

**2023 SENATE APPROPRIATIONS**

**SB 2024**

**Department 195 - Ethics Commission**  
**Senate Bill No. 2024**

**Executive Budget Comparison to Base Level**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2023-25 Executive Budget	\$1,208,133	\$0	\$1,208,133
2023-25 Base Level	623,984	0	623,984
Increase (Decrease)	\$584,149	\$0	\$584,149

**Selected Budget Changes Recommended in the Executive Budget**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
1. Adds funding for state employee salary and benefit increases, of which \$51,302 is for salary increases and \$5,144 is for health insurance increases	\$56,466	\$0	\$56,466
2. Adds 1 FTE education and training position	\$225,511	\$0	\$225,511
3. Converts a temporary position to an FTE executive assistant position	\$60,798	\$0	\$60,798
4. Increases funding for professional fees and services from \$20,000 to \$236,000	\$216,000	\$0	\$216,000
5. Increases funding for travel from \$15,292 to \$28,740	\$13,448	\$0	\$13,448

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.

**Continuing Appropriations**

There are no continuing appropriations for this agency.

**Deficiency Appropriations**

The executive budget recommends a general fund deficiency appropriation of \$97,000 for the Ethics Commission for Attorney General costs (\$72,000) and an office relocation project (\$20,000).

**Significant Audit Findings**

There are no significant audit findings for this agency.

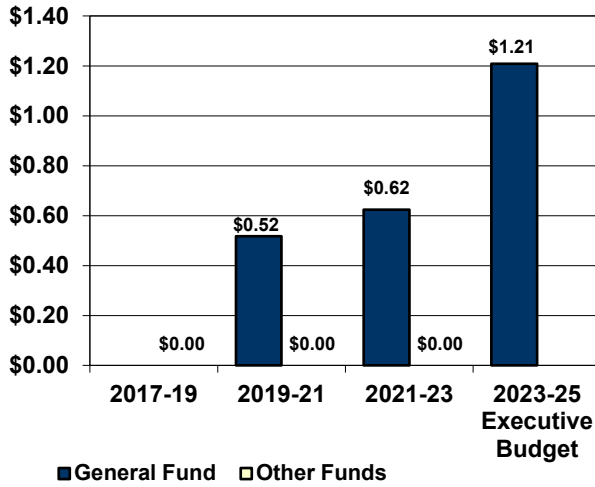
**Major Related Legislation**

At this time no major related legislation affecting this agency has been introduced.

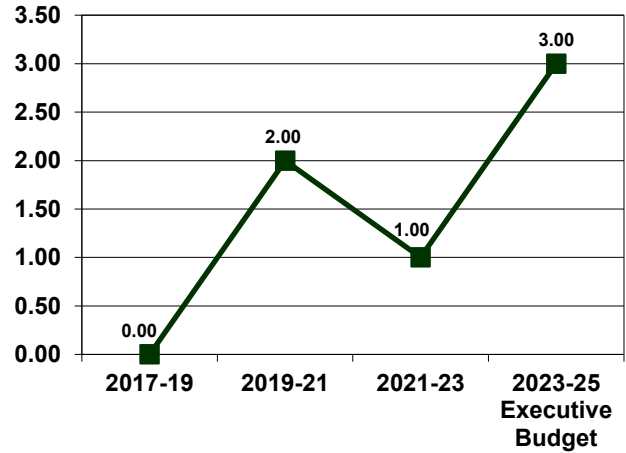
# Historical Appropriations Information

## Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Note: The Ethics Commission was enacted in House Bill No. 1521 (2019) and there are no appropriations for this agency prior to the 2019-21 biennium.

### Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	N/A	N/A	\$517,155	\$623,984	\$1,206,308
Increase (decrease) from previous biennium	N/A	N/A	N/A	\$106,829	\$582,324
Percentage increase (decrease) from previous biennium	N/A	N/A	N/A	20.7%	93.3%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	N/A	N/A	N/A	N/A

### Major Increases (Decreases) in Ongoing General Fund Appropriations

#### 2019-21 Biennium

- Added funding and 2 FTE positions to create the Ethics Commission \$517,155

#### 2021-23 Biennium

- Reduced funding for operating expenses (\$25,858)
- Removed a vacant FTE position \$0

#### 2023-25 Biennium (Executive Budget Recommendation)

- Adds 1 FTE education and training position \$223,686
- Converts a temporary position to an FTE executive assistant position \$60,798
- Increases funding for professional fees and services from \$20,000 to \$236,000 \$216,000

**Ethics Commission - Budget No. 195**  
**Senate Bill No. 2024**  
**Base Level Funding Changes**

	<b>Executive Budget Recommendation</b>			
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2023-25 Biennium Base Level</b>	1.00	\$623,984	\$0	\$623,984
<b>2023-25 Ongoing Funding Changes</b>				
Base payroll and budget changes		\$3,072		\$3,072
Salary increase		51,302		51,302
Health insurance increase		5,144		5,144
Information technology rate increase		8,874		8,874
Education and training FTE position	1.00	223,686		223,686
Convert temporary salaries to FTE position	1.00	60,798		60,798
Professional fees increase		216,000		216,000
Travel costs increase		13,448		13,448
<b>Total ongoing funding changes</b>	<b>2.00</b>	<b>\$582,324</b>	<b>\$0</b>	<b>\$582,324</b>
<b>One-time funding items</b>				
Education and training position one-time		\$1,825		\$1,825
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$1,825</b>	<b>\$0</b>	<b>\$1,825</b>
<b>Total Changes to Base Level Funding</b>	<b>2.00</b>	<b>\$584,149</b>	<b>\$0</b>	<b>\$584,149</b>
<b>2023-25 Total Funding</b>	<b>3.00</b>	<b>\$1,208,133</b>	<b>\$0</b>	<b>\$1,208,133</b>
<i>Federal funds included in other funds</i>			\$0	
<i>Total ongoing changes as a percentage of base level</i>	<i>200.0%</i>	<i>93.3%</i>		<i>93.3%</i>
<i>Total changes as a percentage of base level</i>	<i>200.0%</i>	<i>93.6%</i>		<i>93.6%</i>

**Other Sections in Ethics Commission - Budget No. 195**

**Executive Budget Recommendation**

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There are no other sections recommended to be added in the executive budget.

**SENATE BILL NO. 2024**  
**(Governor's Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the ethics commission.

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

**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, to the ethics commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2023 and ending June 30, 2025, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Ethics Commission	\$ 623,984	\$ 584,149	\$1,208,133
Total General Fund	\$ 623,984	\$ 584,149	\$1,208,133
Full-time Equivalent Positions	1.00	2.00	3.00

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Information Technology Costs	\$0	\$1,825
Total General Fund	\$0	\$1,825

# 2023 SENATE STANDING COMMITTEE MINUTES

## Appropriations Committee Roughrider Room, State Capitol

SB 2024  
1/5/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.

Chairman Bekkedahl opened the hearing on SB 2024 at 9:30 am.

Members present : Senators Bekkedahl, Burckhard, Davison, Dever, Dwyer, Erbele, Kreun, Meyer, Roers, Schaible, Sorvaag, Vedaa, Wanzek, Rust, Mathern; Members absent: Senator Krebsbach

### Discussion Topics:

- Budget overview/introduction
- Commission membership
- Commission history
- Organizational chart
- Statistical Activity
- Budget History
- Current budget requests and recommendations
- Notices, complaints, education
- Office Space, remote workers, location of the office
- Introduction of commissioners present
- Background of Commission, creation, members
- Conflict of Interest rules

9:32 Rebecca Binstock, Executive Director of Ethics Commission, introduced the bill and testified in favor – testimony # 12432

10:12 David Anderson – Commissioner- was introduced

10:13 Paul Richard – Commission Chair – was introduced and testified in favor of commission

### Additional Testimony: #21201

Chairman Bekkedahl assigned this Bill to the Human Resources Division.

Chairman Bekkedahl closed the hearing at 10:34 am.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Appropriations - Human Resources Division Roughrider Room, State Capitol

SB 2024  
1/20/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.

**10:04 AM Chairman Dever** called meeting to order.  
**Senators Dever, Davison, Burckhard, Mathern, and Kreun** were present.

### Discussion Topics:

- Green Sheet overview
- Rule-making authority
- Educational outreach
- Costs
- Budget issues
- Temp hiring v increased FTEs

**10:07 AM Levi Kinnischtzke, Senior Fiscal Analyst, ND State Council** provided information on green sheet. #21270

**10:10 AM Rebecca Binstock, Executive Director, ND Ethics Commission** provided testimony in favor. #14767, 14714, 14713, 14712, 14711, 14710

**11:11 AM Chairman Dever** closed the hearing.

*Susan Huntington, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Appropriations - Human Resources Division Roughrider Room, State Capitol

SB 2024  
1/23/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.
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3:31 PM **Chairman Dever** opened the hearing. **Senators Dever, Hogan, Weston, Weber, Luick, Myrdal, Lemm** are present.

### Discussion Topics:

- Budget review

**3:31 PM Rebecca Binstock, Executive Director, ND Ethics Commission** provided additional information verbally on #14767, 14714, 14713, 14712, 14711, 14710. Originally presented on 1/20/23.

**3:46 PM Chairmen Dever** closed the hearing.

*Patricia Lahr on behalf of Susan Huntington, Committee Clerk*



# 2023 SENATE STANDING COMMITTEE MINUTES

## Appropriations – Human Services Division Rough Rider Room, State Capitol

SB 2024  
2/8/2023

A bill for an act to provide an appropriation for defraying the expenses of the Ethics Commission.
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8:50 AM Chairman Dever called the meeting to order.  
Senators Burkhard, Davison, Dever, Mathern, and Kreun are present.

### Discussion Topics:

- Committee action

8:55 AM Senator Davison moved to adopt amendment. LC 23.0278.01002  
Senator Burkhard seconded the motion.

Roll call vote

Senators	Vote
Senator Dever	Y
Senator Davison	Y
Senator Burkhard	Y
Senator Kreun	Y
Senator Mathern	Y

Motion passed. 5-0-0

8:56 AM Senator Davison moved Do Pass as Amended.  
Senator Mathern seconded the motion.

Senators	Vote
Senator Dever	Y
Senator Davison	Y
Senator Burkhard	Y
Senator Kreun	Y
Senator Mathern	Y

Motion passed 5-0-0

Senator Davison will carry the bill.

8:57 AM Chairman Dever closed the meeting.

*Carol Thompson for Susan Huntington, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Roughrider Room, State Capitol

SB 2024  
2/15/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.
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**5:57 PM Chairman Bekkedahl** opened the meeting. **Senators Bekkedahl, Krebsbach, Burckhard, Davison, Dever, Dwyer, Erbele, Kreun, Meyer, Roers, Schaible, Sorvaag, Vedaa, Wanzek, Rust, Mathern** were present.

## Discussion Topics:

- Committee action

**Senator Davison** moves to adopt amendment LC 23.0278.01002

**Senator Burckhard** seconded.

Roll call vote.

<b>Senators</b>	<b>Vote</b>
Senator Brad Bekkedahl	Y
Senator Karen K. Krebsbach	Y
Senator Randy A. Burckhard	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Curt Kreun	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Jim P. Roers	Y
Senator Donald Schaible	Y
Senator Ronald Sorvaag	Y
Senator Shawn Vedaa	Y
Senator Terry M. Wanzek	Y

Motion passed 16-0-0.

**Senator Davison** moves DO PASS AS AMENDED.

**Senator Dever** seconded.

<b>Senators</b>	<b>Vote</b>
Senator Brad Bekkedahl	Y
Senator Karen K. Krebsbach	Y
Senator Randy A. Burckhard	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Curt Kreun	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Jim P. Roers	Y
Senator Donald Schaible	Y
Senator Ronald Sorvaag	Y
Senator Shawn Vedaa	Y
Senator Terry M. Wanzek	Y

Motioned passed 16-0-0

**Senator Davison** will carry SB 2238.

**5:57 PM Chairman Bekkedahl** closed the meeting.

*Patricia Lahr on behalf of Kathleen Hall, Committee Clerk*

*AGC*  
*2-15-23*  
*(1-2)*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

Page 1, replace lines 9 through 13 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Ethics commission	\$623,984	\$427,992	\$1,051,976
Total general fund	\$623,984	\$427,992	\$1,051,976
Full-time equivalent positions	1.00	1.00	2.00"

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - Senate Action**

	Base Budget	Senate Changes	Senate Version
Ethics commission	\$623,984	\$427,992	\$1,051,976
Total all funds	\$623,984	\$427,992	\$1,051,976
Less estimated income	0	0	0
General fund	\$623,984	\$427,992	\$1,051,976
FTE	1.00	1.00	2.00

**Department 195 - Ethics Commission - Detail of Senate Changes**

	Adjusts Funding for Base Payroll and Budget Changes <sup>1</sup>	Adds Funding for Salary and Benefit Increases <sup>2</sup>	Converts Temporary Position to FTE Position <sup>3</sup>	Adds Funding for Temporary Salaries <sup>4</sup>	Increases Operating Funding <sup>5</sup>	Total Senate Changes
Ethics commission	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
Total all funds	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
Less estimated income	0	0	0	0	0	0
General fund	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
FTE	0.00	0.00	1.00	0.00	0.00	1.00

<sup>1</sup> Funding is adjusted for base payroll and budget changes.

<sup>2</sup> The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

General Fund

Salary increase	\$27,262
Health insurance increase	5,262
Total	\$32,524

<sup>3</sup> Funding from the general fund is added to convert a temporary FTE position to an executive assistant FTE position.

<sup>4</sup> Funding is added for temporary salaries to assist with education and outreach efforts.

<sup>5</sup> Funding from the general fund is increased for the following operating expenses:

- Travel funding is increased by \$6,724 to provide total funding of \$22,016.

- Information technology funding is increased by \$8,874 to provide total funding of \$48,939.
- Professional fee services funding is increased by \$216,000 to provide total funding of \$236,000.

AG  
2-15-23  
(2-2)

**REPORT OF STANDING COMMITTEE**

**SB 2024: Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (16 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2024 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, replace lines 9 through 13 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Ethics commission	\$623,984	\$427,992	\$1,051,976
Total general fund	\$623,984	\$427,992	\$1,051,976
Full-time equivalent positions	1.00	1.00	2.00"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - Senate Action**

	<u>Base Budget</u>	<u>Senate Changes</u>	<u>Senate Version</u>
Ethics commission	\$623,984	\$427,992	\$1,051,976
Total all funds	\$623,984	\$427,992	\$1,051,976
Less estimated income	0	0	0
General fund	\$623,984	\$427,992	\$1,051,976
FTE	1.00	1.00	2.00

**Department 195 - Ethics Commission - Detail of Senate Changes**

	<u>Adjusts Funding for Base Payroll and Budget Changes<sup>1</sup></u>	<u>Adds Funding for Salary and Benefit Increases<sup>2</sup></u>	<u>Converts Temporary Position to FTE Position<sup>3</sup></u>	<u>Adds Funding for Temporary Salaries<sup>4</sup></u>	<u>Increases Operating Funding<sup>5</sup></u>	<u>Total Senate Changes</u>
Ethics commission	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
Total all funds	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
Less estimated income	0	0	0	0	0	0
General fund	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
FTE	0.00	0.00	1.00	0.00	0.00	1.00

<sup>1</sup> Funding is adjusted for base payroll and budget changes.

<sup>2</sup> The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

	<u>General Fund</u>
Salary increase	\$27,262
Health insurance increase	5,262
Total	\$32,524

<sup>3</sup> Funding from the general fund is added to convert a temporary FTE position to an executive assistant FTE position.

<sup>4</sup> Funding is added for temporary salaries to assist with education and outreach efforts.

<sup>5</sup> Funding from the general fund is increased for the following operating expenses:

- Travel funding is increased by \$6,724 to provide total funding of \$22,016.
- Information technology funding is increased by \$8,874 to provide total funding of \$48,939.
- Professional fee services funding is increased by \$216,000 to provide total funding

of \$236,000.

**2023 HOUSE APPROPRIATIONS**

**SB 2024**



**Department 195 - Ethics Commission**  
**Senate Bill No. 2024**

**First Chamber Comparison to Base Level**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2023-25 First Chamber Version	\$1,051,976	\$0	\$1,051,976
2023-25 Base Level	623,984	0	623,984
Increase (Decrease)	\$427,992	\$0	\$427,992

**First Chamber Changes**

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

**Continuing Appropriations**

There are no continuing appropriations for this agency.

**Deficiency Appropriations**

Senate Bill No. 2025 includes a general fund deficiency appropriation of \$97,000 for the Ethics Commission for Attorney General costs (\$72,000) and an office relocation project (\$20,000).

**Significant Audit Findings**

There are no significant audit findings for this agency.

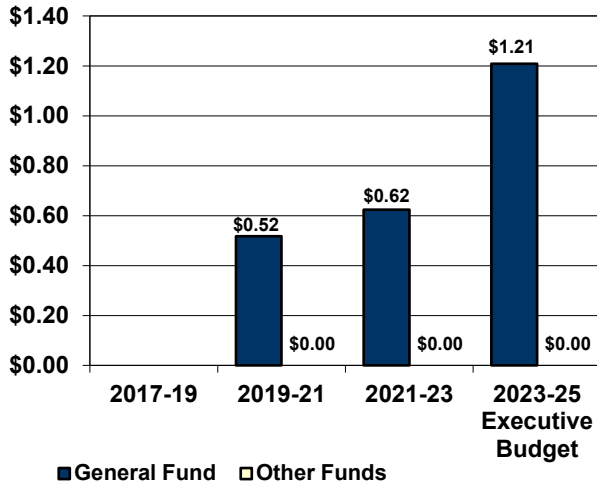
**Major Related Legislation**

No major related legislation affecting this agency has been introduced.

# Historical Appropriations Information

## Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Note: The Ethics Commission was enacted in House Bill No. 1521 (2019) and there are no appropriations for this agency prior to the 2019-21 biennium.

### Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	N/A	N/A	\$517,155	\$623,984	\$1,206,308
Increase (decrease) from previous biennium	N/A	N/A	N/A	\$106,829	\$582,324
Percentage increase (decrease) from previous biennium	N/A	N/A	N/A	20.7%	93.3%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	N/A	N/A	N/A	N/A

### Major Increases (Decreases) in Ongoing General Fund Appropriations

#### 2019-21 Biennium

Added funding and 2 FTE positions to create the Ethics Commission \$517,155

#### 2021-23 Biennium

1. Reduced funding for operating expenses (\$25,858)
2. Removed a vacant FTE position \$0

#### 2023-25 Biennium (Executive Budget Recommendation)

1. Adds 1 FTE education and training position \$223,686
2. Converts a temporary position to an FTE executive assistant position \$60,798
3. Increases funding for professional fees and services from \$20,000 to \$236,000 \$216,000

**Ethics Commission - Budget No. 195**  
**Senate Bill No. 2024**  
**Base Level Funding Changes**

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2023-25 Biennium Base Level</b>	1.00	\$623,984	\$0	\$623,984	1.00	\$623,984	\$0	\$623,984
<b>2023-25 Ongoing Funding Changes</b>								
Base payroll and budget changes		\$3,072		\$3,072		\$3,072		\$3,072
Salary increase		51,302		51,302		27,262		27,262
Health insurance increase		5,144		5,144		5,262		5,262
Temporary salaries increase				0		100,000		100,000
Information technology rate increase		8,874		8,874		8,874		8,874
Education and training FTE position	1.00	223,686		223,686				0
Convert temporary salaries to FTE position	1.00	60,798		60,798	1.00	60,798		60,798
Professional fees increase		216,000		216,000		216,000		216,000
Travel costs increase		13,448		13,448		6,724		6,724
Total ongoing funding changes	2.00	\$582,324	\$0	\$582,324	1.00	\$427,992	\$0	\$427,992
<b>One-Time Funding Items</b>								
Education and training position one-time		\$1,825		\$1,825				\$0
Total one-time funding changes	0.00	\$1,825	\$0	\$1,825	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	2.00	\$584,149	\$0	\$584,149	1.00	\$427,992	\$0	\$427,992
<b>2023-25 Total Funding</b>	3.00	\$1,208,133	\$0	\$1,208,133	2.00	\$1,051,976	\$0	\$1,051,976
<i>Federal funds included in other funds</i>			\$0				\$0	
<i>Total ongoing changes as a percentage of base level</i>	200.0%	93.3%		93.3%	100.0%	68.6%		68.6%
<i>Total changes as a percentage of base level</i>	200.0%	93.6%		93.6%	100.0%	68.6%		68.6%

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

SB 2024  
3/23/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.
----------------------------------------------------------------------------------------------------

Chairman Brandenburg opened the meeting at 10:34 AM

**Members present: Vice Chair Brandenburg, Rep. Bellew, Rep. Meier, Rep. Pyle, Rep. Mock, Rep. Kempenich**

**Members absent: Chairman Monson**

### **Discussion Topics:**

- New FTE'S
- New office space
- Complaints decrease.
- Transparency and accountability
- Building trust for citizens.
- Proactive educational approaches

Rebecca Binstock, Executive Director, ND Ethics Commission, (#26452, #26450)

Holly Gaugler, Office Manager, ND Ethics Commission, answered questions for the committee.

