STATE OF NORTH DAKOTA

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Executive Budget
2007-2009 Biennium

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For the Biennium Beginning

July 1, 2005

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Executive Director

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2007-09 Budget Objectives

Fund our priorities

Invest in one-time capital needs

Provide tax relief

Build our reserves to $413 M

Fund our Priorities

On-going revenues exceed On-going expenditures

2007-09 General fund revenue forecast	$2.291 B
2007-09 Recommended on-going expenditures	$2.280 B

Invest in One-time Capital Needs and Build Reserves for the Future

General fund ending balance 6/30/07	$312.0 M
Reserves: Budget stabilization fund	99.5 M
Oil tax trust fund	128.3 M
Total Surplus and reserves 6/30/07	$539.8 M
Less: one-time capital investments	(187.7 M)
Available for reserves & cash balance	$352.1 M

Provide Tax Relief

$116,700,000 in property tax relief funded from the oil tax trust fund

Balance June 30, 2007		$128.3 M
2007-09 Oil tax revenue	$167.0 M	
2007-09 Property tax relief	(116.7 M)	
Increase in oil tax trust fund balance		50.3 M
Balance June 30, 2009		$178.6 M

Build our Reserves

2007-09

Increase in budget stabilization fund balance	$100.5 M
Increase in oil tax trust fund balance	50.3 M
Total Reserves	
Budget stabilization fund	$200.0 M
Oil tax trust fund	178.6 M
	$378.6 M
Ending fund cash balance	34.1 M
Total cash and reserves (June 30, 2009)	**$412.7 M**

State of
North Dakota
Office of the Governor

John Hoeven
Governor

2007-2009 EXECUTIVE BUDGET ADDRESS

The Honorable John Hoeven
Governor of North Dakota
December 6, 2006

Good morning. I would like to welcome the members of the 60th North Dakota Legislative Assembly, Justices of the Supreme Court, elected officials, cabinet members, state employees, First Lady Mikey, and my fellow North Dakotans.

I want to thank the Office of Management and Budget, our state agencies, and my staff for their hard work, diligence and thoughtful approach to constructing our new budget.

Our efforts together have produced a sound and dynamic budget for the people of North Dakota. Thank you to all who have spent many attentive hours on this important work.

Today, I am pleased to present our executive budget for the 2007-2009 biennium.

Six years ago, we set a course designed to expand our economy and create quality jobs for our people.

Working with you, the legislature, and others, we laid the foundation for economic growth through a strategic plan for aggressive economic development statewide.

We chose to target five industry sectors – industries where North Dakota has natural advantages because of our resources and our citizens.

These include value-added agriculture, energy, advanced manufacturing, technology, and tourism.

We also added benchmarks – concrete measures to assess our progress.

We're working to build the strongest possible business climate. Together, we've simplified our tax code, reduced regulatory red tape, and made it as easy as possible for businesses to start-up, expand and grow in North Dakota.

Last year alone, we gained more than 640 new businesses, and more than 7,000 new jobs.

In fact, we're growing faster than the national average.

Last year, North Dakota's gross state product grew at a rate of 5.3 percent, the highest rate in our region, and in the top quintile in the nation.

And we're growing faster than the nation in per capita personal income. Between 2000 and 2005, we saw a 27 percent growth in per capita personal income, compared to 17 percent for the nation.

In 2004, Moody's Investment Services raised the state's credit rating, and last year, Standard & Poor's followed suit, reflecting our growing financial strength.

These, and other indicators, of North Dakota's economic progress demonstrate that our approach to economic development is working. We have produced significant revenue growth for our state, while holding the line on taxes.

In this budget, we utilize this revenue growth and our surplus in a balanced way to continue to move our state forward.

Our budget achieves three important objectives for the State of North Dakota:

- First, the budget funds our priorities and invests in the future of our people and our state. It is essential that we make the kinds of investments that continue to produce quality jobs, enable us to take care of people, and continue to improve our quality of life.
- Second, our budget is sustainable. Our ongoing revenues cover our ongoing expenditures, and we increase our financial reserves for the future to more than $400.0 million.
- And third, our budget contains no tax increases, no fee increases, and no borrowing or bonding. In fact, our budget provides real tax relief to the very people who produced our surplus in the first place: the citizens of North Dakota.

THE BIG PICTURE

Let's start with an overview of our budget plan. We have some charts to help illustrate it for you. (Intro to Charts – 2007-09 Budget Objectives)

Due to our more dynamic economy, we have seen growth in both our ongoing revenues and our reserves. That growth is projected to continue into the next biennium, as well.

As good stewards of the taxpayers' dollars, we have looked closely at our revenues and expenditures, and we have been careful to ensure that ongoing revenues are more than ongoing expenditures. (These figures are shown in Chart 1.)

In the 2007-2009 biennium, our ongoing revenues and transfers will total about $2.29 billion. At the same time, our ongoing expenditures will total about $2.28 billion, meaning that even with our conservative projections, ongoing revenues exceed our ongoing expenditures.

We do more to fund our priorities, like education, strong law enforcement, and taking care of our seniors, while still living within our means.

Also, as shown next in Chart 2, our growing revenues are reflected in a $312.0 million ending fund balance for the current biennium. In a nutshell, this is our general fund surplus, or the amount of cash we have above our current level of reserves.

This general fund surplus is largely the result of higher revenues from sales and income taxes, which have been generated by North Dakota's growing and more diversified economy, as well as prudent fiscal management.

This general fund surplus when combined with $228.0 million in current reserve funds (the budget stabilization fund and oil tax trust fund) provides a total of $540.0 million in surplus and reserves.

Our budget takes a portion of these resources – $188.0 million – and invests them in one-time capital needs, like economic development, technology systems, equipment, capital projects, extraordinary repairs, and deferred maintenance.

These are the kinds of investments that will further stimulate economic activity, build infrastructure, help lower costs for the future, make our state more competitive, and improve our standard of living.

That still leaves more than $352.0 million we will dedicate to our reserves and cash balances going forward.

In addition, just as we have seen growth in our general fund revenues, we have also seen growth in the oil tax trust fund, which affords us an opportunity to not only further strengthen our reserves, but also provide property tax relief for our citizens.

This is shown in Chart 3.

Our budget projects growth of $167.0 million in the oil tax trust fund over the next biennium.

We propose dedicating a portion of this – $116.7 million – to provide tax relief for the citizens of North Dakota.

We've put forward a simple, fair plan that provides tax relief to homeowners, businesses, farmers, and ranchers, and we are committed to working with the legislature on this and other proposals, to develop the best property tax relief plan for our citizens.

Even after providing this tax relief, the oil tax trust fund will increase by more than $50.0 million to $178.0 million.

Now let's look at the total reserve position created by our budget, which is shown in Chart 4: First, we have doubled the budget stabilization fund from $100.0 million to $200.0 million. We have also increased our oil tax trust fund by $50.0 million, to $178.0 million. Together, these two reserve funds total more than $378.0 million.

Add to this a cash ending fund balance of $34.0 million, and we have a total of $413.0 million in cash and reserves.

This biennium, we're experiencing 18 percent growth in ongoing revenues. That, combined with future growth, will cover our average annual expenditure growth of 7.3 percent a year, and still leave us with a very strong cash and reserve position for the next biennium.

Compare this to just five years ago: In 2001, we had no reserves in our budget stabilization fund, and just $13.0 million in our oil tax trust fund.

This budget provides the right balance, and a blueprint for further growth: We're living within our means – ongoing revenues cover ongoing expenditures; we make important one-time investments that help build our state; we provide real tax relief for our citizens; and we build a strong reserve for the future.

Now, having reviewed the overall budget structure, let's look at the individual funding priorities within the budget.

These priorities work to address issues important to North Dakota citizens – issues like providing more funding for quality education, creating good-paying jobs for our citizens, building a workforce to meet our job growth, protecting our communities from violent and sexual offenders, providing quality healthcare for our seniors, and supporting our military.

All represent investments in our people, our state, and our future.

Let's start with education funding.

BUILDING OUR FUTURE ON EDUCATION

Education – both K-12 and higher education – is the bedrock on which we build our economy. For that reason, over the past three bienniums, we have increased funding for K-12 education by more than $120.0 million.

We have also fostered new partnerships, like regional Joint Powers Agreements, and worked to increase teacher compensation.

A few weeks ago, after months of hard work, the Governor's Commission on Education Improvement released new recommendations to improve the way we fund education.

The Commission worked to develop a new education funding formula to achieve greater school funding equity, and recommended a baseline increase of $60.0 million to support it.

They also made optional recommendations for another $12.0 million, which includes additional funding for special education and all-day kindergarten for children at risk.

In our budget, we fully fund both their base and optional recommendations – in fact, we go further.

We recommend an increase of $76.0 million in general fund monies. This $76.0 million, together with a $4.6 million increase from the common schools trust fund, will provide more than $80.0 million in new funding for K-12 education.

This $80.0 million, together with the Commission's sound recommendations, is a big step forward.

Adopting the work of the commission establishes a process that will not only dismiss the school funding lawsuit and truly reform funding equity and adequacy, but will also help to reduce the local share of the current cost of education.

That process will continue, focusing more closely on adequacy, throughout the new biennium in preparation for the 2009 legislative session.

Further, our financial reserves will make it possible for us to continue to do a good job for K-12 education funding going forward.

I want to thank and acknowledge Lt. Gov. Jack Dalrymple, Rep. RaeAnn Kelsch, Sen. Tim Flakoll, Sen. Dave O'Connell, Superintendent Wayne Sanstead, the school officials, and the entire commission for the hard work and thoughtful recommendations you've put forward.

Thanks to your hard work, this $80.0 million we have provided in response to the Commission's recommendations, combined with the $116.7 million we've committed for property tax relief, represents a commitment of nearly $200.0 million to improve education funding, increase teacher pay, provide greater education equity, and at the same time, enable us to reduce the burden of property taxes on our citizens.

Reforming and improving the way we fund K-12 education is a very big task, and it is critically important, but we can do it.

Higher Education

In today's world, the link between education and commerce is crucial. For that reason, we propose a strong budget for higher education, as well.

In our recommendation, higher education comes closer to its requested budget than ever before.

This is important, because higher education is one of our best allies in helping to build our economy.

At the same time, we need a university system that can hold the line on tuition, so that our young people can afford to get the quality education they will need in the 21st Century.

To help higher education achieve these goals, our budget dedicates an increase of $52.0 million in new funding for the university system's operating budget.

That figure includes the full equity and full parity requests for the campuses in the University System budget submitted by the Board of Higher Education.

In addition, we provide $16.0 million in one-time funds to address deferred maintenance, ConnectND, and other needs.

Between ongoing and one-time funding, that represents a total of $68.0 million in operating and deferred maintenance funding. This $68.0 million includes additional tuition assistance for students, and will put the University System in a better position to hold the line on tuition increases in the next biennium.

