

15.8148.04000

Sixty-fourth  
Legislative Assembly  
of North Dakota

**FIRST ENGROSSMENT  
with House Amendments  
ENGROSSED SENATE BILL NO. 2015**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions  
2 under the supervision of the director of the office of management and budget; to provide an  
3 appropriation to the department of transportation; to provide an appropriation to the state  
4 auditor; to provide an appropriation to the legislative assembly; to create and enact section  
5 54-52-02.15 of the North Dakota Century Code, relating to participation by certain employees of  
6 the office of management and budget in the public employees retirement system; to amend and  
7 reenact subdivision c of subsection 1 of section 15-10-17 and section 48-08-04 of the North  
8 Dakota Century Code, relating to North Dakota university system personnel and the use of  
9 legislative meeting rooms; to repeal section 54-44-06 of the North Dakota Century Code,  
10 relating to duties of the office of management and budget as to school fund; to provide an  
11 exemption; to provide for various transfers; to provide for a legislative management study; to  
12 provide a statement of legislative intent; and to declare an emergency.

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

14 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
15 as may be necessary, are appropriated out of any moneys in the general fund in the state  
16 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
17 other income, to the office of management and budget for the purpose of defraying the  
18 expenses of that agency, for the biennium beginning July 1, 2015, and ending June 30, 2017,  
19 as follows:

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22 Salaries and wages	\$19,803,315	\$224,939	\$20,028,254
23 Accrued leave payments	570,412	(570,412)	0
24 Operating expenses	14,356,788	(150,003)	14,206,785

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1	Emergency commission contingency fund	700,000	0	700,000
2	Capital assets	2,251,065	1,738,944	3,990,009
3	Grants	430,000	125,000	555,000
4	Guardianship grants	828,600	0	828,600
5	Prairie public broadcasting	1,337,138	362,862	1,700,000
6	State student internship program	200,000	50,000	250,000
7	Health insurance pool - temporary	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
8	employees			
9	Total all funds	\$40,477,318	\$6,781,330	\$47,258,648
10	Less estimated income	<u>8,730,630</u>	<u>2,689,760</u>	<u>11,420,390</u>
11	Total general fund	\$31,746,688	\$4,091,570	\$35,838,258
12	Full-time equivalent positions	130.50	(8.00)	122.50

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

**SIXTY-FIFTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

17	<u>One-Time Funding Description</u>	<u>2013-15</u>	<u>2015-17</u>
18	Capitol complex parking lot repairs	\$4,000,000	\$0
19	Health insurance pool	2,000,000	0
20	Exterior restoration of legislative and j-wing	1,500,000	0
21	Repair and cleaning capitol and j-wing	1,200,000	0
22	Capitol south entrance	1,000,000	0
23	Prairie public broadcasting	600,000	0
24	North Dakota 125th anniversary coordinator	190,000	0
25	Energy impact funding	8,500,000	0
26	Transfer to property tax relief	315,210,000	0
27	Information technology hardware relocation study	200,000	0
28	Student internship	0	50,000
29	Facility projects	0	205,000
30	Signage on the capitol grounds	0	1,400,000
31	West parking lot repair	0	50,000

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1	ACA health insurance	0	5,000,000
2	Facility management projects	0	1,825,009
3	Legislative wing electrical-related repairs	<u>0</u>	<u>310,000</u>
4	Total all funds	\$334,400,000	\$8,840,009
5	Less estimated income	<u>5,500,000</u>	<u>4,210,000</u>
6	Total general fund	\$328,900,000	\$4,630,009

7 The 2015-17 one-time funding amounts are not a part of the entity's base budget for the  
8 2017-19 biennium. The office of management and budget shall report to the appropriations  
9 committees of the sixty-fifth legislative assembly on the use of this one-time funding for the  
10 biennium beginning July 1, 2015, and ending June 30, 2017.