Chairman Brandenburg closed the hearing at 11:27 AM

*Leah Kuball, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

SB 2024  
3/27/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.
----------------------------------------------------------------------------------------------------

Chairman Monson opened the meeting at 8:31 AM

**Members present: Chairman Monson, Vice Chair Brandenburg, Rep. Bellew, Rep. Meier, Rep. Pyle, Rep. Mock**

**Members absent: Rep. Kempenich,**

**Discussion Topics:**

- New office space
- Additional attorney costs
- Budget 195

Rebecca Binstock Executive Director of the North Dakota Ethics Commission, answers questions for the committee.

Legislative council (#26650) (#26651)

Holly Gaugler, Executive Assistant ND Ethics Commission, answers questions for the committee

Representative Mock, testimony (#26663)

Chairman Monson closed the hearing at 9:43 AM

*Leah Kuball, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

SB 2024  
3/29/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.
----------------------------------------------------------------------------------------------------

Chairman Monson opened the meeting at 4:13 PM

**Members present: Chairman Monson, Vice Chair Brandenburg, Rep. Bellew, Rep. Meier, Rep. Mock**

**Members absent: Rep. Kempenich, Rep. Pyle**

### Discussion Topics:

- Amendments (23.0278.02001)
- Committee action
- Number of complaints
- General funding
- Federal funding
- Additional FTE position
- Education and training
- Travel costs increased.

Legislative council discusses amendments (23.0278.02001) (#27030)

Representative Mock moved to adopt amendments (23.0278.02001) to SB 2024

Vice Chairman Brandenburg seconded motion

Roll call vote:

Representatives	Vote
Representative David Monson	Y
Representative Mike Brandenburg	Y
Representative Larry Bellew	Y
Representative Keith Kempenich	AB
Representative Lisa Meier	Y
Representative Corey Mock	Y
Representative Brandy Pyle	AB

Motion Carries: 5-0-2

Representative Mock moved a DO PASS as amended to SB 2024

Vice Chairman Brandenburg seconded motion

Roll call vote:

<b>Representatives</b>	<b>Vote</b>
Representative David Monson	Y
Representative Mike Brandenburg	Y
Representative Larry Bellew	N
Representative Keith Kempenich	AB
Representative Lisa Meier	Y
Representative Corey Mock	Y
Representative Brandy Pyle	AB

Motion Caries: 4-1-2

Bill carrier: Representative Mock

Chairman Monson closed the hearing at 4:28 PM

*Leah Kuball, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee Brynhild Haugland Room, State Capitol

SB 2024  
4/7/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.

**9:36 AM Chairman Vigesaa** Called the meeting to order and roll call was taken-

**Members present;** Chairman Vigesaa, Representative Kempenich, Representative Bellew, Representative Brandenburg, Representative Hanson, Representative Kreidt, Representative Martinson, Representative Meier, Representative Mock, Representative Monson, Representative Nathe, Representative J. Nelson, Representative O'Brien, Representative Pyle, Representative Sanford, Representative Schatz, Representative Schobinger, Representative Strinden, Representative G. Stemen and Representative Swiontek.

**Members not Present** Representative B. Anderson, Representative Richter, and Representative Mitskog

### Discussion Topics:

- Amendment
- Committee Action

**Representative Mock** Gives the statement of purpose and amendment 23.0278.02001 (Testimony #27375)

**Representative Mock** Move to adopt amendment 23.0278.02001

**Representative Monson** Seconds the motion.

Committee Discussion- Roll call vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	A
Representative Larry Bellew	N
Representative Mike Brandenburg	A
Representative Karla Rose Hanson	N
Representative Gary Kreidt	N
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	A
Representative Corey Mock	Y
Representative David Monson	Y



Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy Pyle	Y
Representative David Richter	A
Representative Mark Sanford	Y
Representative Mike Schatz	N
Representative Randy A. Schobinger	Y
Representative Greg Stemen	Y
Representative Michelle Strinden	Y
Representative Steve Swiontek	Y

**Motion Carries 15-4-4**

**Representative Mock-** Passes out and explains new amendment 23.0278.02002 (Testimony #27378)

**Representative Mock** Move to adopt amendment 23.0278.02002

**Representative Kempenich-** Seconds the motion.

Committee Discussion- Roll call vote

<b>Representatives</b>	<b>Vote</b>
Representative Don Vigesaa	N
Representative Keith Kempenich	Y
Representative Bert Anderson	A
Representative Larry Bellew	N
Representative Mike Brandenburg	Y
Representative Karla Rose Hanson	Y
Representative Gary Kreidt	N
Representative Bob Martinson	N
Representative Lisa Meier	N
Representative Alisa Mitskog	A
Representative Corey Mock	Y
Representative David Monson	N
Representative Mike Nathe	N
Representative Jon O. Nelson	N
Representative Emily O'Brien	N
Representative Brandy Pyle	Y
Representative David Richter	A
Representative Mark Sanford	N
Representative Mike Schatz	N
Representative Randy A. Schobinger	N
Representative Greg Stemen	Y
Representative Michelle Strinden	N
Representative Steve Swiontek	N

**Motion Fails 6-14-3**

**Representative Mock-** Move for a Do Pass as Amended

**Representative Monson** Seconds the motion.

Committee Discussion- Roll call vote

<b>Representatives</b>	<b>Vote</b>
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	A
Representative Larry Bellew	N
Representative Mike Brandenburg	Y
Representative Karla Rose Hanson	Y
Representative Gary Kreidt	N
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	A
Representative Corey Mock	Y
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	N
Representative Brandy Pyle	Y
Representative David Richter	A
Representative Mark Sanford	Y
Representative Mike Schatz	N
Representative Randy A. Schobinger	Y
Representative Greg Stemen	Y
Representative Michelle Strinden	Y
Representative Steve Swiontek	Y

**Motion Carries 16-4-3 Representative Mock will carry the bill.**

**Chairman Vigesaa** Closed the meeting for SB 2024

*Risa Berube, Committee Clerk*

*OK*  
*182*  
*4-7-23*

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024

Page 1, line 2, after "commission" insert "; and to declare an emergency"

Page 1, replace lines 11 through 13 with:

"Ethics commission	<u>\$623,984</u>	<u>\$392,115</u>	<u>\$1,016,099</u>
Total general fund	\$623,984	\$392,115	\$1,016,099
Full-time equivalent positions	1.00	1.00	2.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Attorney fees	\$0	\$72,000
Office relocation	<u>0</u>	<u>25,000</u>
Total general fund	\$0	\$97,000

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The ethics commission 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. EMERGENCY.** The sum of \$97,000 for attorney fees and office relocation costs included in the ethics commission line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - House Action**

	Base Budget	Senate Version	House Changes	House Version
Ethics commission	<u>\$623,984</u>	<u>\$1,051,976</u>	(\$35,877)	<u>\$1,016,099</u>
Total all funds	\$623,984	\$1,051,976	(\$35,877)	\$1,016,099
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$623,984	\$1,051,976	(\$35,877)	\$1,016,099
FTE	1.00	2.00	0.00	2.00

**Department 195 - Ethics Commission - Detail of House Changes**

*OK*  
*2+2*  
*4-7-23*

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Reduces Temporary Salaries Funding Increase <sup>3</sup>	Adds One- Time Funding <sup>4</sup>	Total House Changes
Ethics commission	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
Total all funds	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
Less estimated income	0	0	0	0	0
General fund	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	<u>General Fund</u>
Salary increase	\$9,148
Health insurance adjustment	(118)
Total	\$9,030

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	<u>General Fund</u>
New FTE positions	(\$60,798)
Vacant FTE positions	(11,109)
Total	(\$71,907)

<sup>3</sup> Funding of \$100,000 added by the Senate to increase temporary salaries funding is reduced to \$30,000.

<sup>4</sup> One-time funding is added for the following items:

	<u>General Fund</u>
Attorney fees	\$72,000
Office relocation costs	25,000
Total	\$97,000

A section is also added to declare the one-time funding to be an emergency measure.

**REPORT OF STANDING COMMITTEE**

**SB 2024, as engrossed: Appropriations Committee (Rep. Vigesaa, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (16 YEAS, 4 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2024 was placed on the Sixth order on the calendar.

Page 1, line 2, after "commission" insert "; and to declare an emergency"

Page 1, replace lines 11 through 13 with:

"Ethics commission	<u>\$623,984</u>	<u>\$392,115</u>	<u>\$1,016,099</u>
Total general fund	\$623,984	\$392,115	\$1,016,099
Full-time equivalent positions	1.00	1.00	2.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Attorney fees	\$0	\$72,000
Office relocation	<u>0</u>	<u>25,000</u>
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The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The ethics commission 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. EMERGENCY.** The sum of \$97,000 for attorney fees and office relocation costs included in the ethics commission line item in section 1 of this Act is declared to be an emergency measure."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - House Action**

	Base Budget	Senate Version	House Changes	House Version
Ethics commission	<u>\$623,984</u>	<u>\$1,051,976</u>	(\$35,877)	<u>\$1,016,099</u>
Total all funds	\$623,984	\$1,051,976	(\$35,877)	\$1,016,099
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$623,984	\$1,051,976	(\$35,877)	\$1,016,099
FTE	1.00	2.00	0.00	2.00

**Department 195 - Ethics Commission - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Reduces Temporary Salaries Funding Increase <sup>3</sup>	Adds One-Time Funding <sup>4</sup>	Total House Changes
Ethics commission	<u>\$9,030</u>	<u>(\$71,907)</u>	<u>(\$70,000)</u>	<u>\$97,000</u>	(\$35,877)
Total all funds	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of

6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	<b>General Fund</b>	
Salary increase		\$9,148
Health insurance adjustment		(118)
Total		\$9,030

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	<b>General Fund</b>	
New FTE positions		(\$60,798)
Vacant FTE positions		(11,109)
Total		(\$71,907)

<sup>3</sup> Funding of \$100,000 added by the Senate to increase temporary salaries funding is reduced to \$30,000.

<sup>4</sup> One-time funding is added for the following items:

	<b>General Fund</b>	
Attorney fees		\$72,000
Office relocation costs		25,000
Total		\$97,000

A section is also added to declare the one-time funding to be an emergency measure.

**2023 CONFERENCE COMMITTEE**

**SB 2024**

# 2023 SENATE STANDING COMMITTEE MINUTES

## Appropriations - Government Operations Division Red River Room, State Capitol

SB 2024  
4/18/2023  
Conference Committee

A bill for an act to provide an appropriation for defraying the expenses of the Ethics Commission.
----------------------------------------------------------------------------------------------------

8:33 AM Chairman Davison opened the meeting.  
Senators Davison, Dever, Mathern, and Representatives Pyle, Meier, and Mock are present.

### Discussion Topics:

- Proposed administrative assistant – full-time employee (FTE)
- Temporary salaries
- New and vacant FTE funding pool
- FTE scope of duties
- Professional fees
- Legislative Management fees – proposed study
- Ethics of regulation by this entity
- Emergency clause
- Role of Ethics Commission
- Education component of Ethics Commission duties

8:43 AM Representative Mock distributed language for a proposed amendment to HB 2024.  
Testimony #27644

8:50 AM Assistant Legislative Council Budget Analyst and Auditor Brady Larson testified.  
Testimony #27645

8:50 AM Office of Management and Budget Fiscal Management Analyst Stephanie Johnson testified. (No written testimony)

8:54 AM Chairman Davison closed the meeting.

*Carol Thompson, Committee Clerk*



# 2023 SENATE STANDING COMMITTEE MINUTES

## Appropriations - Human Resources Division Roughrider Room, State Capitol

SB 2024  
4/19/2023  
Conference Committee

A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.
----------------------------------------------------------------------------------------------------

3:35 PM **Chairman Davison** called the meeting to order. Members present: Senators Davison, Dever, Mathern; Representatives Pyle, Meier, Mock.

### Discussion Topics:

- Contracted fee removal
- Contingency & travel funding
- One-time funds; emergency
- Study establishment
- Education component
- Ethics committee reporting
- Ongoing conversation
- Accountability
- Funding mechanism

**Senator Davison** began discussion at 3:35 PM.

**Representative Mock** summarized the drafted documents, Ethics Commission Budget no. 195, from Brady Larson. Testimony #27725, #27726

**Senate delegation** agreed to base House plan.

Committee discussion.

**Representative Mock** moved to recede from House amendments and amend as follows, amendment no. 23.0278.02006.

**Senator Dever** seconded the motion.

**Roll call vote - Motion** carried 6-0-0.

**Representative Mock** is the House bill carrier.

**Senator Davison** is the Senate bill carrier.

3:56 PM **Chairman Davison** adjourned the meeting.

*Susan Huntington, Committee Clerk*

NO  
A11/123  
1003

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024

That the House recede from its amendments as printed on pages 1575 and 1576 of the Senate Journal and pages 1777 and 1778 of the House Journal and that Engrossed Senate Bill No. 2024 be amended as follows:

Page 1, line 2, after "commission" insert "; to provide for a legislative management study; to provide for a legislative management report; and to declare an emergency"

Page 1, replace lines 11 through 13 with:

"Ethics commission	<u>\$623,984</u>	<u>\$514,258</u>	<u>\$1,138,242</u>
Total general fund	\$623,984	\$514,258	\$1,138,242
Full-time equivalent positions	1.00	2.00	3.00"

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Attorney fees	\$0	\$72,000
Office relocation	0	25,000
New FTE position one-time costs	<u>0</u>	<u>1,825</u>
Total general fund	\$0	\$98,825

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The ethics commission 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 STUDY - FEE STRUCTURE.**

During the 2023-24 interim, the legislative management shall consider studying the feasibility and desirability of establishing a rate structure to offset the operating expenses of the ethics commission. The study must include a comparison of the funding method for ethics commissions used by other states within the region. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

**SECTION 4. REPORT - ETHICS COMMISSION ACTIVITIES.** During the 2023-24 interim, the ethics commission shall provide reports to the legislative management regarding the activities and operations of the commission. The reports must include information regarding the number of complaints received by the commission, education and outreach efforts, and the status of the commission's budget.

**SECTION 5. EMERGENCY.** The sum of \$97,000 for attorney fees and office relocation costs included in the ethics commission line item in section 1 of this Act is declared to be an emergency measure."

Re-number accordingly

Mar  
4/19/23  
203

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Ethics commission	\$623,984	\$1,051,976	\$86,266	\$1,138,242	\$1,016,099	\$122,143
Total all funds	\$623,984	\$1,051,976	\$86,266	\$1,138,242	\$1,016,099	\$122,143
Less estimated income	0	0	0	0	0	0
General fund	\$623,984	\$1,051,976	\$86,266	\$1,138,242	\$1,016,099	\$122,143
FTE	1.00	2.00	1.00	3.00	2.00	1.00

**Department 195 - Ethics Commission - Detail of Conference Committee Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Pool <sup>2</sup>	Reduces Temporary Salaries Funding Increase <sup>3</sup>	Adds Education and Outreach Position <sup>4</sup>	Reduces Funding for Professional Fees <sup>5</sup>	Adds Contingency Funding <sup>6</sup>
Ethics commission	\$9,030	(\$71,907)	(\$50,000)	\$268,143	(\$216,000)	\$50,000
Total all funds	\$9,030	(\$71,907)	(\$50,000)	\$268,143	(\$216,000)	\$50,000
Less estimated income	0	0	0	0	0	0
General fund	\$9,030	(\$71,907)	(\$50,000)	\$268,143	(\$216,000)	\$50,000
FTE	0.00	0.00	0.00	1.00	0.00	0.00

	Adds One-Time Funding <sup>7</sup>	Total Conference Committee Changes
Ethics commission	\$97,000	\$86,266
Total all funds	\$97,000	\$86,266
Less estimated income	0	0
General fund	\$97,000	\$86,266
FTE	0.00	1.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund
Salary increase	\$9,148
Health insurance adjustment	(118)
Total	\$9,030

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund
New FTE positions	(\$60,798)
Vacant FTE positions	(11,109)
Total	(\$71,907)

The House also removed this funding.

<sup>3</sup> Funding of \$100,000 added by the Senate to increase temporary salaries funding is reduced to \$50,000. The House reduced funding for temporary salaries to \$30,000.

*mg  
4/19/23  
303*

<sup>4</sup> Funding is added for an attorney position that includes education and outreach responsibilities. The position was not added by the Senate or House.

<sup>5</sup> Funding added by the Senate and House for an increase in professional fees is removed.

<sup>6</sup> Contingency funding is added for professional fees. This funding was not added by the Senate or House.

<sup>7</sup> One-time funding is added for the following items:

	<b>General Fund</b>
Attorney fees	\$72,000
Office relocation costs	<u>25,000</u>
Total	\$97,000

A section is also added to declare the one-time funding to be an emergency measure. The House also added this funding.

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This amendment also:

- Adds a Legislative Management study of establishing a rate structure to offset the operating expenses of the Ethics Commission.
- Provides for the Ethics Commission to provide updates to the Legislative Management regarding the activities of the commission.

**2023 SENATE CONFERENCE COMMITTEE  
 ROLL CALL VOTES**

BILL/RESOLUTION NO.   SB 2024   as engrossed

**Senate Appropriations Committee – Human Resources Division**

- Action Taken**     **SENATE accede to House Amendments**  
 **SENATE accede to House Amendments and further amend**  
 **HOUSE recede from House amendments**  
 **HOUSE recede from House amendments and amend as follows**  
 **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by:   Representative Mock        Seconded by:   Senator Dever  

Senators	4/18	4/19		Yes	No	Representatives	4/18	4/19		Yes	No
<i>Senator Davison</i>	x	X		Y		Representative Pyle	X	X		Y	
Senator Dever	x	X		Y		Representative Meier	X	X		Y	
Senator Mathern	x	x		Y		Representative Mock	x	x		Y	
Total Senate Vote				3	0	Total Rep. Vote				3	0

Vote Count            Yes:   6                                        No:   0                                        Absent:   0  

Senate Carrier   Davison                                        House Carrier   Mock  

LC Number   23.0278   .   02006   of amendment

LC Number   23.0278   .   05000   of engrossment

Statement of purpose of amendment

**REPORT OF CONFERENCE COMMITTEE**

**SB 2024, as engrossed:** Your conference committee (Sens. Davison, Dever, Mathern and Reps. Pyle, Meier, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1575-1576, adopt amendments as follows, and place SB 2024 on the Seventh order:

That the House recede from its amendments as printed on pages 1575 and 1576 of the Senate Journal and pages 1777 and 1778 of the House Journal and that Engrossed Senate Bill No. 2024 be amended as follows:

Page 1, line 2, after "commission" insert "; to provide for a legislative management study; to provide for a legislative management report; and to declare an emergency"

Page 1, replace lines 11 through 13 with:

"Ethics commission	<u>\$623,984</u>	<u>\$514,258</u>	<u>\$1,138,242</u>
Total general fund	\$623,984	\$514,258	\$1,138,242
Full-time equivalent positions	1.00	2.00	3.00"

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act:

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New FTE position one-time costs	0	1,825
Total general fund	\$0	\$98,825

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**SECTION 3. LEGISLATIVE MANAGEMENT STUDY - FEE STRUCTURE.**

During the 2023-24 interim, the legislative management shall consider studying the feasibility and desirability of establishing a rate structure to offset the operating expenses of the ethics commission. The study must include a comparison of the funding method for ethics commissions used by other states within the region. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

**SECTION 4. REPORT - ETHICS COMMISSION ACTIVITIES.**

During the 2023-24 interim, the ethics commission shall provide reports to the legislative management regarding the activities and operations of the commission. The reports must include information regarding the number of complaints received by the commission, education and outreach efforts, and the status of the commission's budget.

**SECTION 5. EMERGENCY.** The sum of \$97,000 for attorney fees and office relocation costs included in the ethics commission line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Ethics commission	\$623,984	\$1,051,976	\$86,266	\$1,138,242	\$1,016,099	\$122,143
Total all funds	\$623,984	\$1,051,976	\$86,266	\$1,138,242	\$1,016,099	\$122,143
Less estimated income	0	0	0	0	0	0
General fund	\$623,984	\$1,051,976	\$86,266	\$1,138,242	\$1,016,099	\$122,143
FTE	1.00	2.00	1.00	3.00	2.00	1.00

**Department 195 - Ethics Commission - Detail of Conference Committee Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Pool <sup>2</sup>	Reduces Temporary Salaries Funding Increase <sup>3</sup>	Adds Education and Outreach Position <sup>4</sup>	Reduces Funding for Professional Fees <sup>3</sup>	Adds Contingency Funding <sup>5</sup>
Ethics commission	\$9,030	(\$71,907)	(\$50,000)	\$268,143	(\$216,000)	\$50,000
Total all funds	\$9,030	(\$71,907)	(\$50,000)	\$268,143	(\$216,000)	\$50,000
Less estimated income	0	0	0	0	0	0
General fund	\$9,030	(\$71,907)	(\$50,000)	\$268,143	(\$216,000)	\$50,000
FTE	0.00	0.00	0.00	1.00	0.00	0.00

	Adds One-Time Funding <sup>7</sup>	Total Conference Committee Changes
Ethics commission	\$97,000	\$86,266
Total all funds	\$97,000	\$86,266
Less estimated income	0	0
General fund	\$97,000	\$86,266
FTE	0.00	1.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund
Salary increase	\$9,148
Health insurance adjustment	(118)
Total	\$9,030

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund
New FTE positions	(\$60,798)
Vacant FTE positions	(11,109)
Total	(\$71,907)

The House also removed this funding.

