

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 3, after the semicolon insert "to provide an appropriation to the department of career and technical education, the department of public instruction, the university of North Dakota, Dickinson state university, the highway patrol, the judicial branch, the department of transportation, and the agriculture commissioner; to create and enact a new section to chapter 10-04 of the North Dakota Century Code, relating to notice filing for certain legacy fund investments;"

Page 1, line 3, after "reenact" insert "subsection 1 of section 10-04-03, a new chapter to title 54, as created by section 3 in House Bill No. 1452, as approved by the sixty-seventh legislative assembly,"

Page 1, line 5, after "to" insert "qualifications of the securities commissioner, the clean sustainable energy authority,"

Page 1, line 11, remove "and"

Page 1, line 11, after "report" insert "; and to declare an emergency"

Page 1, remove lines 21 through 24

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$21,903,816	\$23,163	\$21,926,979
Operating expenses	14,937,426	1,375,788	16,313,214
Emergency commission contingency fund	500,000	(100,000)	400,000
Capital assets	767,125	4,767,494	5,534,619
Grants	54,000	(54,000)	0
Guardianship grants	1,950,000	500,000	2,450,000
Prairie public broadcasting	1,200,000	1	1,200,001
Community service supervision grants	350,000	50,000	400,000
State student internship program	0	100,000	100,000
Total all funds	\$41,662,367	\$6,662,446	\$48,324,813
Less estimated income	8,746,515	5,501,898	14,248,413
Total general fund	\$32,915,852	\$1,160,548	\$34,076,400
Full-time equivalent positions	112.00	(4.00)	108.00"

Page 3, line 14, replace "\$8,100,000" with "\$8,200,000"

Page 3, line 18, replace "\$8,100,000" with "\$8,200,000"

Page 3, after line 31, insert:

"SECTION 5. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - MATCHING FUNDS - ONE-TIME FUNDING.

1. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$78,000,000, or so much of the sum as may be necessary, to the department of career and technical education for the purpose of a statewide career academy initiative grant program for the period beginning with the effective date of this Act, and ending June 30, 2023. The

department of career and technical education shall establish the application process and develop eligibility requirements for the grant program that must include:

- a. Funding may be used only for career and technical education projects involving construction, addition, maintenance, and equipment for new and existing career academies;
 - b. Grants awarded to each recipient must be at least \$500,000, but may not exceed \$10,000,000;
 - c. Grants may be awarded only to the extent a school district has secured matching funds from nonstate sources on a dollar-for-dollar basis;
 - d. The application period for the grant program begins with the effective date of this Act and ends on June 30, 2022. If funding remains after June 30, 2022, a second application period is available from July 1, 2022, through December 31, 2022. Successful applicants from the first application period are eligible for funding during the second application period. Any funding not committed by December 31, 2022, may not be spent and must be canceled at the end of the 2021-23 biennium in accordance with section 54-44.1-11;
 - e. Preference must be given to school districts that collaborate with other school districts for a regional career academy facility or to school districts to create a new career academy or use an existing career academy to positively affect that region of the state; and
 - f. Preference must be given to school districts that will promote postsecondary education and workforce training education in conjunction with secondary education.
2. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$5,900,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing a grant to an entity for the development of a children's science center for the period beginning with the effective date of this Act, and ending June 30, 2023.
 3. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of reconstruction of the university's apron at the Grand Forks airport for the period beginning with the effective date of this Act, and ending June 30, 2023.
 4. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of a Pulver hall project, a meat processing laboratory remodel, and other projects for the period beginning with the effective date of this Act, and ending June 30, 2023.
 5. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of

\$3,000,000, or so much of the sum as may be necessary, to the highway patrol for the purpose of a law enforcement training center remodel project for the period beginning with the effective date of this Act, and ending June 30, 2023.

6. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing a grant to a medical center located in the county seat of Griggs County for the period beginning with the effective date of this Act, and ending June 30, 2023.
7. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$157,600, or so much of the sum as may be necessary, to the judicial branch for the purpose of purchasing information technology equipment for the period beginning with the effective date of this Act, and ending June 30, 2023.
8. If the federal government distributes funding derived from the federal coronavirus capital projects fund to the state in more than one funding round, the office of management and budget shall prioritize the amounts received in the first funding round as follows:
 - a. \$21,763,000 to the department of career and technical education;
 - b. \$11,716,400 to the parks and recreation department;
 - c. \$5,900,000 to the department of public instruction;
 - d. \$5,000,000 to the university of North Dakota;
 - e. \$4,200,000 to the state historical society;
 - f. \$4,000,000 to Dickinson state university;
 - g. \$3,000,000 to the highway patrol;
 - h. \$500,000 to the office of management and budget; and
 - i. \$157,600 to the judicial branch.
9. In addition to the amounts appropriated under this section, section 1 of House Bill No. 1019, as approved by the sixty-seventh legislative assembly, includes \$11,716,400 and section 1 of House Bill No. 1018, as approved by the sixty-seventh legislative assembly, includes \$4,200,000 to provide a total of \$112,474,000 from federal funds derived from the federal coronavirus capital projects fund.
10. The funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

