bill No. 2001)** - This bill requires the Governor's office to report to the Budget Section regarding the source, amount, and purpose of federal or other funds received by the Governor's office.
74. **Report from OMB on salary savings for the Attorney General's office (Section 3 of 2015 Senate Bill No. 2003)** - This bill requires OMB to report in September 2015 and September 2016 to the Budget Section regarding the amount of salary savings used to reduce funding needed from the general fund and to report on the number and duration of vacant FTE positions in the Attorney General's office.
75. **Report from the Attorney General on fees in excess of campus assessments (Section 13 of 2015 Senate Bill No. 2003)** - This bill requires the Attorney General to report to the Budget Section regarding any fees charged to a campus in excess of the campus assessments listed in Section 13 of Senate Bill No. 2003 for legal fees charged by the Attorney General.
76. **Report regarding any transfers between line items and between subdivisions in excess of \$50,000 (Section 3 of 2015 Senate Bill No. 2012)** - This section requires DHS to report to the Budget Section after June 30, 2016, on any transfers in excess of \$50,000 made during the 2015-17 biennium between line items within each subdivision and between subdivisions (effective July 1, 2015).
77. **Report from the State Board of Higher Education Valley City State University fine arts building (Section 8 of 2015 Senate Bill No. 2015)** - This bill requires the board to report to the Budget Section regarding the Valley City State University fine arts building project, contingent upon general fund revenues for the first six months or for the first year of the biennium exceeding the 2015 legislative estimates.
78. **State Board of Higher Education Dunbar Hall project (Section 8 of 2015 Senate Bill No. 2015)** - This bill requires the board to certify to the Budget Section that the Dunbar Hall project conforms to the North Dakota University System Campus Master Plan and Space Utilization study, contingent upon general fund revenues for the period beginning July 1, 2015, and ending December 31, 2016, exceeding the 2015 legislative estimates.
79. **State Water Commission expenditure of additional amounts that become available in the resources trust fund and the water development trust fund in excess of the 2015-17 biennium appropriation (Section 5 of 2015 Senate Bill No. 2020)** - This bill requires Budget Section approval for State Water Commission expenditure of funds that become available in the resources trust fund and the water development trust fund in excess of 2015-17 biennium appropriations.
80. **State Water Commission transfers between project funding designations (Section 8 of 2015 Senate Bill No. 2020)** - This bill requires Budget Section approval for State Water Commission transfers between project funding designations in Section 17 of 2015 Senate Bill No. 2020.
81. **State Water Commission revenue bonds (Section 30 of 2015 Senate Bill No. 2020)** - This bill requires Budget Section approval of the issuance of any new State Water Commission revenue bonds.

82. **Report from the Department of Transportation on distributions to oil-producing and non-oil-producing counties (Section 2 of 2015 Senate Bill No. 2103)** - This bill requires the Department of Transportation to report to the Budget Section regarding the use of one-time funding appropriated in Section 2 of the bill, including the amounts distributed to each county, the amounts spent to date, and the amounts anticipated to be continued into the 2017-19 biennium.
83. **Office of Management and Budget donated funds (Section 3 of 2015 Senate Bill No. 2304)** - This bill requires Budget Section approval for OMB to spend any donated funds over \$1 million for upgraded fixtures and furniture for the new Governor's residence.
84. **Report from the Industrial Commission on revenue impacts in excess of \$20 million (Section 1 of 2015 Senate Bill No. 2343)** - This bill provides the Budget Section receive a report from the Industrial Commission regarding the fiscal impact or estimated fiscal effect on the state in excess of \$20 million in a biennium of the effect of any order, regulation, or policy of the Industrial Commission to implement the provisions of Chapter 38-08, on state revenues and expenditures, including any effect on the funds of the Industrial Commission.

STUDY PLAN

The following is a proposed study plan for the committee's consideration in its study of the functions of the Budget Section:

1. Receive information from the Legislative Council regarding the duties and responsibilities of the Budget Section.
2. Review duties and responsibilities of the Budget Section to determine necessity and appropriateness.
3. Review the ability of the Budget Section to authorize spending, increase FTE positions, and perform other duties that are otherwise the responsibility of the Legislative Assembly.
4. Receive testimony from interested persons regarding the study.
5. Develop recommendations and any bill drafts necessary to implement the recommendations.
6. Prepare a final report for submission to the Legislative Management.

ATTACH:1