<sup>3</sup> Funding of \$100,000 added by the Senate to increase temporary salaries funding is reduced to \$50,000. The House reduced funding for temporary salaries to \$30,000.

<sup>4</sup> Funding is added for an attorney position that includes education and outreach responsibilities. The position was not added by the Senate or House.

<sup>5</sup> Funding added by the Senate and House for an increase in professional fees is removed.

<sup>6</sup> Contingency funding is added for professional fees. This funding was not added by the Senate or House.

<sup>7</sup> One-time funding is added for the following items:

	<b>General Fund</b>	
Attorney fees		\$72,000
Office relocation costs		<u>25,000</u>
Total		\$97,000

A section is also added to declare the one-time funding to be an emergency measure. The House also added this funding.

This amendment also:

- Adds a Legislative Management study of establishing a rate structure to offset the operating expenses of the Ethics Commission.
- Provides for the Ethics Commission to provide updates to the Legislative Management regarding the activities of the commission.

Engrossed SB 2024 was placed on the Seventh order of business on the calendar.



**TESTIMONY**

**SB 2024**

North Dakota Ethics Commission  
Senate Bill 2024  
Testimony presented by  
Executive Director, Rebecca Binstock  
Before the Senate Appropriations Committee  
January 5, 2023

**Agency History**

Good morning, Mr. Chairman and Committee members, my name is Rebecca Binstock. I serve as the Executive Director of the North Dakota Ethics Commission. I began my service with the Ethics Commission in September 2022, replacing then-Executive Director, Dave Thiele, who retired.

The Commission consists of five Commissioners who were appointed September 1, 2019:

- Chair Paul Richard (Fargo)
- Vice-Chair David Anderson (Bismarck)
- Ron Goodman (Oakes)
- Ward Koeser (Williston)
- Dr. Cynthia Lindquist (St. Michael)

The Commission staff consists of the Executive Director and a temporary staff member, Holly Gaugler, who serves as executive assistance and office manager. Pursuant to N.D.C.C. § 54-66-14, the Office of the Attorney General is to provide legal services to the Commission. Assistant Attorney General Allyson Hicks is the appointed legal advisor to the Commission. This past year, the Commission hired attorney Patricia Monson (Fargo) to serve as special assistance attorney general to advise the Commission as to Complaint Nos. 22-003 through 22-010 and 22-012, from which the Office of the Attorney General recused. We have attached our organizational chart (**Attachment No. 1**).

The North Dakota Ethics Commission was created in 2018 by passage of an initiated measure which created Article XIV of the North Dakota Constitution. The Commission is governed by Article XIV of the North Dakota Constitution and North Dakota Century Code Chapter 54-66.

Since its inception, the Commission has adopted complaint rules, gift rules, quasi-judicial proceeding rules, and conflict rules within the timelines outlined by Article XIV of the Constitution. The Commission continues to adopt rules to address transparency, corruption, elections, and lobbying as authorized by the Article XIV of the Constitution.

### **Agency Update**

Over the past three (3) years, the Commission has made considerable progress in adopting rules. Moving forward, the Commissioner's mission includes both rule-making and educational outreach to address citizen, public official, and lobbyist concerns. To achieve our core mission, a considerable amount of our efforts during the remainder of the current biennium as well as the 2023-25 biennium will be directed towards a greater level of communication with all citizens of North Dakota. In an effort educate citizen about the Ethics Commission, during my short tenure, I have met with lobbyists, North Dakota citizens, state agencies, as well as state boards and commissions. We hope to increase this community educational outreach.

Also, the Ethics Commission has had a significant increase in activity, particularly since September 2022. The Commission's activity statistics are attached (**Attachment No. 2**).

### **Current Budget Status (Attachment No. 3)**

The 2021-23 biennial budget for the Ethics Commission is \$623,984 in general funds, which does not include any one-time funding. The Commission is a general funded agency and does not receive federal or special funding. As of November 30, 2022, the Commission has spent \$409,251 with a remaining balance of \$214,730.

To date, the Commission had one audit - with no formal audit findings. A current budget update as of November 30, 2022, is attached (**Attachment No. 3**). Although the Commission's budget is a single budget line, there is a detailed listing of our expenditures included.

When considering the Commission's budget, I would like to direct you to a few points:

- Our current salary budget includes five commission members, one FTE for my position as the Executive Director, and a temporary office manager.
- Operating costs have changed in the most recent portion of the 2021-2023 biennium due to increasing levels of activity.
- The Ethics Commission is facing significant budgetary challenges this biennium as it had to hire a Special Assistant Attorney General (SAAG) in November of this

year to address several complaints that have been filed with the Commission due to the recusal of the Office of the Attorney General.

- The Commission has experienced a significant increase in activity with increased special meetings and an increase in temporary staff hours.
- The Commission anticipates a steady increase in activity as additional rules are implemented, the Commission provides education to those impacted by rules, and general knowledge of the Commission increases.
- To meet financial challenges, the Commission vacated its office space and limited travel and overall expenditures.
- The Commission requested a deficiency of \$97,000 in Senate Bill 2025, which includes \$72,000 for SAAG costs and \$25,000 for minimal remodel costs (to ensure separation from other agencies) for relocation the office to the capitol in the summer 2023. This makes a total deficiency request in SB 2025 at \$97,000.

#### **2023-25 Budget (Attachment No. 4)**

The Ethics Commission's base budget for the 2023-25 biennium is \$623,984 with one (1) FTE. Our OMB adjusted base budget for 2023-25 is \$635,930 which includes OMB's adjustment to the base of \$11,946 that included a cost to continue the 2021-23 legislative salary increases and an increase for NDIT rates. The adjusted base budget was submitted with an additional request of \$515,757 and two (2) additional FTEs. Attachment No. 4 shows our requested base budget along with the additional adjustments for a total request of \$1,151,687 and three (3) FTEs. The Executive Recommendation included three (3) FTEs and the Commission's optional requests. It also included additional funding of \$56,446 for the proposed executive salary package.

The following is an itemized description and justification for optional budget items:

- a. **Education & Training Coordinator FTE – \$218,472** (\$152,952 salary & \$65,520 benefits) The Education & Training Coordinator (Grade 106) will develop educational materials/curriculum in light of the Ethics Commission's educational goals to help stakeholders better understand the role of the Ethics Commission. This position will develop methods and tools to effectively communicate Ethics Commission's educational goals.

The Ethics Commission was established pursuant to Article XIV of the North Dakota Constitution for the purpose of strengthening the confidence of the people of North Dakota in their Government and supporting open, ethical, and accountable government. To meet that constitutional directive and best support an open, ethical, and accountable government in North Dakota, individuals

(including citizens, state employees, and those who lobby in the State) need to be knowledgeable about the ethical rules in place in North Dakota's Constitution, statutes, and administrative rules.

This FTE will develop and implement a continuing education and communication plan aimed at: (1) educating citizens of North Dakota so they can be knowledgeable about the role of the Ethics Commission, (2) effectively communicating with the citizens of North Dakota so they can understand how the ethical rules in the Constitution, statutes, and administrative rules function, and (3) training individuals subject to the Ethics Commission's oversight how to fully comply with the rules. This role is critical to the Ethics Commission's role in supporting an open, ethical, and accountable government.

- b. **Executive Assistant FTE – \$164,422** (\$107,952 salary & \$56,470 benefits) The Executive Assistant (Grade 104) will provide administrative and operational support to the Executive Director and Commissioners. Administrative duties are currently performed by part-time temporary Office Manager/Executive Assistant, Holly Gaugler. Ms. Gaugler's hours have significantly increased in past months from approximately 20 hours/week to approximately 30-35 hours/week. It is necessary to transition the position to a full-time FTE position. The Commission also anticipates the administrative duties of the Commission will continue to increase as recent reporting requirements have gone into effect. As the Commission has adopted rules pursuant to the directive of Article XIV, reporting requirements have taken effect. This resulted in a significant increase of filings. As the Commission matures and stakeholders are educated and trained on the jurisdiction of the Commission, we anticipate administrative duties will continue to increase.

This FTE would functionally replace the part-time temporary Office Manager/Executive Assistant. and funding for the part-time position will partially fund this new FTE position (\$103,624).

- c. **Increased Professional Fees - \$216,000** As the Commission matures and implements rules according to ND Constitution Article XIV and N.D.C.C. 54-66, there is an increased requirement to maintain transparency as well as avoid any areas where there maybe conflicts of interest as the Commission carries out its mission. The Commission's base budget has \$20,000 for professional fees.

However, this amount is inadequate to carry out investigations and hire independent counsel when needed.

The Commission's request for additional funding of \$216,000 is an estimate based upon utilizing a special assistant attorney general and other possible professionals at a rate of \$300 per hour for 30 hours per month during the biennium. The basis for additional funding is based upon the Commission needing to hire a special assistant attorney general to provide legal services, this additional funding would also be for other professional services when needed.

- d. **Increased Travel Costs - \$13,448** The Commission has been holding monthly meetings as well as special meetings virtually since Spring of 2020. Although, under the circumstances it has worked well, the Commission would like to increase regular monthly meetings to an in-person meeting at least once a quarter. With increased awareness and education, it also sees meeting lasting two consecutive days rather than just one day per month.

The Commission is a member of the Council on Government Ethics Laws (COGEL), which holds an annual convention each year. This provides the Commissioners with best practices by networking with colleagues throughout the United States. The Commission's goal is to send at least two Commissioners or staff to this event each year of the biennium.

Although, an increase in travel costs (\$13,448) is priority 4, traveling for education and training are critical to creating awareness to our citizens as well as public officials. The Commission is dedicated to providing clarity and awareness of the Commission's jurisdiction and rules and how they can serve North Dakota citizens. Our request includes travel costs for the Executive Director and/or the Education and Training Coordinator travel throughout the state on four (4) separate occasions during the biennium to provide the public training and education opportunities.

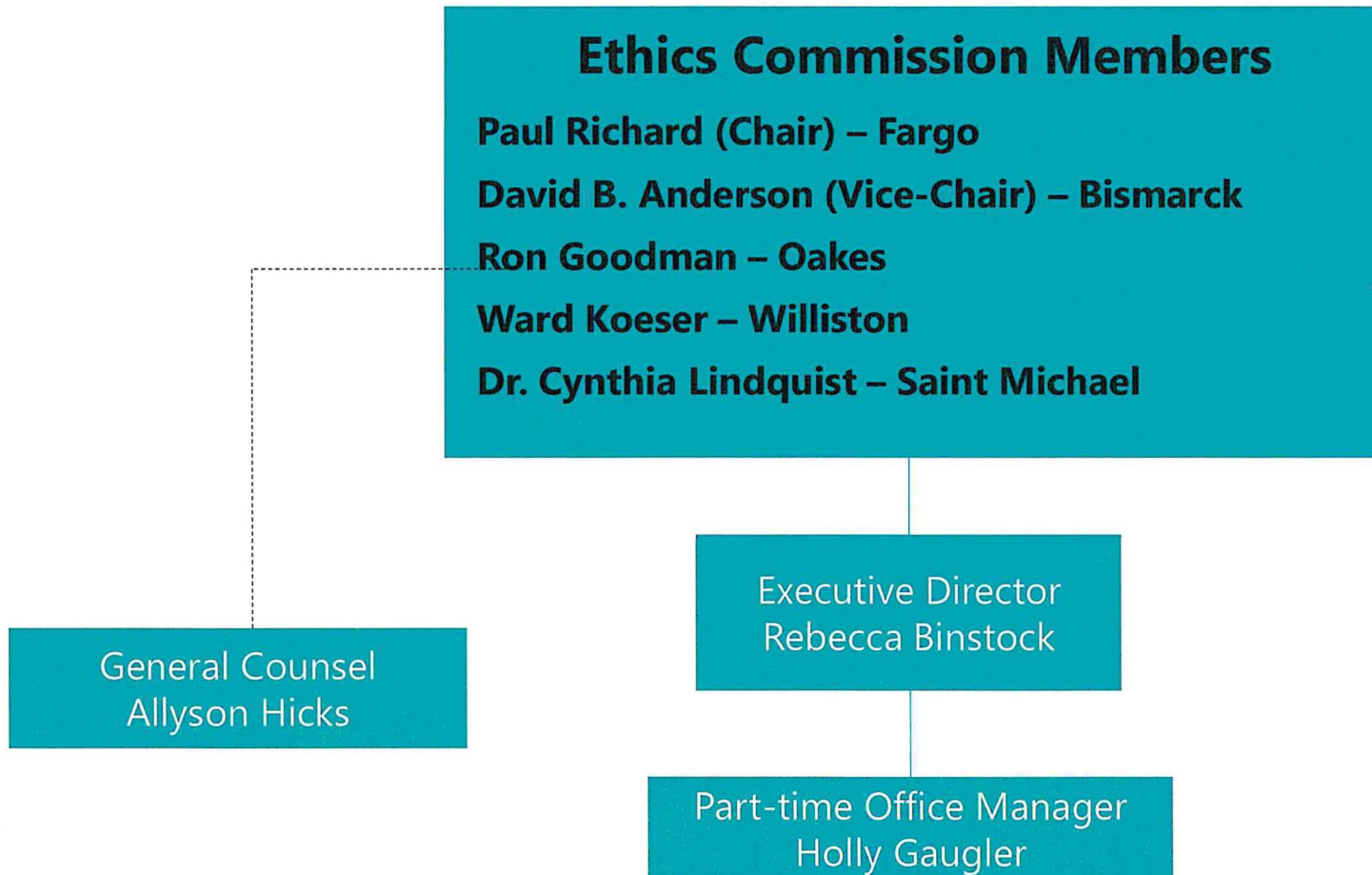
- e. **Increased Data Processing IT Costs - \$7,039** This is the estimated cost of adding an additional employee for equipment, desktop support and line charges.

Mr. Chairman, that concludes my testimony and I will gladly stand for any questions you may have.

# ETHICS COMMISSION

Organizational chart

ATTACHMENT #1



# ND Ethics Commission - HB 2024

## Level of Activity - Statistical Data

ATTACHMENT #2

### Complaints Filed:

<u>Year</u>	<u>Number of Complaints</u>	
2019	2	
2020	3	
2021	9	
2022	14	(12 of 14 have been filed since September 1, 2022)

### Gift Rule Meeting Notices (Effective Oct 6, 2020):

<u>Year</u>	<u>Number of Meeting Notices</u>	
2019	0	
2020	0	
2021	52	
2022	130	(103 of 130 have been filed since September 1, 2022)

### Advisory Opinion Requests (Authorized Effective Aug 1, 2021):

<u>Year</u>	<u>Number of Advisory Opinion Reg</u>	
2019	0	
2020	0	
2021	0	
2022	2	(Both have been requests made after September 1, 2022)

### Number of Special Meetings:

<u>Year</u>	<u>Number of Special Meetings</u>	
2019	2	
2020	0	
2021	0	
2022	5	(All five (5) have been since September 1, 2022)



ND Ethics Commission (Senate Bill 2024)  
2021 - 23 Budget Status as of November 30, 2022

ATTACHMENT #3

**SUMMARIZED**

	<u>2021-23 Base Budget</u>	<u>Expenditures as of November 30, 2022</u>	<u>Remaining Balance</u>
Salaries and Benefits	\$ 477,518.00	\$ 327,677.00	\$ 149,841.00
Operating Expenses	\$ 146,466.00	\$ 81,578.00	\$ 64,888.00
<b>Total General Funds</b>	<b>\$ 623,984.00</b>	<b>\$ 409,255.00</b>	<b>\$ 214,729.00</b>
<b>TOTAL AUTHORIZED FTE's</b>	<b>1</b>		

**DETAIL**

	<u>2021-23 Base Budget</u>	<u>Expenditures as of November 30, 2022</u>	<u>Remaining Balance</u>
<b>Salaries and Benefits</b>			
Salaries - Permanent	\$ 271,194.00	\$ 194,871.00	\$ 76,323.00
Salaries -Other (Commissioners)	\$ 32,700.00	\$ 26,376.00	\$ 6,324.00
Temporary Salaries	\$ 103,624.00	\$ 68,341.00	\$ 35,283.00
Fringe Benefits	\$ 70,000.00	\$ 38,089.00	\$ 31,911.00
	<u>\$ 477,518.00</u>	<u>\$ 327,677.00</u>	<u>\$ 149,841.00</u>
<b>Operating Expenses</b>			
Travel	\$ 16,302.00	\$ 2,532.00	\$ 13,770.00
Supply/Material - Professional	\$ 500.00	\$ 236.00	\$ 264.00
Miscellaneous Supplies	\$ 500.00	\$ 16.00	\$ 484.00
Office Supplies	\$ 2,500.00	\$ 553.00	\$ 1,947.00
Printing	\$ 200.00	\$ 62.00	\$ 138.00
IT Equipment under \$5,000	\$ 1,500.00	\$ -	\$ 1,500.00
Insurance	\$ 250.00	\$ 194.00	\$ 56.00
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ 2,365.00	\$ 1,187.00
Rentals/Leases - Bldg/Land	\$ 52,416.00	\$ 37,128.00	\$ 15,288.00
IT - Data Processing	\$ 33,026.00	\$ 23,147.00	\$ 9,879.00
IT - Communications	\$ 1,920.00	\$ 1,296.00	\$ 624.00
Professional Development	\$ 3,800.00	\$ 3,304.00	\$ 496.00
Operating Fees and Services	\$ 10,000.00	\$ 5,422.00	\$ 4,578.00
Fees - Professional Services	\$ 20,000.00	\$ 5,322.00	\$ 14,678.00
	<u>\$ 146,466.00</u>	<u>\$ 81,577.00</u>	<u>\$ 64,889.00</u>
<b>Total General Funds</b>	<b>\$ 623,984.00</b>	<b>\$ 409,254.00</b>	<b>\$ 214,730.00</b>
<b>TOTAL AUTHORIZED FTE's</b>	<b>1</b>		

**ND Ethics Commission - HB 2024**  
**2023-25 - Agency Request & Executive Recommendation**

	<b>SUMMARIZED</b>					
	(1)		2023-25		(2)	
	Agency 2021-23	OMB Adjusted	Agency Optional	Agency 2023-25	2023-25 Executive	Executive
	<u>Base Budget</u>	<u>2023-25</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>	<u>Recommendation</u>	<u>Change Amount</u>
Salaries and Benefits	\$ 477,518.00	\$ 484,600.00	\$ 279,270.00	\$ 763,870.00	\$ 820,316.00	\$ 56,446.00
Operating Expenses	\$ 146,466.00	\$ 151,330.00	\$ 236,487.00	\$ 387,817.00	\$ 387,817.00	\$ -
<b>Totals</b>	<b>\$ 623,984.00</b>	<b>\$ 635,930.00</b>	<b>\$ 515,757.00</b>	<b>\$ 1,151,687.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 56,446.00</b>
<b>FTEs</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>3</b>	

(1) The 2023-25 Adjusted Base Budget includes \$11,946 for costs to continue salary increases and NDIT rate increases.

(2) The executive recommendation added \$56,446 for proposed salary package with benefits.