SECTION 6. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION - ONE-TIME FUNDING - REPORT.

1. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of \$21,800,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of distributions to townships for road and bridge infrastructure needs for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:
 - a. The department shall award grants with preference given to grant applications for projects that:
 - (1) Leverage available state, local, or federal funding;
 - (2) Coordinate with state, county, and other township projects;
 - (3) Focus on flood control and infrastructure resilience;
 - (4) Reduce road restrictions, improve mobility, and improve safety;
 - (5) Improve the agricultural economy and goods movement; and
 - (6) Confirm participating townships' ability to maintain the improvements.
 - b. The department shall establish an application process that must include the following eligibility requirements:
 - (1) The roadways or bridges associated with the project must provide continuity and connectivity to efficiently integrate and improve paved and unpaved corridors within the township and across township borders;
 - (2) The project must be consistent with applicable township long-range planning;
 - (3) The project must result in the roadway segment meeting an appropriate legal load limit; and
 - (4) The project must comply with the American association of state highway transportation officials pavement and bridge design procedures and standards developed by the department of transportation in conjunction with the local jurisdiction.
2. For approved projects, the department initially shall distribute the portion of the approved grant funding for engineering and plan development costs. Upon execution of a construction contract by the township, the department shall distribute the remainder of the approved funding. Townships shall report to the department upon awarding of each contract and upon completion of each project.
3. Grants may be awarded for construction, engineering, and plan development costs, but may not be used for routine maintenance. Grants awarded may be applied to engineering, design, and construction costs incurred on related projects as of January 1, 2021. Section 54-44.1-11 does not apply to funding under this section and any funds not spent by June 30, 2023, must be continued into the biennium beginning July 1, 2023, and ending June 30, 2025, and may be expended only for the purposes authorized by this section.

4. For the purposes of this section, a "non-oil-producing county" means a county that has received no allocation of funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning September 1, 2019, and ending August 31, 2020.
5. The funding provided under this section is considered a one-time funding item and the department shall report to the budget section and to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding, including the amounts awarded and distributed to each township, the amounts spent to date, and the amounts anticipated to be continued into the 2023-25 biennium.

SECTION 7. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of a space command initiative and related technical programs, including equipment, renovation costs, a sensitive compartmental information facility, and other expenses for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided under this section is considered a one-time funding item.

SECTION 8. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - GRASSLANDS GRAZING GRANT PROGRAM - ONE-TIME FUNDING - MATCHING FUNDS. There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the agriculture commissioner for the purpose of providing grassland grazing grants to an organization representing cooperative grazing associations in the state for the biennium beginning July 1, 2021, and ending June 30, 2023. To be eligible for a grant under this program, an organization must provide one dollar of matching funds from nonstate sources for every four dollars of grant funding. An organization that receives a grant under this program may distribute the funding to cooperative grazing associations for eligible infrastructure projects, which must be located on national grasslands within the state. Eligible infrastructure projects include water development; fencing; conservation initiatives; compliance with federal permitting requirements, including fees for professional services; and other projects to enhance wildlife habitat, capture carbon, or increase the health of grasslands. The agriculture commissioner shall establish additional guidelines for the program. This funding is considered a one-time funding item.

SECTION 9. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO CULTURAL ENDOWMENT FUND - INTENT. The office of management and budget shall transfer the sum of \$1,000,000 from the strategic investment and improvements fund to the cultural endowment fund during the biennium beginning July 1, 2021, and ending June 30, 2023. It is the intent of the sixty-seventh legislative assembly that the council on the arts expend up to \$50,000 annually from the cultural endowment fund pursuant to the appropriation authority provided in section 2 of Senate Bill No. 2010 during the 2021-23 biennium for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking program. It is further the intent of the legislative assembly that the council on the arts continue to expend \$50,000 annually from the cultural endowment fund for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking program until the moneys derived from the strategic investment and improvements

fund transfer authorized under this section and deposited in the fund have been fully expended.

