

Department 160 - Legislative Council
House Bill No. 1001

Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2023-25 Executive Budget	\$17,931,439	\$88,000	\$18,019,439
2023-25 Base Level	15,672,410	70,000	15,742,410
Increase (Decrease)	\$2,259,029	\$18,000	\$2,277,029

Selected Budget Changes Recommended in the Executive Budget

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$778,944 is for salary increases and \$221,192 is for health insurance increases	\$1,000,136	\$0	\$1,000,136
2. Provides funding for proposed legislator per diem compensation adjustments of 2 percent in the 1 st year and 3 percent in the 2 nd year of the biennium, increasing from \$193 to \$197 effective July 2023, and \$203 effective July 2024	\$28,356	\$0	\$28,356
3. Decreases funding for travel resulting from continued savings related to reduced committee sizes during the 2023-25 biennium	(\$76,717)	\$0	(\$76,717)
4. Increases funding for travel for increases in out-of-state travel fees, lodging, and mileage rates	\$38,407	\$0	\$38,407
5. Increases funding for operating expenses related to IT	\$565,876	\$0	\$565,876
6. Increases funding for operating expenses	\$124,916	\$18,000	\$142,916
7. Increases funding for professional services to provide a total of \$270,000 for committee consultants	\$65,000	\$0	\$65,000
8. Adds one-time funding for operating expenses related to computer and iPad replacement	\$155,500	\$0	\$155,500
9. Adds one-time funding for capital assets for secondary and backup servers	\$120,000	\$0	\$120,000

A summary of the executive budget changes to the agency's base level appropriations is attached as an appendix.

A copy of the draft appropriations bill containing the executive budget recommendations is attached as an appendix.

Selected Bill Sections Recommended in the Executive Budget

Transfers - Section 4 would allow transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.

Continuation of appropriation authority - Section 5 would provide the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2021-23 biennium be continued and unexpended appropriations enacted prior to the 2021-23 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.

Compensation - Section 6 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent in the 1st year and 3 percent in the 2nd year of the 2023-25 biennium. Section 7 would increase legislators' interim meeting pay by 2 percent in the 1st year and 3 percent in the 2nd year of the 2023-25 biennium.

The compensation adjustments are as follows:

	Current Compensation Rate	Rate Effective July 1, 2023	Rate Effective July 1, 2024
Daily session pay	\$193	\$197	\$203
Monthly compensation	\$537	\$548	\$564
Leaders' additional monthly compensation	\$385	\$393	\$405
Interim meeting pay	\$193	\$197	\$203

Emergency - Section 8 would declare the Act is an emergency measure.

Continuing Appropriations

Legislative services fund - North Dakota Century Code Section 54-35-19 - This fund is used for depositing and spending funds relating to legislative information.

Deficiency Appropriations

There are no deficiency appropriations for the Legislative Council.

Significant Audit Findings

There are no significant audit findings for the Legislative Council.

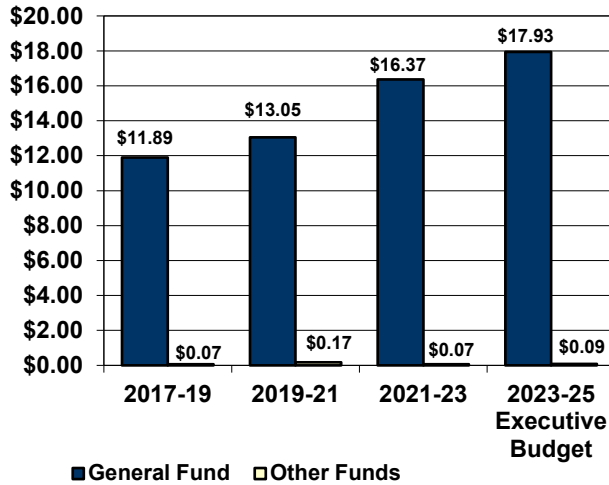
Major Related Legislation

Senate Bill No. 2124 - increases the daily in-state meal allowance for state employees and legislators.