	<b>DETAILED</b>					
	(1)		2023-25		(2)	
	Agency 2021-23	OMB Adjusted	Agency Optional	Agency 2023-25	2023-25 Executive	Executive
<u>Salaries and Benefits</u>	<u>Base Budget</u>	<u>2023-25</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>	<u>Recommendation</u>	<u>Change Amount</u>
Salaries - Permanent	\$ 271,194.00	\$ 266,000.00	\$ 260,904.00	\$ 526,904.00	\$ 569,689.00	\$ 42,785.00
Salaries - Other (Commissioners)	\$ 32,700.00	\$ 27,290.00	\$ -	\$ 27,290.00	\$ 27,290.00	\$ -
Temporary Salaries	\$ 103,624.00	\$ 103,624.00	\$ (103,624.00)	\$ -	\$ -	\$ -
Fringe Benefits (FTE)	\$ 70,000.00	\$ 87,686.00	\$ 121,990.00	\$ 209,676.00	\$ 223,337.00	\$ 13,661.00
<b>Total Salaries and Benefits</b>	<b>\$ 477,518.00</b>	<b>\$ 484,600.00</b>	<b>\$ 279,270.00</b>	<b>\$ 763,870.00</b>	<b>\$ 820,316.00</b>	<b>\$ 56,446.00</b>
<b>FTE's</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>3</b>	

	<b>DETAILED</b>					
	(1)		2023-25		(2)	
	Agency 2021-23	OMB Adjusted	Agency Optional	Agency 2023-25	2023-25 Executive	Executive
<u>Operating Expenses</u>	<u>Base Budget</u>	<u>2023-25</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>	<u>Recommendation</u>	<u>Change Amount</u>
Travel	\$ 16,302.00	\$ 15,292.00	\$ 13,448.00	\$ 28,740.00	\$ 28,740.00	\$ -
Professional Supplies	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00	\$ -
Miscellaneous Supplies	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00	\$ -
Office Supplies	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 2,500.00	\$ -
Printing	\$ 200.00	\$ 200.00	\$ -	\$ 200.00	\$ 200.00	\$ -
IT Equipment under \$5000	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00	\$ -
Insurance	\$ 250.00	\$ 250.00	\$ -	\$ 250.00	\$ 250.00	\$ -
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ 3,552.00	\$ -	\$ 3,552.00	\$ 3,552.00	\$ -
Rentals/Leases - Bldg/Land	\$ 52,416.00	\$ 52,416.00	\$ -	\$ 52,416.00	\$ 52,416.00	\$ -
IT - Data Processing	\$ 33,026.00	\$ 41,900.00	\$ 7,039.00	\$ 48,939.00	\$ 48,939.00	\$ -
IT - Communications	\$ 1,920.00	\$ 1,920.00	\$ -	\$ 1,920.00	\$ 1,920.00	\$ -
Professional Development	\$ 3,800.00	\$ 3,800.00	\$ -	\$ 3,800.00	\$ 3,800.00	\$ -
Operating Fees and Services	\$ 10,000.00	\$ 7,000.00	\$ -	\$ 7,000.00	\$ 7,000.00	\$ -
Fees - Professional Services	\$ 20,000.00	\$ 20,000.00	\$ 216,000.00	\$ 236,000.00	\$ 236,000.00	\$ -
<b>Totals Operating Expenses</b>	<b>\$ 146,466.00</b>	<b>\$ 151,330.00</b>	<b>\$ 236,487.00</b>	<b>\$ 387,817.00</b>	<b>\$ 387,817.00</b>	<b>\$ -</b>
<b>Agency Total</b>	<b>\$ 623,984.00</b>	<b>\$ 635,930.00</b>	<b>\$ 515,757.00</b>	<b>\$ 1,151,687.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 56,446.00</b>
<b>TOTAL AUTHORIZED FTEs</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>0</b>

North Dakota Ethics Commission  
Senate Bill 2024  
Testimony presented by  
Executive Director, Rebecca Binstock  
Before the Senate Appropriations Committee  
January 5, 2023

**Agency History**

Good morning, Mr. Chairman and Committee members, my name is Rebecca Binstock. I serve as the Executive Director of the North Dakota Ethics Commission. I began my service with the Ethics Commission in September 2022, replacing then-Executive Director, Dave Thiele, who retired.

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- b. **Executive Assistant FTE – \$164,422** (\$107,952 salary & \$56,470 benefits) The Executive Assistant (Grade 104) will provide administrative and operational support to the Executive Director and Commissioners. Administrative duties are currently performed by part-time temporary Office Manager/Executive Assistant, Holly Gaugler. Ms. Gaugler's hours have significantly increased in past months from approximately 20 hours/week to approximately 30-35 hours/week. It is necessary to transition the position to a full-time FTE position. The Commission also anticipates the administrative duties of the Commission will continue to increase as recent reporting requirements have gone into effect. As the Commission has adopted rules pursuant to the directive of Article XIV, reporting requirements have taken effect. This resulted in a significant increase of filings. As the Commission matures and stakeholders are educated and trained on the jurisdiction of the Commission, we anticipate administrative duties will continue to increase.

This FTE would functionally replace the part-time temporary Office Manager/Executive Assistant. and funding for the part-time position will partially fund this new FTE position (\$103,624).

- c. **Increased Professional Fees - \$216,000** As the Commission matures and implements rules according to ND Constitution Article XIV and N.D.C.C. 54-66, there is an increased requirement to maintain transparency as well as avoid any areas where there maybe conflicts of interest as the Commission carries out its mission. The Commission's base budget has \$20,000 for professional fees.

However, this amount is inadequate to carry out investigations and hire independent counsel when needed.

The Commission's request for additional funding of \$216,000 is an estimate based upon utilizing a special assistant attorney general and other possible professionals at a rate of \$300 per hour for 30 hours per month during the biennium. The basis for additional funding is based upon the Commission needing to hire a special assistant attorney general to provide legal services, this additional funding would also be for other professional services when needed.

- d. **Increased Travel Costs - \$13,448** The Commission has been holding monthly meetings as well as special meetings virtually since Spring of 2020. Although, under the circumstances it has worked well, the Commission would like to increase regular monthly meetings to an in-person meeting at least once a quarter. With increased awareness and education, it also sees meeting lasting two consecutive days rather than just one day per month.

The Commission is a member of the Council on Government Ethics Laws (COGEL), which holds an annual convention each year. This provides the Commissioners with best practices by networking with colleagues throughout the United States. The Commission's goal is to send at least two Commissioners or staff to this event each year of the biennium.

Although, an increase in travel costs (\$13,448) is priority 4, traveling for education and training are critical to creating awareness to our citizens as well as public officials. The Commission is dedicated to providing clarity and awareness of the Commission's jurisdiction and rules and how they can serve North Dakota citizens. Our request includes travel costs for the Executive Director and/or the Education and Training Coordinator travel throughout the state on four (4) separate occasions during the biennium to provide the public training and education opportunities.

- e. **Increased Data Processing IT Costs - \$7,039** This is the estimated cost of adding an additional employee for equipment, desktop support and line charges.

Mr. Chairman, that concludes my testimony and I will gladly stand for any questions you may have.

**ND Ethics Commission - HB 2024  
2023-25 - Agency Request & Executive Recommendation**

ATTACHMENT #4

	(1)		<b>SUMMARIZED</b>			(2)
	Agency 2021-23	OMB Adjusted	2023-25	Agency 2023-25	2023-25 Executive	Executive
	<u>Base Budget</u>	<u>2023-25</u>	<u>Agency Optional</u>	<u>Agency 2023-25</u>	<u>2023-25 Executive</u>	<u>Recommendation</u>
		<u>Base Budget</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>	<u>Recommendation</u>	<u>Change Amount</u>
Salaries and Benefits	\$ 477,518.00	\$ 484,600.00	\$ 279,270.00	\$ 763,870.00	\$ 820,316.00	\$ 56,446.00
Operating Expenses	\$ 146,466.00	\$ 151,330.00	\$ 236,487.00	\$ 387,817.00	\$ 387,817.00	\$ -
<b>Totals</b>	<b>\$ 623,984.00</b>	<b>\$ 635,930.00</b>	<b>\$ 515,757.00</b>	<b>\$ 1,151,687.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 56,446.00</b>
<b>FTEs</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>3</b>	

(1) The 2023-25 Adjusted Base Budget includes \$11,946 for costs to continue salary increases and NDIT rate increases.

(2) The executive recommendation added \$56,446 for proposed salary package with benefits.

	(1)		<b>DETAILED</b>			(2)
	Agency 2021-23	OMB Adjusted	2023-25	Agency 2023-25	2023-25 Executive	Executive
	<u>Base Budget</u>	<u>2023-25</u>	<u>Agency Optional</u>	<u>Agency 2023-25</u>	<u>2023-25 Executive</u>	<u>Recommendation</u>
		<u>Base Budget</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>	<u>Recommendation</u>	<u>Change Amount</u>
<b>Salaries and Benefits</b>						
Salaries - Permanent	\$ 271,194.00	\$ 266,000.00	\$ 260,904.00	\$ 526,904.00	\$ 569,689.00	\$ 42,785.00
Salaries - Other (Commissioners)	\$ 32,700.00	\$ 27,290.00	\$ -	\$ 27,290.00	\$ 27,290.00	\$ -
Temporary Salaries	\$ 103,624.00	\$ 103,624.00	\$ (103,624.00)	\$ -	\$ -	\$ -
Fringe Benefits (FTE)	\$ 70,000.00	\$ 87,686.00	\$ 121,990.00	\$ 209,676.00	\$ 223,337.00	\$ 13,661.00
<b>Total Salaries and Benefits</b>	<b>\$ 477,518.00</b>	<b>\$ 484,600.00</b>	<b>\$ 279,270.00</b>	<b>\$ 763,870.00</b>	<b>\$ 820,316.00</b>	<b>\$ 56,446.00</b>
<b>FTE's</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>3</b>	

	(1)		<b>DETAILED</b>			(2)
	Agency 2021-23	OMB Adjusted	2023-25	Agency 2023-25	2023-25 Executive	Executive
	<u>Base Budget</u>	<u>2023-25</u>	<u>Agency Optional</u>	<u>Agency 2023-25</u>	<u>2023-25 Executive</u>	<u>Recommendation</u>
		<u>Base Budget</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>	<u>Recommendation</u>	<u>Change Amount</u>
<b>Operating Expenses</b>						
Travel	\$ 16,302.00	\$ 15,292.00	\$ 13,448.00	\$ 28,740.00	\$ 28,740.00	\$ -
Professional Supplies	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00	\$ -
Miscellaneous Supplies	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00	\$ -
Office Supplies	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 2,500.00	\$ -
Printing	\$ 200.00	\$ 200.00	\$ -	\$ 200.00	\$ 200.00	\$ -
IT Equipment under \$5000	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00	\$ -
Insurance	\$ 250.00	\$ 250.00	\$ -	\$ 250.00	\$ 250.00	\$ -
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ 3,552.00	\$ -	\$ 3,552.00	\$ 3,552.00	\$ -
Rentals/Leases - Bldg/Land	\$ 52,416.00	\$ 52,416.00	\$ -	\$ 52,416.00	\$ 52,416.00	\$ -
IT - Data Processing	\$ 33,026.00	\$ 41,900.00	\$ 7,039.00	\$ 48,939.00	\$ 48,939.00	\$ -
IT - Communications	\$ 1,920.00	\$ 1,920.00	\$ -	\$ 1,920.00	\$ 1,920.00	\$ -
Professional Development	\$ 3,800.00	\$ 3,800.00	\$ -	\$ 3,800.00	\$ 3,800.00	\$ -
Operating Fees and Services	\$ 10,000.00	\$ 7,000.00	\$ -	\$ 7,000.00	\$ 7,000.00	\$ -
Fees - Professional Services	\$ 20,000.00	\$ 20,000.00	\$ 216,000.00	\$ 236,000.00	\$ 236,000.00	\$ -
<b>Totals Operating Expenses</b>	<b>\$ 146,466.00</b>	<b>\$ 151,330.00</b>	<b>\$ 236,487.00</b>	<b>\$ 387,817.00</b>	<b>\$ 387,817.00</b>	<b>\$ -</b>
<b>Agency Total</b>	<b>\$ 623,984.00</b>	<b>\$ 635,930.00</b>	<b>\$ 515,757.00</b>	<b>\$ 1,151,687.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 56,446.00</b>
<b>TOTAL AUTHORIZED FTEs</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>0</b>



**ND Ethics Commission (Senate Bill 2024)**  
**2021 - 23 Budget Status as of December 31, 2022**

ATTACHMENT #3

<b>SUMMARIZED</b>
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	<u>2021-23</u> <u>Base Budget</u>	<u>Expenditures as of</u> <u>December 31, 2022</u>	<u>Remaining</u> <u>Balance</u>
Salaries and Benefits	\$ 477,518.00	\$ 348,981.00	\$ 128,537.00
Operating Expenses	\$ 146,466.00	\$ 91,253.00	\$ 55,213.00
<b>Total General Funds</b>	<b>\$ 623,984.00</b>	<b>\$ 440,234.00</b>	<b>\$ 183,750.00</b>

**TOTAL AUTHORIZED FTE's** **1**

<b>DETAIL</b>
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	<u>2021-23</u> <u>Base Budget</u>	<u>Expenditures as of</u> <u>December 31, 2022</u>	<u>Remaining</u> <u>Balance</u>
<b>Salaries and Benefits</b>			
Salaries - Permanent	\$ 271,194.00	\$ 205,954.00	\$ 65,240.00
Salaries -Other (Commissioners)	\$ 32,700.00	\$ 27,623.00	\$ 5,077.00
Temporary Salaries	\$ 103,624.00	\$ 73,618.00	\$ 30,006.00
Fringe Benefits	\$ 70,000.00	\$ 41,786.00	\$ 28,214.00
	\$ 477,518.00	\$ 348,981.00	\$ 128,537.00
<b>Operating Expenses</b>			
Travel	\$ 16,302.00	\$ 2,533.00	\$ 13,769.00
Supply/Material - Professional	\$ 500.00	\$ 341.00	\$ 159.00
Miscellaneous Supplies	\$ 500.00	\$ 16.00	\$ 484.00
Office Supplies	\$ 2,500.00	\$ 553.00	\$ 1,947.00
Printing	\$ 200.00	\$ 88.00	\$ 112.00
IT Equipment under \$5,000	\$ 1,500.00	\$ -	\$ 1,500.00
Insurance	\$ 250.00	\$ 194.00	\$ 56.00
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ 2,512.00	\$ 1,040.00
Rentals/Leases - Bldg/Land	\$ 52,416.00	\$ 37,128.00	\$ 15,288.00
IT - Data Processing	\$ 33,026.00	\$ 24,228.00	\$ 8,798.00
IT - Communications	\$ 1,920.00	\$ 1,372.00	\$ 548.00
Professional Development	\$ 3,800.00	\$ 3,327.00	\$ 473.00
Operating Fees and Services	\$ 10,000.00	\$ 6,079.00	\$ 3,921.00
Fees - Professional Services	\$ 20,000.00	\$ 12,882.00	\$ 7,118.00
	\$ 146,466.00	\$ 91,253.00	\$ 55,213.00
<b>Total General Funds</b>	<b>\$ 623,984.00</b>	<b>\$ 440,234.00</b>	<b>\$ 183,750.00</b>

**TOTAL AUTHORIZED FTE's** **1**

## ND Ethics Commission - HB 2024

### Level of Activity - Statistical Data

ATTACHMENT #2

#### Complaints Filed:

<u>Year</u>	<u>Number of Complaints</u>	
2019	2	
2020	3	
2021	9	
2022	14	(12 of 14 have been filed since September 1, 2022)
2023	0	

#### Gift Rule Meeting Notices (Effective Oct 6, 2020):

<u>Year</u>	<u>Number of Meeting Notices</u>	
2019	0	
2020	0	
2021	52	
2022	130	(103 of 130 have been filed since September 1, 2022)
2023	16	

#### Advisory Opinion Requests (Authorized Effective Aug 1, 2021):

<u>Year</u>	<u>Number of Advisory Opinion Req</u>	
2019	0	
2020	0	
2021	0	
2022	2	(Both requests were made after September 1, 2022)
2023	1	

#### Number of Special Meetings:

<u>Year</u>	<u>Number of Special Meetings</u>	
2019	2	
2020	0	
2021	0	
2022	5	(All five (5) have been since September 1, 2022)
2023	0	

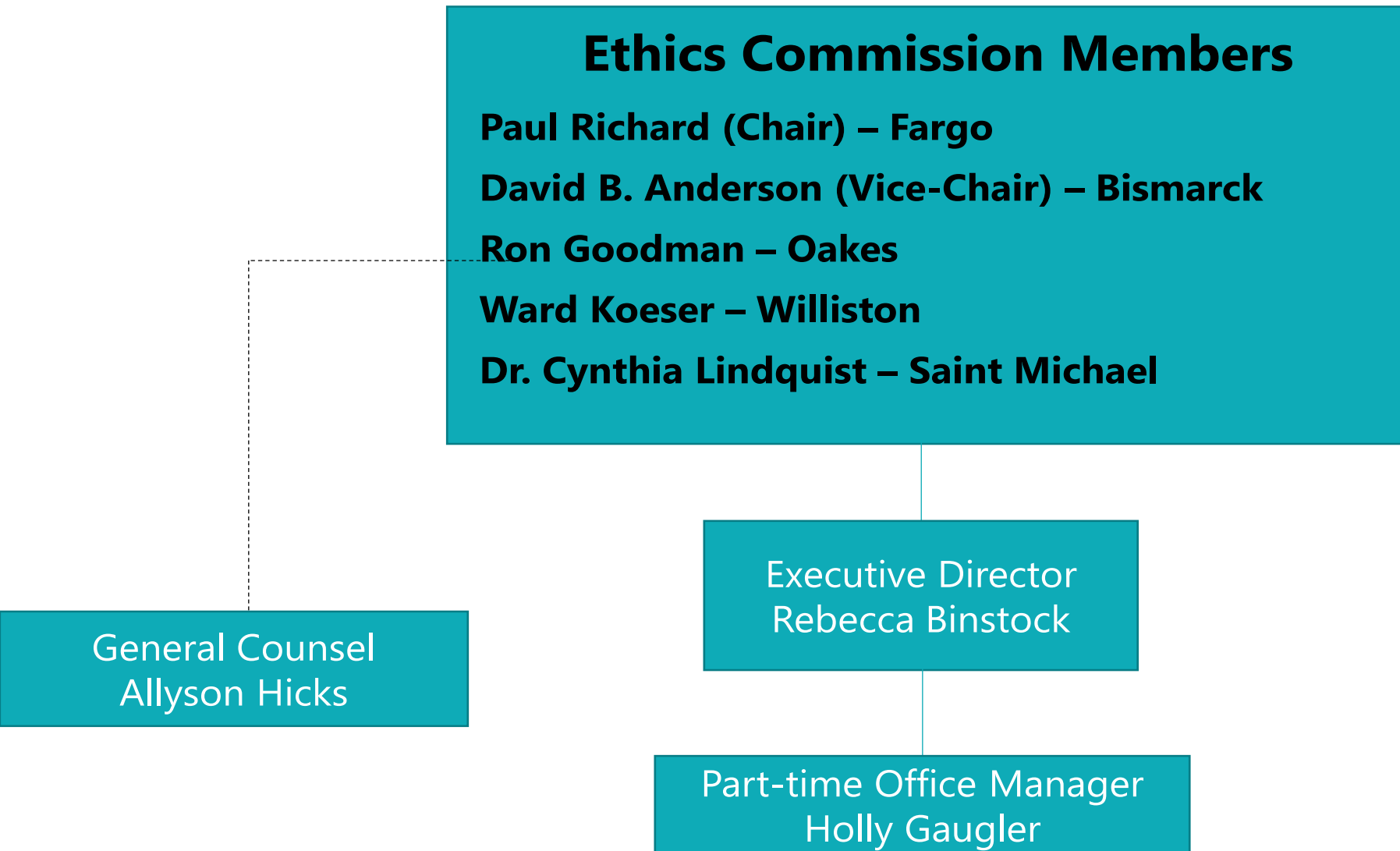
#### Number of Quasi-Judicial Disclosures:

<u>Year</u>	<u>Number of Quasi-Judicial Disclosures</u>	
2022	8	(All eight (8) have been since September 1, 2022)
2023	1	

# ETHICS COMMISSION

Organizational chart

ATTACHMENT #1



North Dakota Ethics Commission  
Senate Bill 2024  
Testimony presented by  
Executive Director, Rebecca Binstock  
Before the Senate Appropriations – Human Services Division  
January 20, 2023

**Agency History**

Good morning, Mr. Chairman and Committee members, my name is Rebecca Binstock. I serve as the Executive Director of the North Dakota Ethics Commission. I began my service with the Ethics Commission in September 2022, replacing then-Executive Director, Dave Thiele, who retired.

The Commission consists of five Commissioners who were appointed September 1, 2019:

- Chair Paul Richard (Fargo)
- Vice-Chair David Anderson (Bismarck)
- Ron Goodman (Oakes)
- Ward Koeser (Williston)
- Dr. Cynthia Lindquist (St. Michael)

The Commission staff consists of the Executive Director and a temporary staff member, Holly Gaugler, who serves as executive assistance and office manager. Pursuant to N.D.C.C. § 54-66-14, the Office of the Attorney General is to provide legal services to the Commission. Assistant Attorney General Allyson Hicks is the appointed legal advisor to the Commission. This past year, the Commission hired attorney Patricia Monson (Fargo) to serve as special assistance attorney general to advise the Commission as to Complaint Nos. 22-003 through 22-010 and 22-012, from which the Office of the Attorney General recused. We have attached our organizational chart (**Attachment No. 1**).

The North Dakota Ethics Commission was created in 2018 by passage of an initiated measure which created Article XIV of the North Dakota Constitution. The Commission is governed by Article XIV of the North Dakota Constitution and North Dakota Century Code Chapter 54-66.

Since its inception, the Commission has adopted complaint rules, gift rules, quasi-judicial proceeding rules, and conflict rules within the timelines outlined by Article XIV of the Constitution. The Commission continues to adopt rules to address transparency, corruption, elections, and lobbying as authorized by the Article XIV of the Constitution.