SECTION 10. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO HIGHWAY FUND. The office of management and budget shall transfer the sum of \$10,000,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 11. TRANSFER - TAX RELIEF FUND TO HIGHWAY FUND. The office of management and budget shall transfer the sum of \$11,800,000 from the tax relief fund to the highway fund during the biennium beginning July 1, 2021, and ending June 30, 2023."

Page 4, line 2, replace "\$187,385,888" with "\$187,223,092"

Page 4, line 11, replace "\$2,268,800" with "\$2,168,800"

Page 4, line 12, replace "\$2,268,800" with "\$2,168,800"

Page 4, line 14, replace "\$600,000" with "\$500,000"

Page 4, replace line 26 with:

"Statewide memberships and related expenses \$642,089"

Page 5, line 10, remove "and a maximum of \$250"

Page 5, line 11, remove "per month"

Page 5, line 11, replace "each" with "the first"

Page 5, line 11, after "biennium" insert "and are to average 2 percent per eligible employee for the second year of the biennium"

Page 5, line 15, remove "and maximum"

Page 5, after line 26, insert:

"SECTION 19. AMENDMENT. Subsection 1 of section 10-04-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state securities department is under the supervision of a chief officer designated as the securities commissioner. The securities commissioner must be appointed by the governor and confirmed by the senate and shall hold office for a term of four years, beginning on the first day of July following a national presidential election and continuing until a successor has been appointed, confirmed by the senate, and has qualified, unless removed as herein provided. If the senate is not in session, the governor may make an interim appointment, and the interim appointee ~~shall~~may hold office until the senate confirms or rejects the appointment. ~~The commissioner must be skilled in securities and may not be an incumbent of any other public office in the state.~~ The commissioner may not own or control any security required to be registered under this chapter, or any security which is exempt based on the approval of the securities department. The commissioner may not be an officer, director, or employee of any broker-dealer, agent, investment adviser, or investment adviser representative required to be registered under this chapter, or of a federal

covered adviser required to be notice-filed under this chapter. The governor may remove from office any commissioner who fails to discharge faithfully the duties of office or who becomes disqualified under the provisions of this section.

It is the prime duty of the commissioner to administer the provisions of this chapter. The commissioner shall receive a salary within the amount appropriated for salaries by the legislative assembly. The commissioner shall use a seal with the words "securities commissioner, North Dakota" and such design as the commissioner may prescribe engraved thereon by which seal the commissioner may authenticate documents used in the administration of this chapter. The commissioner may employ such employees as are necessary for the administration of this chapter. In the absence or disability of the commissioner, the deputy or designee of the commissioner ~~shall~~may administer the provisions of this chapter as acting commissioner.

SECTION 20. A new section to chapter 10-04 of the North Dakota Century Code is created and enacted as follows:

Legacy fund investments - Notice filing.

1. Within thirty days of completion of the transaction, any issuer of securities in receipt of an investment from the legacy fund under paragraph 3 of subdivision a of subsection 3 of section 21-10-11 or under subdivision b of subsection 3 of section 21-10-11, as created by section 4 of House Bill No. 1425 as approved by the sixty-seventh legislative assembly, shall file electronically a notice on a form prescribed by the commissioner and containing information as required by the commissioner.
2. The notice filing requirement under this section does not exempt the issuer from or supersede any other provision of this chapter.

SECTION 21. AMENDMENT. A new chapter to title 54 of the North Dakota Century Code, as created by section 3 of House Bill No. 1452 as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

Definitions.

As used in this chapter:

1. "Authority" means the clean sustainable energy authority.
2. "Clean" means a technology or concept that reduces emissions to the air, water, or land and meets or exceeds state and federal environmental regulations.
3. "Commission" means the industrial commission.
4. "Fund" means the clean sustainable energy fund.
5. "Program" means the clean sustainable energy program.
6. "Sustainable" means a technology or concept that allows the use of a natural resource to be maintained or enhanced through increased

efficiency and life cycle benefits while either increasing or not adversely impacting energy security, affordability, reliability, resilience, or national security.

Clean sustainable energy authority - Purpose.

There is created the clean sustainable energy authority to support research, development, and technological advancements through partnerships and financial support for the large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery. The purpose of the financial support is to enhance the production of clean sustainable energy, to make the state a world leader in the production of clean sustainable energy, and to diversify and grow the state's economy.

