

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1004 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
State Department of Health			
Salaries and wages	\$36,371,434	\$37,719,574	\$1,348,140
Operating expenses	27,714,187	32,753,080	5,038,893
Capital assets	2,188,491	3,867,813	1,679,322
Grants	46,441,941	53,257,292	6,815,351
Tobacco prevention	13,646,704	12,902,064	(744,640)
WIC food payments	20,200,000	19,780,000	(420,000)
Medical marijuana	1,465,704		(1,465,704)
Total all funds	\$148,028,461	\$160,279,823	\$12,251,362
Less estimated income	115,278,152	123,919,233	8,641,081
General fund	\$32,750,309	\$36,360,590	\$3,610,281
FTE	211.50	204.00	(7.50)
Bill total			
Total all funds	\$148,028,461	\$160,279,823	\$12,251,362
Less estimated income	115,278,152	123,919,233	8,641,081
General fund	\$32,750,309	\$36,360,590	\$3,610,281
FTE	211.50	204.00	(7.50)

House Bill No. 1004 - State Department of Health - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$36,371,434	\$1,143,172	\$37,514,606
Operating expenses	27,714,187	5,038,893	32,753,080
Capital assets	2,188,491	1,646,322	3,834,813
Grants	46,441,941	6,615,351	53,057,292
Tobacco prevention	13,646,704	(752,496)	12,894,208
WIC food payments	20,200,000	(420,000)	19,780,000
Medical marijuana	1,465,704	(1,465,704)	
Total all funds	\$148,028,461	\$11,805,538	\$159,833,999
Less estimated income	115,278,152	8,503,033	123,781,185
General fund	\$32,750,309	\$3,302,505	\$36,052,814
FTE	211.50	(7.50)	204.00

Department 301 - State Department of Health - Detail of House Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Adds Cost to Continue Adjustments³	Adjusts Funding for Various Programs⁴	Removes 6.5 FTE positions and Related Operating Expenses⁵	Adjusts Funding and FTE Positions for the Medical Marijuana Division⁶
Salaries and wages	(\$31,805)	\$1,779,851			(\$1,781,507)	
Operating expenses			\$4,473,376		(545,098)	
Capital assets						
Grants			7,788,061		(736,000)	
Tobacco prevention	(38,622)	52,934	(135,528)		(706,280)	
WIC food payments			(420,000)			
Medical marijuana	132,155					(\$1,597,859)
Total all funds	\$61,728	\$1,832,785	\$11,705,909	\$0	(\$3,768,885)	(\$1,597,859)
Less estimated income	55,045	991,180	10,596,715	(6,378,195)	(584,041)	(1,146,592)
General fund	\$6,683	\$841,605	\$1,109,194	\$6,378,195	(\$3,184,844)	(\$451,267)
FTE	0.00	0.00	0.00	0.00	(6.50)	(1.00)

	Transfers the Suicide Prevention Program⁷	Adds 1 FTE Food and Lodging Position⁸	Restores Funding for Vital Records⁹	Increases Funding for Life Safety Inspections¹⁰	Adds Funding for a Federal Opioid Program¹¹	Adds Funding for Emergency Medical Services Licensing and Records Management¹²
Salaries and wages	(\$319,503)	\$159,720	\$1,218,501	\$80,000	\$37,915	
Operating expenses	(259,993)	26,185	704,821		34,410	\$126,000
Capital assets						
Grants	(1,265,000)				253,290	
Tobacco prevention						
WIC food payments						
Medical marijuana						
Total all funds	(\$1,844,496)	\$185,905	\$1,923,322	\$80,000	\$325,615	\$126,000
Less estimated income	(583,984)	0	1,923,322	30,000	325,615	0
General fund	(\$1,260,512)	\$185,905	\$0	\$50,000	\$0	\$126,000
FTE	(1.00)	1.00	0.00	0.00	0.00	0.00