Further, we recognize that the university system has ongoing needs for plant and equipment to continue to provide a quality education.

In the past, these capital projects have been bonded, but in our budget, we provide another $14.5 million in direct funding for construction and renovation projects on the campuses.

Also, to help parents and students save for college education, we propose a state income tax deduction of up to $5,000 for individuals, and $10,000 for couples on all contributions to North Dakota's CollegeSave Plan through the Bank of North Dakota.

And we propose offering a matching contribution of up to $250 for all new CollegeSave accounts for individuals with less than $20,000 of income or couples with less than $40,000 of income.

All of these investments are important. Our campuses have become engines of economic growth, and in a high-tech global economy, education and economic development go hand in hand.

ECONOMIC AND WORKFORCE DEVELOPMENT

Now, let's focus more specifically on further building our economic development efforts.

Last session, we asked you to support our plan to strengthen the partnership between higher education and economic development with a $50.0 million commitment to our *Centers of Excellence* program.

The *Centers of Excellence* program unleashes the economic development potential of our university system, provides more opportunities for our students, and creates higher paying jobs for our citizens.

In our new budget, we are continuing this vital partnership with $20.0 million as the second installment under the $50.0 million authorized by you, the legislature, in the last session.

The fact is, we're growing and diversifying our economy through aggressive economic development policies, and that means we are creating not just more jobs, but more careers in North Dakota.

As we continue our efforts toward developing and expanding business, we also need to recruit, educate, and train the quality workforce of the future to fill these careers. Our budget contains funding to do both.

Just as *Centers of Excellence* create opportunities and link college graduates with careers in North Dakota, we need to do more at the high school level, and through career and technical education, to link high school students with education and career tracks for the quality jobs we're creating.

Our budget gives the Commerce Department an additional tool to make the connection between high school and career.

We have included $1.2 million in the department's budget to provide dedicated career specialists for each of the state's nine Joint Powers Agreement alliances.

These career specialists will link our high school students with the best career opportunities available in our State, and help them choose the right college or technical training to make the most of these opportunities – right here in North Dakota.

We have also increased funding for another Commerce Department tool, which will help young people get a foothold in the job market. That program is Operation Intern.

We are creating internships in both the public sector and the private sector, but we need to do more.

Also, programs like the Development Fund have proven to be powerful incentives for getting primary sector businesses off the ground. Our budget increases funding for the Development Fund and other Department of Commerce programs that are making a real difference in the economic growth of our state.

One of those programs is the North Dakota Trade Office.

Trade Office

In the last five years, North Dakota exports have doubled, growing from $625.0 million in 2000, to nearly $1.2 billion in 2005. In fact, we are growing our exports by 18 percent a year, which is nearly twice the national rate.

We owe this in large measure to our growing manufacturing and value-added ag base – and we owe it to the assistance provided by our North Dakota Trade Office.

In fact, growing exports was an important reason that North Dakota was one of only three states last year to gain manufacturing jobs.

With North Dakota Trade Office assistance, we have expanded foreign sales to Taiwan, Japan, Cuba, China, Australia, New Zealand, Russia, the Ukraine, Kazakhstan, and other countries.

In the last legislative session, we budgeted $700,000 to leverage North Dakota products in foreign markets, and we asked North Dakota exporters to match that amount for a total of $1.5 million.

For the next biennium, we propose doubling the general fund appropriation for the North Dakota Trade Office to $1.4 million, and will again seek matching funds from the private sector.

The Trade Office is an effective public-sector, private-sector partnership, and it is providing a good return on our investment for North Dakota citizens.

AGRICULTURE AND ENERGY: NEW PARTNERSHIPS, NEW OPPORTUNITIES

As we expand and diversify our economic base, we must also continue to provide strong support for agriculture.

That means strong support for agricultural research, to ensure that our producers remain competitive.

To do that, we recommend appropriating $9.0 million to build a new research greenhouse facility, and other funding for the ag Research Extension Centers. This funding will not only promote new advances in food production, but also help drive the growing biofuels industry in North Dakota.

Production agriculture has always been a vital part of our economic base, but agriculture is no longer just about food –we are now seeing dynamic relationships emerge between agriculture and energy, as well.

Several years ago, we built a comprehensive energy development plan for our state called *Empower North Dakota*, a comprehensive strategy that addresses renewable resources, like biofuels and wind energy, as well as traditional energy sources like coal, oil, and gas.

The plan sets goals, and implements tools to reach those goals, including strong investment, production, marketing, and tax incentives.

Four years ago, North Dakota had only two small ethanol plants, no bio-diesel plants, and no commercial wind generation facilities.

Today, four new ethanol plants, two new bio-diesel plants and four new large-scale commercial wind facilities have been completed or are well underway.

To maintain our momentum on all of our energy fronts, our new budget adds new tool to help us continue to spur growth in the energy sector.

For example, our budget dedicates $5.0 million for a new program, Bio-fuels PACE.

Bio-fuels PACE provides $500,000 of interest buy-down for each new bio-fuels facility in North Dakota. Combined with the regular PACE and local match, the program makes up to $900,000 available to finance each new ethanol or bio-diesel project. This is enough leverage to develop 10 major new bio-fuels projects.

Bio-fuels PACE is targeted to new ventures that are either 50 percent owned by North Dakotans, or 10 percent owned by producers.

The program will be available not only for new ethanol and bio-diesel facilities, but also for new or expanding dairies and cattle feeders that can use livestock feed, which is a byproduct of these plants.

Another renewable source of energy that benefits everybody, including agriculture, is wind power.

To maintain our momentum in the field of wind energy, we provide funding for investment tax credits, property tax exemptions, and sales and use tax exemptions for new projects in the state.

Also, wind and coal generated electrical producers both need additional transmission capacity to get their product to market.

To address the need for more electrical transmission capacity, in the last session we formed a North Dakota Transmission Authority, and in this budget, we provide more funding for it.

To meet the need for pipeline capacity for our growing oil and gas production, we propose in this budget a similar Pipeline Authority, under the Industrial Commission, managed and funded by the Oil and Gas Research Program.

Traditional energy industries, like oil, natural gas, and coal, will continue to be a large and important part of our energy strategy, and our budget addresses that by enhancing funding for research and development for coal liquefaction and other major areas of lignite energy development through Lignite Vision 21.

Providing incentives for our energy sector is a great investment, because it represent not millions, but billions of dollars of return on investment for our state – and more importantly, higher-paying jobs for our people.

QUALITY OF LIFE: GROWING IN ALL WAYS

Law Enforcement and Public Safety

As we create new and exciting opportunities for our citizens, we need to recognize that it's important to build not only our standard of living, but our quality of life, as well.

Year after year, we are credited by national organizations for our clean environment, quality education, family friendly communities, and low crime rate. Above all, however, people need to feel safe in their homes and businesses.

Last legislative session, we worked together to strengthen our violent and sexual offender laws.

In the upcoming session, we propose taking another step toward making our state even safer.

We are proposing that every first-time sex offender who commits a violent sexual crime get a mandatory sentence of twenty years incarceration followed by lifetime supervised probation.

In addition, we will work for legislation that mandates background checks – including fingerprinting and nationwide criminal history searches – for correctional officers at the city, county and state levels, as well as for other personnel.

Our budget provides funding to help enforce these tougher new laws.

It includes $42.0 million in funding for a major expansion of the state correctional center in Bismarck.

Our plan also includes more than $7.0 million in the Human Services budget to address violent and sexual offenders – $2.8 million for sexual offender community treatment and $4.4 million for additions at the state hospital to manage and treat the most hardened, civilly committed sexual offenders.

We also provide more funding for a new crime lab in the Attorney General's budget, and funding for additional troopers in the Highway Patrol budget.

To address the treatment side of drug and alcohol addiction, we expand our Drug Courts. In the Department of Human Services Budget, we continue funding for the Robinson Recovery Center, and increase funding for additional treatment centers, to help us fight the scourge of methamphetamine. These programs help reclaim lives, and prevent crime before it happens.

Department of Human Services

Quality of life means being secure in our homes and businesses, and it also means being secure as we grow older or when we have a disability.

Our commitment to Human Services is increasing, in part because we are assuming a larger share of the cost of services previously covered by federal dollars.

For example, the Human Services budget includes an increase from the General Fund to meet a reduction in federal funding due to an adjustment in FMAP, the "Federal Medical Assistance Percentage," which is a part of Medicaid. This reduction is a consequence of higher per capita personal income in North Dakota.

As a result of this and other rising costs, to meet the needs of seniors, children, and persons with disabilities, our Department of Human Services budget increases by $71.0 million to maintain and enhance services.

We have a growing elderly population, and we are committed to providing Medicaid and other healthcare services that our seniors need. They built our state, and they deserve our support.

Within that $71.0 million, we provide a $14.1 million inflationary increase for long-term care, home and community based care, developmentally disabled providers, mental health, and other services necessary to take care of people.

Because we recognize the need for more equity in compensation for DD providers, our budget also includes an increase in their hourly pay above the inflation adjustment.

Public Employee Salaries and Health Insurance

Improving our quality of life should extend as well to the people who work in the public sector to serve our citizens: North Dakota public employees.

For state employees, we have included a salary increase of 4 percent the first year, and 4 percent the second year of the biennium. In addition, we continue full payment of health care premiums.

We also recognize the need within state government to attract and retain quality professionals.

To do that, we provide $10.0 million – $5.0 million from the general fund, and $5.0 million from federal and special funds – for an equity pool to recruit and retain qualified state workers.

Our state employees are dedicated workers, and they are committed to doing a good job for the citizens of North Dakota.

Military And Veterans

As we budget to maintain and improve our quality of life in North Dakota, we must never forget those who defend our freedoms and our very way of life: our military.

In the last session, you approved a $5.0 million Veterans Bonus program that currently provides North Dakota veterans with $100 for each month of overseas service and $50 for each month of domestic service.

In addition, the program provides $2,500 for the heirs of soldiers who make the ultimate sacrifice in service to our country, and soldiers who receive the Purple Heart.

We also increased funding for the National Guard Tuition Assistance Program, which aids members attending a North Dakota state college or university.

Our budget continues and expands the bonuses to include non-North Dakota residents in our National Guard, and provides funding to sustain our goal of 100 percent tuition assistance to National Guard members. In addition, it expand the eligibility guidelines of the program to include accredited trade schools.

We are also including funding to recruit and retain junior officers and military specialists.

To help military members and their families confront the emotional challenges they face, we've included funding for licensed counselors to assist them with all phases of military deployment.

Finally, after a loved one makes the ultimate sacrifice for our nation, military families should not have to sacrifice their right to mourn their loss.

We will work with legislators and law enforcement officials to implement – and enforce – a 300 foot buffer zone between protestors and the funeral service of one of our fallen heroes.