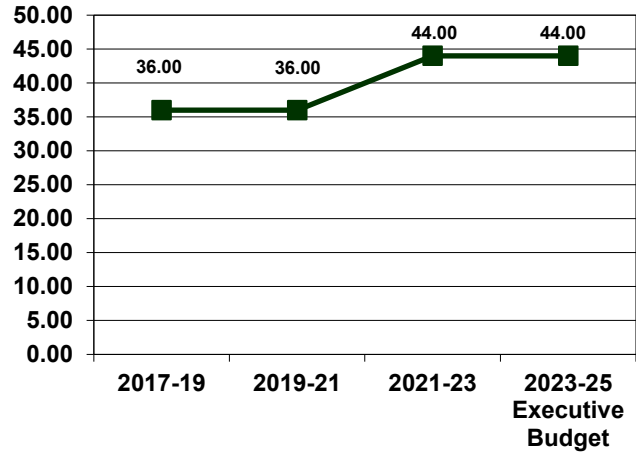
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	\$11,948,410	\$11,891,138	\$12,890,318	\$15,672,410	\$17,655,939
Increase (decrease) from previous biennium	N/A	(\$57,272)	\$999,180	\$2,782,092	\$1,983,529
Percentage increase (decrease) from previous biennium	N/A	(0.5%)	8.4%	21.6%	12.7%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	(0.5%)	7.9%	31.2%	47.8%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2017-19 Biennium

- Removed 1 vacant FTE fiscal analyst position. The related funding for salaries and wages was removed as part of the August 2016 budget reductions. \$0
- Reduced funding for base level salaries and wages due to staff turnover (\$126,558)
- Removed funding for 1 FTE office assistant position (\$147,071)
- Reduced funding for per diem (\$92,251) and travel expenses (\$15,140) related to smaller committee sizes anticipated for the 2017-18 interim (\$107,391)
- Reduced funding for out-of-state travel by 5 percent, including reductions to per diem salaries (\$14,299) and travel expenses (\$44,865). The base budget for out-of-state travel was reduced by an additional 5 percent for a total reduction of 10 percent. (\$59,164)
- Reduced funding for professional fees to provide a total of \$140,000 for audit fees (\$15,000) and interim committee consulting services (\$125,000) during the 2017-18 interim (\$75,000)
- Restored a portion of the funding for IT and other operating expenses, reduced as part of the August 2016 budget reductions \$210,385

2019-21 Biennium

- Restored funding for one of two unfunded administrative positions \$125,579
- Added funding for a session retention program \$333,512
- Decreased funding to continue reduced committee sizes during the 2019-21 biennium, including per diem (\$20,200) and travel (\$39,257) (\$59,457)
- Increased funding for other meetings and out-of-state travel to restore the 2017-19 biennium 10 percent reduction, including per diem \$30,188 and travel \$81,860 \$112,048

5. Increased funding for professional services from \$140,000 to \$200,000 \$60,000

2021-23 Biennium

- 1. Increased funding for a session retention program \$175,000
- 2. Added 8 FTE IT positions, including salaries and wages (\$1,840,619) and operating expenses (\$24,000), for the expansion of IT services \$1,864,619

2023-25 Biennium (Executive Budget Recommendation)

- 1. Decreases funding for travel resulting from continued savings related to reduced committee sizes during the 2023-25 biennium (\$76,717)
- 2. Increases funding travel for increases in out-of-state travel fees, lodging, and mileage rates \$38,407
- 3. Increases funding for operating expenses related to IT \$565,876
- 4. Increases funding for operating expenses \$124,916
- 5. Increases funding for professional services to provide a total of \$270,000 for committee consultants \$65,000

One-Time General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
One-time general fund appropriations	\$610,460	\$0	\$154,756	\$698,000	\$275,500

Major One-Time General Fund Appropriations

2017-19 Biennium

None \$0

2019-21 Biennium

- 1. Added one-time funding for computer replacement \$124,856
- 2. Added one-time funding for redistricting equipment \$22,400
- 3. Added one-time funding for a Council of State Governments conference \$7,500