### **Agency Update**

Over the past three (3) years, the Commission has made considerable progress in adopting rules. Moving forward, the Commissioner's mission includes both rule-making and educational outreach to address citizen, public official, and lobbyist concerns. To achieve our core mission, a considerable amount of our efforts during the remainder of the current biennium as well as the 2023-25 biennium will be directed towards a greater level of communication with all citizens of North Dakota. In an effort to educate citizens about the Ethics Commission, during my short tenure, I have met with lobbyists, North Dakota citizens, state legislators, state agencies, as well as state boards and commissions. We hope to increase this community educational outreach.

Also, the Ethics Commission has had a significant increase in activity, particularly since September 2022. The Commission's activity statistics are attached (**Attachment No. 2**).

### **Current Budget Status (Attachment No. 3)**

The 2021-23 biennial budget for the Ethics Commission is \$623,984 in general funds, which does not include any one-time funding. The Commission is a general funded agency and does not receive federal or special funding. As of December 31, 2022, the Commission has spent \$440,234 with a remaining balance of \$183,750.

To date, the Commission had one audit - with no formal audit findings. A current budget update as of December 31, 2022, is attached (**Attachment No. 3**). Although the Commission's budget is a single budget line, there is a detailed listing of our expenditures included.

When considering the Commission's budget, I would like to direct you to a few points:

- Our current salary budget includes five commission members, one FTE for my position as the Executive Director, and a temporary office manager.
- Operating costs have changed in the most recent portion of the 2021-2023 biennium due to increasing levels of activity.
- The Ethics Commission is facing significant budgetary challenges this biennium as it had to hire a Special Assistant Attorney General (SAAG) in November of this

year to address several complaints that have been filed with the Commission due to the recusal of the Office of the Attorney General.

- The Commission has experienced a significant increase in activity with increased special meetings and an increase in temporary staff hours.
- The Commission anticipates a steady increase in activity as additional rules are implemented, the Commission provides education to those impacted by rules, and general knowledge of the Commission increases.
- To meet financial challenges, the Commission vacated its office space and limited travel and overall expenditures.
- The Commission requested a deficiency of \$97,000 in Senate Bill 2025, which includes \$72,000 for SAAG costs and \$25,000 for minimal remodel costs (to ensure separation from other agencies) for relocation of the office to the capitol in the summer 2023. This makes a total deficiency request in SB 2025 at \$97,000.

#### **2023-25 Budget (Attachment No. 4)**

The Ethics Commission's base budget for the 2023-25 biennium is \$623,984 with one (1) FTE. Our OMB adjusted base budget for 2023-25 is \$635,930 which includes OMB's adjustment to the base of \$11,946 that included a cost to continue the 2021-23 legislative salary increases and an increase for NDIT rates. The adjusted base budget was submitted with an additional request of \$515,757 and two (2) additional FTEs. Attachment No. 4 shows our requested base budget along with the additional adjustments for a total request of \$1,151,687 and three (3) FTEs. The Executive Recommendation included three (3) FTEs and the Commission's optional requests. It also included additional funding of \$56,446 for the proposed executive salary package.

The following is an itemized description and justification for optional budget items:

- a. **Education & Training Coordinator FTE – \$218,472** (\$152,952 salary & \$65,520 benefits) The Education & Training Coordinator (Grade 106) will develop educational materials/curriculum in light of the Ethics Commission's educational goals to help stakeholders better understand the role of the Ethics Commission. This position will develop methods and tools to effectively communicate Ethics Commission's educational goals.

The Ethics Commission was established pursuant to Article XIV of the North Dakota Constitution for the purpose of strengthening the confidence of the people of North Dakota in their Government and supporting open, ethical, and accountable government. To meet that constitutional directive and best support an open, ethical, and accountable government in North Dakota, individuals

(including citizens, state employees, and those who lobby in the State) need to be knowledgeable about the ethical rules in place in North Dakota's Constitution, statutes, and administrative rules.

This FTE will develop and implement a continuing education and communication plan aimed at: (1) educating citizens of North Dakota so they can be knowledgeable about the role of the Ethics Commission, (2) effectively communicating with the citizens of North Dakota so they can understand how the ethical rules in the Constitution, statutes, and administrative rules function, and (3) training individuals subject to the Ethics Commission's oversight how to fully comply with the rules. This role is critical to the Ethics Commission's role in supporting an open, ethical, and accountable government.

- b. **Executive Assistant FTE – \$164,422** (\$107,952 salary & \$56,470 benefits) The Executive Assistant (Grade 104) will provide administrative and operational support to the Executive Director and Commissioners. Administrative duties are currently performed by part-time temporary Office Manager/Executive Assistant, Holly Gaugler. Ms. Gaugler's hours have significantly increased in past months from approximately 20 hours/week to approximately 30-35 hours/week. It is necessary to transition the position to a full-time FTE position. The Commission also anticipates the administrative duties of the Commission will continue to increase as recent reporting requirements have gone into effect. As the Commission has adopted rules pursuant to the directive of Article XIV, reporting requirements have taken effect. This resulted in a significant increase of filings. As the Commission matures and stakeholders are educated and trained on the jurisdiction of the Commission, we anticipate administrative duties will continue to increase.

This FTE would functionally replace the part-time temporary Office Manager/Executive Assistant. and funding for the part-time position will partially fund this new FTE position (\$103,624).

- c. **Increased Professional Fees - \$216,000** As the Commission matures and implements rules according to ND Constitution Article XIV and N.D.C.C. 54-66, there is an increased requirement to maintain transparency as well as avoid any areas where there maybe conflicts of interest as the Commission carries out its mission. The Commission's base budget has \$20,000 for professional fees.

However, this amount is inadequate to carry out investigations and hire independent counsel when needed.

The Commission's request for additional funding of \$216,000 is an estimate based upon utilizing a special assistant attorney general and other possible professionals at a rate of \$300 per hour for 30 hours per month during the biennium. The basis for additional funding is based upon the Commission needing to hire a special assistant attorney general to provide legal services, this additional funding would also be for other professional services when needed.

- d. **Increased Travel Costs - \$13,448** The Commission has been holding monthly meetings as well as special meetings virtually since Spring of 2020. Although, under the circumstances it has worked well, the Commission would like to increase regular monthly meetings to an in-person meeting at least once a quarter. With increased awareness and education, it also sees meeting lasting two consecutive days rather than just one day per month.

The Commission is a member of the Council on Government Ethics Laws (COGEL), which holds an annual convention each year. This provides the Commissioners with best practices by networking with colleagues throughout the United States. The Commission's goal is to send at least two Commissioners or staff to this event each year of the biennium.

Although, an increase in travel costs (\$13,448) is priority 4, traveling for education and training are critical to creating awareness to our citizens as well as public officials. The Commission is dedicated to providing clarity and awareness of the Commission's jurisdiction and rules and how they can serve North Dakota citizens. Our request includes travel costs for the Executive Director and/or the Education and Training Coordinator travel throughout the state on four (4) separate occasions during the biennium to provide the public training and education opportunities.

- e. **Increased Data Processing IT Costs - \$7,039** This is the estimated cost of adding an additional employee for equipment, desktop support and line charges.

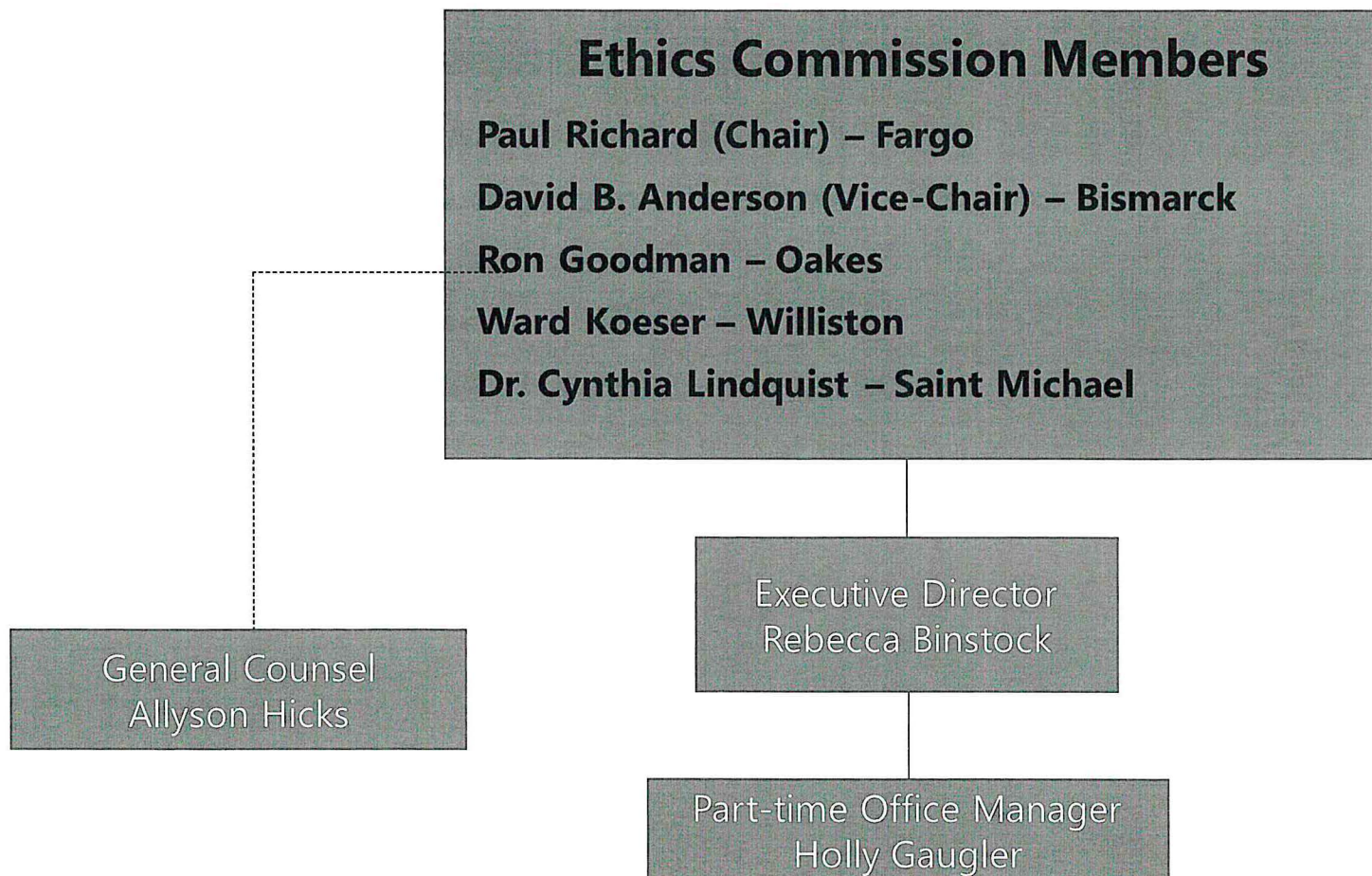
Mr. Chairman, that concludes my testimony and I will gladly stand for any questions you may have.



# ETHICS COMMISSION

Organizational chart

ATTACHMENT#1



# ND Ethics Commission - HB 2024

## Level of Activity - Statistical Data

ATTACHMENT #2

### Complaints Filed:

<u>Year</u>	<u>Number of Complaints</u>	
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### Number of Quasi-Judicial Disclosures:

<u>Year</u>	<u>Number of Quasi-Judicial Disclosures</u>	
2022	8	(All eight (8) have been since September 1, 2022)
2023	1	

**ND Ethics Commission (Senate Bill 2024)  
2021 - 23 Budget Status as of December 31, 2022**

**ATTACHMENT #3**

**SUMMARIZED**

	<u>2021-23 Base Budget</u>	<u>Expenditures as of December 31, 2022</u>	<u>Remaining Balance</u>
Salaries and Benefits	\$ 477,518.00	\$ 348,981.00	\$ 128,537.00
Operating Expenses	\$ 146,466.00	\$ 91,253.00	\$ 55,213.00
<b>Total General Funds</b>	<b>\$ 623,984.00</b>	<b>\$ 440,234.00</b>	<b>\$ 183,750.00</b>
<b>TOTAL AUTHORIZED FTE's</b>	<b>1</b>		

**DETAIL**

	<u>2021-23 Base Budget</u>	<u>Expenditures as of December 31, 2022</u>	<u>Remaining Balance</u>
<b>Salaries and Benefits</b>			
Salaries - Permanent	\$ 271,194.00	\$ 205,954.00	\$ 65,240.00
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<b>Operating Expenses</b>			
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Insurance	\$ 250.00	\$ 194.00	\$ 56.00
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ 2,512.00	\$ 1,040.00
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<b>Total General Funds</b>	<b>\$ 623,984.00</b>	<b>\$ 440,234.00</b>	<b>\$ 183,750.00</b>
<b>TOTAL AUTHORIZED FTE's</b>	<b>1</b>		

	(1) OMB Adjusted 2023-25			SUMMARIZED		(2) Executive Recommendation	
	Agency 2021-23 Base Budget	2023-25 Base Budget	2023-25 Agency Optional Budget Changes	Agency 2023-25 Total Budget Request	2023-25 Executive Recommendation	Change Amount	
Salaries and Benefits	\$ 477,518.00	\$ 484,600.00	\$ 279,270.00	\$ 763,870.00	\$ 820,316.00	\$ 56,446.00	
Operating Expenses	\$ 146,466.00	\$ 151,330.00	\$ 236,487.00	\$ 387,817.00	\$ 387,817.00	\$ -	
<b>Totals</b>	<b>\$ 623,984.00</b>	<b>\$ 635,930.00</b>	<b>\$ 515,757.00</b>	<b>\$ 1,151,687.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 56,446.00</b>	
FTEs	1	1	2	3	3		

(1) The 2023-25 Adjusted Base Budget includes \$11,946 for costs to continue salary increases and NDIT rate increases.

(2) The executive recommendation added \$56,446 for proposed salary package with benefits.

	(1) OMB Adjusted 2023-25			DETAILED		(2) Executive Recommendation	
	Agency 2021-23 Base Budget	2023-25 Base Budget	2023-25 Agency Optional Budget Changes	Agency 2023-25 Total Budget Request	2023-25 Executive Recommendation	Change Amount	
Salaries - Permanent	\$ 271,194.00	\$ 266,000.00	\$ 260,904.00	\$ 526,904.00	\$ 569,689.00	\$ 42,785.00	
Salaries - Other (Commissioners)	\$ 32,700.00	\$ 27,290.00	\$ -	\$ 27,290.00	\$ 27,290.00	\$ -	
Temporary Salaries	\$ 103,624.00	\$ 103,624.00	\$ (103,624.00)	\$ -	\$ -	\$ -	
Fringe Benefits (FTE)	\$ 70,000.00	\$ 87,686.00	\$ 121,990.00	\$ 209,676.00	\$ 223,337.00	\$ 13,661.00	
<b>Total Salaries and Benefits</b>	<b>\$ 477,518.00</b>	<b>\$ 484,600.00</b>	<b>\$ 279,270.00</b>	<b>\$ 763,870.00</b>	<b>\$ 820,316.00</b>	<b>\$ 56,446.00</b>	
FTE's	1	1	2	3	3		

	(1) OMB Adjusted 2023-25			DETAILED		(2) Executive Recommendation	
	Agency 2021-23 Base Budget	2023-25 Base Budget	2023-25 Agency Optional Budget Changes	Agency 2023-25 Total Budget Request	2023-25 Executive Recommendation	Change Amount	
Travel	\$ 16,302.00	\$ 15,292.00	\$ 13,448.00	\$ 28,740.00	\$ 28,740.00	\$ -	
Professional Supplies	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00	\$ -	
Miscellaneous Supplies	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00	\$ -	
Office Supplies	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 2,500.00	\$ -	
Printing	\$ 200.00	\$ 200.00	\$ -	\$ 200.00	\$ 200.00	\$ -	
IT Equipment under \$5000	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00	\$ -	
Insurance	\$ 250.00	\$ 250.00	\$ -	\$ 250.00	\$ 250.00	\$ -	
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ 3,552.00	\$ -	\$ 3,552.00	\$ 3,552.00	\$ -	
Rentals/Leases - Bldg/Land	\$ 52,416.00	\$ 52,416.00	\$ -	\$ 52,416.00	\$ 52,416.00	\$ -	
IT - Data Processing	\$ 33,026.00	\$ 41,900.00	\$ 7,039.00	\$ 48,939.00	\$ 48,939.00	\$ -	
IT - Communications	\$ 1,920.00	\$ 1,920.00	\$ -	\$ 1,920.00	\$ 1,920.00	\$ -	
Professional Development	\$ 3,800.00	\$ 3,800.00	\$ -	\$ 3,800.00	\$ 3,800.00	\$ -	
Operating Fees and Services	\$ 10,000.00	\$ 7,000.00	\$ -	\$ 7,000.00	\$ 7,000.00	\$ -	
Fees - Professional Services	\$ 20,000.00	\$ 20,000.00	\$ 216,000.00	\$ 236,000.00	\$ 236,000.00	\$ -	
<b>Totals Operating Expenses</b>	<b>\$ 146,466.00</b>	<b>\$ 151,330.00</b>	<b>\$ 236,487.00</b>	<b>\$ 387,817.00</b>	<b>\$ 387,817.00</b>	<b>\$ -</b>	
<b>Agency Total</b>	<b>\$ 623,984.00</b>	<b>\$ 635,930.00</b>	<b>\$ 515,757.00</b>	<b>\$ 1,151,687.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 56,446.00</b>	
<b>TOTAL AUTHORIZED FTEs</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>0</b>	

23.0278.01002  
Title.

Prepared by the Legislative Council staff for  
the Senate Appropriations - Human Resources  
Division Committee

Fiscal No. 2

February 8, 2023

PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

Page 1, replace lines 9 through 13 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Ethics commission	\$623,984	\$427,992	\$1,051,976
Total general fund	\$623,984	\$427,992	\$1,051,976
Full-time equivalent positions	1.00	1.00	2.00"

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - Senate Action**

	Base Budget	Senate Changes	Senate Version
Ethics commission	\$623,984	\$427,992	\$1,051,976
Total all funds	\$623,984	\$427,992	\$1,051,976
Less estimated income	0	0	0
General fund	\$623,984	\$427,992	\$1,051,976
FTE	1.00	1.00	2.00

**Department 195 - Ethics Commission - Detail of Senate Changes**

	Adjusts Funding for Base Payroll and Budget Changes <sup>1</sup>	Adds Funding for Salary and Benefit Increases <sup>2</sup>	Converts Temporary Position to FTE Position <sup>3</sup>	Adds Funding for Temporary Salaries <sup>4</sup>	Increases Operating Funding <sup>5</sup>	Total Senate Changes
Ethics commission	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
Total all funds	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
Less estimated income	0	0	0	0	0	0
General fund	\$3,072	\$32,524	\$60,798	\$100,000	\$231,598	\$427,992
FTE	0.00	0.00	1.00	0.00	0.00	1.00

<sup>1</sup> Funding is adjusted for base payroll and budget changes.

<sup>2</sup> The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

General Fund

Salary increase	\$27,262
Health insurance increase	5,262
Total	\$32,524

<sup>3</sup> Funding from the general fund is added to convert a temporary FTE position to an executive assistant FTE position.

<sup>4</sup> Funding is added for temporary salaries to assist with education and outreach efforts.

<sup>5</sup> Funding from the general fund is increased for the following operating expenses:

- Travel funding is increased by \$6,724 to provide total funding of \$22,016.

- Information technology funding is increased by \$8,874 to provide total funding of \$48,939.
- Professional fee services funding is increased by \$216,000 to provide total funding of \$236,000.

23.0278.01002

Sixty-eighth  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2024**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the ethics  
2 commission.

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

4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
5 as may be necessary, are appropriated out of any moneys in the general fund in the state  
6 treasury, not otherwise appropriated, to the ethics commission for the purpose of defraying the  
7 expenses of the ethics commission, for the biennium beginning July 1, 2023, and ending  
8 June 30, 2025, as follows:

<u>Governor's</u>			
	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
<u>Ethics commission</u>	<u>\$623,984</u>	<u>\$1,208,133</u>	<u>\$623,984</u>
<u>Total general fund</u>	<u>\$623,984</u>	<u>\$1,208,133</u>	<u>\$623,984</u>
<u>Full-time equivalent positions</u>	<u>1.00</u>	<u>3.00</u>	<u>1.00</u>
<u>Adjustments or</u>			
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
<u>Ethics commission</u>	<u>\$623,984</u>	<u>\$427,992</u>	<u>\$1,051,976</u>
<u>Total general fund</u>	<u>\$623,984</u>	<u>\$427,992</u>	<u>\$1,051,976</u>
<u>Full-time equivalent positions</u>	<u>1.00</u>	<u>1.00</u>	<u>2.00</u>

Prepared for the Senate Appropriations Committee

**Department 195 - Ethics Commission  
Senate Bill No. 2024**

**Executive Budget Comparison to Base Level**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2023-25 Executive Budget	\$1,208,133	\$0	\$1,208,133
2023-25 Base Level	623,984	0	623,984
Increase (Decrease)	\$584,149	\$0	\$584,149

**Selected Budget Changes Recommended in the Executive Budget**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
1. Adds funding for state employee salary and benefit increases, of which \$51,302 is for salary increases and \$5,144 is for health insurance increases	\$56,466	\$0	\$56,466
2. Adds 1 FTE education and training position	\$225,511	\$0	\$225,511
3. Converts a temporary position to an FTE executive assistant position	\$60,798	\$0	\$60,798
4. Increases funding for professional fees and services from \$20,000 to \$236,000	\$216,000	\$0	\$216,000
5. Increases funding for travel from \$15,292 to \$28,740	\$13,448	\$0	\$13,448

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.

