

Office of Management and Budget
Budget No. 110
House Bill Nos. 1012 and 1015; Senate Bill Nos. 2146 and 2345

	FTE Positions	General Fund	Other Funds	Total
2021-23 legislative appropriation	108.00	\$34,026,399 ¹	\$33,523,413 ¹	\$67,549,812
2019-21 legislative appropriation	<u>112.00</u>	<u>33,215,852²</u>	<u>26,890,224²</u>	<u>60,106,076</u>
2021-23 appropriation increase (decrease) to 2019-21 appropriation	(4.00)	\$810,547	\$6,633,189	\$7,443,736

¹The 2021-23 legislative appropriation amount includes \$24,795,104 of one-time funding, of which \$100,000 is from the general fund for the state student internship program, \$2,943,800 from the Capitol building fund for State Capitol projects, \$3,251,304 from the strategic investment and improvements fund for software projects, and \$18,500,000 from the federal State Fiscal Recovery Fund for maintenance projects and grants for medical facility construction projects.

²The 2019-21 legislative appropriation includes \$18,443,709 of one-time funding of which \$300,000 is from the general fund for an internship program and a procurement study, \$170,000 is from the risk management fund for a software project, \$4,220,000 is from the Capitol building fund for State Capitol projects, \$4,000,000 is from the strategic investment and improvements fund for a litigation funding pool and a study, and \$9,753,709 is from federal funds for grants to schools to address COVID-19-related impacts and for other COVID-19-related expenses.

Item Description

Full-time equivalent (FTE) changes - The Legislative Assembly approved 108 FTE positions for the Office of Management and Budget (OMB) for the 2021-23 biennium, a decrease of 4 FTE positions. The Legislative Assembly transferred 1 FTE program manager position, 2 FTE information services specialist positions, and 1 FTE business analyst position to the Information Technology Department for an information technology unification initiative.

2019-21 biennium litigation funding pool - In Senate Bill No. 2015 (2019), the Legislative Assembly appropriated \$3.5 million of one-time funding from the strategic investment and improvements fund for a litigation funding pool and authorized OMB to transfer appropriation authority to eligible state agencies for litigation expenses.

One-time funding - The following is a summary of OMB's one-time appropriations for the 2021-23 biennium:

	Total
State student internship program (general fund)	\$100,000
Extraordinary repairs (Capitol building fund)	500,000
Special assessments on Capitol grounds (Capitol building fund)	300,000
Facility consolidation study (Capitol building fund)	350,000
Building automation project (Capitol building fund)	518,800

Status/Result

The Office of Management and Budget transferred 1 FTE program manager position, 2 FTE information services specialist positions, and 1 FTE business analyst position to the Information Technology Department in July 2021 for an information technology unification initiative.

During the 2019-21 biennium, OMB transferred \$3,201,133 to state agencies, and \$298,867 of unspent funding remained in the strategic investment and improvements fund. The transfers to eligible state agencies are as follows:

Agency	Amount
Office of Management and Budget	\$872,680
Attorney General	486,695
Tax Department	17,540
Department of Environmental Quality	17,658
Industrial Commission	1,714,489
Department of Agriculture	92,071
Total	\$3,201,133

The following is the status of the one-time funding items:

- State student internship program - See the **State student internship program** section below.
- Extraordinary repairs - See the **Capital improvements** section below.
- Special assessments - OMB has spent \$198,066 as of March 31, 2022, with the remaining \$101,934 anticipated to be returned to the Capitol building fund as unspent funding.

Interior and exterior signage projects at the Capitol (Capitol building fund)	500,000
Consulting costs for compliance with accessibility standards - House Bill No. 1012 (Capitol building fund)	25,000
Accessibility improvements at the Capitol - Senate Bill No. 2146 (Capitol building fund)	750,000
Procurement software (strategic investment and improvements fund)	2,021,204
Statewide budget software (strategic investment and improvements fund)	1,230,100
Grant to a medical center in Griggs County - Senate Bill No. 2345 (State Fiscal Recovery Fund)	500,000
Critical maintenance projects and deferred maintenance of state-owned buildings - Senate Bill No. 2345 (State Fiscal Recovery Fund)	10,000,000
Ventilation improvements in the legislative chambers and the Brynhild Haugland Room - Senate Bill No. 2345 (State Fiscal Recovery Fund)	7,000,000
Grant to construct a new medical center in Pierce County - Senate Bill No. 2345 (State Fiscal Recovery Fund)	1,000,000
Total	\$24,795,104

- Facility consolidation study - As of March 31, 2022, OMB has spent \$240,000 and anticipates spending the remaining \$110,000 by the end of the biennium.
- Building automation project - See the **Capital improvements** section below.
- Interior and exterior signage projects - See the **Capital improvements** section below.
- Consulting costs - Through March 2022, OMB has not spent any of the funding, but anticipates spending the entire \$25,000 by the end of the biennium.
- Accessibility improvements - See the **Capital improvements** section below.
- Procurement software - OMB is in the process of selecting a vendor, and the project is anticipated to be completed approximately 24 months after a vendor is selected. Through March 2022, OMB has spent \$42,354.
- Statewide budget software - The project is anticipated to be completed in May 2022. Through March 2022, OMB has spent \$219,600 with the remaining \$1,010,500 anticipated to be spent by the end of the biennium.
- Griggs County medical center grant - As of March 31, 2022, OMB has distributed the entire \$500,000.
- Critical maintenance projects - See the **Capital improvements** section below.
- Ventilation improvements in the legislative wing - See the **Capital improvements** section below.
- Pierce County medical center grant - As of March 31, 2022, OMB has not distributed any funding for the grant, but anticipates the entire \$1 million will be distributed by the end of the biennium.