11 **SECTION 3. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET.** There is  
12 appropriated out of any moneys in the general fund in the state treasury, not otherwise  
13 appropriated, the sum of \$208,618, or so much of the sum as may be necessary, to the office of  
14 management and budget for the purpose of the addition of two full-time equivalent positions to  
15 provide concessions in the state capitol for the period beginning with the effective date of this  
16 Act and ending June 30, 2017. The office of management and budget is authorized two full-time  
17 equivalent positions for this purpose.

18 **SECTION 4. APPROPRIATION LINE ITEM TRANSFERS.** Notwithstanding section  
19 54-16-04, the office of management and budget may transfer appropriation authority between  
20 line items for the purpose of purchasing service credit as provided in section 20 of this Act for  
21 the period beginning with the effective date of this Act, and ending June 30, 2017.

22 **SECTION 5. APPROPRIATION - TRANSFER PROPERTY TAX RELIEF SUSTAINABILITY**  
23 **FUND TO GENERAL FUND.** There is appropriated out of any moneys in the property tax relief  
24 sustainability fund in the state treasury, not otherwise appropriated, the sum of \$657,000,000, or  
25 so much of the sum as may be necessary, which the office of management and budget shall  
26 transfer to the general fund during the biennium beginning July 1, 2015, and ending June 30,  
27 2017.

28 **SECTION 6. APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND.**  
29 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise  
30 appropriated, the sum of \$200,000,000, which the office of management and budget shall  
31 transfer to the highway fund during the biennium beginning July 1, 2015, and ending June 30,

1 2017. The office of management and budget shall transfer the funds provided in this section at  
2 the request of the director of the department of transportation.

3 **SECTION 7. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF**

4 **TRANSPORTATION.** There is appropriated out of any moneys in the highway fund in the state  
5 treasury, not otherwise appropriated, the sum of \$200,000,000, or so much of the sum as may  
6 be necessary, to the department of transportation for the purpose of enhanced state highway  
7 investments, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding  
8 provided in this section is considered a one-time funding item.

9 **SECTION 8. APPROPRIATION - STATE AUDITOR.** There is appropriated out of special  
10 funds derived from other income from fees charged to the North Dakota university system, not  
11 otherwise appropriated, the sum of \$200,000, or so much of the sum as may be necessary, to  
12 the state auditor for the purpose of conducting information technology security audits of the  
13 eleven institutions in the North Dakota university system, for the biennium beginning July 1,  
14 2015, and ending June 30, 2017.

15 **SECTION 9. APPROPRIATION - LEGISLATIVE ASSEMBLY - MEETING ROOMS -**

16 **REPORTS TO LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE.** There is  
17 appropriated out of any moneys in the general fund in the state treasury, not otherwise  
18 appropriated, the sum of \$160,000 or so much of the sum as may be necessary, to the  
19 legislative assembly for the purpose of purchasing and installing audio and visual equipment,  
20 tables, chairs, and other furnishings in legislative meeting rooms within the facility space  
21 expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative  
22 assembly, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding  
23 appropriated in this section is considered a one-time funding item.

24 The state court administrator shall provide periodic reports to the legislative procedure and  
25 arrangements committee during the 2015-16 interim regarding the status of the facility space  
26 expansion authorized under House Bill No. 1002, as approved by the sixty-fourth legislative  
27 assembly.

28 **SECTION 10. ESTIMATED INCOME - CAPITOL BUILDING FUND.** The estimated income  
29 line item in section 1 of this Act includes \$1,710,000 from the capitol building fund, of which  
30 \$1,400,000 is for capitol building entrance and signage projects and \$310,000 is for legislative  
31 wing electrical and ceiling repairs.