Clean sustainable energy authority - Membership - Meetings.

1. The clean sustainable energy authority consists of sixteen members, including eight voting members and eight nonvoting technical advisors.
2. The eight voting members consist of:
 - a. One member appointed by the legislative management to serve as chairman;
 - b. Two members appointed by the lignite research council;
 - c. Two members appointed by the oil and gas research council;
 - d. Two members appointed by the renewable energy council; and
 - e. One member appointed by the western Dakota energy association.
3. The eight nonvoting technical advisors consist of:
 - a. One member appointed by the North Dakota outdoor heritage fund advisory board;
 - b. The commissioner of commerce or the commissioner's designee;
 - c. The director of the department of environmental quality or the director's designee;
 - d. The director of mineral resources or the director's designee;
 - e. The director of the North Dakota pipeline authority or the director's designee;
 - f. The director of the North Dakota transmission authority or the director's designee;
 - g. The director of the state energy research center or the director's designee;
 - h. The president of the Bank of North Dakota or the president's designee;

4. The term of office for the chairman is two years. The term of office for the other voting members is four years, and the other voting members may not serve more than two consecutive terms. The terms of office for the voting members commence on July first. The initial terms for the voting members of the authority must be staggered following a method determined by the authority.
5. The authority shall meet at least semiannually. The chairman shall call a meeting upon written request from three voting members of the authority. Five voting members is a quorum at any meeting.
6. The authority may not forward a recommendation to the commission unless the recommendation fulfills the purposes of this chapter and is approved by a majority of the voting members of the authority.

Clean sustainable energy authority - Duties - Report.

1. The authority shall make recommendations to the commission for program guidelines, including eligibility criteria for entities to receive funding under this chapter.
2. The nonvoting technical advisors shall develop a process to review and evaluate projects to determine the technical merits and feasibility of any application, including potential benefits of the development of low-emission technology, the expansion of the development of the state's natural resources or energy production, and the contribution to the economic diversity in the state.
3. The authority may develop a loan program or a loan guarantee program under the clean sustainable energy fund. The Bank of North Dakota shall administer the loan program or loan guarantee program. The interest rate of a loan under this program may not exceed two percent per year. The maximum term of a loan under this section must be approved by the commission based on a recommendation from the authority. The Bank shall review applications for loans or loan guarantees and shall consider the business plan, financial statements, and other information necessary to evaluate the application. To be eligible for a loan or loan guarantee, an entity shall agree to provide the Bank of North Dakota with information as requested. The Bank of North Dakota may develop policies for loan participation with local financial institutions.
4. The authority shall make recommendations to the commission for grant awards, loan approvals, or other financial assistance to provide funding to support research, development, and technological advancements for the large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery in accordance with this chapter. Any projects, processes, activities, and technologies selected by the commission for funding must have been recommended by the authority, must demonstrate feasibility based on a technical review conducted by the nonvoting technical advisors of the authority, must have other sources of financial support, and must achieve the priorities and purposes of the program. At the request of the authority, the Bank of North Dakota shall provide a recommendation regarding the economic feasibility

of a project, process, activity, or technology under consideration by the authority. The Bank shall review the business plan, financial statements, and other information necessary to provide a recommendation.

5. The authority may consult with any other state agency necessary to carry out the purposes under this chapter.
6. Each biennium, the authority shall provide a written report to the legislative management regarding its activities and the program's financial impact on state revenues and the state's economy.

Clean sustainable energy program - Powers and duties of the commission.

1. The commission is granted all the powers necessary to carry out the purposes of this chapter, including the power to:
 - a. Provide grants, loans, or other forms of financial assistance to qualified entities for the research, demonstration, development, and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and use energy sources derived from within the state. Other forms of financial assistance include venture capital investments and interest rate buydowns. The commission must require an entity to provide assurance of financial and other types of support that demonstrate a commitment to the project, process, activity, or technology. The commission may develop policies for the approval of loans or loan guarantees issued from the clean sustainable energy fund.
 - b. Enter into contracts or agreements to carry out the purposes of this chapter, including contracting for the administration of the program.
 - c. Keep accurate records of all financial transactions performed under this chapter.
 - d. Cooperate with any private, local, state, or national organization to make contracts and agreements for programs that advance the mission of the program.
 - e. Accept loan repayments, donations, grants, contributions, or gifts from any public or private source to carry out the purposes of this chapter, which must be deposited in the clean sustainable energy fund.
 - f. Make guidelines necessary to carry out the purposes of this chapter, including guidelines relating to the ownership of intellectual property.
 - g. Borrow from the Bank of North Dakota, as authorized by the legislative assembly, to make loans or loan guarantees under a loan program or loan guarantee program developed by the clean sustainable energy authority.
2. The commission may acquire, purchase, hold, use, lease, license, sell, transfer, or dispose of any interest in an asset necessary for clean sustainable energy technology development to facilitate the production, transportation, distribution, or delivery of clean energy commodities produced in the state as a purchases of last resort.