To all of our military men and women, our veterans, and their families, we say thank you – thank you from the bottom of our hearts.

BUILDING A BUDGET FOR THE FUTURE

In summary, we need to ask ourselves: Where do we want to be 10 years – or 20 years from now?

We're making real progress, and the right investments today can help us build on that progress for tomorrow.

This budget funds our priorities; invests in the future; provides tax relief for our citizens; and builds stronger reserves than ever before. It is sustainable and prudent, but it is also dynamic and forward-looking.

To build a brighter future, we must believe in ourselves. Whether it's improving education, creating more jobs, strengthening our agriculture base, building our energy resources, taking care of people, keeping North Dakota safe, or supporting our military, we are committed to building the future of our state.

Working together, we can do all of these things for the people of North Dakota. We can build a brighter future for ourselves and for our children.

I look forward to working with you and the people of our state to achieve these goals.

Thank you, and may God bless the Great State of North Dakota.

COMPARISON OF 2005-2007 LEGISLATIVE APPROPRIATION AND 2007-2009 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION

Biennium: 2007-2009

Category / Agency	2005-2007 Legislative Appropriation		2007-2009 Agency Budget Request		2007-2009 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
Executive Branch						
101 OFFICE OF THE GOVERNOR	2,598,137	5,158,137	2,701,941	5,201,941	2,996,516	5,496,516
108 SECRETARY OF STATE	4,489,363	14,433,391	4,301,648	10,247,548	5,313,616	11,267,589
110 OFFICE OF MANAGEMENT AND BUDGET	20,156,011	66,811,330	40,591,088	54,395,600	50,074,077	68,974,437
112 INFORMATION TECHNOLOGY	9,972,837	108,907,227	9,880,510	100,287,812	11,268,434	124,864,163
117 OFFICE OF THE STATE AUDITOR	5,126,005	7,561,146	5,202,920	7,639,871	5,545,807	8,133,914
120 OFFICE OF THE STATE TREASURER	2,344,547	2,344,547	2,220,315	2,220,315	3,038,508	3,038,508
125 OFFICE OF THE ATTORNEY GENERAL	19,212,156	43,700,557	19,277,082	37,328,392	22,929,209	41,223,732
127 OFFICE OF STATE TAX COMMISSIONER	22,485,152	36,605,152	22,707,047	22,707,047	28,948,998	30,648,998
140 OFFICE OF ADMINISTRATIVE HEARINGS	0	1,309,844	0	1,436,741	0	1,694,091
188 COMM ON LEGAL COUNSEL FOR INDIGENTS	8,838,368	10,058,368	8,329,053	10,029,758	9,512,811	11,213,516
190 RETIREMENT AND INVESTMENT OFFICE	0	2,975,028	0	3,128,362	0	3,350,304
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM	19,000	4,719,237	2,500	4,750,657	0	14,549,864
TOTAL	**95,241,576**	**304,583,964**	**115,214,104**	**259,374,044**	**139,627,976**	**324,455,632**
Legislative and Judicial Branches						
150 LEGISLATIVE ASSEMBLY	9,492,225	9,512,225	13,918,501	13,918,501	13,918,501	13,918,501
160 LEGISLATIVE COUNCIL	7,788,941	7,788,941	7,967,232	7,967,232	8,298,218	8,298,218
180 JUDICIAL BRANCH	56,329,994	57,839,972	64,582,060	66,712,001	67,267,338	69,468,372
TOTAL	**73,611,160**	**75,141,138**	**86,467,793**	**88,597,734**	**89,484,057**	**91,685,091**
Elementary, Secondary & Other Education						
201 DEPT OF PUBLIC INSTRUCTION	636,443,587	932,343,222	693,519,878	1,014,427,129	711,585,726	1,037,666,173
226 STATE LAND DEPARTMENT	0	7,826,022	0	8,954,572	0	9,126,688
250 STATE LIBRARY	3,507,082	5,166,354	3,539,421	5,396,539	3,979,712	5,861,312
252 SCHOOL FOR THE DEAF	5,365,097	6,692,362	5,461,352	6,411,187	5,841,502	6,805,664
253 ND VISION SERVICES	2,524,609	3,371,056	2,579,336	3,392,366	2,792,756	3,636,873
270 CAREER AND TECHNICAL EDUCATION	16,840,786	28,131,983	22,558,293	33,576,360	19,285,093	30,320,808
TOTAL	**664,681,161**	**983,530,999**	**727,658,280**	**1,072,158,153**	**743,484,789**	**1,093,417,518**
Higher Education						
215 ND UNIVERSITY SYSTEM	57,729,611	60,329,387	71,647,862	74,085,672	70,910,723	73,348,533
227 BISMARCK STATE COLLEGE	17,109,029	20,854,329	20,667,630	20,695,435	20,771,525	20,799,330
228 LAKE REGION STATE COLLEGE	5,777,526	5,777,526	6,625,362	8,298,362	6,653,271	9,660,871
229 WILLISTON STATE COLLEGE	5,929,472	13,889,472	6,587,693	7,987,693	6,596,300	7,996,300
230 UNIVERSITY OF NORTH DAKOTA	94,852,147	192,683,701	111,148,623	171,148,623	115,408,905	193,608,905
232 UND MEDICAL CENTER	31,361,002	31,361,002	33,874,938	33,874,938	33,874,938	33,874,938
235 NORTH DAKOTA STATE UNIVERSITY	77,496,876	114,996,876	92,498,142	112,998,142	99,027,336	119,527,336

COMPARISON OF 2005-2007 LEGISLATIVE APPROPRIATION AND 2007-2009 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION

Biennium: 2007-2009

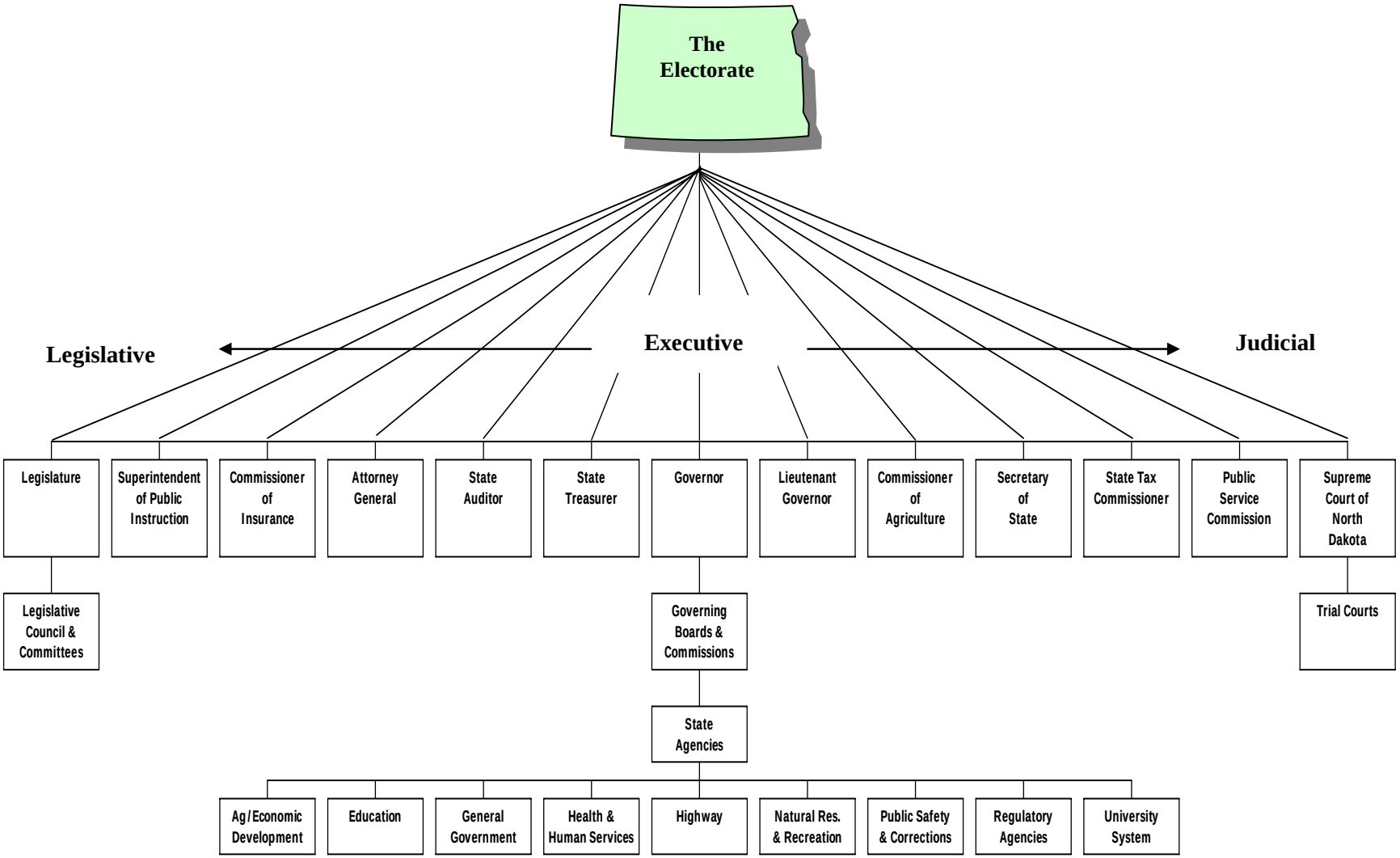
Category / Agency	2005-2007 Legislative Appropriation		2007-2009 Agency Budget Request		2007-2009 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
238 ND STATE COLLEGE OF SCIENCE	25,740,160	28,545,080	28,452,427	36,836,847	30,416,758	38,830,758
239 DICKINSON STATE UNIVERSITY	15,095,317	24,195,874	17,464,199	25,464,199	17,917,119	25,917,119
240 MAYVILLE STATE UNIVERSITY	9,362,624	10,862,624	10,280,427	14,237,427	10,836,719	11,736,719
241 MINOT STATE UNIVERSITY	27,892,719	36,427,719	31,213,236	39,129,201	34,123,292	39,698,842
242 VALLEY CITY STATE UNIVERSITY	12,314,942	12,314,942	13,422,258	15,622,258	15,979,831	15,979,831
243 MINOT STATE UNIVERSITY - BOTTINEAU	4,444,185	10,444,185	5,142,231	5,155,136	5,169,274	5,182,179
244 NORTH DAKOTA FOREST SERVICE	2,052,283	3,027,284	2,408,717	3,526,203	2,541,449	3,538,935
TOTAL	**387,157,893**	**565,710,001**	**451,433,745**	**569,060,136**	**470,227,440**	**599,700,596**
Health and Human Services						
301 ND DEPARTMENT OF HEALTH	13,468,904	125,739,124	14,641,478	149,339,600	18,054,828	154,995,011
313 VETERANS HOME	4,329,092	11,303,925	3,465,331	11,850,887	4,050,174	12,871,264
316 INDIAN AFFAIRS COMMISSION	387,297	407,297	393,077	398,077	566,754	571,754
321 DEPARTMENT OF VETERANS AFFAIRS	653,668	653,668	661,993	661,993	776,382	776,382
325 DEPARTMENT OF HUMAN SERVICES	484,421,474	1,680,062,307	535,057,390	1,736,066,922	582,160,899	1,848,471,001
360 PROTECTION AND ADVOCACY	812,093	3,720,979	822,024	3,743,880	913,910	4,056,688
380 JOB SERVICE NORTH DAKOTA	1,501,012	59,771,271	1,482,620	60,759,068	1,536,967	63,129,058
TOTAL	**505,573,540**	**1,881,658,571**	**556,523,913**	**1,962,820,427**	**608,059,914**	**2,084,871,158**
Regulatory						
401 OFFICE OF THE INSURANCE COMMISSIONER	0	13,679,655	0	13,946,947	0	14,350,979
405 INDUSTRIAL COMMISSION	6,878,658	50,781,796	6,941,000	56,998,902	8,762,790	58,870,922
406 OFFICE OF THE LABOR COMMISSIONER	961,239	1,460,204	975,699	1,350,969	1,150,143	1,551,841
408 PUBLIC SERVICE COMMISSION	4,362,837	11,299,988	4,260,372	11,196,803	4,903,183	12,908,565
412 AERONAUTICS COMMISSION	550,187	5,790,305	550,187	7,018,694	550,000	7,072,844
413 DEPT OF FINANCIAL INST	0	4,445,503	0	4,869,800	0	5,181,860
414 SECURITIES DEPARTMENT	1,459,244	1,676,443	1,478,470	1,695,669	1,562,802	1,780,001
471 BANK OF NORTH DAKOTA	6,900,000	51,475,075	6,900,000	43,659,203	10,100,000	48,242,359
473 ND HOUSING FINANCE AGENCY	0	33,910,014	0	41,210,462	0	41,534,102
475 ND MILL AND ELEVATOR ASSOCIATION	0	32,841,404	0	36,438,307	0	36,780,837
485 WORKFORCE SAFETY AND INSURANCE	0	33,523,001	0	53,289,914	0	50,020,989
TOTAL	**21,112,165**	**240,883,388**	**21,105,728**	**271,675,670**	**27,028,918**	**278,295,299**
Public Safety						
504 HIGHWAY PATROL	20,080,862	34,819,608	20,308,065	34,766,283	23,831,113	39,496,128
512 DEPT OF EMERGENCY SERVICES	5,115,672	62,985,952	5,167,598	52,949,166	0	0
530 DEPT OF CORRECTIONS AND REHAB	101,135,684	128,900,831	111,296,547	137,880,102	172,696,199	199,549,688
540 ADJUTANT GENERAL	16,445,229	47,879,027	11,296,198	85,264,530	21,711,846	143,406,238
TOTAL	**142,777,447**	**274,585,418**	**148,068,408**	**310,860,081**	**218,239,158**	**382,452,054**

