

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Tentative Agenda

**GOVERNMENT FINANCE COMMITTEE**

Thursday, March 13, 2014  
Roughrider Room, State Capitol  
Bismarck, North Dakota

9:00 a.m. Call to order  
Roll call  
Consideration of the minutes of the February 12, 2014, meeting

**STATE BUDGET INFORMATION**

9:05 a.m. Presentation by a representative of the Office of Management and Budget regarding:

- The status of the general fund, including major revenue estimate variations
- Current balances of major state funds
- Information regarding monthly general fund revenue estimate variations and biennium-to-date trends in revenue collections

9:25 a.m. Presentation by the Legislative Council staff of a memorandum providing an update on the status of the common schools trust fund

9:35 a.m. Presentation by the Legislative Council staff of a memorandum providing an update on the status of the resources trust fund

**PURCHASE OF THE RESEARCH ENTERPRISE AND  
COMMERCIALIZATION BUILDING AT THE UNIVERSITY OF NORTH DAKOTA**

9:45 a.m. Presentations by representatives of the State Board of Higher Education and North Dakota University System regarding the purchase of the Research Enterprise and Commercialization (REAC) building at the University of North Dakota, including:

- The process and rationale used to determine the amount of square footage needed for the building, including detail regarding any changes made to the building size or cost during planning and construction activities
- Detail regarding the sources of funds used to purchase building equipment and furniture
- The amount of space leased in the building each year since the building was constructed, including the amount of space leased to each entity and related lease income
- An overview of restrictions on the building due to the use of federal grant funds to construct the building, including options to remove the federal restrictions and information regarding whether the restrictions would be in effect if the building would have been foreclosed on by the private lender
- The specific sources of funds the University of North Dakota intends to use to repay the loan used to purchase the building

10:20 a.m. Presentations by representatives of the State Board of Higher Education and University System regarding:

- Loans obtained by each institution foundation for the construction of facilities on state-owned or other land, including the amount of the loans and the legal responsibility of the institution or state to repay the loans
- State Board of Higher Education policies relating to institution foundations

- 10:35 a.m. Presentation by a representative of the Department of Commerce regarding department practices to monitor centers of excellence projects and any requirements that entities repay centers of excellence grant funds if a project that received grant funding fails or does not produce the expected results
- 10:50 a.m. Presentation by the Legislative Council staff of a memorandum regarding the ability of a private financial institution to assume ownership of a building on state-owned land if a loan for which the building is pledged as collateral goes into default
- 11:00 a.m. Comments by interested persons regarding the committee's study of actions relating to the REAC building

**STUDY OF THE FOUNDATION AID STABILIZATION FUND**

- 11:05 a.m. Review by the Legislative Council staff of:
- A bill draft previously discussed by the committee regarding the use of the foundation aid stabilization fund and budget stabilization fund to offset budget allotments relating to state school aid payments
  - A memorandum summarizing the amount of funds that would be used from the foundation aid stabilization fund and budget stabilization fund if a budget allotment occurred based on the bill draft provisions and current appropriations
- 11:15 a.m. Comments by interested persons regarding the bill draft and study
- 11:20 a.m. Committee discussion regarding the feasibility and desirability of establishing a maximum fund balance for the foundation aid stabilization fund, including options for the reallocation of fund revenues if a maximum balance is reached

**STUDY OF THE LASTING BENEFITS OF THE LEGACY FUND**

- 11:30 a.m. Presentation by the Legislative Council staff of a revised bill draft clarifying provisions of the legacy fund
- 11:40 a.m. Comments by interested persons regarding the bill draft
- 11:50 a.m. Committee discussion
- 12:00 noon Luncheon recess

**STUDIES OF STATE EMPLOYEE BENEFIT ISSUES**

- 1:00 p.m. Presentation by a representative of the Public Employees Retirement System regarding:
- The actuarially calculated costs relating to the defined benefit retirement plan if state employees hired after Friday, January 1, 2016, are required to participate in a defined contribution benefit plan
  - An overview of financial reporting changes contained in Governmental Accounting Standards Board (GASB) Statement Nos. 67 and 68
- 1:30 p.m. Committee discussion regarding options to request a third-party actuary to conduct a review of the actuarially calculated costs relating to the defined benefit retirement plan
- 1:40 p.m. Presentation by the Legislative Council staff of a memorandum comparing employee benefits under defined benefit, defined contribution, and hybrid retirement plans
- 1:50 p.m. Distribution of a document by the Legislative Council staff of information detailing state contributions for state employee health insurance premiums in other states
- 1:55 p.m. Comments by interested persons regarding the committee's studies of state employee benefit issues
- 2:00 p.m. Committee discussion relating to the study of establishing a maximum state contribution to the cost of state employee health insurance premiums

**STUDY OF THE PROCESS OF APPROPRIATING  
STATE AGENCY SALARIES AND WAGES**

- 2:10 p.m. Presentation by a representative of the Office of Management and Budget regarding the:
- Number of temporary employee positions filled by each executive branch agency during each month of calendar year 2013
  - Amount spent by each executive branch agency during the 2011-13 biennium for temporary employees
  - Amount of funding appropriated to each agency for the 2013-15 biennium for temporary employee salaries
- 2:30 p.m. Comments by interested persons regarding the committee's study of the process of appropriating state agency salaries and wages
- 2:35 p.m. Committee discussion regarding the study of the process of appropriating state agency salaries and wages, including potential committee recommendations

**OTHER BUSINESS**

- 2:45 p.m. Committee discussion and staff directives
- 3:00 p.m. Adjourn

**Committee Members**

Representatives: Jeff Delzer (Chairman), Larry Bellew, Joshua A. Boschee, Bette Grande, Craig Headland, Rick Holman, Lisa Meier, Kylie Oversen, Don Vigesaa, Clark Williams  
Senators: Dwight Cook, Gary A. Lee, Donald Schaible, Ronald Sorvaag, Terry M. Wanzek, Rich Wardner  
Staff Contact: Brady A. Larson, Assistant Legislative Budget Analyst and Auditor