3. The commission shall provide administrative support to the authority for the operation of the program, including the preparation of forms, review of applications, and ongoing review of any contracts. The commission may contract with a public or private entity to provide technical assistance necessary to implement the purposes of this chapter.
4. The commission is not subject to the reporting requirements under chapter 54-60.1.

Clean sustainable energy program - Access to records.

1. To the extent the commission or authority determines the materials or data consist of trade secrets or commercial, financial, or proprietary information of individuals or entities applying to or contracting with the commission or receiving commission services under this chapter, materials and data submitted to, made by, or received by the commission or authority, are not public records subject to section 44-04-18 and section 6 of article XI of the Constitution of North Dakota, and are subject to section 44-04-18.4.
2. A person or entity may file a request with the commission to have material designated as confidential under subsection 1. The request must contain any information required by the commission and must include at least the following:
 - a. A general description of the nature of the information sought to be protected.
 - b. An explanation of why the information derives independent economic value, actual or potential, from not being generally known to other persons.
 - c. An explanation of why the information is not readily ascertainable by proper means of other persons.
 - d. A general description of any person that may obtain economic value from disclosure or use of the information, and how the person may obtain this value.
 - e. A description of the efforts used to maintain the secrecy of the information.
3. Any request under subsection 2 is confidential. The commission shall examine the request and determine whether the information is relevant to the matter at hand and is a trade secret under the definition in section 47-25.1-01 or 44-04-18.4. If the commission determines the information is either not relevant or not a trade secret, the commission shall notify the requester and the requester may ask for the return of the information and the request within ten days of the notice. If no return is sought, the information and request are public record.
4. The names or identities of independent technical reviewers on a project or program are confidential, may not be disclosed by the commission, and are not public records subject to section 44-04-18 or section 6 of article XI of the Constitution of North Dakota.

Clean sustainable energy fund - Continuing appropriation - Line of credit - Loans - Repayments.

1. There is created in the state treasury the clean sustainable energy fund. The fund consists of all moneys transferred to the fund by the legislative assembly; loan proceeds; interest upon moneys in the fund; principal and interest payments to the fund; and donations, grants, and other contributions received by the commission for deposit in the fund. All moneys in the fund are appropriated to the commission on a continuing basis to provide grants, loans, and other financial assistance and for administrative and operating costs of the authority and program pursuant to the provisions under this chapter.
2. Any bond proceeds deposited in the fund must be used for loans or loan guarantees. The Bank of North Dakota shall deposit in the fund all principal and interest paid on the loans made from the fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs, not to exceed one-half of one percent of the amount of the interest payment. The Bank shall contract with a certified public accounting firm to audit the fund annually if the fund has any outstanding loans. The cost of the audit must be paid from the fund.
3. The Bank of North Dakota shall extend a line of credit to the industrial commission to support loans or loan guarantees issued from the clean sustainable energy fund. The line of credit may not exceed two hundred fifty million dollars, and the interest rate associated with the line of credit must be the prevailing interest rate charged to North Dakota governmental entities. The industrial commission shall repay the line of credit from moneys available in the clean sustainable energy fund or other funds, as appropriated by the legislative assembly. If the moneys available from the clean sustainable energy fund on June 30, 2025, are not sufficient to repay the line of credit, the industrial commission shall request from the legislative assembly a deficiency appropriation to repay the line of credit.
4. The industrial commission may access the line of credit to the extent needed through June 30, 2025, to provide funding as authorized by the legislative assembly to support loans or loan guarantees issued from the clean sustainable energy fund. Any moneys borrowed from the Bank of North Dakota pursuant to this section must be transferred to the clean sustainable energy fund to support loans or loan guarantees."