1       **SECTION 11. COMMUNITY SERVICE SUPERVISION GRANTS - FUNDING**

2       **ALLOCATIONS - ADDITIONAL INCOME APPROPRIATION.** The grants line item in section 1  
3 of this Act includes the sum of \$500,000 from the general fund for the purpose of providing  
4 community service supervision grants. The office of management and budget shall distribute the  
5 grant funds on or before August first during each year of the biennium beginning July 1, 2015,  
6 and ending June 30, 2017, to North Dakota community corrections association regions as  
7 follows:

8 Barnes County	\$12,121
9 Bismarck (urban)	27,057
10 Bismarck (rural)	14,223
11 Devils Lake	14,329
12 Dickinson	16,911
13 Fargo	32,169
14 Grand Forks	26,404
15 Jamestown	18,511
16 Minot	21,592
17 Richland County	13,241
18 Rugby	15,543
19 Sargent County	10,781
20 Wells County	10,919
21 Williston	<u>16,199</u>
22 Total	\$250,000

23 Any moneys in the community service supervision fund are appropriated to the office of  
24 management and budget for distribution to community corrections association regions on or  
25 before August first of each year during the biennium beginning July 1, 2015, and ending  
26 June 30, 2017.

27       **SECTION 12. EXEMPTION.** The amount appropriated for the fiscal management division,  
28 as contained in section 1 of chapter 15 of the 2013 Session Laws is not subject to the  
29 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for  
30 continued development and operating costs of the accounting, management, and payroll  
31 systems, during the biennium beginning July 1, 2015, and ending June 30, 2017.

1       **SECTION 13. INTENT.** Within the authority included in section 1 of this Act are the following  
2 grants and special items:

3 Boys and girls clubwork	\$53,000
4 State memberships and related expenses	\$611,000
5 Unemployment insurance	\$1,500,000
6 Capitol grounds planning commission	\$25,000

7       **SECTION 14. STATE STUDENT INTERNSHIP PROGRAM.** The human resources division  
8 of the office of management and budget may transfer to each eligible agency appropriated  
9 general fund spending authority from the state student internship program line item contained in  
10 section 1 of this Act.

11       **SECTION 15. OFFICE OF MANAGEMENT AND BUDGET - TEMPORARY EMPLOYEE**  
12 **HEALTH INSURANCE POOL.** The office of management and budget may transfer to each  
13 eligible agency appropriation authority from the health insurance pool - temporary employees  
14 line item contained in section 1 of this Act. Transfers may be made for the purpose of providing  
15 temporary employee health insurance adjustments for state employees, including institutions of  
16 higher education, determined to be full time based on guidelines developed by the office of  
17 management and budget in accordance with the shared responsibility provisions of the  
18 Affordable Care Act for the biennium beginning July 1, 2015, and ending June 30, 2017.

19       **SECTION 16. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**  
20 Notwithstanding section 54-16-04, agencies may transfer appropriation authority between line  
21 items, as it relates to compensation increases authorized in section 17 of this Act, for the  
22 biennium beginning July 1, 2015, and ending June 30, 2017. The agencies shall notify the office  
23 of management and budget of any transfer made pursuant to this section.

24       **SECTION 17. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.** It is  
25 the intent of the sixty-fourth legislative assembly that 2015-17 biennium compensation  
26 adjustments for classified state employees for each year of the biennium are to be a  
27 performance component in a range of two to four percent based on documented performance.  
28 Increases for classified state employees are not to be the same percentage increase for each  
29 employee. The increases for the first year of the biennium are to be given beginning with the  
30 month of July 2015, to be paid in August 2015, and for the second year of the biennium are to  
31 be given beginning with the month of July 2016, to be paid in August 2016.

1 Probationary employees are not entitled to the performance increases. However,  
2 probationary employees may be given all or a portion of the increases effective in July, paid in  
3 August, or upon completion of probation, at the discretion of the appointing authority.

4 The office of management and budget shall develop guidelines for use by state agencies for  
5 providing compensation adjustments for regular classified employees. The guidelines must  
6 follow section 54-44.3-01.2, compensation philosophy statement.

7 Compensation adjustments for regular nonclassified state employees, excluding employees  
8 under the control of the state board of higher education, are to be in a range of two to four  
9 percent based on market and documented performance and are not to be the same percentage  
10 increase for each employee.