2021-23 Biennium

- 1. Added one-time funding for public website design \$150,000
- 2. Added one-time funding for IT expansion \$48,000
- 3. Added one-time funding for consulting services related to a study of acute psychiatric hospitalization and related step down residential treatment and support needs of individuals with mental illness (House Bill No. 1012) \$500,000

2023-25 Biennium (Executive Budget Recommendation)

- 1. Adds one-time funding for operating expenses related to computer and iPad replacement \$155,500
- 2. Adds one-time funding for capital assets for secondary and backup servers \$120,000

Legislative Council - Budget No. 160
House Bill No. 1001
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	44.00	\$15,672,410	\$70,000	\$15,742,410
2023-25 Ongoing Funding Changes				
Base payroll changes		\$233,217		\$233,217
Salary increase		778,944		778,944
Health insurance increase		221,192		221,192
Adds funding to increase per diem by 2 percent in the 1st year and 3 percent in the 2nd year of the 2023-25 biennium, increasing from \$193 to \$197 effective July 2023, and \$203 effective July 2024		28,356		28,356
Increases funding for overtime salaries		4,338		4,338
Decreases funding for travel resulting from continued savings related to reduced committee sizes during the 2023-25 biennium		(76,717)		(76,717)
Increases funding for travel for increases in out-of-state travel fees, lodging, and mileage rates		38,407		38,407
Increases funding for operating expenses related to IT		565,876		565,876
Increases funding for operating expenses		124,916	\$18,000	142,916
Increases funding for professional services to provide a total of \$270,000		65,000		65,000
Total ongoing funding changes	0.00	\$1,983,529	\$18,000	\$2,001,529
One-time funding items				
Adds one-time funding for operating expenses related to computer and iPad replacement		\$155,500		\$155,500
Adds one-time funding for capital assets for secondary and backup servers		120,000		120,000
Total one-time funding changes	0.00	\$275,500	\$0	\$275,500
Total Changes to Base Level Funding	0.00	\$2,259,029	\$18,000	\$2,277,029
2023-25 Total Funding	44.00	\$17,931,439	\$88,000	\$18,019,439
<i>Federal funds included in other funds</i>			\$0	
<i>Total ongoing changes as a percentage of base level</i>	0.0%	12.7%	25.7%	12.7%
<i>Total changes as a percentage of base level</i>	0.0%	14.4%	25.7%	14.5%

Other Sections in Legislative Council - Budget No. 160

Executive Budget Recommendation

Transfers	Section 4 would allow transfers of funds between line items of appropriations for the Legislative Assembly and Legislative Council as requested by the Chairman of the Legislative Management or the Director of the Legislative Council.
Continuation of appropriation authority	Section 5 would provide the unspent funds appropriated for the Legislative Assembly and the Legislative Council for the 2021-23 biennium be continued and unexpended appropriations enacted prior to the 2021-23 biennium may be canceled as directed by the Chairman of the Legislative Management or the Director of the Legislative Council.
Compensation	Section 6 would increase legislators' daily pay during legislative sessions, monthly compensation, and additional monthly compensation by 2 percent in the 1st year and 3 percent in the 2nd year of the 2023-25 biennium. Section 7 would increase legislators' interim meeting pay by 2 percent in the 1st year and 3 percent in the 2nd year of the 2023-25 biennium.
Emergency	Section 8 would declare the Act is an emergency measure.

LEGISLATIVE BRANCH REQUEST WITH THE GOVERNOR'S RECOMMENDATION FOR STATE EMPLOYEE COMPENSATION CHANGES

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from the insurance regulatory trust fund, not otherwise appropriated, to the legislative branch of state government for the purpose of defraying the expenses of the legislative branch of state government, for the fiscal period beginning with the effective date of this Act and ending June 30, 2025, as follows:

Subdivision 1.

SIXTY-EIGHTH AND SIXTY-NINTH LEGISLATIVE ASSEMBLIES AND BIENNIUM

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$11,430,094	\$1,076,743	\$12,506,837
Operating expenses	6,218,753	(1,050,834)	5,167,919
Capital assets	6,000	4,926,600	4,932,600
National conference of state legislatures	<u>271,333</u>	<u>11,737</u>	<u>283,070</u>
Total general fund	\$17,926,180	\$4,964,246	\$22,890,426

Subdivision 2.

LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$12,690,980	\$1,266,047	\$13,957,027
Operating expenses	3,045,430	890,982	3,936,412
Capital assets	<u>6,000</u>	<u>120,000</u>	<u>126,000</u>
Total all funds	\$15,742,410	\$2,277,029	\$18,019,439
Less estimated income	<u>70,000</u>	<u>18,000</u>	<u>88,000</u>
Total general fund	\$15,672,410	\$2,259,029	\$17,931,439
Full-time equivalent positions	44.00	0.00	44.00

Subdivision 3.

TOTAL - SECTION 1

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$33,598,590	\$7,223,275	\$40,821,865
Grand total special funds	<u>70,000</u>	<u>18,000</u>	<u>88,000</u>
Grand total all funds	\$33,668,590	\$7,241,275	\$40,909,865

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the 2023-25 one-time funding items included the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Redistricting session	\$316,284	\$0
Information technology expansion	1,450,000	0
Audio and video storage capacity	0	110,000
Chamber upgrades	0	220,000
Computer and iPad replacement	0	557,950
Drafting system upgrade	<u>0</u>	<u>4,816,600</u>
Total general fund	\$1,766,284	\$5,704,550

The 2023-25 biennium one-time funding amounts are not part of the entity's base budget for the 2025-27 biennium. The legislative assembly shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the 2023-25 one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Information technology expansion	\$48,000	\$0
Public website design	150,000	0
Backup servers	0	120,000
Computer and iPad replacement	<u>0</u>	<u>155,500</u>
Total general fund	\$198,000	\$275,500

The 2023-25 biennium one-time funding amounts are not part of the entity's base budget for the 2025-27 biennium. The legislative council shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 4. EXEMPTION - TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority between line items of the legislative management and legislative council as may be requested by the chairman of the legislative management or the director of the legislative council upon the finding by the chairman or the director that the nature of studies and duties assigned to the legislative management or legislative council requires the transfers in properly carrying on the legislative management's and legislative council's functions and duties. The director of the office of management and budget shall similarly make transfers of appropriation authority between the line items for the sixty-eighth and sixty-ninth legislative assemblies, upon request by the chairman of the legislative management or the director of the legislative council upon the finding by the chairman or director that the transfers are required for the legislative assembly to carry on its functions and duties.

SECTION 5. APPLICATION, TRANSFER AUTHORITY, AND CANCELLATION OF UNEXPENDED APPROPRIATIONS. Sections 54-16-04 and 54-44.1-11 do not apply to chapter 29 of the 2021 Session Laws. The director of the office of management and budget shall make transfers of appropriation authority between the line items and the agencies of the legislative branch within section 1 of that chapter as requested by the chairman of the legislative management or the director of the legislative council. The office of management and budget shall cancel unexpended appropriations for the legislative assembly and legislative council enacted prior to the 2021-23 biennium as directed by the chairman of the legislative management or the director of the legislative council.

SECTION 6. AMENDMENT. Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly.

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of ~~one hundred eighty-nine~~one hundred ninety-seven dollars through June 30, 2022, and ~~one hundred ninety-three~~two hundred three dollars thereafter for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.

7.
 - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~five hundred twenty-six~~five hundred forty-eight dollars through June 30, 2022, and ~~five hundred thirty-seven~~through June 30, 2024, and five hundred sixty-four dollars thereafter per month, paid monthly.
 - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
 - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of ~~three hundred seventy-seven~~three hundred ninety-three dollars through June 30, 2022, and ~~three hundred eighty-five~~through June 30, 2024, and four hundred five dollars thereafter per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

SECTION 7. AMENDMENT. Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

54-35-10. Compensation of members and leadership.

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of ~~one hundred eighty-nine~~one hundred ninety-seven dollars through June 30, 2022, and ~~one hundred ninety-three~~through June 30, 2024, and two hundred three dollars thereafter per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

SECTION 8. EMERGENCY. This Act is declared to be an emergency measure.