COMPARISON OF 2005-2007 LEGISLATIVE APPROPRIATION AND 2007-2009 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION

Biennium: 2007-2009

Category / Agency	2005-2007 Legislative Appropriation		2007-2009 Agency Budget Request		2007-2009 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
Agriculture and Economic Development						
601 DEPT OF COMMERCE	19,180,781	76,615,064	19,268,998	75,053,630	26,169,736	81,531,029
602 DEPARTMENT OF AGRICULTURE	4,523,112	14,009,644	4,584,049	14,576,639	5,430,717	16,309,662
616 STATE SEED DEPARTMENT	0	5,933,391	0	5,933,391	0	6,169,502
627 UPPER GREAT PLAINS TRANS INST	1,162,904	16,452,937	1,168,826	26,415,487	1,223,884	27,479,547
628 BRANCH RESEARCH CENTERS	8,386,309	21,505,676	8,587,102	22,104,125	10,658,084	24,374,515
630 NDSU EXTENSION SERVICE	15,358,146	38,379,737	15,614,536	38,426,886	17,456,831	41,322,455
638 NORTHERN CROPS INSTITUTE	910,761	1,902,683	922,306	2,356,883	1,118,392	2,598,111
640 NDSU MAIN RESEARCH CENTER	30,794,067	75,456,713	31,102,380	82,335,070	45,437,622	86,698,779
649 AGRONOMY SEED FARM	0	1,201,008	0	1,202,748	0	1,230,346
665 ND STATE FAIR	615,000	615,000	615,000	615,000	5,627,150	10,627,150
670 ND HORSE RACING COMMISSION	117,479	367,145	117,479	389,337	120,640	407,564
TOTAL	**81,048,559**	**252,438,998**	**81,980,676**	**269,409,196**	**113,243,056**	**298,748,660**
Natural Resources						
701 HISTORICAL SOCIETY	8,094,058	18,021,223	7,812,605	10,250,938	9,905,801	13,025,263
709 COUNCIL ON THE ARTS	999,691	2,268,009	958,974	2,247,292	1,196,307	2,484,625
720 GAME AND FISH DEPARTMENT	0	51,201,059	0	53,095,887	0	54,891,111
750 PARKS AND RECREATION DEPT	8,144,153	21,571,736	7,320,087	20,196,586	14,141,417	27,269,806
770 WATER COMMISSION	1,011,220	126,070,938	1,034,142	173,455,718	13,687,506	174,610,555
TOTAL	**18,249,122**	**219,132,965**	**17,125,808**	**259,246,421**	**38,931,031**	**272,281,360**
Transportation						
801 DEPT OF TRANSPORTATION	0	955,008,348	0	887,248,221	20,000,000	907,295,066
TOTAL	**0**	**955,008,348**	**0**	**887,248,221**	**20,000,000**	**907,295,066**
TOTAL OF ALL CATEGORIES	**1,989,452,623**	**5,752,673,790**	**2,205,578,455**	**5,950,450,083**	**2,468,326,339**	**6,333,202,434**

STATE OF NORTH DAKOTA ORGANIZATIONAL CHART



General Fund

2005-07

The 2005-07 biennium began with a general fund balance of $68.0 million. The biennial general fund appropriation was $1.989 billion; the legislative revenue forecast provided for general fund revenues of $1.935 billion.

Throughout the biennium, revenues have consistently exceeded projections. Through October 31, 2006, actual collections exceed the 2005 legislative forecast by nearly $235.0 million, or 20.0 percent. Leading this growth are corporate and individual income tax collections, which both exceed the legislative forecast by over $80.0 million. Sales and use taxes exceed the legislative forecast by over $50.0 million. Strong oil and gas prices have increased exploration activities and production. Oil and gas extraction and production taxes have exceeded the legislative forecast. However, pursuant to North Dakota Century Code (NDCC) Section 57-51.1-07.2, all oil taxes collected in excess of $71.0 million are deposited in the permanent oil tax trust fund, rather than the general fund. Through October 31, 2006, deposits into the permanent oil tax trust fund have totaled $82.0 million.

The November 2006 executive revenue forecast significantly revises the original legislative forecast for the 2005-07 biennium. The 2006 executive forecast projects 2005-07 revenues of $2.234 billion, an increase of $299.0 million, or 15.5 percent.

Although the general fund portion of oil and gas taxes is limited to $71.0 million for the 2005-07 biennium, deposits into the permanent oil tax trust fund are anticipated to be $158.5 million during the 2005-07 biennium.

The price of oil is anticipated to gradually decline from $60 per barrel to $50 per barrel in fiscal year 2007. Production is anticipated to gradually increase from 113,000 to 115,000 barrels per day by June 30, 2007.

2007-09

The estimated July 1, 2007, beginning general fund balance (before transfers) is projected to be $312.0 million, based on the revised 2005-07 revenue forecast, proposed deficiency appropriations, and estimated unspent general fund appropriation authority. Projected general fund revenues are $2.291 billion for the 2007-09 biennium, $57.0 million more than the revised estimate for the 2005-07 biennium; $356.0 million more than the original legislative forecast for the 2005-07 biennium.

A statutory change is proposed to NDCC Section 54-27.2-01 to allow the transfer of $100.5 million from the June 30, 2007, general fund balance to the budget stabilization fund. Currently the fund is capped at 5.0 percent of appropriations, approximately $99.5 million for the 2005-07 biennium. The proposed statutory change will raise the cap to $200.0 million. This proposed transfer will reduce the July 1, 2007, general fund balance to $211.5 million.

Comparing the 2007-09 biennium executive forecast to the 2005-07 revised forecast:

- Taxable sales and purchases are expected to grow by $77.9 million, or 9.18 percent.
- Motor vehicle excise tax collections are expected to grow by $8.3 million, or 6.9 percent.
- Individual income tax collections are expected to grow by $54.7 million, or 9.9 percent.
- Corporate income tax collections, which reached an historic high during the 2005-07 biennium in part due to one-time audit collections, are anticipated to decline by $23.2 million, or 12.4 percent.
- Interest income is anticipated to grow by $6.0 million, or 19.9 percent.
- And transfers to the general fund are anticipated to be reduced by $64.3 million, or 81.1 percent.

Transfers from the Bank of North Dakota are held even at $60.0 million and the transfer from the student loan trust fund will be reduced from $9.0 million to $3.1 million. The transfer from the State Mill and Elevator will be continued at the 2005-07 biennium level of $5.0 million. The transfer from the lands and minerals trust fund is anticipated to increase from $6.8 million to $15.0 million as a result of increased mineral income.

Oil extraction and gross production tax collections are projected to total $238.0 million during the 2007-09 biennium. North Dakota Century Code Section 57-51.1-07.2 provides that all oil tax collections in excess of $71.0 million are to be deposited in the permanent oil tax trust fund. As a result, $71.0 million will be deposited in the general fund and the remaining $167.0 million will be deposited in the permanent oil tax trust fund.

The permanent oil tax trust fund is anticipated to begin the 2007-09 biennium with a balance of $128.3 million and end the biennium with a balance of $178.6 million. The only expenditure proposed from the fund for the 2007-09 biennium is $116.7 million for the Governor's proposed property tax relief initiative. The plan provides tax relief for residential property in the amount of 10 percent, for agricultural property in the amount of 5 percent, and for commercial property in the amount of 5 percent. Over the 2007-09 biennium, North Dakota homeowners will receive $77.0 million, businesses will receive $22.0 million, and farmers and ranchers will receive $17.0 million in property tax relief.

The price of oil is expected to average $50 per barrel during fiscal year 2008 and to decline to $45 per barrel by the end of fiscal year 2009. Oil production is expected to increase from 115,000 to 116,000 barrels per day during fiscal year 2008. Production is anticipated to continue increasing to 119,000 barrels per day by the end of fiscal year 2009. Current production is averaging around 113,000 barrels per day; the current price for North Dakota crude is around $52 per barrel.