	Adds Funding for Microsoft Office 365 Licensing¹³	Adjusts Funding for Bond and Capital Payments¹⁴	Increases Funding for Extraordinary Repairs¹⁵	Adjusts Funding for Equipment¹⁶	Increases Funding for Local Public Health Unit Grants¹⁷	Adjusts Funding for Cancer Programs and Domestic Violence Offender Treatment¹⁸
Salaries and wages						
Operating expenses	\$124,638					
Capital assets		\$94,604	\$127,659	(\$245,941)		
Grants					\$525,000	\$50,000
Tobacco prevention						
WIC food payments						
Medical marijuana						
Total all funds	\$124,638	\$94,604	\$127,659	(\$245,941)	\$525,000	\$50,000
Less estimated income	82,261	761	97,009	(245,941)	525,000	880,324
General fund	\$42,377	\$93,843	\$30,650	\$0	\$0	(\$830,324)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding to Transfer Youth Access Reporting¹⁹	Adds One-Time Funding for a Women, Infants, and Children Technology Project²⁰	Adds One-Time Funding for Microbiology Laboratory Capital Improvements²¹	Adds One-Time Funding for Microbiology Laboratory Technology Upgrades²²	Total House Changes
Salaries and wages					\$1,143,172
Operating expenses		\$354,554			5,038,893
Capital assets			\$1,220,000	\$450,000	1,646,322
Grants					6,615,351
Tobacco prevention	\$75,000				(752,496)
WIC food payments					(420,000)
Medical marijuana					(1,465,704)
Total all funds	\$75,000	\$354,554	\$1,220,000	\$450,000	\$11,805,538
Less estimated income	0	354,554	1,220,000	360,000	8,503,033
General fund	\$75,000	\$0	\$0	\$90,000	\$3,302,505
FTE	0.00	0.00	0.00	0.00	(7.50)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent per year and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$397,095	\$462,956	\$860,051
Health insurance increase	<u>444,510</u>	<u>528,224</u>	<u>972,734</u>
Total	\$841,605	\$991,180	\$1,832,785

³ Funding is adjusted for base budget changes, including increases relating to technology, professional development, travel and other operating expenses; and various grant programs including the state-funded loan repayment programs and federal grant programs.

⁴ Funding is provided from the general fund and the community health trust fund for various programs funded from the tobacco prevention and control trust fund during the 2017-19 biennium, including the tobacco prevention and control program, state aid to local public health units, the stroke and cardiac care program, cancer programs, medical and behavioral health loan repayment programs, and domestic violence offender treatment.

⁵ Funding and 6.5 FTE undesignated positions are removed agencywide.

⁶ One FTE office assistant III position, including salaries and wages, and related medical marijuana program expenditures are removed and these costs will be paid through a continuing appropriation.

⁷ The suicide prevention program is transferred from the State Department of Health to the Department of Human Services, including 1 FTE position and related funding for salaries and wages, operating expenses, and grants.

⁸ One FTE food and lodging environmental health position, including salaries and wages and operating expenses, is added.

⁹ Vital records fees are increased and funding is restored from vital records fee revenue for salaries and wages and operating expenses removed as part of the base budget reductions for the Vital Records Division.

¹⁰ Funding for temporary salaries related to life safety construction and renovation plan review is increased to provide a total of \$130,000, of which \$50,000 is from the general fund and \$80,000 is from fee revenue.

¹¹ Funding is added for a federal opioid program.

¹² Funding is added to implement an emergency medical services data licensing and records management system.

¹³ Funding is added for Microsoft Office 365 license expense.

¹⁴ Funding is adjusted for bond and capital payments to provide a total of \$518,457, of which \$457,947 is from the general fund.

¹⁵ Funding for extraordinary repairs is increased to provide a total of \$1,317,009, of which \$55,650 is from the general fund.

¹⁶ Funding is adjusted for equipment over \$5,000 to provide a total of \$1,518,697 from other funds.

¹⁷ Funding is provided from the tobacco prevention and control trust fund to restore local public health unit grants reduced in the department's base budget to provide a total of \$5,250,000, of which \$4,725,000 is from the general fund and \$525,000 is from the tobacco prevention and control trust fund. This level of funding is the same as the 2017-19 biennium.

¹⁸ The funding source for cancer programs and domestic violence offender treatment grants is changed to the tobacco prevention and control trust fund and domestic violence offender treatment grants are increased by \$50,000. A total of \$880,324 is provided from the tobacco prevention and control trust fund for cancer programs (\$580,324) and domestic violence offender treatment grants (\$300,000).

¹⁹ Funding is added to transfer reporting of youth access to tobacco from the Department of Human Services to the State Department of Health.

²⁰ One-time funding is added from federal funds for operating expenses related to the continuation of the women, infants, and children electronic benefit transfer project.

²¹ One-time funding is added from the tobacco prevention and control trust fund for microbiology laboratory capital improvements.

²² One-time funding is added, including funding from federal funds, for microbiology laboratory information technology upgrades.

This amendment also:

- Removes a section related to funding from the student loan trust fund;
- Amends the section related to funding from the tobacco prevention and control trust fund;
- Adds a section to amend Section 23-02.1-29 to increase vital records fees; resulting in an estimated increase in general fund revenues of \$312,000 for the 2019-21 biennium.
- Adds a section of legislative intent related to life safety construction and renovation plan review fees; and
- Adds a section to declare funding related to the microbiology laboratory technology upgrades an emergency measure.