**Continuing Appropriations**

There are no continuing appropriations for this agency.

**Deficiency Appropriations**

The executive budget recommends a general fund deficiency appropriation of \$97,000 for the Ethics Commission for Attorney General costs (\$72,000) and an office relocation project (\$20,000).

**Significant Audit Findings**

There are no significant audit findings for this agency.

**Major Related Legislation**

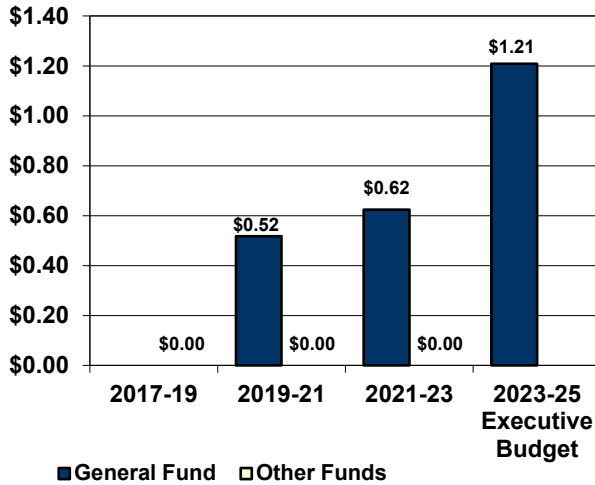
At this time no major related legislation affecting this agency has been introduced.



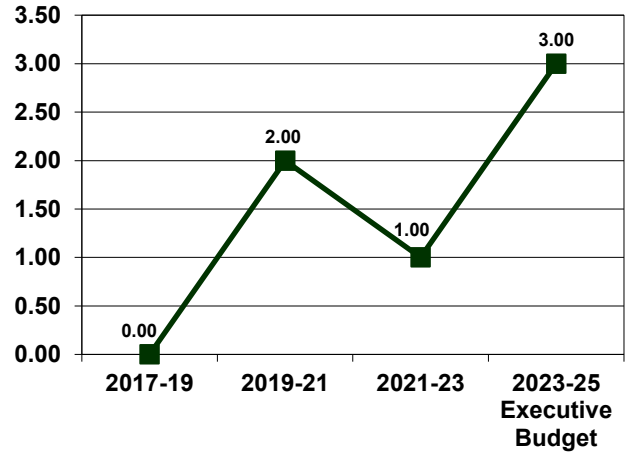
# Historical Appropriations Information

## Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Note: The Ethics Commission was enacted in House Bill No. 1521 (2019) and there are no appropriations for this agency prior to the 2019-21 biennium.

### Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	N/A	N/A	\$517,155	\$623,984	\$1,206,308
Increase (decrease) from previous biennium	N/A	N/A	N/A	\$106,829	\$582,324
Percentage increase (decrease) from previous biennium	N/A	N/A	N/A	20.7%	93.3%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	N/A	N/A	N/A	N/A

### Major Increases (Decreases) in Ongoing General Fund Appropriations

#### 2019-21 Biennium

- Added funding and 2 FTE positions to create the Ethics Commission \$517,155

#### 2021-23 Biennium

- Reduced funding for operating expenses (\$25,858)
- Removed a vacant FTE position \$0

#### 2023-25 Biennium (Executive Budget Recommendation)

- Adds 1 FTE education and training position \$223,686
- Converts a temporary position to an FTE executive assistant position \$60,798
- Increases funding for professional fees and services from \$20,000 to \$236,000 \$216,000

**Ethics Commission - Budget No. 195**  
**Senate Bill No. 2024**  
**Base Level Funding Changes**

	<b>Executive Budget Recommendation</b>			
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2023-25 Biennium Base Level</b>	1.00	\$623,984	\$0	\$623,984
<b>2023-25 Ongoing Funding Changes</b>				
Base payroll and budget changes		\$3,072		\$3,072
Salary increase		51,302		51,302
Health insurance increase		5,144		5,144
Information technology rate increase		8,874		8,874
Education and training FTE position	1.00	223,686		223,686
Convert temporary salaries to FTE position	1.00	60,798		60,798
Professional fees increase		216,000		216,000
Travel costs increase		13,448		13,448
<b>Total ongoing funding changes</b>	<b>2.00</b>	<b>\$582,324</b>	<b>\$0</b>	<b>\$582,324</b>
<b>One-time funding items</b>				
Education and training position one-time		\$1,825		\$1,825
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$1,825</b>	<b>\$0</b>	<b>\$1,825</b>
<b>Total Changes to Base Level Funding</b>	<b>2.00</b>	<b>\$584,149</b>	<b>\$0</b>	<b>\$584,149</b>
<b>2023-25 Total Funding</b>	<b>3.00</b>	<b>\$1,208,133</b>	<b>\$0</b>	<b>\$1,208,133</b>
<i>Federal funds included in other funds</i>			\$0	
<i>Total ongoing changes as a percentage of base level</i>	<i>200.0%</i>	<i>93.3%</i>		<i>93.3%</i>
<i>Total changes as a percentage of base level</i>	<i>200.0%</i>	<i>93.6%</i>		<i>93.6%</i>

**Other Sections in Ethics Commission - Budget No. 195**

**Executive Budget Recommendation**

There are no other sections recommended to be added in the executive budget.

**SENATE BILL NO. 2024**  
**(Governor's Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the ethics commission.

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

**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, to the ethics commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2023 and ending June 30, 2025, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Ethics Commission	\$ 623,984	\$ 584,149	\$1,208,133
Total General Fund	\$ 623,984	\$ 584,149	\$1,208,133
Full-time Equivalent Positions	1.00	2.00	3.00

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Information Technology Costs	\$0	\$1,825
Total General Fund	\$0	\$1,825

North Dakota Ethics Commission  
Senate Bill 2024  
Testimony presented by  
Executive Director, Rebecca Binstock  
Before the House Appropriations - Government Operations  
March 23, 2023

**Agency History**

Good afternoon, Mr. Chairman and Committee members, my name is Rebecca Binstock. I serve as the Executive Director of the North Dakota Ethics Commission.

The Commission consists of five Commissioners who were appointed September 1, 2019:

- Chair Paul Richard (Fargo)
- Vice-Chair David Anderson (Bismarck)
- Ron Goodman (Oakes)
- Ward Koeser (Williston)
- Dr. Cynthia Lindquist (St. Michael)

The Commission staff consists of the Executive Director and a temporary staff member, Holly Gaugler, who serves as both executive assistance and office manager. Pursuant to N.D.C.C. § 54-66-14, the Office of the Attorney General is to provide legal services to the Commission. Assistant Attorney General Allyson Hicks is the appointed legal advisor to the Commission. This past year, the Commission hired attorney Patricia Monson (Fargo) to serve as special assistance attorney general to advise the Commission as to Complaint Nos. 22-003 through 22-010 and 22-012, from which the Office of the Attorney General recused. We have attached our organizational chart (**Attachment No. 1**).

The Commission is governed by Article XIV of the North Dakota Constitution and North Dakota Century Code Chapter 54-66. The mission of the North Dakota Ethics Commission is to strengthen the confidence of the citizens of North Dakota in their Government by ensuring and promoting transparency and accountability.

## **Agency Update**

Over the past three (3) years, the Commission has adopted complaint rules, gift rules, quasi-judicial proceeding rules, and conflict rules within the timelines outlined by Article XIV of the Constitution. The Commission continues to adopt rules to address ethics related to transparency, corruption, elections, and lobbying as authorized by the Article XIV of the Constitution.

Moving forward, the Commissioner's mission includes both rule-making and educational outreach to address citizen, public official, and lobbyist concerns. To achieve our core mission, a considerable amount of our efforts during the remainder of the current biennium as well as the 2023-25 biennium will be directed towards a greater level of communication and education with all citizens of North Dakota.

In an effort to educate citizens about the Ethics Commission, during my short tenure, I have met with lobbyists, North Dakota citizens, state legislators, state agencies, as well as state boards and commissions in an effort to increase communication and outreach. The Ethics Commission hopes to increase this community outreach and education, as I will discuss later, through the 2023-2025 biennium.

The Ethics Commission has also had a significant increase in activity in recent months, particularly since September 2022. The Commission's activity statistics are attached (**Attachment No. 2**).

## **Current Budget Status (Attachment No. 3)**

The 2021-23 biennial budget for the Ethics Commission is \$623,984 in general funds, which does not include any one-time funding. The Commission is a general funded agency and does not receive federal or special funding. As of February 28, 2023, the Commission has spent \$492,516 with a remaining balance of \$131,468.

To date, the Commission has had one audit - with no formal audit findings. A current budget update as of February 28, 2023, is attached (**Attachment No. 3**). Although the Commission's budget is a single budget line, there is a detailed listing of our expenditures included.

When considering the Commission's budget, I would like to direct you to a few points:

- Our current salary budget includes five commission members, one FTE for my position as the Executive Director, and a temporary office manager.

- Operating costs have changed in the most recent portion of the 2021-2023 biennium due to increasing levels of activity.
- The Ethics Commission is facing significant budgetary challenges this biennium as it had to hire a Special Assistant Attorney General (SAAG) in November of this year to address several complaints that have been filed with the Commission due to the recusal of the Office of the Attorney General.
- The Commission has experienced a significant increase in activity with increased special meetings and an increase in temporary staff hours.
- The Commission anticipates a steady increase in activity as rules have recently been adopted and additional rules are implemented, the Commission provides education to those impacted by rules, and general knowledge of the Commission increases.
- To meet financial challenges, the Commission vacated its office space and limited travel and overall expenditures.
- The Commission requested a deficiency of \$97,000 in Senate Bill 2025, which includes \$72,000 for SAAG costs and \$25,000 for minimal remodel costs (to ensure separation from other agencies) and for data line and equipment install in relocating the office to the capitol in June 2023. This made a total deficiency request in SB 2025 of \$97,000. I address this again in the last part of my testimony.

#### **2023-25 Budget Request (Attachment No. 4)**

The Commission is seeking a total of \$1,151,687 with three (3) FTEs to fund and sufficiently support the Commission for the 2023-2025 biennium, as proposed in the Executive Recommendation.

The Ethics Commission's base budget for the 2023-25 biennium is \$623,984 with one (1) FTE. Our OMB adjusted base budget for 2023-25 is \$635,930 which includes OMB's adjustment to the base of \$11,946 that included a cost to continue the 2021-23 legislative salary increases and an increase for NDIT rates. The adjusted base budget was submitted with an additional request of \$515,757 and two (2) additional FTEs. Attachment No. 4 shows our requested base budget along with the additional adjustments for a total request of \$1,151,687 and three (3) FTEs. The Executive Recommendation included three (3) FTEs and the Commission's optional requests. It also included additional funding of \$56,446 for the proposed executive salary package.

As included in the Executive Recommendation, the Ethics Commission is requesting five (5) additions to the adjusted base budget:

- (1) An FTE for an education and training coordinator;
- (2) An FTE for an executive assistant;

- (3) \$216,000 for professional fees;
- (4) \$13,448 for travel expenses; and
- (5) \$7,039 in NDI Data Processing Costs.

The following is an itemized description and justification for optional budget items:

- a. **Education & Training Coordinator FTE – \$218,472** (\$152,952 salary & \$65,520 benefits) The Education & Training Coordinator (Grade 106) will develop educational materials/curriculum in light of the Ethics Commission’s educational goals to help stakeholders better understand the role of the Ethics Commission. This position will develop content, methods, and tools to effectively communicate Ethics Commission’s educational goals to stakeholders.

The Ethics Commission was established pursuant to Article XIV of the North Dakota Constitution for the purpose of strengthening the confidence of the people of North Dakota in their Government and supporting open, ethical, and accountable government. To meet that constitutional directive and best support an open, ethical, and accountable government in North Dakota, individuals need to be knowledgeable about the ethical rules in place in North Dakota’s Constitution, statutes, and administrative rules.

This FTE will develop and implement a continuing education and communication plan aimed at: (1) educating citizens of North Dakota so they can be knowledgeable about the role of the Ethics Commission, (2) effectively communicating with the citizens of North Dakota so they can understand how the ethical rules in the Constitution, statutes, and administrative rules function, and (3) training individuals subject to the Ethics Commission’s oversight how to fully comply with the rules.

This FTE will develop and communicate educational content specific to groups of stakeholders, namely: public citizens of North Dakota, lobbyists, legislators and legislative employees, elected and appointment officials in the executive branch, and administrative boards and commissions. Both the content and communication method will be tailored to the stakeholder group. The Commission’s approach to education is wholistic and proactive aimed toward increasing an understanding of the rules, reducing frivolous complaints, promoting consistent implementation of the rules, and developing situational awareness for ethical concerns. The Commission believes this FTE is critical to the Ethics Commission’s role in supporting an open, ethical, and accountable government.

- b. **Executive Assistant FTE – \$164,422** (\$107,952 salary & \$56,470 benefits) The Executive Assistant (Grade 104) will provide administrative and operational support to the Executive Director and Commissioners. Administrative duties are currently performed by part-time temporary Office Manager/Executive Assistant, Holly Gaugler. Ms. Gaugler’s hours have significantly increased in past months from approximately 20 hours/week to approximately 35 hours/week. It is necessary to transition the position to a full-time FTE position. The Commission also anticipates the administrative duties of the Commission will continue to increase as recent reporting requirements have gone into effect. As the Commission has adopted rules pursuant to the directive of Article XIV, reporting requirements have taken effect. This has resulted in a significant increase of filings. As the Commission matures and stakeholders are educated and trained on the jurisdiction of the Commission, we anticipate administrative duties will continue to increase.

This FTE would functionally replace the part-time temporary Office Manager/Executive Assistant. Current funding for the part-time position will partially fund this new FTE position (\$103,624).

- c. **Increased Professional Fees - \$216,000** As the Commission matures and implements rules according to ND Constitution Article XIV and N.D.C.C. 54-66, there is an increased requirement to maintain transparency as well as avoid any areas where there may be conflicts of interest as the Commission carries out its mission. The Commission’s base budget has \$20,000 for professional fees. However, this amount is inadequate to carry out investigations and hire independent counsel when needed.

The Commission’s request for additional funding of \$216,000 is an estimate based upon utilizing a special assistant attorney general and other possible professionals at a rate of \$300 per hour for 30 hours per month during the biennium. The basis for additional funding is based upon the Commission needing to hire a special assistant attorney general to provide legal services, this additional funding would also be for other professional services when needed. The Commission believes this is a conservative estimate for professional fees.

- d. **Increased Travel Costs - \$13,448** The Commission has been holding monthly meetings as well as special meetings virtually since Spring of 2020. Although, under the circumstances it has worked well, the Commission would like to



increase regular monthly meetings to an in-person meeting at least once a quarter. With increased awareness and education, it also sees meetings lasting two consecutive days rather than just one day per month.

The Commission is a member of the Council on Government Ethics Laws (COGEL), which holds an annual convention each year. This provides the Commissioners with best practices by networking with colleagues throughout the United States. The Commission's goal is to send at least two Commissioners or staff to this event each year of the biennium.

Although, an increase in travel costs (\$13,448) is priority 4, traveling for education and training are critical to creating awareness to our citizens as well as public officials. The Commission is dedicated to providing clarity and awareness of the Commission's jurisdiction and rules and how they can serve North Dakota citizens. Our request includes travel costs for the Executive Director and/or the Education and Training Coordinator travel throughout the state on four (4) separate occasions during the biennium to provide the public training and education opportunities.

- e. **Increased Data Processing IT Costs - \$7,039** This is the estimated cost of adding an additional employee for equipment, desktop support and line charges. Of this amount, \$1,825 is considered one-time cost for a laptop.

### **Senate Appropriations Budget Changes (Attachment No. 5)**

Attachment No. 5 shows changes made by the Senate Appropriations to the executive recommendation:

1. The request for a Training and Education Coordinator FTE (\$218, 472) was removed, however, \$100,000 was added to hire a temporary employee to assume the duties.
2. Permanent salaries and benefits were also reduced to provide a 4%/4% salary increase instead of the executive recommendation of a 6%/4% salary increase.
3. The executive recommendation included a \$13,448 increase in travel and this was reduced by 50% (\$6,724).
4. The budget request and executive recommendation also included \$7,039 for NDIT costs for the Training and Education Coordinator FTE which was removed in the Senate version.

The Commission requests any changes made by the Senate be restored to meet the Executive Recommendation.

**Proposed Deficiency and Carry-Over Amendment (Attachment No. 6)**

As discussed above, the Commission had an appropriation of \$97,000 included in OMB's deficiency bill, Senate Bill 2025. The \$97,000 includes \$25,000 for relocation and remodel costs to move into the capitol this spring and \$72,000 for a special assistant attorney general (SAAG) hired in November 2022. On March 13<sup>th</sup> during a hearing of the House Appropriations Committee, the Ethics Commission provided testimony requesting a carry-over for this amount in SB 2025 to the 2023-25 biennium as the Commission is uncertain that the expenditures would all be incurred by June 30, 2023. On March 16<sup>th</sup>, the House Appropriations removed the full amount of \$97,000 and indicated during committee work that it would be added to SB 2024.

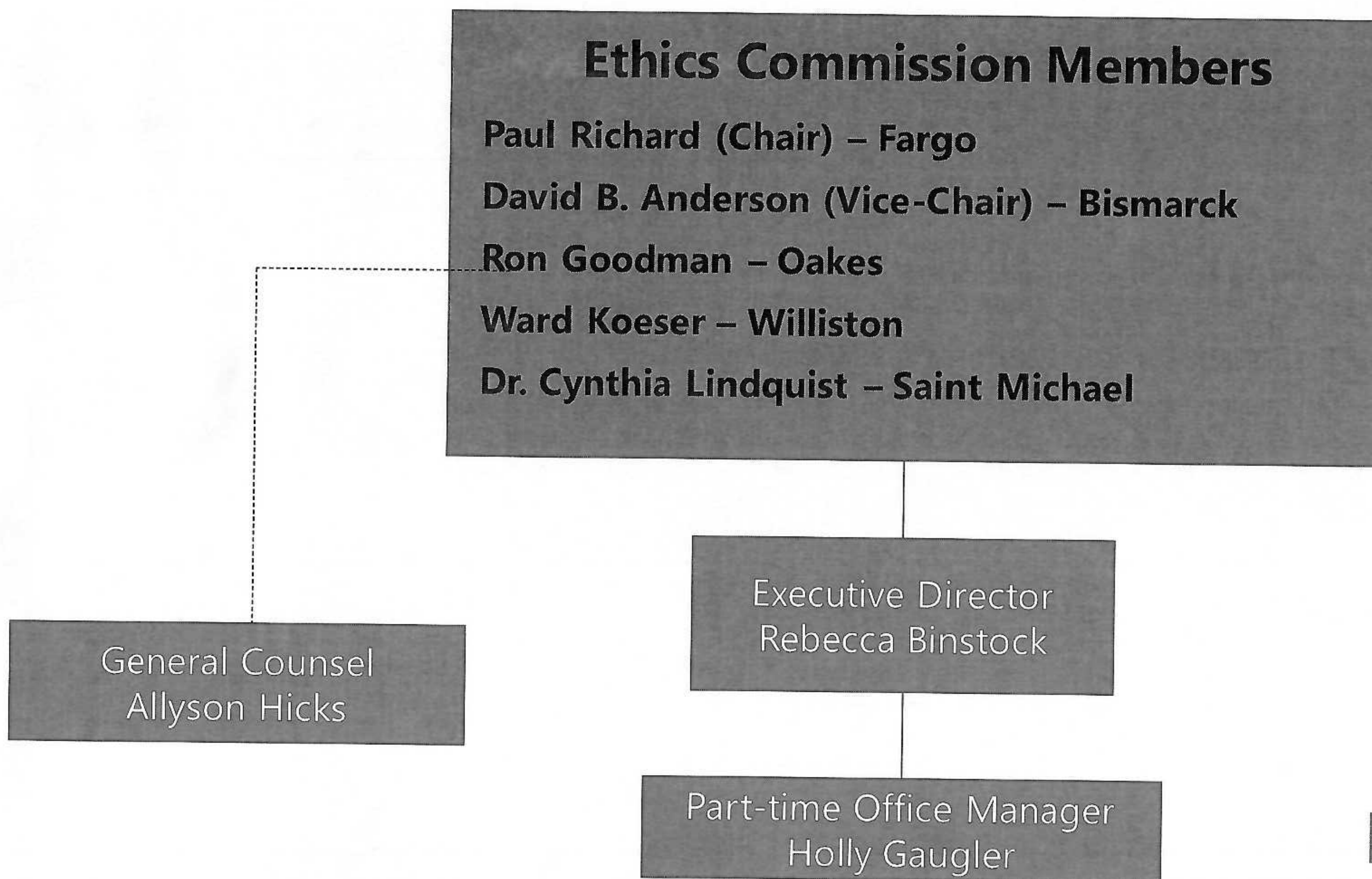
For your consideration, we have prepared an amendment that would add the \$97,000 emergency funding into SB 2024 with a carry-over to the 2023-2025 biennium.