Based on the executive revenue forecast and recommended appropriation levels, the projected June 30, 2009, ending balance is $34.4 million

Federal Funds

Federal funds represent 38.3 percent of the recommended state budget. Agencies receiving significant federal funds include the Department of Transportation, Department of Human Services, Job Service North Dakota, and the Agricultural Research Centers throughout the state.

Congress sets the amount of federal funds received by states in annual appropriation sessions. The amounts that appear in the 2007-09 budget recommendations are the agencies' best estimates of what they may receive in the future. If anticipated federal funds are not forthcoming, the agencies cannot use all their appropriation authority. If actual federal funds received exceed budget estimates, the agency can request from the Emergency Commission authority to accept and expend additional funds.

The executive and legislative branches of state government have little control over the amount of federal funds state agencies will receive. The "Federal/Special Funds" section of this publication describes in detail the federal funds estimated to be received from the federal government during the 2007-09 biennium.

Special Funds

Special funds represent 22.8 percent of the recommended state budget. Special funds are best described as dedicated funds usually earmarked for specific purposes. One example is the state gas tax, earmarked for Department of Transportation functions.

Agencies with significant amounts of dedicated funds include the Retirement and Investment Office, Public Employees Retirement System, and the State Land Department, which operate on interest from investments. The Bank of North Dakota and the North Dakota Mill and Elevator Association operate on their own profits. Agencies like the Information Technology Department and the Central Services division of the Office of Management and Budget charge agencies for services provided. The Game and Fish Department has other funds from hunting and fishing licenses.

These special, dedicated funds are estimated by state agencies in the budget request. The "Federal/Special Funds" section of this publication describes in detail the special funds expected to be received in the 2007-09 biennium.

In North Dakota, appropriation measures passed by the legislature do not distinguish between federal and special funds. They are totaled together and designated as "other" funds.

Economic Analysis

North Dakota's economy has showed steady growth during the 2005-07 biennium, with broad revenue growth spread through many tax types.

The agricultural economy remains strong, with high commodity prices. Wheat prices have recently reached a ten-year high.

High oil prices have led to increased oil exploration activity and increased tax collections for oil extraction and production. Oil activity is at its highest level in two decades. Forty-five rigs are currently operating in the state compared to 33 rigs one year ago, and only 24 rigs two years ago. Up to a dozen additional oil rigs are anticipated to be moved into the state from Montana during the next year as oil companies increase exploration investment in North Dakota. Each oil rig represents up to 40 direct jobs and 80 indirect jobs.

The state's unemployment rate declined slightly during the third quarter of 2006 to 3.3 percent. Retail and finance employment growth has remained strong; service industries and energy have also contributed to job growth.

Moody's Economy.com predicts that after "several years of outperforming the nation, the North Dakota economy is expected to moderate to a slower growth track in the near term," but the overall outlook remains positive.

STATUS STATEMENTS

General Fund
Status Statement

	2005-07		2007-09	
Beginning Balance		$68,015,056		$211,497,359
Revenue:				
Revenue forecast		2,234,022,965		2,291,185,060
Expenditures:				
General fund appropriations - ongoing	($1,980,581,116)		($2,280,592,339)	
General fund appropriations - one time	(8,871,507)		(187,734,000)	
Proposed deficiency appropriations	(10,560,670)			
Estimated unspent authority	10,000,000			
Total Expenditures		(1,990,013,293)		(2,468,326,339)
Ending Balance Before Transfers		312,024,728		34,356,080
Transfers:				
Transfer to the budget stabilization fund		(100,527,369)		
Ending Balance		$211,497,359		$34,356,080

Budget Stabilization Fund
Status Statement

	2005-07	2007-09
Beginning Balance	$99,472,631	$200,000,000
Revenue		
Transfer from general fund	100,527,369 \1	0
Transfers to general fund	0 \2	0 \2
Ending Balance	$200,000,000	$200,000,000

\1 Based on the November 2006 executive budget recommendation. As provided in 2007 SB 2015, NDCC 54-27.2-01 is amended to raise the cap on the balance of the budget stabilization fund from 5 percent of appropriations to $200.0 million. A transfer of $100.5 million from the June 30, 2007, ending general fund balance to the stabilization fund is provided in the executive budget. Because this transfer will result in a $200.0 million balance, all interest accruing on the budget stabilization fund will be deposited in the general fund.

\2 No transfers from the budget stabilization fund to the general fund are anticipated during the 2005-07 or 2007-09 bienniums. Transfers will only take place if actual general fund collections fall short of revenue projections, as provided in NDCC Section 54-27.2-03.

Notes:

The budget stabilization fund is a statutory fund created in 1987. NDCC Section 54-27.2-02 provides that any end of biennium balance in the general fund in excess of $65.0 million must be transferred to the budget stabilization fund.

Pursuant to NDCC Section 54-27.2-01, the fund is limited to no more than 5 percent of the current biennial state general fund budget. The executive budget recommendation, as contained in SB 2015, proposes increasing this cap to $200.0 million. Any deposits or interest that would otherwise be deposited or retained in the fund must instead be deposited in the general fund once the maximum balance is reached.

Currently, Section 54-27.2-03 provides that if general fund revenues are projected to be at least 2.5 percent less than included in the legislative revenue forecast, the Governor may order a transfer from the budget stabilization fund to the general fund. As proposed in SB 2015, Section 54-27.2-03 is amended to provide that the Governor may order a transfer from the budget stabilization fund in the event of a revenue shortfall of any amount.

State Aid Distribution Fund
Status Statement

	2005-07		2007-09	
Beginning Balance		$0		$0
Revenue:				
Sales tax revenue	$73,293,653		$80,497,000	
Motor vehicle excise tax revenue	10,443,341		11,247,000	
Total Revenue		83,736,994 \1		91,744,000 \2
Expenditures:				
Distribution to cities and counties		(83,736,994)		(91,744,000)
Ending Balance		$0		$0

\1 Based on actual fiscal year 2006 sales and use tax collections, and estimated fiscal year 2007 collections. Estimates are based on the November 2006 executive revenue forecast.

\2 Based on the November 2006 executive revenue forecast.

Notes:

North Dakota Century Code Section 57-39.2-26.1 provides for the deposit of a portion of sales, use, and motor vehicle excise tax collections into the state aid distribution fund. The amount deposited into the state aid distribution fund is equal to 40% of an amount determined by multiplying the quotient of 1%, divided by the general sales tax rate that was in effect when the sales were collected, times the net sales, use, and motor vehicle excise tax collections.

Revenues deposited in the state aid distribution fund are provided as a standing and continuing appropriation and are allocated to political subdivisions pursuant to the formula provided in Section 57-39.2-26.1.

Resources Trust Fund
Status Statement

	2005-07			2007-09		
Beginning Balance		$36,743,173	\1		$26,723,173	
Revenue:						
Repayments and reimbursements	$2,223,000			$2,395,000		
Oil extraction tax collections	25,850,000			39,762,350		
Interest	1,607,000			760,600		
Total Revenue		29,680,000	\2		42,917,950	\3
Expenditures:						
Water Commission appropriation		(39,700,000)			(69,352,698)	\4
Ending Balance		$26,723,173			$288,425	

\1 Actual July 1, 2005 balance.
\2 Based on actual revenues through September 30, 2006 and estimated revenues for the remainder of the biennium (based on the November 2006 executive revenue forecast).
\3 Based on the executive revenue forecast for the 2007-09 biennium.
\4 Based on the 2007-09 executive recommendation for the Water Commission.

Notes:

The resources trust fund was created pursuant to passage of Measure No. 6 in the November 1980 general election. Measure No. 6 established a 6.5 percent oil extraction tax, 10 percent of which was distributed to the resources trust fund. Measure No. 2, a constitutional amendment approved in the June 1990 primary election, establishes the resources trust fund as a constitutional trust fund and provides that the principal and income of the fund may be spent pursuant to legislative appropriations for:

1. Constructing water related projects, including rural water systems.
2. Funding energy conservation programs.

North Dakota Century Code Section 57-51.1-07 provides that the resources trust fund is available for legislative appropriation to the State Water Commission for planning and constructing water-related projects and to the Industrial Commission for energy conversion and waste products utilization programs and studies. The 1995 Legislative Assembly amended Section 57-51.1-07 to privide that 20 percent of oil extraction tax collections will be deposited in the resources trust fund.

Lands and Minerals Trust Fund
Status Statement

	2005-07		2007-09	
Beginning Balance		$6,820,579		$9,752,183
Revenue:				
Mineral royalties	$6,514,182		$5,329,785	
Mineral rents	247,315		206,680	
Mineral bonus	2,975,918		143,868	
Human Services DD loans	1,057,178		1,129,730	
Investment income	1,028,375		1,129,968	
Total Revenue		11,822,968		7,940,031
Expenditures:				
Transfer to common schools for DD loan	($1,652,538)		($1,643,060)	
Transfer to general fund	(6,800,000)		(15,000,000)	
Transfer to Industrial Commission	(225,000)			
Administrative expenses	(213,826)		(226,848)	
Total Expenditures		(8,891,364)		(16,869,908)
Ending Balance		$9,752,183		$822,306

Notes:

The lands and minerals trust fund originated in 1977 when the Legislative Assembly transferred to the Board of University and School Lands possessory interests in real property belonging to or managed by the Bank of North Dakota. Upon sale of the real property, the state retained the mineral interests. All income from the sale, lease, and management of these lands and mineral interests is deposited in the lands and minerals trust fund (North Dakota Century Code Section 15-08.1-08). The principal and interest of the trust fund may be expended upon approval by the Legislative Assembly.

Tobacco Settlement Trust Fund
Status Statement

	2005-07		2007-09	
Beginning Balance		$0		$0
Revenue:				
Fiscal year 1 payments	$21,414,069		$35,001,451	
Fiscal year 2 payments	21,823,464		35,001,451	
Total Revenue		43,237,533 \1		70,002,902
Expenditures:				
Transfer to community health trust fund	($4,323,753)		($7,000,290)	
Transfer to water development trust fund	(19,456,890)		(31,501,306)	
Transfer to common schools trust fund	(19,456,890)		(31,501,306)	
Total Expenditures		(43,237,533)		(70,002,902)
Ending Balance		$0		$0

\1 Based on actual revenues for fiscal year 2006 and estimated payments for the remainder of the biennium.

Notes:

North Dakota Century Code 54-27-25, enacted in 1999, establishes the tobacco settlement trust fund to be used for the deposit of tobacco settlement dollars obtained by the state under the master settlement agreement and consent agreement adopted by the east central judicial district court. All monies received by the state pursuant to the judgment and all monies received by the state for enforcement of the judgment must be deposited in the fund. The principal of the fund must be allocated as follows:

10% to the community health trust fund
45% to the common schools trust fund
45% to the water development trust fund

All transfers out of the fund must be made within 30 days of receipt of the tobacco settlement monies.