Page 12, after line 12, insert:

"SECTION 34. LEGISLATIVE MANAGEMENT STUDY - STATE EMPLOYEE COMPENSATION. During the 2021-22 interim, the legislative management shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 35. EMERGENCY. Sections 3 and 5 of this Act and Senate Bill No. 2140, as approved by the sixty-seventh legislative assembly, are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1015 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Office of Management and Budget				
Total all funds	\$41,662,367	\$47,361,750	\$1,463,063	\$48,824,813
Less estimated income	8,746,515	14,252,906	495,507	14,748,413
General fund	\$32,915,852	\$33,108,844	\$967,556	\$34,076,400
FTE	112.00	112.00	(4.00)	108.00
State Treasurer				
Total all funds	\$0	\$8,100,000	\$100,000	\$8,200,000
Less estimated income	0	8,100,000	100,000	8,200,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Judicial Branch				
Total all funds	\$0	\$0	\$157,600	\$157,600
Less estimated income	0	0	157,600	157,600
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Department of Public Instruction				
Total all funds	\$0	\$0	\$5,900,000	\$5,900,000
Less estimated income	0	0	5,900,000	5,900,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
University of North Dakota				
Total all funds	\$0	\$0	\$9,000,000	\$9,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$4,000,000	\$4,000,000
FTE	0.00	0.00	0.00	0.00
Dickinson State University				
Total all funds	\$0	\$0	\$4,000,000	\$4,000,000
Less estimated income	0	0	4,000,000	4,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Dept. of Career and Technical Education				
Total all funds	\$0	\$0	\$78,000,000	\$78,000,000
Less estimated income	0	0	78,000,000	78,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Highway Patrol				
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Department of Agriculture				
Total all funds	\$0	\$0	\$5,000,000	\$5,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$0	\$0

FTE	0.00	0.00	0.00	0.00
State Historical Society				
Total all funds	\$0	\$0	\$0	\$0
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Parks and Recreation				
Department				
Total all funds	\$0	\$0	\$0	\$0
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Department of Transportation				
Total all funds	\$0	\$0	\$21,800,000	\$21,800,000
Less estimated income	<u>0</u>	<u>0</u>	<u>21,800,000</u>	<u>21,800,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	\$41,662,367	\$55,461,750	\$128,420,663	\$183,882,413
Less estimated income	<u>8,746,515</u>	<u>22,352,906</u>	<u>123,453,107</u>	<u>145,806,013</u>
General fund	\$32,915,852	\$33,108,844	\$4,967,556	\$38,076,400
FTE	112.00	112.00	(4.00)	108.00

House Bill No. 1015 - Office of Management and Budget - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$21,903,816	\$22,797,003	(\$870,024)	\$21,926,979
Operating expenses	14,937,426	15,430,128	883,086	16,313,214
Capital assets	767,125	5,534,619		5,534,619
Grants	54,000			
Emergency commission contingency fund	500,000	400,000		400,000
Guardianship grants	1,950,000	2,050,000	400,000	2,450,000
Prairie public broadcasting	1,200,000	800,000	400,001	1,200,001
Community service supervision grants	350,000	250,000	150,000	400,000
Student internship program		100,000		100,000
Federal coronavirus capital projects			500,000	500,000
Total all funds	\$41,662,367	\$47,361,750	\$1,463,063	\$48,824,813
Less estimated income	<u>8,746,515</u>	<u>14,252,906</u>	<u>495,507</u>	<u>14,748,413</u>
General fund	\$32,915,852	\$33,108,844	\$967,556	\$34,076,400
FTE	112.00	112.00	(4.00)	108.00

Department 110 - Office of Management and Budget - Detail of Senate Changes

	Adjusts Funding for Salary Increases ¹	Transfers FTE Positions for IT Unification ²	Adds Funding for Statewide Dues ³	Adds Funding for Grants ⁴	Total Senate Changes
Salaries and wages	(\$23,477)	(\$846,547)			(\$870,024)
Operating expenses		866,061	\$17,025		883,086
Capital assets					
Grants					
Emergency commission contingency fund					
Guardianship grants				\$400,000	400,000
Prairie public broadcasting				400,001	400,001
Community service supervision grants				150,000	150,000
Student internship program					
Federal coronavirus capital projects				500,000	500,000
	<hr/>	<hr/>	<hr/>	<hr/>	
Total all funds	(\$23,477)	\$19,514	\$17,025	\$1,450,001	\$1,463,063
Less estimated income	(4,493)	0	0	500,000	495,507
General fund	(\$18,984)	\$19,514	\$17,025	\$950,001	\$967,556
	<hr/>	<hr/>	<hr/>	<hr/>	
FTE	0.00	(4.00)	0.00	0.00	(4.00)

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² Four FTE positions are transferred to the Information Technology Department for the IT unification project, reducing salaries and wages by \$846,547 and increasing operating expenses by \$866,061. The House did not include the IT unification project.