Grants - The Legislative Assembly provided the following funding for grants in the 2021-23 biennium:

- \$350,000 for community service supervision grants along with any additional funds in the community services supervision fund;
- \$2,450,000 for guardianship grants; and
- \$1,200,000 for Prairie Public Broadcasting.

State student internship program - The 2021 Legislative Assembly provided \$100,000 of one-time funding from the general fund for the state student internship program and authorized OMB to continue any unexpended funds from the 2019-21 biennium into the 2021-23 biennium for the program. The funding is transferred to state agencies for student internships.

Through March 31, 2022, OMB has awarded the following grants and anticipates awarding the remaining funds by the end of the biennium:

- \$175,000 for community service supervision grants along with \$12,126 from the community service fund;
- \$1,531,250 for guardianship grants; and
- \$600,000 for Prairie Public Broadcasting.

The Office of Management and Budget continued \$150,079 of unspent funding into the 2021-23 biennium and received \$100,000 of one-time funding, which provides total funding of \$250,079 for student internships in the 2021-23 biennium. Of the \$250,079, \$93,163 has been transferred to state agencies through March 2022 for 14 student internships. The remaining \$156,916 is anticipated to be spent by the end of the 2021-23 biennium.

Capital improvements - In House Bill No. 1015, the Legislative Assembly provided \$1,518,800 from the Capitol building fund for capital improvements, including \$500,000 for extraordinary repairs, \$518,800 for a building automation project, and \$500,000 for interior and exterior signage at the Capitol. In Senate Bill No. 2146, the Legislative Assembly provided \$750,000 from the Capitol building fund for accessibility improvements in the Capitol. Senate Bill No. 2345 included \$17,000,000 from the State Fiscal Recovery Fund for critical maintenance projects and deferred maintenance of state-owned buildings (\$10,000,000) and for ventilation improvements in the legislative wing (\$7,000,000).

State memberships - The 2021 Legislative Assembly provided \$642,089 from the general fund for state dues and memberships, an increase of \$17,025 from the 2019-21 biennium. The state dues and memberships are as follows:

	General Fund
Commission on Uniform State Laws (This budget includes travel costs, conference registration, and annual dues.)	\$148,000
Council of State Governments	230,889
Western Governors' Association	79,200
National Governors Association	75,800
National Lieutenant Governors Association	2,000
Education Commission of the States	106,200
Western Interstate Commission for Higher Education (Funding of \$294,000 is included in the higher education budget.)	0
Total dues and memberships	\$642,089

Budget stabilization fund transfer - North Dakota Century Code Chapter 54-27.2 provides any amount in the general fund at the end of the biennium in excess of \$65 million must be transferred to the budget stabilization fund except that the balance in the budget stabilization fund may not exceed 15 percent of the general fund budget approved by the most recently adjourned Legislative Assembly.

Special funds transfers - House Bill No. 1015 includes the following special funds transfers:

- \$410 million from the strategic investment and improvements fund to the general fund (Section 16);
- \$1 million from the strategic investment and improvements fund to the cultural endowment fund (Section 17); and
- \$187,223,092 from the tax relief fund to the human service finance fund (Section 18).

The status of the projects is as follows:

Project	Spending through March 31, 2022	Anticipated Remaining Spending
Extraordinary repairs	\$19,363	\$480,637
Building automation project	0	518,800
Interior and exterior signage projects	16,530	483,470
Accessibility improvements	45,753	704,247
Critical maintenance projects	9,310,398	Unknown
Ventilation improvements in the legislative wing	72,694	6,927,306
Total	\$9,464,738	Unknown

Funding for the critical maintenance projects reflects the amounts transferred to other state agencies for projects at state-owned buildings.

The amounts for the state dues and memberships are not anticipated to be materially different from the projections at the close of the 2021 legislative session.

The 2021 Legislative Assembly estimated the transfer from the general fund to the budget stabilization fund at the end of the 2019-21 biennium to be \$22,409,125. However, the actual balance of the budget stabilization fund on June 30, 2021, exceeded the 15 percent limit resulting in a transfer of \$5,575,109 from the budget stabilization fund to the general fund.

The status of the special funds transfers is as follows:

- OMB transferred \$205 million to the general fund in July 2021. The remaining \$205 million is anticipated to be transferred in July 2022.
- As of March 31, 2022, OMB had not transferred any funding from the strategic investment and improvements fund to the cultural endowment fund, but anticipates transferring the entire \$1 million by the end of the biennium.
- Through March 2022, OMB transferred \$93,600,000 from the tax relief fund to the human service finance fund and anticipates transferring the remaining \$96,623,092 by the end of the biennium.

State contingencies fund - The Legislative Assembly provided \$400,000 from the general fund for state contingencies for the 2021-23 biennium.

Through April 2022 the Emergency Commission has not approved any requests for funding from the state contingencies appropriation.