Community Health Trust Fund
Status Statement

	2005-07		2007-09	
Beginning Balance		$4,334,394		$1,793,791
Revenue:				
Tobacco revenue		4,323,753		7,000,290
Expenditures:				
Dental loan fund	($420,000)		($380,000)	
Physician loan fund	0		(75,000)	
Tobacco Quitline	(884,000)		(1,069,000)	
Statewide tobacco commission	(606,000)	\1	(491,000)	\1
Local health and tobacco programs	(4,700,000)		(4,700,000)	
Youth Tobacco Program			(551,600)	
DHS breast & cervical cancer	(254,356)		(213,904)	
Total Expenditures		(6,864,356)		(7,480,504)
Ending Balance		$1,793,791		$1,313,577

\1 Includes $100,000 for the Tobacco Advisory Committee, $260,000 for tobacco cessation grants to cities and counties and $131,000 for a tobacco prevention coordinator and operating expenses.

Notes:

The community health trust fund originated in 1999. The purpose of the fund is to provide for public health programs, including those emphasizing prevention or reduction of tobacco usage in this state. The revenue source for the community health trust fund is the tobacco settlement trust fund (North Dakota Century Code Section 54-27-25). All tobacco settlement monies received by the state are to be deposited in the tobacco settlement trust fund. Monies in the fund must be transferred as follows, within 30 days of deposit in the fund:

10% to the community health trust fund
45% to the common schools trust fund
45% to the water development trust fund

The community health trust fund is to be administered by the Department of Health which may use monies in the funds subject to legislative appropriation.

Health Care Trust Fund
Status Statement

	2005-07		2007-09	
Beginning Balance		$20,134,411		$1,830,102
Revenue:				
Net interest earnings	$1,086,596		$109,806	
Principal and interest repayments	834,095		805,531	
Total Revenue		1,920,691		915,337
Expenditures:				
Transfers to State General Fund	($16,900,000)			
Provider Inflationary Increase - 0.65%	(3,001,852)			
DD provider Increase	(198,148)			
Quick response unit pilot project	(125,000)	/1	($125,000)	/1
Total Expenditures		(20,225,000)		(125,000)
Ending Balance		$1,830,102		$2,620,439

/1 The quick response unit pilot project and nursing student loan repayment are appropriated to the Health Department.

Note:

Estimate of interest income for 2005-07 is based upon transferring $8.5 million to the state general fund on June 1, 2006, and $8.4 million on June 1, 2007.

Water Development Trust Fund
Status Statement

	2005-07			2007-09		
Beginning Balance		$13,200,239	\1		$9,654,846	
Revenue:						
Transfers from the tobacco settlement trust		19,456,890	\2		31,501,307	\4
Expenditures:						
Water Commission expenditures	($23,002,283)			($40,055,999)		
Total Expenditures		(23,002,283)	\3		(40,055,999)	\5
Ending Balance		$9,654,846			$1,100,154	

\1 Actual July 1, 2005 balance.
\2 Based on actual tobacco settlement receipts received through September 30, 2006 and estimated receipts for the remainder of the biennium.
\3 Based on estimated Water Commission expenditures for the 2005-07 biennium.
\4 Based on estimated tobacco settlement proceeds to be received during the 2007-09 biennium.
\5 Based on the 2007-09 executive recommendation for the Water Commission.

Notes:

The water development trust fund was established by the Legislative Assembly in 1999, upon enactment of North Dakota Century Code Section 54-27-25. North Dakota Century Code Section 54-27-25 establishes the tobacco settlement trust fund, in which is deposited state proceeds received pursuant to the tobacco master settlement agreement. Monies in the tobacco settlement trust fund are allocated 45 percent to the water development trust fund, 45 percent to the common schools trust fund, and 10 percent to the community health trust fund. Monies in the water development trust fund are to be used for the long-term water development and management needs of the state.

Foundation Aid Stabilization Fund
Status Statement

	2005-07		2007-09	
Beginning Balance	$16,098,385	\1	$28,461,651	
Revenue:				
Oil extraction tax allocations	12,363,266	\2	19,881,175	\3
Expenditures:				
Transfer to state school aid program	0		0	
Ending Balance	$28,461,651		$48,342,826	

\1 Actual July 1, 2005 balance.
\2 Based on actual oil extraction tax allocations through October 31, 2006 and estimated allocations for the remainder of the biennium (based on the November 2006 executive revenue forecast).
\3 Based on the November 2006 executive revenue forecast.

Notes:

The foundation aid stabilization fund was created in 1994 upon voter approval of Article X, Section 24 of the Constitution of North Dakota. Section 24 provides that 20% of oil extraction taxes are to be allocated as follows:

50% to the common schools trust fund
50% to the foundation aid stabilization fund

Section 24 also provides that interest from the foundation aid stabilization fund must be transferred to the general fund; the principal can only be spent upon order of the Governor to offset foundation aid reductions made by executive action due to a revenue shortfall. North Dakota Century Code Section 54-44.1-12 provides that in the case of an allotment, all agencies that receive monies from a fund must be allotted on a uniform basis. The exception is that appropriations for foundation aid, transportation aid, and special education aid may only be allotted to the extent that the allotment can be offset by transfers from the foundation aid stabilization fund.

Tuition Apportionment
Status Statement

	2005-07			2007-09		
Beginning Balance		$1,102,695	\1		$909,010	
Revenue:						
Fines for violation of state laws	$9,206,315			$9,400,000		
Transfers from common schools	62,200,000			66,800,000		
Total Revenue		71,406,315	\2		76,200,000	\4
Expenditures:						
Tuition apportionment payments		(71,600,000)			(76,200,000)	\5
Ending Balance		$909,010	\3		$909,010	

\1 Actual July 1, 2005 balance.
\2 Revenue estimates for fines are based on actual fiscal year 2006 fines and estimated revenues for the second year; common schools revenue estimates are based on Land Department projections.
\3 Proceeds from fines deposited in the tuition fund during May, June, and July of each fiscal year are carried forward for distribution in August of the subsequent fiscal year.
\4 Fines revenue estimate assumes that collections will continue at the estimated fiscal year 2007 level.
\5 The amount shown is the executive recommendation for the 2007-09 biennium and is included in the state school aid formula distribution.

Notes:

The common schools trust fund is a constitutional trust fund established in 1889. Article IX, Section 2, of the Constitution of North Dakota provides that state distributions to schools shall include the interest and income of the common schools trust fund, as well as all fines for violation of state laws. These amounts are deposited in the the state tuition fund, pursuant to North Dakota Century Code Section 15.1-28-01. Section 15.1-28-03 directs the Superintendent of Public Instruction to distribute the balance in the state tuition fund based on the number of school age children residing in each district. This section also provides that tuition apportionment payments will be distributed at the same time as state aid per student payments calculated pursuant to Chapter 15.1-27.

The executive recommendation provides that future tuition fund allocations will be combined with general fund appropriations for the school aid program and distributed on a weighted ADM basis, rather than on the basis of census units.

Highway Tax Distribution Fund
Status Statement

	2005-07			2007-09		
Beginning Balance		$0			$0	
Revenue:						
Motor vehicle fuel tax	$162,100,000		\1	$148,700,000		\1
Special fuel tax	77,800,000		\2	80,800,000		\2
Special fuel excise tax	9,500,000			14,800,000		
Motor vehicle registration fees	85,100,000		\3	91,600,000		\3
Total Revenue		334,500,000			335,900,000	
Transfers:						
Highway Patrol	($7,516,175)			($8,644,595)		
Motorboat safety account	(200,000)		\4	(200,000)		\4
State snowmobile fund	(200,000)		\5	(200,000)		\5
Counties	(74,100,000)			(74,072,743)		
Cities	(45,100,000)			(45,087,757)		
State highway fund	(202,983,825)			(202,894,905)		
Standing Rock Reservation	(600,000)		\6	(600,000)		\6
Remaining tribal agreements	(1,000,000)		\6	(1,000,000)		\6
Ethanol production incentive	(2,800,000)		\7	(3,200,000)		\7
Total Transfers		(334,500,000)			(335,900,000)	
Ending Balance		$0			$0	

\1 Motor fuel tax amounts are net of the one cent gas tax withheld for the township highway aid fund (NDCC 54-27-19.1), amounts withheld for the refund reserve, and the motor fuels operating fund, but include amounts collected for penalties and interest, and license and permit fees (NDCC 57-43.1-28).

\2 Special fuel taxes are net of the gas tax withheld for the township highway aid fund (NDCC 54-27-19.1). Special fuel taxes include amounts collected for penalties and interest, and license and permit fees (NDCC 57-43.2-19).

\3 Motor vehicle registrations are net of amounts withheld to pay fuel tax refunds for the International Fuel Tax Agreement member states (IFTA), and the motor vehicle operating fund. Motor vehicle registrations exclude the $13 registration fee that goes directly to the state highway fund. Motor vehicle registrations exclude the fees collected by the Motor Vehicle Division but paid to other funds, including the motor vehicle excise tax and the state aid distribution paid to the general fund, the motorcycle safety education fund (NDCC 39-28-05), busing assistance paid to the the public transportation fund (NDCC 39-04.2-03), abandoned motor vehicle disposal fund (NDCC 39-26-12), veterans' cemetery maintenance fund (39-04-10.10), all-terrain vehicle fund (39-29-01.1), the employment of people with disabilities fund (39-01-15), and the unsatisfied judgement fund (NDCC 39-24-03).

\4 On July first of each year the State Treasurer transfers $2.50 multiplied by the number of motorboats licensed with the Game and Fish Department to the motorboat program and safety account from the highway distribution fund (NDCC 20.1-02-16.6).

\5 An amount equal to the tax collected on 30 gallons of motor vehicle fuel multiplied by the number of snowmobiles registered must be transferred annually from the highway distribution fund to the state snowmobile fund (NDCC 39-24-05).

\6 The current agreement between the Standing Rock Reservation and the State of North Dakota provides the reservation will be distributed 75 percent of the tax on fuel sold on the reservation, less a 1 percent administrative fee. Estimate assumes the agreement will remain the same with the Standing Rock Reservation for the biennium, the pending agreements will be executed, and the remaining reservations will execute an agreement by the end of the biennium (NDCC 54-40.2-02).

\7 The State Treasurer shall transfer annually from the highway tax distribution fund to the ethanol incentive fund an amount equal to 40 percent of all sums collected for the registration of farm vehicles (NDCC 39-04-39).

Notes:

Projected revenues and transfers for the 2005-07 biennium are original estimates based on statutory changes enacted by the 2005 Legislative Assembly and contained in Senate Bill No. 2012. Through October 31, 2006, gross highway tax distribution fund collections are tracking closely with original estiamtes. Actual collections exceed estimates by a variance of less than 4.0 percent.