³ Funding of \$17,025 from the general fund is added for increased costs associated with statewide memberships and dues.

⁴ Funding of \$1,450,001 is added as follows:

- \$400,000 from the general fund for guardianship grants to provide a total of \$2,450,000. The House provided a total of \$2,050,000.
- \$400,001 from the general fund for Prairie Public Broadcasting to provide a total of \$1,200,001. The House provided a total of \$800,000.
- \$150,000 from the general fund for community service supervision grants to provide a total of \$400,000. The House provided a total of \$250,000.
- \$500,000 from federal funds derived from the federal Coronavirus Capital Projects Fund for a capital project grant to a medical center in Griggs County. The House did not include this funding.

This amendment also:

- Adds a section to appropriate funding from the federal Coronavirus Capital Projects Fund to various agencies for eligible capital projects. The House did not include this section.
- Transfers \$11.8 million from the tax relief fund and \$10 million from the strategic investment and improvements fund to the highway fund for township road and bridge projects. The House did not provide for a transfer to the highway fund.
- Transfers \$1 million from the strategic investment and improvements fund to the cultural endowment fund for arts initiatives. The House did not include this transfer.
- Adjusts the transfer from the tax relief fund to the human service finance fund to provide \$187,223,092. The House provided for a transfer of \$187,385,888.
- Adjusts the funding identified from the Capitol building fund for extraordinary repairs to match the \$500,000 appropriated in Section 1 of the bill. The House appropriated \$500,000 for extraordinary repairs.
- Increases the amount of funding identified for statewide memberships and dues totaling \$642,089. The House provided \$625,064 for statewide memberships and dues.
- Adjusts the compensation guidelines to reflect an average increase of 1.5 percent with a monthly minimum of \$100 in the 1st year of the biennium and an average increase of 2 percent in the 2nd year of the biennium. The House provided an average increase of 1.5 percent with a monthly minimum of \$100 and a monthly maximum of \$200 for both years of the biennium.

- Removes the requirement for the Securities Commissioner to be skilled in securities and removes the restriction that the Securities Commissioner may not hold any other public office. The House did not include this change.
- Requires a notice filing for certain securities held as investments from the legacy fund. The House did not include this requirement.
- Authorizes the Bank of North Dakota to provide a line of credit of up to \$250 million to support loans or loan guarantees under the clean sustainable energy fund. The House did not authorize this line of credit.
- Adds a Legislative Management study of state employee compensation. The House did not include a study of state employee compensation.
- Provides an emergency clause for community service supervision fund grants, federal coronavirus capital projects, and Senate Bill No. 2140, relating to repayments under the professional student exchange program. The House did not include an emergency clause.

House Bill No. 1015 - State Treasurer - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Non-oil township grants		\$8,100,000	\$100,000	\$8,200,000
Total all funds	\$0	\$8,100,000	\$100,000	\$8,200,000
Less estimated income	0	8,100,000	100,000	8,200,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 120 - State Treasurer - Detail of Senate Changes

	Increases Funding for Grants ¹	Total Senate Changes
Non-oil township grants	\$100,000	\$100,000
Total all funds	\$100,000	\$100,000
Less estimated income	100,000	100,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding for grants to non-oil-producing townships is increased by \$100,000 to provide a total of \$8.2 million from the state disaster relief fund.

House Bill No. 1015 - Judicial Branch - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$157,600	\$157,600
Total all funds	\$0	\$0	\$157,600	\$157,600
Less estimated income	0	0	157,600	157,600
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 180 - Judicial Branch - Detail of Senate Changes

	Adds Funding for Capital Projects ¹	Total Senate Changes
Federal coronavirus capital projects	\$157,600	\$157,600
Total all funds	\$157,600	\$157,600
Less estimated income	157,600	157,600
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$157,600 from the federal Coronavirus Capital Projects Fund is added for information technology equipment. The House did not include this funding.

House Bill No. 1015 - Department of Public Instruction - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$5,900,000	\$5,900,000
Total all funds	\$0	\$0	\$5,900,000	\$5,900,000
Less estimated income	0	0	5,900,000	5,900,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 201 - Department of Public Instruction - Detail of Senate Changes

	Adds Funding for Capital Projects ¹	Total Senate Changes
Federal coronavirus capital projects	\$5,900,000	\$5,900,000
Total all funds	\$5,900,000	\$5,900,000
Less estimated income	5,900,000	5,900,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$5.9 million from the federal Coronavirus Capital Projects Fund is added for a grant to an entity for the development of a children's science center in Minot. The House did not include this funding.