Mr. Chairman, that concludes my testimony. I will gladly stand for any questions you may have.

# ETHICS COMMISSION

Organizational chart

ATTACHMENT #1



**ND Ethics Commission - SB 2024  
Level of Activity - Statistical Data**

ATTACHMENT #2

**Complaints Filed:**

<u>Year</u>	<u>Number of Complaints</u>	
2019	2	
2020	3	
2021	9	
2022	14	(12 of 14 had been filed between Sept 1 and Dec 31, 2022)
2023	3	

**Gift Rule Meeting Notices (Effective Oct 6, 2020):**

<u>Year</u>	<u>Number of Meeting Notices</u>	
2019	0	
2020	0	
2021	52	
2022	130	(103 of 130 had been filed between Sept 1 and Dec 31, 2022)
2023	59	

**Advisory Opinion Requests (Authorized Effective Aug 1, 2021):**

<u>Year</u>	<u>Number of Advisory Opinion Req</u>	
2019	0	
2020	0	
2021	0	
2022	2	(Both requests were made after September 1, 2022)
2023	1	

**Number of Special Meetings:**

<u>Year</u>	<u>Number of Special Meetings</u>	
2019	2	
2020	0	
2021	0	
2022	5	(All five (5) were held after September 1, 2022)
2023	5	

**Number of Quasi-Judicial Disclosures:**

<u>Year</u>	<u>Number of Quasi-Judicial Disclosures</u>	
2022	8	(All eight (8) were filed after September 1, 2022)
2023	6	

**Number of General Conflict Disclosures:**

<u>Year</u>	<u>Number of General Conflict Disclosures</u>	
2022	0	
2023	4	

**ND Ethics Commission (Senate Bill 2024)**  
**2021 - 23 Budget Status as of February 28, 2023**

**SUMMARIZED**

	<u>2021-23 Base Budget</u>	<u>Expenditures as of February 28, 2023</u>	<u>Remaining Balance</u>
Salaries and Benefits	\$ 477,518.00	\$ 393,362.00	\$ 84,156.00
Operating Expenses	\$ 146,466.00	\$ 99,154.00	\$ 47,312.00
<b>Total General Funds</b>	<b>\$ 623,984.00</b>	<b>\$ 492,516.00</b>	<b>\$ 131,468.00</b>

**TOTAL AUTHORIZED FTE's** **1**

**DETAIL**

	<u>2021-23 Base Budget</u>	<u>Expenditures as of February 28, 2023</u>	<u>Remaining Balance</u>
<b>Salaries and Benefits</b>			
Salaries - Permanent	\$ 271,194.00	\$ 228,120.00	\$ 43,074.00
Salaries -Other (Commissioners)	\$ 32,700.00	\$ 31,259.00	\$ 1,441.00
Temporary Salaries	\$ 103,624.00	\$ 84,922.00	\$ 18,702.00
Fringe Benefits	\$ 70,000.00	\$ 49,061.00	\$ 20,939.00
	<u>\$ 477,518.00</u>	<u>\$ 393,362.00</u>	<u>\$ 84,156.00</u>
<b>Operating Expenses</b>			
Travel	\$ 16,302.00	\$ 3,355.00	\$ 12,947.00
Supply/Material - Professional	\$ 500.00	\$ 489.00	\$ 11.00
Miscellaneous Supplies	\$ 500.00	\$ 16.00	\$ 484.00
Office Supplies	\$ 2,500.00	\$ 553.00	\$ 1,947.00
Printing	\$ 200.00	\$ 88.00	\$ 112.00
IT Equipment under \$5,000	\$ 1,500.00	\$ 638.00	\$ 862.00
Insurance	\$ 250.00	\$ 194.00	\$ 56.00
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ 2,808.00	\$ 744.00
Rentals/Leases - Bldg/Land	\$ 52,416.00	\$ 37,128.00	\$ 15,288.00
IT - Data Processing	\$ 33,026.00	\$ 26,391.00	\$ 6,635.00
IT - Communications	\$ 1,920.00	\$ 1,839.00	\$ 81.00
Professional Development	\$ 3,800.00	\$ 3,327.00	\$ 473.00
Operating Fees and Services	\$ 10,000.00	\$ 6,086.00	\$ 3,914.00
Fees - Professional Services	\$ 20,000.00	\$ 16,242.00	\$ 3,758.00
	<u>\$ 146,466.00</u>	<u>\$ 99,154.00</u>	<u>\$ 47,312.00</u>
<b>Total General Funds</b>	<b>\$ 623,984.00</b>	<b>\$ 492,516.00</b>	<b>\$ 131,468.00</b>

**TOTAL AUTHORIZED FTE's** **1**

2023-25 - Agency Request & Executive Recommendation

	(1)		SUMMARIZED				(2)
	Agency 2021-23	OMB Adjusted	2023-25	Agency 2023-25	2023-25 Executive	2023-25 Executive	Executive
	Base Budget	2023-25	Agency Optional	Total Budget Request	Recommendation	Recommendation	Change Amount
	Base Budget	Base Budget	Budget Changes				
Salaries and Benefits	\$ 477,518.00	\$ 484,600.00	\$ 279,270.00	\$ 763,870.00	\$ 820,316.00	\$ 820,316.00	\$ 56,446.00
Operating Expenses	\$ 146,466.00	\$ 151,330.00	\$ 236,487.00	\$ 387,817.00	\$ 387,817.00	\$ 387,817.00	\$ -
<b>Totals</b>	<b>\$ 623,984.00</b>	<b>\$ 635,930.00</b>	<b>\$ 515,757.00</b>	<b>\$ 1,151,687.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 56,446.00</b>
FTEs	1	1	2	3	3		

(1) The 2023-25 Adjusted Base Budget includes \$11,946 for costs to continue salary increases and NDIT rate increases.

(2) The executive recommendation added \$56,446 to the agency budget request for proposed salary package with benefits.

	(1)		DETAILED				(2)
	Agency 2021-23	OMB Adjusted	2023-25	Agency 2023-25	2023-25 Executive	2023-25 Executive	Executive
	Base Budget	2023-25	Agency Optional	Total Budget Request	Recommendation	Recommendation	Change Amount
	Base Budget	Base Budget	Budget Changes				
Salaries - Permanent	\$ 271,194.00	\$ 266,000.00	\$ 260,904.00	\$ 526,904.00	\$ 569,689.00	\$ 569,689.00	\$ 42,785.00
Salaries - Other (Commissioners)	\$ 32,700.00	\$ 27,290.00	\$ -	\$ 27,290.00	\$ 27,290.00	\$ 27,290.00	\$ -
Temporary Salaries	\$ 103,624.00	\$ 103,624.00	\$ (103,624.00)	\$ -	\$ -	\$ -	\$ -
Fringe Benefits (FTE)	\$ 70,000.00	\$ 87,686.00	\$ 121,990.00	\$ 209,676.00	\$ 223,337.00	\$ 223,337.00	\$ 13,661.00
<b>Total Salaries and Benefits</b>	<b>\$ 477,518.00</b>	<b>\$ 484,600.00</b>	<b>\$ 279,270.00</b>	<b>\$ 763,870.00</b>	<b>\$ 820,316.00</b>	<b>\$ 820,316.00</b>	<b>\$ 56,446.00</b>
FTE's	1	1	2	3	3		

	(1)		(2)				
	Agency 2021-23	OMB Adjusted	2023-25	Agency 2023-25	2023-25 Executive	2023-25 Executive	Executive
	Base Budget	2023-25	Agency Optional	Total Budget Request	Recommendation	Recommendation	Change Amount
	Base Budget	Base Budget	Budget Changes				
Travel	\$ 16,302.00	\$ 15,292.00	\$ 13,448.00	\$ 28,740.00	\$ 28,740.00	\$ 28,740.00	\$ -
Professional Supplies	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00	\$ 500.00	\$ -
Miscellaneous Supplies	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ 500.00	\$ 500.00	\$ -
Office Supplies	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ -
Printing	\$ 200.00	\$ 200.00	\$ -	\$ 200.00	\$ 200.00	\$ 200.00	\$ -
IT Equipment under \$5000	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ -
Insurance	\$ 250.00	\$ 250.00	\$ -	\$ 250.00	\$ 250.00	\$ 250.00	\$ -
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ 3,552.00	\$ -	\$ 3,552.00	\$ 3,552.00	\$ 3,552.00	\$ -
Rentals/Leases - Bldg/Land	\$ 52,416.00	\$ 52,416.00	\$ -	\$ 52,416.00	\$ 52,416.00	\$ 52,416.00	\$ -
IT - Data Processing	\$ 33,026.00	\$ 41,900.00	\$ 7,039.00	\$ 48,939.00	\$ 48,939.00	\$ 48,939.00	\$ -
IT - Communications	\$ 1,920.00	\$ 1,920.00	\$ -	\$ 1,920.00	\$ 1,920.00	\$ 1,920.00	\$ -
Professional Development	\$ 3,800.00	\$ 3,800.00	\$ -	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
Operating Fees and Services	\$ 10,000.00	\$ 7,000.00	\$ -	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ -
Fees - Professional Services	\$ 20,000.00	\$ 20,000.00	\$ 216,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ -
<b>Totals Operating Expenses</b>	<b>\$ 146,466.00</b>	<b>\$ 151,330.00</b>	<b>\$ 236,487.00</b>	<b>\$ 387,817.00</b>	<b>\$ 387,817.00</b>	<b>\$ 387,817.00</b>	<b>\$ -</b>
<b>Agency Total</b>	<b>\$ 623,984.00</b>	<b>\$ 635,930.00</b>	<b>\$ 515,757.00</b>	<b>\$ 1,151,687.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 1,208,133.00</b>	<b>\$ 56,446.00</b>
TOTAL AUTHORIZED FTEs	1	1	2	3	3		0

Senate Changes to Executive Recommendation

<b>Salaries and Benefits</b>	<b>2023-25 Executive Recommendation</b>	<b>1/ Senate Change Amount</b>	<b>Senate Version</b>
Salaries - Permanent	\$ 569,689.00	\$ (171,017.00)	\$ 398,672.00
Salaries - Other (Commissioners)	\$ 27,290.00	\$ -	\$ 27,290.00
Temporary Salaries	\$ -	\$ 100,000.00	\$ 100,000.00
Fringe Benefits (FTE)	\$ 223,337.00	\$ (71,377.00)	\$ 151,960.00
<b>Total Salaries and Benefits</b>	<b>\$ 820,316.00</b>	<b>\$ (142,394.00)</b>	<b>\$ 677,922.00</b>
FTE's	3	-1	2

1/ The Senate removed one of two requested FTEs, the Education & Training Coordinator and added \$100,000 to the Temporary Salaries line. The remaining change was due to change in salary package from 6%/4% to 4%/4%.

<b>Operating Expenses</b>	<b>2023-25 Executive Recommendation</b>	<b>2/ Senate Change Amount</b>	<b>Senate Version</b>
Travel	\$ 28,740.00	\$ (6,724.00)	\$ 22,016.00
Professional Supplies	\$ 500.00	\$ -	\$ 500.00
Miscellaneous Supplies	\$ 500.00	\$ -	\$ 500.00
Office Supplies	\$ 2,500.00	\$ -	\$ 2,500.00
Printing	\$ 200.00	\$ -	\$ 200.00
IT Equipment under \$5000	\$ 1,500.00	\$ -	\$ 1,500.00
Insurance	\$ 250.00	\$ -	\$ 250.00
Rentals/Leases-Equip & Other	\$ 3,552.00	\$ -	\$ 3,552.00
Rentals/Leases - Bldg/Land	\$ 52,416.00	\$ -	\$ 52,416.00
IT - Data Processing	\$ 48,939.00	\$ (7,039.00)	\$ 41,900.00
IT - Communications	\$ 1,920.00	\$ -	\$ 1,920.00
Professional Development	\$ 3,800.00	\$ -	\$ 3,800.00
Operating Fees and Services	\$ 7,000.00	\$ -	\$ 7,000.00
Fees - Professional Services	\$ 236,000.00	\$ -	\$ 236,000.00
<b>Totals Operating Expenses</b>	<b>\$ 387,817.00</b>	<b>\$ (13,763.00)</b>	<b>\$ 374,054.00</b>
<b>Agency Total</b>	<b>\$ 1,208,133.00</b>	<b>\$ (156,157.00)</b>	<b>\$ 1,051,976.00</b>
<b>TOTAL AUTHORIZED FTEs</b>	<b>3</b>	<b>-1</b>	<b>2</b>

2/ The Senate reduced travel from an increase of \$13,448 in the executive recommendation by 50% (\$6,724). NDIT costs were reduced by \$7,039 for IT costs associated with adding the Education & Training Coordinator FTE.

**ND Ethics Commission  
Proposed Amendment to SB 2024**

**Attachment #6**

SECTION X. APPROPRIATION - 2021-23 BIENNIUM - EXEMPTION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$97,000, or so much of the sum as may be necessary, to the ethics commission for the purpose of providing funding for office relocation costs and special assistant attorney general fees beginning with the effective date of this Act, and ending June 30, 2023, and may be expended only for the purpose of office relocation and special assistant attorney general fees. The funding provided in this section is considered a one-time funding item. Section 54-44.1-11 does not apply to the \$97,000 in this section and any unexpended funds must be continued into the biennium beginning July 1, 2023, and ending June 30, 2025, and may be expended only for the purpose of office relocation costs and special assistant attorney general fees.

SECTION X. EMERGENCY. Section X of this Act is declared to be an emergency measure.



Prepared for the House Appropriations Committee

**Department 195 - Ethics Commission**  
**Senate Bill No. 2024**

**First Chamber Comparison to Base Level**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2023-25 First Chamber Version	\$1,051,976	\$0	\$1,051,976
2023-25 Base Level	623,984	0	623,984
Increase (Decrease)	\$427,992	\$0	\$427,992

**First Chamber Changes**

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

**Continuing Appropriations**

There are no continuing appropriations for this agency.

**Deficiency Appropriations**

Senate Bill No. 2025 includes a general fund deficiency appropriation of \$97,000 for the Ethics Commission for Attorney General costs (\$72,000) and an office relocation project (\$20,000).

**Significant Audit Findings**

There are no significant audit findings for this agency.

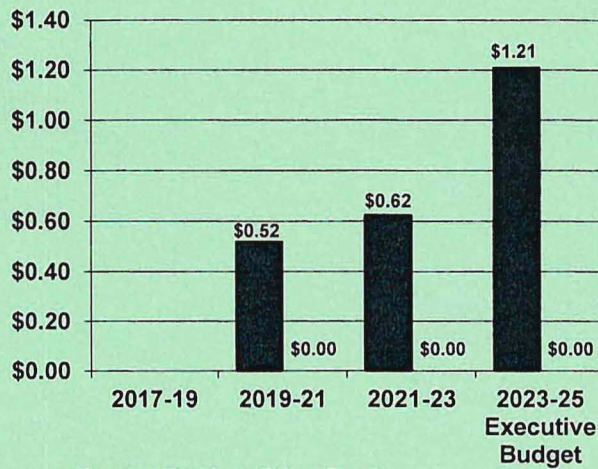
**Major Related Legislation**

No major related legislation affecting this agency has been introduced.

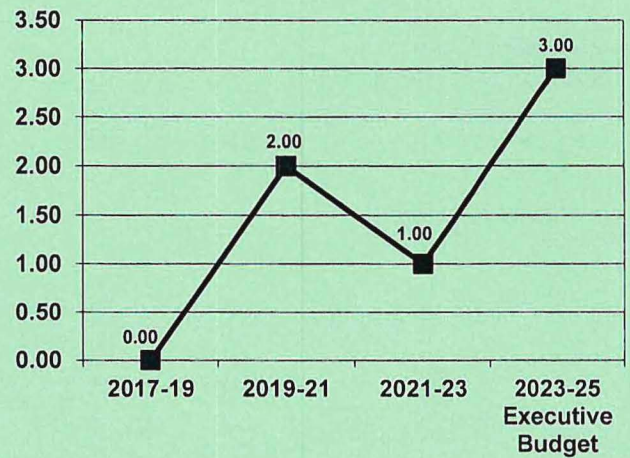
# Historical Appropriations Information

## Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Note: The Ethics Commission was enacted in House Bill No. 1521 (2019) and there are no appropriations for this agency prior to the 2019-21 biennium.

### Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	N/A	N/A	\$517,155	\$623,984	\$1,206,308
Increase (decrease) from previous biennium	N/A	N/A	N/A	\$106,829	\$582,324
Percentage increase (decrease) from previous biennium	N/A	N/A	N/A	20.7%	93.3%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	N/A	N/A	N/A	N/A

### Major Increases (Decreases) in Ongoing General Fund Appropriations

#### 2019-21 Biennium

Added funding and 2 FTE positions to create the Ethics Commission \$517,155

#### 2021-23 Biennium

1. Reduced funding for operating expenses (\$25,858)
2. Removed a vacant FTE position \$0

#### 2023-25 Biennium (Executive Budget Recommendation)

1. Adds 1 FTE education and training position \$223,686
2. Converts a temporary position to an FTE executive assistant position \$60,798
3. Increases funding for professional fees and services from \$20,000 to \$236,000 \$216,000

**Ethics Commission - Budget No. 195**  
**Senate Bill No. 2024**  
**Base Level Funding Changes**

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2023-25 Biennium Base Level</b>	1.00	\$623,984	\$0	\$623,984	1.00	\$623,984	\$0	\$623,984
<b>2023-25 Ongoing Funding Changes</b>								
Base payroll and budget changes		\$3,072		\$3,072		\$3,072		\$3,072
Salary increase		51,302		51,302		27,262		27,262
Health insurance increase		5,144		5,144		5,262		5,262
Temporary salaries increase				0		100,000		100,000
Information technology rate increase		8,874		8,874		8,874		8,874
Education and training FTE position	1.00	223,686		223,686				0
Convert temporary salaries to FTE position	1.00	60,798		60,798	1.00	60,798		60,798
Professional fees increase		216,000		216,000		216,000		216,000
Travel costs increase		13,448		13,448		6,724		6,724
Total ongoing funding changes	2.00	\$582,324	\$0	\$582,324	1.00	\$427,992	\$0	\$427,992
<b>One-Time Funding Items</b>								
Education and training position one-time		\$1,825		\$1,825				\$0
Total one-time funding changes	0.00	\$1,825	\$0	\$1,825	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	2.00	\$584,149	\$0	\$584,149	1.00	\$427,992	\$0	\$427,992
<b>2023-25 Total Funding</b>	3.00	\$1,208,133	\$0	\$1,208,133	2.00	\$1,051,976	\$0	\$1,051,976
<i>Federal funds included in other funds</i>			\$0				\$0	
<i>Total ongoing changes as a percentage of base level</i>	200.0%	93.3%		93.3%	100.0%	68.6%		68.6%
<i>Total changes as a percentage of base level</i>	200.0%	93.6%		93.6%	100.0%	68.6%		68.6%

**Ethics Commission - Budget No. 195**  
**Senate Bill No. 2024**  
**Base Level Funding Changes**

	Executive Budget Recommendation				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total
	Positions	Fund	Funds		Positions	Fund	Funds		Positions	Fund	Funds	
<b>2023-25 Biennium Base Level</b>	1.00	\$623,984	\$0	\$623,984	1.00	\$623,984	\$0	\$623,984	0.00	\$0	\$0	\$0
<b>2023-25 Ongoing Funding Changes</b>												
Base payroll and budget changes		\$3,072		\$3,072		\$3,072		\$3,072				\$0
Salary increase		51,302		51,302		27,262		27,262		(24,040)		(24,040)
Health insurance increase		5,144		5,144		5,262		5,262		118		118
Temporary salaries increase				0		100,000		100,000		100,000		100,000
Information technology rate increase		8,874		8,874		8,874		8,874				0
Education and training FTE position	1.00	223,686		223,686				0	(1.00)	(223,686)		(223,686)
Convert temporary salaries to FTE position	1.00	60,798		60,798	1.00	60,798		60,798				0
Professional fees increase		216,000		216,000		216,000		216,000				0
Travel costs increase		13,448		13,448		6,724		6,724		(6,724)		(6,724)
<b>Total ongoing funding changes</b>	<b>2.00</b>	<b>\$582,324</b>	<b>\$0</b>	<b>\$582,324</b>	<b>1.00</b>	<b>\$427,992</b>	<b>\$0</b>	<b>\$427,992</b>	<b>(1.00)</b>	<b>(\$154,332)</b>	<b>\$0</b>	<b>(\$154,332)</b>
<b>One-Time Funding Items</b>												
Education and training position one-time		\$1,825		\$1,825				\$0		(\$1,825)		(\$1,825)
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$1,825</b>	<b>\$0</b>	<b>\$1,825</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>(\$1,825)</b>	<b>\$0</b>	<b>(\$1,825)</b>
<b>Total Changes to Base Level Funding</b>	<b>2.00</b>	<b>\$584,149</b>	<b>\$0</b>	<b>\$584,149</b>	<b>1.00</b>	<b>\$427,992</b>	<b>\$0</b>	<b>\$427,992</b>	<b>(1.00)</b>	<b>(\$156,157)</b>	<b>\$0</b>	<b>(\$156,157)</b>
<b>2023-25 Total Funding</b>	<b>3.00</b>	<b>\$1,208,133</b>	<b>\$0</b>	<b>\$1,208,133</b>	<b>2.00</b>	<b>\$1,051,976</b>	<b>\$0</b>	<b>\$1,051,976</b>	<b>(1.00)</b>	<b>(\$156,157)</b>	<b>\$0</b>	<b>(\$156,157)</b>
<i>Federal funds included in other funds</i>			\$0				\$0				\$0	
<i>Total ongoing changes as a percentage of base level</i>	200.0%	93.3%		93.3%	100.0%	68.6%		68.6%				
<i>Total changes as a percentage of base level</i>	200.0%	93.6%		93.6%	100.0%	68.6%		68.6%				

# JURISDICTION OF THE ND ETHICS COMMISSION

(NDAC 115-02-01-02)

## WHAT KIND OF COMPLAINTS DOES THE NDEC HAVE AUTHORITY TO INVESTIGATE?

### NDEC HAS AUTHORITY

Complaints against lobbyists, public officials, candidates for statewide public office, candidates for state legislative assembly, an elected or appointed official of the state's executive or legislative branch, members of the ethics commission, members of the governor's cabinet, or employees of the legislative branch.