Permanent Oil Tax Trust Fund
Status Statement

	2005-07			2007-09		
Beginning Balance		$50,369,096	\1		$128,294,681	
Revenue		158,543,405	\2		167,036,607	\2
Expenditures:						
Appropriation for Peace Garden Music Camp - 2005 SB 2228	($350,000)					
Appropriation for Centers of Excellence - 2005 SB 2018	(16,000,000)					
Additional appropriation for Centers of Excellence - 2007 SB 2015	(5,300,000)					
Appropriation to DHS for MMIS - 2005 HB 1012	(3,667,820)					
Appropriation for property tax relief - 2007 executive recommendation				($116,700,000)		
Transfer to the general fund	(55,300,000)		\3			
Total Expenditures and Transfers		(80,617,820)			(116,700,000)	
Ending Balance		$128,294,681			$178,631,288	

\1 Actual July 1, 2005 beginning balance.

\2 Estimated oil extraction and production taxes in excess of the current statutory cap of $71.0 million (North Dakota Century Code 57-51.1-07.2), based on the November 2006 executive revenue forecast.

\3 Transfer to the general fund, pursuant to 2005 House Bill 1015.

Notes:

North Dakota Century Code 57-51.1-07.2 establishes the permanent oil tax trust fund. This section provides that all oil extraction and production taxes collected and deposited in the general fund in excess of $71.0 million must be transferred to the permanent oil tax trust fund. The State Treasurer shall transfer interest earnings of the trust fund to the general fund at the end of each fiscal year. The principal may only be expended upon a two-thirds vote of the members of each house of the Legislative Assembly.

Bonding Fund
Status Statement

	2005-07			2007-09		
Beginning Balance		$3,752,803	\1		$3,640,303	
Revenue:						
Premiums	$0		\2	$0		\2
Investment revenue	325,000		\3	350,000		\3
Claims restitution	35,000		\4	40,000		\4
Game & Fish revenue	6,500		\5	6,500		\5
Total Revenue		366,500			396,500	
Expenditures:						
Loss claim payments	$425,000		\6	$200,000		\6
Claims payments	19,000		\7	20,000		\7
Appropriated-fund administration	35,000			44,131		
Transfer to general fund	0			0		
Total Expenditures		479,000			264,131	
Ending Balance		$3,640,303			$3,772,672	

\1 Cash and investments, less securities lending collateral, from the 2004 comprehensive annual financial report (CAFR).
\2 There have been no premiums assessed or payments received in this fund since 1953.
\3 Investment revenue is based on historical, current information, and projections of future market conditions.
\4 Claims restitution to the fund from individuals based on historical data.
\5 Game and Fish revenue from bonding fees for businesses selling game and fish licenses based on historical data.
\6 Loss claim payments is based on historical and current data, open claims reports, and actuarial projections. Additionally two large claims, RT Water Supply for approximately $270,000 and Red River Valley Fair for approximately $100,000 will occur in 2005-07.
\7 Claims related payments include adjusting fees and all expenditures directly related to a specific claim.

Notes:

The bonding fund was created in 1915 and is maintained for bond coverage of public employees. The bonding fund is managed by the Insurance Commissioner. The amount of coverage provided to each state agency, department, industry, and institution is determined by the commissioner, based upon the amount of money and property handled, and the opportunity for default. North Dakota Century Code Section 26.1-21-09 provides that premiums for bond coverage are to be determined by the Insurance Commissioner but can be waived if the bonding fund balance is in excess of $2.0 million.

Fire and Tornado Fund
Status Statements

	2005-07			2007-09		
Beginning Balance		$19,644,477	\1		$22,475,901	
Revenue:						
Premium revenue	$9,800,000		\2	$10,000,000		\2
Investment revenue	2,400,000		\3	2,600,000		\3
Claims recovery	0		\4	1,500,000		\4
Boiler inspection fee	250,000			300,000		
Total Revenue		12,450,000			14,400,000	
Expenditures:						
Insurance claims	$4,900,000		\5	$4,900,000		\5
Claims related payments	3,150,000		\6	3,200,000		\6
Appropriated-fund administration	1,138,576			1,153,804		
Fire Marshal inspection fees	310,000			450,000		
ND Firefighter's Association	120,000			120,000		
Total Expenditures		9,618,576			9,823,804	
Ending Balance		$22,475,901			$27,052,097	

\1 Cash and investments, less securities lending collateral, from 2004 Comprehensive Annual Financial Report (CAFR).
\2 Premium revenue is projected using historical data, volume of activity, and premium changes calculated by the actuary.
\3 Investment revenue is based on current financial statements and projections by the Retirement & Investment Office.
\4 Claims recovery is re-insurance purchased through an insurance company to cover claims that exceed a specific amount per incident. The amount recovered from the insurance company falls into this revenue category. Projection is based on historical data, open claims and current cost factors.
\5 Insurance claims expense is based on historical and current data, open claims reports, and actuarial reports.
\6 Claims related payments include claim adjusting fees and premium payments for re-insurance.

Notes:

The state fire and tornado fund originated in 1919. The fund is maintained to ensure the various political subdivisions and state industries against loss to public buildings and permanent fixtures. North Dakota Century Code Section 16.1-22-14 requires that if the fire and tornado fund balance is less than $12.0 million, the Insurance Commissioner must increase assessment on policies.

STATE OF NORTH DAKOTA

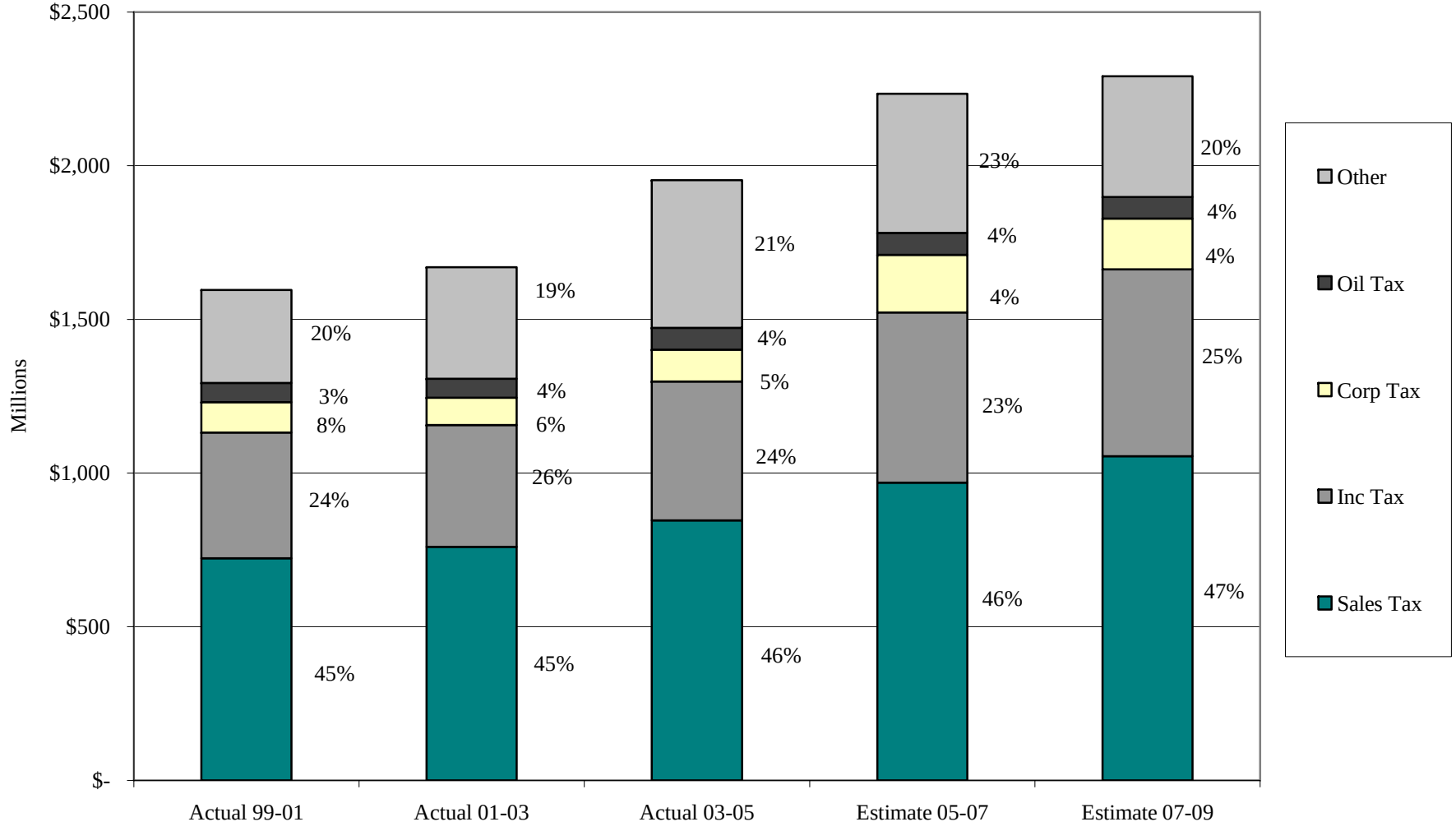
COMPARISON OF GENERAL FUND REVENUE BY MAJOR SOURCE

FOR BIENNIUMS 1999-01 THROUGH 2007-09

REVENUE SOURCE	ACTUAL 1999-01	ACTUAL 2001-03	ACTUAL 2003-05	ESTIMATE 2005-07	ESTIMATE 2007-09
Sales and Use Taxes	$613,066,466	$640,618,363	$717,758,293	$847,845,753	$925,709,000
Motor Vehicle Excise Tax	109,115,230	119,592,232	128,010,103	121,010,559	129,346,000
Individual Income Tax	409,331,437	396,153,000	452,547,326	553,317,952	607,992,000
Corporate Income Tax	99,134,855	88,417,166	102,926,972	187,873,587	164,635,000
Financial Instititions Tax	5,464,955	6,257,389	4,958,673	8,372,320	9,400,000
Cigarette and Tobacco Tax	41,706,350	39,313,360	39,476,712	45,567,081	46,518,000
Oil and Gas Production Tax	38,433,365	39,159,000	45,534,044	45,774,119	39,839,000
Oil Extraction Tax	23,566,635	22,841,000	25,465,956	25,225,881	31,161,000
Coal Severance Tax	22,173,854				
Coal Conversion Tax	25,672,170	46,878,511	47,196,831	48,522,047	47,947,000
Insurance Premium Tax	39,113,433	48,990,027	56,284,535	53,977,148	56,770,000
Wholesale Liquor Tax	10,321,999	11,155,834	11,889,465	12,668,589	12,737,000
Gaming Tax	27,437,507	27,612,652	20,850,911	18,428,847	18,253,694
Lottery			7,269,005	12,000,000	11,600,000
Departmental Collections	40,816,171	57,506,019	61,004,537	53,222,025	55,403,310
Interest Income	20,832,123	8,509,483	6,935,015	30,450,326	36,500,000
Mineral Leasing Fees	9,531,698	6,440,513	11,024,583	15,046,893	13,000,000
Federal fiscal relief payments			56,456,581		
Transfers from Bank of North Dakota Profits	50,000,000	78,699,787	60,000,000	60,000,000	60,000,000
Student Loan Trust Fund Interest		9,000,000	26,258,969	9,000,000	3,100,000
Transfers from State Mill Profits	3,000,000	6,000,000	5,000,000	5,000,000	5,000,000
Gas Tax Administration	1,380,608	1,363,392	1,396,200	1,400,000	1,274,056
Other Transfers*	5,159,194	15,370,511	65,153,319	79,319,838	15,000,000
TOTAL	$1,595,258,050	$1,669,878,239	$1,953,398,030	$2,234,022,965	$2,291,185,060