House Bill No. 1004 - State Department of Health - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$36,371,434	\$37,514,606	\$1,055,948	\$38,570,554
Operating expenses	27,714,187	32,753,080	1,255,000	34,008,080
Capital assets	2,188,491	3,834,813	193,000	4,027,813
Grants	46,441,941	53,057,292	3,100,000	56,157,292
Tobacco prevention	13,646,704	12,894,208	7,856	12,902,064
WIC food payments	20,200,000	19,780,000		19,780,000
Medical marijuana	1,465,704			
Total all funds	\$148,028,461	\$159,833,999	\$5,611,804	\$165,445,803
Less estimated income	115,278,152	123,781,185	5,304,028	129,085,213
General fund	\$32,750,309	\$36,052,814	\$307,776	\$36,360,590
FTE	211.50	204.00	0.00	204.00

Department 301 - State Department of Health - Detail of Senate Changes

	Adjusts Funding for Salary Increases ¹	Adds Funding for Federal Opioid Grant ²	Increases Funding for Sexual Violence Primary Prevention Program ³	Increases One-Time Funding for Microbiology Laboratory Technology Upgrades ⁴	Total Senate Changes
Salaries and wages	\$204,968	\$850,980			\$1,055,948
Operating expenses		1,255,000			1,255,000
Capital assets		160,000		\$33,000	193,000
Grants		2,900,000	\$200,000		3,100,000
Tobacco prevention	7,856				7,856
WIC food payments					
Medical marijuana					
Total all funds	\$212,824	\$5,165,980	\$200,000	\$33,000	\$5,611,804
Less estimated income	105,048	5,165,980	0	33,000	5,304,028
General fund	\$107,776	\$0	\$200,000	\$0	\$307,776
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The House provided funding for salary increases of 2 percent on July 1, 2019, and 2 percent on July 1, 2020.

² Funding from federal funds is added for expenditures related to an anticipated federal opioid grant.

³ Funding for sexual violence primary prevention program grants is increased to provide a total of \$2.45 million, of which \$2.11 million is from the general fund.

⁴ Funding from fee revenue is provided to increase the one-time appropriation for microbiology laboratory technology upgrades to provide a total of \$483,000, of which \$90,000 is from the general fund, \$360,000 is from federal funds, and \$33,000 is from special funds from fee revenue.

This amendment also adds a section to provide legislative intent that the department implement a program of electronic access to vital records through web access or kiosk in cooperation with other state agencies in at least eight locations around the state. In addition, the section requires the department report to the Legislative Management by July 1, 2020, regarding the implementation of electronic access to vital records.

House Bill No. 1004 - State Department of Health - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$36,371,434	\$37,514,606	\$204,968	\$37,719,574	\$38,570,554	(\$850,980)
Operating expenses	27,714,187	32,753,080		32,753,080	34,008,080	(1,255,000)
Capital assets	2,188,491	3,834,813	33,000	3,867,813	4,027,813	(160,000)
Grants	46,441,941	53,057,292	200,000	53,257,292	56,157,292	(2,900,000)
Tobacco prevention	13,646,704	12,894,208	7,856	12,902,064	12,902,064	
WIC food payments	20,200,000	19,780,000		19,780,000	19,780,000	
Medical marijuana	1,465,704					
Total all funds	\$148,028,461	\$159,833,999	\$445,824	\$160,279,823	\$165,445,803	(\$5,165,980)
Less estimated income	115,278,152	123,781,185	138,048	123,919,233	129,085,213	(5,165,980)
General fund	\$32,750,309	\$36,052,814	\$307,776	\$36,360,590	\$36,360,590	\$0
FTE	211.50	204.00	0.00	204.00	204.00	0.00

Department 301 - State Department of Health - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Increases Funding for Sexual Violence Primary Prevention Program ²	Increases One-Time Funding for Microbiology Laboratory Technology Upgrades ³	Total Conference Committee Changes
Salaries and wages	\$204,968			\$204,968
Operating expenses				
Capital assets			\$33,000	33,000
Grants		\$200,000		200,000
Tobacco prevention	7,856			7,856
WIC food payments				
Medical marijuana				
Total all funds	\$212,824	\$200,000	\$33,000	\$445,824
Less estimated income	105,048	0	33,000	138,048
General fund	\$107,776	\$200,000	\$0	\$307,776
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020, the same as the Senate version. The House provided funding for salary increases of 2 percent on July 1, 2019, and 2 percent on July 1, 2020.

² Funding for sexual violence primary prevention program grants is increased to provide a total of \$2.45 million, of which \$2.11 million is from the general fund, the same as the Senate version. The House did not provide this increase.

³ Funding from fee revenue is provided to increase the one-time appropriation for microbiology laboratory technology upgrades to provide a total of \$483,000, of which \$90,000 is from the general fund, \$360,000 is from federal funds, and \$33,000 is from special funds from fee revenue, the same as the Senate version.

The Conference Committee did not add \$5,165,980 of federal funds relating to an anticipated opioid grant, which the Senate had added. A section of legislative intent is added that the department implement a program of electronic access to vital records through web access or kiosk in cooperation with other state agencies in at least eight locations around the state. In addition, the section requires the department report to the Legislative Management by July 1, 2020, regarding the implementation of electronic access to vital records. This section was also included in the Senate version.