House Bill No. 1015 - University of North Dakota - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$5,000,000	\$5,000,000
Space command initiative			4,000,000	4,000,000
Total all funds	\$0	\$0	\$9,000,000	\$9,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$4,000,000	\$4,000,000
FTE	0.00	0.00	0.00	0.00

Department 230 - University of North Dakota - Detail of Senate Changes

	Adds Funding for Capital Projects ¹	Total Senate Changes
Federal coronavirus capital projects	\$5,000,000	\$5,000,000
Space command initiative	4,000,000	4,000,000
Total all funds	\$9,000,000	\$9,000,000
Less estimated income	5,000,000	5,000,000
General fund	\$4,000,000	\$4,000,000
FTE	0.00	0.00

¹ One-time funding of \$5 million from the federal Coronavirus Capital Projects Fund is added for reconstruction of the University of North Dakota's apron at the Grand Forks airport. One-time funding of \$4 million from the general fund is added for a space command initiative. The House did not include funding for these items.

House Bill No. 1015 - Dickinson State University - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$4,000,000	\$4,000,000
Total all funds	\$0	\$0	\$4,000,000	\$4,000,000
Less estimated income	0	0	4,000,000	4,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 239 - Dickinson State University - Detail of Senate Changes

	Adds Funding for Capital Projects¹	Total Senate Changes
Federal coronavirus capital projects	\$4,000,000	\$4,000,000
Total all funds	\$4,000,000	\$4,000,000
Less estimated income	4,000,000	4,000,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$4 million from the federal Coronavirus Capital Projects Fund is added for a Pulver Hall, meat processing laboratory, and other projects at Dickinson State University. The House did not include this funding.

House Bill No. 1015 - Dept. of Career and Technical Education - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$78,000,000	\$78,000,000
Total all funds	\$0	\$0	\$78,000,000	\$78,000,000
Less estimated income	0	0	78,000,000	78,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 270 - Dept. of Career and Technical Education - Detail of Senate Changes

	Adds Funding for Capital Projects¹	Total Senate Changes
Federal coronavirus capital projects	\$78,000,000	\$78,000,000
Total all funds	\$78,000,000	\$78,000,000
Less estimated income	78,000,000	78,000,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$78 million from the federal Coronavirus Capital Projects Fund is added for a statewide career academy initiative grant program. The House did not include this funding.

House Bill No. 1015 - Highway Patrol - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$3,000,000	\$3,000,000
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 504 - Highway Patrol - Detail of Senate Changes

	Adds Funding for Capital Projects ¹	Total Senate Changes
Federal coronavirus capital projects	\$3,000,000	\$3,000,000
Total all funds	\$3,000,000	\$3,000,000
Less estimated income	3,000,000	3,000,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$3 million from the federal Coronavirus Capital Projects Fund is added for a law enforcement training center remodel project. The House did not include this funding.

House Bill No. 1015 - Department of Agriculture - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Grasslands grants			\$5,000,000	\$5,000,000
Total all funds	\$0	\$0	\$5,000,000	\$5,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 602 - Department of Agriculture - Detail of Senate Changes

	Adds Funding for Grasslands Grants ¹	Total Senate Changes
Grasslands grants	\$5,000,000	\$5,000,000
Total all funds	\$5,000,000	\$5,000,000
Less estimated income	5,000,000	5,000,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$5 million from the strategic investment and improvements fund is added for grassland grazing grants. The House did not include funding for grassland grazing grants.

House Bill No. 1015 - Department of Transportation - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Township road projects			\$21,800,000	\$21,800,000
Total all funds	\$0	\$0	\$21,800,000	\$21,800,000
Less estimated income	0	0	21,800,000	21,800,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 801 - Department of Transportation - Detail of Senate Changes

	Adds Funding for Township Roads ¹	Total Senate Changes
Township road projects	\$21,800,000	\$21,800,000
Total all funds	\$21,800,000	\$21,800,000
Less estimated income	21,800,000	21,800,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$21.8 million from the highway fund is added for township road and bridge projects. The funding is derived from a transfer of \$11.8 million from the tax relief fund and a transfer of \$10 million from the strategic investment and improvements fund.