### NDEC HAS NO AUTHORITY

- Personnel matters or matters for which other remedies exist.
- These matters include, but are not limited to, grievances, appointments, promotions, reprimands, suspensions, dismissals, harassment, discrimination, open meetings violations, and open records violations.

### NDEC HAS NO AUTHORITY

- City, county, or other political subdivision or local officials.
- Employees of the state's executive branch.
- Members or employers of the state's judicial branch.

23.0278.02001  
Title.

Prepared by the Legislative Council staff for  
the House Appropriations - Government  
Operations Division Committee  
March 28, 2023

Fiscal No. 1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024

Page 1, line 2, after "commission" insert "; and to declare an emergency"

Page 1, replace lines 11 through 13 with:

"Ethics commission	<u>\$623,984</u>	<u>\$392,115</u>	<u>\$1,016,099</u>
Total general fund	\$623,984	\$392,115	\$1,016,099
Full-time equivalent positions	1.00	1.00	2.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Attorney fees	\$0	\$72,000
Office relocation	<u>0</u>	<u>25,000</u>
Total general fund	\$0	\$97,000

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The ethics commission 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. EMERGENCY.** The sum of \$97,000 for attorney fees and office relocation costs included in the ethics commission line item in section 1 of this Act is declared to be an emergency measure."

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - House Action**

	<u>Base Budget</u>	<u>Senate Version</u>	<u>House Changes</u>	<u>House Version</u>
Ethics commission	<u>\$623,984</u>	<u>\$1,051,976</u>	<u>(\$35,877)</u>	<u>\$1,016,099</u>
Total all funds	\$623,984	\$1,051,976	(\$35,877)	\$1,016,099
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$623,984</u>	<u>\$1,051,976</u>	<u>(\$35,877)</u>	<u>\$1,016,099</u>
FTE	1.00	2.00	0.00	2.00

**Department 195 - Ethics Commission - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Reduces Temporary Salaries Funding Increase <sup>3</sup>	Adds One- Time Funding <sup>4</sup>	Total House Changes
Ethics commission	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
Total all funds	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

<b>General Fund</b>	
Salary increase	\$9,148
Health insurance adjustment	(118)
Total	\$9,030

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

<b>General Fund</b>	
New FTE positions	(\$60,798)
Vacant FTE positions	(11,109)
Total	(\$71,907)

<sup>3</sup> Funding of \$100,000 added by the Senate to increase temporary salaries funding is reduced to \$30,000.

<sup>4</sup> One-time funding is added for the following items:

<b>General Fund</b>	
Attorney fees	\$72,000
Office relocation costs	<u>25,000</u>
Total	\$97,000

A section is also added to declare the one-time funding to be an emergency measure.

23.0278.02001  
Title.

Prepared by the Legislative Council staff for  
the House Appropriations - Government  
Operations Division Committee  
March 28, 2023

Fiscal No. 1

**PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024**

Page 1, line 2, after "commission" insert "; and to declare an emergency"

Page 1, replace lines 11 through 13 with:

"Ethics commission	<u>\$623,984</u>	<u>\$392,115</u>	<u>\$1,016,099</u>
Total general fund	<u>\$623,984</u>	<u>\$392,115</u>	<u>\$1,016,099</u>
Full-time equivalent positions	1.00	1.00	2.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Attorney fees	\$0	\$72,000
Office relocation	<u>0</u>	<u>25,000</u>
Total general fund	\$0	\$97,000

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The ethics commission 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. EMERGENCY.** The sum of \$97,000 for attorney fees and office relocation costs included in the ethics commission line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - House Action**

	<u>Base Budget</u>	<u>Senate Version</u>	<u>House Changes</u>	<u>House Version</u>
Ethics commission	<u>\$623,984</u>	<u>\$1,051,976</u>	<u>(\$35,877)</u>	<u>\$1,016,099</u>
Total all funds	\$623,984	\$1,051,976	(\$35,877)	\$1,016,099
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$623,984</u>	<u>\$1,051,976</u>	<u>(\$35,877)</u>	<u>\$1,016,099</u>
FTE	1.00	2.00	0.00	2.00



**Department 195 - Ethics Commission - Detail of House Changes**

	<b>Adjusts Funding for Salary and Benefit Increases<sup>1</sup></b>	<b>Removes Salary Funding for Funding Pool<sup>2</sup></b>	<b>Reduces Temporary Salaries Funding Increase<sup>3</sup></b>	<b>Adds One- Time Funding<sup>4</sup></b>	<b>Total House Changes</b>
Ethics commission	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
Total all funds	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
Less estimated income	0	0	0	0	0
General fund	\$9,030	(\$71,907)	(\$70,000)	\$97,000	(\$35,877)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	<b>General Fund</b>
Salary increase	\$9,148
Health insurance adjustment	<u>(118)</u>
Total	\$9,030

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	<b>General Fund</b>
New FTE positions	(\$60,798)
Vacant FTE positions	<u>(11,109)</u>
Total	(\$71,907)

<sup>3</sup> Funding of \$100,000 added by the Senate to increase temporary salaries funding is reduced to \$30,000.

<sup>4</sup> One-time funding is added for the following items:

	<b>General Fund</b>
Attorney fees	\$72,000
Office relocation costs	<u>25,000</u>
Total	\$97,000

A section is also added to declare the one-time funding to be an emergency measure.

23.0278.02002  
 Title.  
 Fiscal No. 2

Prepared by the Legislative Council staff for  
 Representative Mock  
 March 29, 2023

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024

Page 1, replace lines 11 through 13 with:

"Ethics commission	\$623,984	\$183,954	\$807,938
Contingencies	<u>0</u>	<u>100,000</u>	<u>100,000</u>
Total general fund	\$623,984	\$283,954	\$907,938
Full-time equivalent positions	1.00	2.00	3.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Attorney fees	\$0	\$72,000
New FTE position one-time costs	0	1,825
Office relocation	<u>0</u>	<u>25,000</u>
Total general fund	\$0	\$98,825

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The ethics commission 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. EMERGENCY.** The sum of \$97,000 for attorney fees and office relocation costs included in the ethics commission line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Ethics Commission - House Action**

	Base Budget	Senate Version	House Changes	House Version
Ethics Commission	\$623,984	\$1,051,976	(\$244,038)	\$807,938
Contingencies			<u>100,000</u>	<u>100,000</u>
Total all funds	\$623,984	\$1,051,976	(\$144,038)	\$907,938
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$623,984	\$1,051,976	(\$144,038)	\$907,938
FTE	1.00	2.00	1.00	3.00

**Department 195 - Ethics Commission - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Adds Attorney FTE Position <sup>3</sup>	Reduces Temporary Salaries Funding Increase <sup>4</sup>	Removes Increased Funding for Professional Fees <sup>5</sup>	Adds Funding for Contingencies <sup>6</sup>
Ethics Commission Contingencies	\$9,030	(\$332,211)	\$268,143	(\$70,000)	(\$216,000)	\$100,000
Total all funds	\$9,030	(\$332,211)	\$268,143	(\$70,000)	(\$216,000)	\$100,000
Less estimated income	0	0	0	0	0	0
General fund	\$9,030	(\$332,211)	\$268,143	(\$70,000)	(\$216,000)	\$100,000
FTE	0.00	0.00	1.00	0.00	0.00	0.00

	Adds One- Time Funding <sup>7</sup>	Total House Changes
Ethics Commission Contingencies	\$97,000	(\$244,038) 100,000
Total all funds	\$97,000	(\$144,038)
Less estimated income	0	0
General fund	\$97,000	(\$144,038)
FTE	0.00	1.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

<b>General Fund</b>	
Salary increase	\$9,148
Health insurance adjustment	(118)
Total	\$9,030

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

<b>General Fund</b>	
New FTE positions	(\$321,102)
Vacant FTE positions	(11,109)
Total	(\$332,211)

<sup>3</sup> Funding is added for 1 FTE attorney position, including one-time funding of \$1,825.

<sup>4</sup> Funding of \$100,000 added by the Senate to increase temporary salaries funding is reduced to \$30,000.

<sup>5</sup> Increased funding for professional fees added by the Senate is removed.

<sup>6</sup> Contingencies funding of \$100,000 is added.

<sup>7</sup> One-time funding is added for the following items:

<b>General Fund</b>	
Attorney fees	\$72,000
Office relocation costs	25,000
Total	\$97,000

A section is also added to declare the one-time funding to be an emergency measure.

23.0278.02004  
Title.

Prepared by the Legislative Council staff for  
Representative Mock  
April 14, 2023

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024

That the Senate accede to the House amendments as printed on pages 1575 and 1576 of the Senate Journal and pages 1816 and 1817 of the House Journal and that Engrossed Senate Bill No. 2024 be further amended as follows:

Page 1, line 2, after "commission" insert "and to provide for a legislative management study"

Page 1, after line 13, insert:

**"SECTION 3. LEGISLATIVE MANAGEMENT STUDY - FEE STRUCTURE.**

During the 2023-24 interim, the legislative management shall consider studying the feasibility and desirability of establishing a rate structure to offset the operating expenses of the ethics commission. The study must include a comparison of the funding method for ethics commissions used by other states within the region. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Renumber accordingly

**Ethics Commission - Budget No. 195**  
**Senate Bill No. 2024**  
**Base Level Funding Changes**

	Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2023-25 Biennium Base Level</b>	1.00	\$623,984	\$0	\$623,984	1.00	\$623,984	\$0	\$623,984	0.00	\$0	\$0	\$0
<b>2023-25 Ongoing Funding Changes</b>												
Base payroll and budget changes		\$3,072		\$3,072		\$3,072		\$3,072				\$0
Salary increase		27,262		27,262		36,410		36,410		9,148		9,148
Health insurance increase		5,262		5,262		5,144		5,144		(118)		(118)
Temporary salaries increase		100,000		100,000		30,000		30,000		(70,000)		(70,000)
New and vacant FTE funding pool				0		(71,907)		(71,907)		(71,907)		(71,907)
Information technology rate increase		8,874		8,874		8,874		8,874				0
Education and training FTE position				0				0				0
Convert temporary salaries to FTE position	1.00	60,798		60,798	1.00	60,798		60,798				0
Professional fees increase		216,000		216,000		216,000		216,000				0
Travel costs increase		6,724		6,724		6,724		6,724				0
<b>Total ongoing funding changes</b>	<b>1.00</b>	<b>\$427,992</b>	<b>\$0</b>	<b>\$427,992</b>	<b>1.00</b>	<b>\$295,115</b>	<b>\$0</b>	<b>\$295,115</b>	<b>0.00</b>	<b>(\$132,877)</b>	<b>\$0</b>	<b>(\$132,877)</b>
<b>One-Time Funding Items</b>												
Education and training position one-time				\$0				\$0				\$0
Attorney fees				0		72,000		72,000		72,000		72,000
Office relocation				0		25,000		25,000		25,000		25,000
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>\$97,000</b>	<b>\$0</b>	<b>\$97,000</b>	<b>0.00</b>	<b>\$97,000</b>	<b>\$0</b>	<b>\$97,000</b>
<b>Total Changes to Base Level Funding</b>	<b>1.00</b>	<b>\$427,992</b>	<b>\$0</b>	<b>\$427,992</b>	<b>1.00</b>	<b>\$392,115</b>	<b>\$0</b>	<b>\$392,115</b>	<b>0.00</b>	<b>(\$35,877)</b>	<b>\$0</b>	<b>(\$35,877)</b>
<b>2023-25 Total Funding</b>	<b>2.00</b>	<b>\$1,051,976</b>	<b>\$0</b>	<b>\$1,051,976</b>	<b>2.00</b>	<b>\$1,016,099</b>	<b>\$0</b>	<b>\$1,016,099</b>	<b>0.00</b>	<b>(\$35,877)</b>	<b>\$0</b>	<b>(\$35,877)</b>
<i>Federal funds included in other funds</i>				\$0				\$0				\$0
<i>Total ongoing changes as a percentage of base level</i>	100.0%	68.6%		68.6%	100.0%	47.3%		47.3%				
<i>Total changes as a percentage of base level</i>	100.0%	68.6%		68.6%	100.0%	62.8%		62.8%				

**Other Sections in Ethics Commission - Budget No. 195**

	Senate Version	House Version
Emergency Clause	Not included.	Section 3 declares the one-time funding items to be an emergency measure.

**Ethics Commission - Budget No. 195**  
**Senate Bill No. 2024**  
**Base Level Funding Changes**

Prepared for Rep. Mock  
 4/19/2023

	Senate Version				Conference Committee Version				Conference Committee Changes Compared to Senate Version Increase (Decrease) - Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2023-25 Biennium Base Level</b>	1.00	\$623,984	\$0	\$623,984	1.00	\$623,984	\$0	\$623,984	0.00	\$0	\$0	\$0
<b>2023-25 Ongoing Funding Changes</b>												
Base payroll and budget changes		\$3,072		\$3,072		\$3,072		\$3,072				\$0
Salary increase		27,262		27,262		36,410		36,410		9,148		9,148
Health insurance increase		5,262		5,262		5,144		5,144		(118)		(118)
Temporary salaries increase		100,000		100,000		50,000		50,000		(50,000)		(50,000)
New and vacant FTE funding pool				0		(71,907)		(71,907)		(71,907)		(71,907)
Information technology rate increase		8,874		8,874		8,874		8,874				0
Education and training FTE position				0	1.00	266,318		266,318	1.00	266,318		266,318
Convert temporary salaries to FTE position	1.00	60,798		60,798	1.00	60,798		60,798				0
Professional fees increase		216,000		216,000		0		0		(216,000)		(216,000)
Travel costs increase		6,724		6,724		6,724		6,724				0
Contingency funding				0		50,000		50,000		50,000		50,000
Total ongoing funding changes	1.00	\$427,992	\$0	\$427,992	2.00	\$415,433	\$0	\$415,433	1.00	(\$12,559)	\$0	(\$12,559)
<b>One-Time Funding Items</b>												
Education and training position one-time				\$0		\$1,825		\$1,825		\$1,825		\$1,825
Attorney fees				0		72,000		72,000		72,000		72,000
Office relocation				0		25,000		25,000		25,000		25,000
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$98,825	\$0	\$98,825	0.00	\$98,825	\$0	\$98,825
<b>Total Changes to Base Level Funding</b>	1.00	\$427,992	\$0	\$427,992	2.00	\$514,258	\$0	\$514,258	1.00	\$86,266	\$0	\$86,266
<b>2023-25 Total Funding</b>	2.00	\$1,051,976	\$0	\$1,051,976	3.00	\$1,138,242	\$0	\$1,138,242	1.00	\$86,266	\$0	\$86,266
<i>Federal funds included in other funds</i>			\$0				\$0				\$0	
<i>Total ongoing changes as a percentage of base level</i>	100.0%	68.6%		68.6%	200.0%	66.6%		66.6%				
<i>Total changes as a percentage of base level</i>	100.0%	68.6%		68.6%	200.0%	82.4%		82.4%				

**Other Sections in Ethics Commission - Budget No. 195**

	Senate Version	Conference Committee Version
Legislative Management study	Not included.	Section 4 provides for a Legislative Management study of establishing a fee structure to provide operations funding for the Ethics Commission.
Report	Not included.	Section 5 provides for the Ethics Commission to provide updates to the Legislative Management regarding the activities of the commission.
Emergency Clause	Not included.	Section 6 declares the one-time attorney fees and office relocation items to be an emergency measure.

**Ethics Commission - Budget No. 195**  
**Senate Bill No. 2024**  
**Base Level Funding Changes**

Prepared for Rep. Mock  
 4/19/2023

	Senate Version				Conference Committee Version				Conference Committee Changes Compared to Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease) - Senate Version			
									FTE Positions	General Fund	Other Funds	Total
<b>2023-25 Biennium Base Level</b>	1.00	\$623,984	\$0	\$623,984	1.00	\$623,984	\$0	\$623,984	0.00	\$0	\$0	\$0
<b>2023-25 Ongoing Funding Changes</b>												
Base payroll and budget changes		\$3,072		\$3,072		\$3,072		\$3,072				\$0
Salary increase		27,262		27,262		36,410		36,410		9,148		9,148
Health insurance increase		5,262		5,262		5,144		5,144		(118)		(118)
Temporary salaries increase		100,000		100,000		50,000		50,000		(50,000)		(50,000)
New and vacant FTE funding pool				0		(71,907)		(71,907)		(71,907)		(71,907)
Information technology rate increase		8,874		8,874		8,874		8,874				0
Education and training FTE position				0	1.00	266,318		266,318	1.00	266,318		266,318
Convert temporary salaries to FTE position	1.00	60,798		60,798	1.00	60,798		60,798				0
Professional fees increase		216,000		216,000		0		0		(216,000)		(216,000)
Travel costs increase		6,724		6,724		6,724		6,724				0
Contingency funding				0		50,000		50,000		50,000		50,000
<b>Total ongoing funding changes</b>	<b>1.00</b>	<b>\$427,992</b>	<b>\$0</b>	<b>\$427,992</b>	<b>2.00</b>	<b>\$415,433</b>	<b>\$0</b>	<b>\$415,433</b>	<b>1.00</b>	<b>(\$12,559)</b>	<b>\$0</b>	<b>(\$12,559)</b>
<b>One-Time Funding Items</b>												
Education and training position one-time				\$0		\$1,825		\$1,825		\$1,825		\$1,825
Attorney fees				0		72,000		72,000		72,000		72,000
Office relocation				0		25,000		25,000		25,000		25,000
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>\$98,825</b>	<b>\$0</b>	<b>\$98,825</b>	<b>0.00</b>	<b>\$98,825</b>	<b>\$0</b>	<b>\$98,825</b>
<b>Total Changes to Base Level Funding</b>	<b>1.00</b>	<b>\$427,992</b>	<b>\$0</b>	<b>\$427,992</b>	<b>2.00</b>	<b>\$514,258</b>	<b>\$0</b>	<b>\$514,258</b>	<b>1.00</b>	<b>\$86,266</b>	<b>\$0</b>	<b>\$86,266</b>
<b>2023-25 Total Funding</b>	<b>2.00</b>	<b>\$1,051,976</b>	<b>\$0</b>	<b>\$1,051,976</b>	<b>3.00</b>	<b>\$1,138,242</b>	<b>\$0</b>	<b>\$1,138,242</b>	<b>1.00</b>	<b>\$86,266</b>	<b>\$0</b>	<b>\$86,266</b>
<i>Federal funds included in other funds</i>				\$0				\$0				\$0
<i>Total ongoing changes as a percentage of base level</i>	<i>100.0%</i>	<i>68.6%</i>		<i>68.6%</i>	<i>200.0%</i>	<i>66.6%</i>		<i>66.6%</i>				
<i>Total changes as a percentage of base level</i>	<i>100.0%</i>	<i>68.6%</i>		<i>68.6%</i>	<i>200.0%</i>	<i>82.4%</i>		<i>82.4%</i>				

**Other Sections in Ethics Commission - Budget No. 195**

	Senate Version	Conference Committee Version
Legislative Management study	Not included.	Section 4 provides for a Legislative Management study of establishing a fee structure to provide operations funding for the Ethics Commission.
Report	Not included.	Section 5 provides for the Ethics Commission to provide updates to the Legislative Management regarding the activities of the commission.
Emergency Clause	Not included.	Section 6 declares the one-time attorney fees and office relocation items to be an emergency measure.