11 Employees whose overall documented performance level does not meet standards are not  
12 eligible for any salary increase.

13 **SECTION 18. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-17 of the North  
14 Dakota Century Code is amended and reenacted as follows:

15 c. Appoint and remove all university system office personnel, fix their salaries within  
16 the limits of legislative appropriations, fix their terms of office, and prescribe their  
17 duties. The board shall adopt a policy that provides that each vice chancellor in  
18 the university system office is considered to have resigned the individual's  
19 position as a vice chancellor upon the appointment of a commissioner of higher  
20 education.

21 **SECTION 19. AMENDMENT.** Section 48-08-04 of the North Dakota Century Code is  
22 amended and reenacted as follows:

23 **48-08-04. Use of legislative assembly rooms and halls.**

24 During the interim between legislative sessions, the committee rooms, halls, passageways,  
25 and other space in the capitol used by the legislative assembly, including the pioneer room and  
26 three additional meeting rooms comprising approximately four thousand square feet in the  
27 judicial wing of the capitol, may not be used without authorization of the legislative council.

28 **SECTION 20.** Section 54-52-02.15 of the North Dakota Century Code is created and  
29 enacted as follows:

1        **54-52-02.15. Participation by capitol concession employees of the office of**  
2 **management and budget.**

3        After the effective date of this Act, the office of management and budget shall certify to the  
4 staff of the public employees retirement system the employment of individuals who are  
5 permanent employees providing a concession service in the state capitol and who are  
6 otherwise eligible to participate in the public employees retirement system. Notwithstanding any  
7 other provision of law, the office of management and budget may purchase on behalf of these  
8 employees additional service credit, including credit for any employee contributions and  
9 contributions to the retiree health benefits fund, for all past employment providing a concession  
10 service in the state capitol for which the individual was employed an average of twenty hours or  
11 more per week and at least twenty weeks each year of employment, as determined by the  
12 director of the office of management and budget. If the office of management and budget  
13 purchases service credit under this section, the office of management and budget immediately  
14 shall transfer to the public employees retirement system the amount of funds necessary to pay  
15 the purchase price, which must be determined by the board on an actuarially equivalent basis  
16 taking into account the contributions necessary for the retirement program and the retiree health  
17 benefits fund.

18        **SECTION 21. REPEAL.** Section 54-44-06 of the North Dakota Century Code is repealed.

19        **SECTION 22. ONE-TIME FUNDING - ASSISTIVE TECHNOLOGY SERVICES.** The funding  
20 appropriated to the department of human services in Senate Bill No. 2289 as approved by the  
21 sixty-fourth legislative assembly, relating to assistive technology services is considered one-time  
22 funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

23        **SECTION 23. LEGISLATIVE MANAGEMENT STUDY - BUDGET SECTION FUNCTIONS.**

24 During the 2015-16 interim, the legislative management shall study the functions of the budget  
25 section. The study must review the duties and studies assigned to the budget section and the  
26 ability of the budget section to authorize financial decisions, including full-time equivalent  
27 positions, university system building projects, and project scope changes. The legislative  
28 management shall report its findings and recommendations, together with any legislation  
29 necessary to implement the recommendations, to the sixty-fifth legislative assembly.

30        **SECTION 24. LEGISLATIVE INTENT - STATE BOARD OF HIGHER EDUCATION -**

31 **SEVERANCE PAY.** Notwithstanding any policy adopted by the board, the state board of higher



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1 education or an institution under its control may not approve or provide severance pay to any  
2 employee whose employment is terminated as a result of the transfer of positions from the state  
3 board of higher education to the attorney general as provided in House Bill No. 1003 as  
4 approved by the sixty-fourth legislative assembly.

5 **SECTION 25. EMERGENCY.** Sections 3, 4, 18, and 20 of this Act are declared to be an  
6 emergency measure.