*** Other Transfers Include:**	**1999-01**	**2001-03**	**2003-05**	**2005-07**	**2007-09**
Land & Minerals Trust Fund	$3,000,000	$3,545,102	$2,000,000	$6,800,000	$15,000,000
Water Development Trust Fund		9,733,820	10,070,373		
Permanent Oil Tax Trust Fund			11,910,000	55,300,000	
Bonding Fund			2,800,000		
Health Care Trust Fund			35,911,035	16,900,000	
Miscellaneous Transfers	2,159,194	2,091,589	2,461,911	319,838	
	$5,159,194	$15,370,511	$65,153,319	$79,319,838	$15,000,000

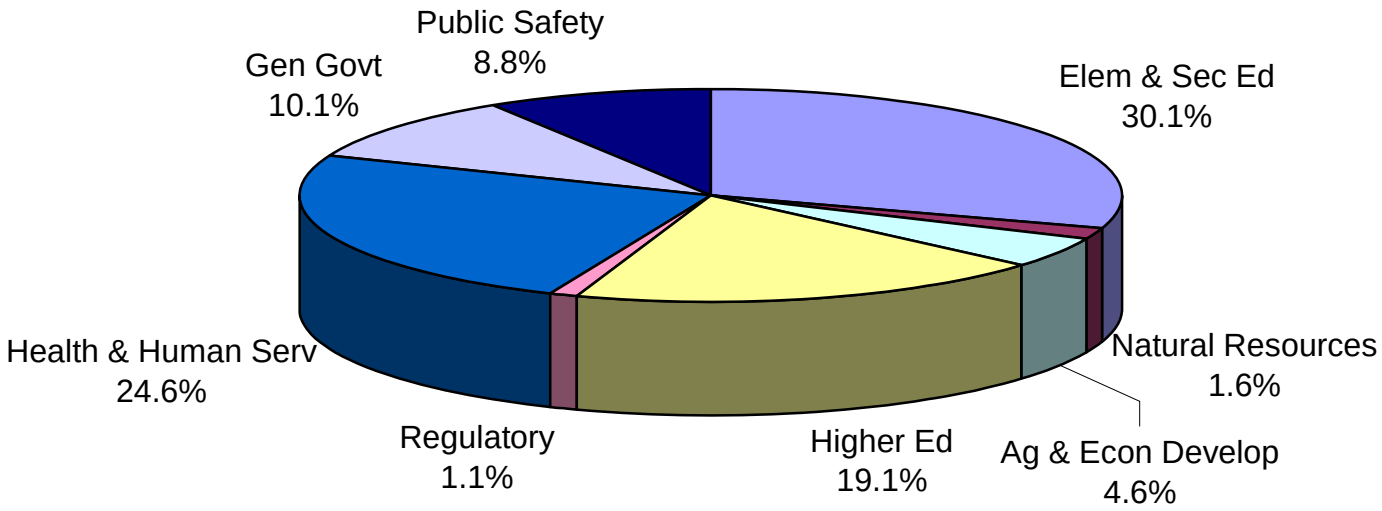
State of North Dakota
Comparison of General Fund Revenue by Major Source
For Bienniums 1999-01 through 2007-09



State of North Dakota
Recommended General Fund Appropriations by Function for the 2007-09 Biennium

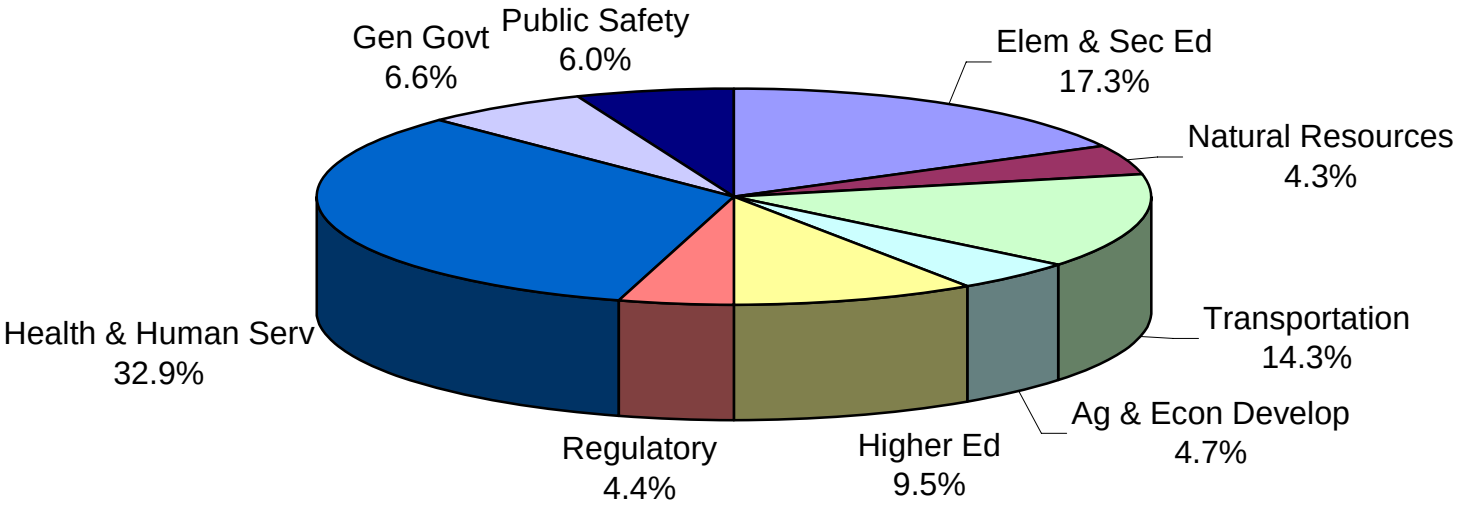
$2.47 Billion *

*** $2.280 Billion On-Going Expenditures**
$0.188 Billion One-Time Investments



State of North Dakota
Recommended Total Fund Appropriations by Function
for the 2007-2009 Biennium

$6.3 Billion



Introduction

The budget for the State of North Dakota's general governmental operations is prepared on a modified accrual basis. Revenues are recorded when available and measurable, and expenditures are recorded when the services or goods are received and the related liabilities are incurred.

The governor's message, statewide information, and budget detail have been consolidated in this single document. Additional detail for each agency request and recommendation, by reporting level and account code, is available in the multi-volume books prepared for the legislative session. Budget detail is also available on the Office of Management and Budget's Fiscal Management web site at www.nd.gov/fiscal.

How to Use the Executive Budget Document

The information in this document begins with the Governor's Message. This message includes an overview of his philosophies and policies used to prepare the executive budget recommendations. The statewide information includes the following divisions:

- State Budget
- Organizational Chart
- Financial Summary
- Budget Highlights
- Authorized FTE
- Compensation Adjustment
- Leases
- Telecommuting
- Capital Assets
- Technology

The budget detail is organized numerically, with like agencies grouped together into major categories. The numbering of the budgets follows these categories:

100s	General Government
200s	Education
300s	Health and Human Services
400s	Regulatory
500s	Public Safety
600s	Agriculture, Economic Development, Extension and Research
700s	Natural Resources
800s	Transportation

Following the sections containing each agency's budget, are schedules of requested and recommended federal and special funding sources, a glossary, and the appendix. Included in the appendix are the budget process, timeline, and the optional adjustment requests. The optional adjustment requests are requests for additional funding, prepared by agencies whose base budget request was restricted to 100% of the current general fund appropriation. The appendix includes a list of analysts assigned to each agency from the Office of Management and Budget and Legislative Council.

Demographics

North Dakota is a state of 638,000 people. Slightly over 50% of the state's population lives in an urban area.

North Dakotans enjoy a high quality of life. Infant mortality rates are low; the state's violent crime rate is the lowest in the nation, and the rate of fatalities from motor vehicle accidents is one of the lowest in the nation. North Dakota ranks high in the percent of public high school students who graduate.

Nearly two-thirds of North Dakota's adults are married. Families comprised of married couples with children make up a larger percentage of all of North Dakota's families than the average of all of the nation's families. North Dakota's percent of births to teenage mothers and percent of births to unmarried women were less than the national average.

North Dakota's unemployment rate in third quarter of 2006 was 3.3% and the number of jobs continues to grow. Major employers in the state include Meritcare Health System, Altru Health System, Noridian Mutual Insurance Company, U.S. Bank Service Center, Grand Forks Air Force Base, Wal-Mart Stores, Inc., MedCenter One Health Systems, American Crystal Sugar Co., Microsoft Business Solutions, Artic Cat, and Bobcat. In 2005, per capita personal income was $31,230.

Overall, the quality of life in North Dakota is superb. It is a great place to live, work, and raise families.

This budget reflects the priorities of the state to invest in its children's education, tend to its elderly citizens' needs, and protect its citizens from crime.

General Government

Office of Management and Budget

The Governor has included funding for an equity pool in the executive budget. Due to the number of employees' salaries significantly below salary range midpoints, $5.0 million from the general fund and $5.0 million of other fund authority is recommended. Included in the OMB budget is $3.0 million for deferred maintenance of the capitol complex and extraordinary repairs at the Heritage Center. The All-Veterans' Memorial on the capitol grounds is in need of repair and updating. $100,000 from the general fund will be used to place additional veterans' names on the memorial.

Secretary of State

The executive recommendation provides $824,153 from the general fund for the Secretary of State knowledge base integration project. When completed, the system will greatly enhance services for customers and enhance productivity within the department.

Information Technology

The Governor's recommendation includes an increase in the EduTech budget to provide additional antivirus licenses for K-12 schools for a total antivirus funding of $280,900. The Governor's continued support of the Criminal Justice Information System increases the general fund appropriation by $1.1 million. This funding will provide for development and implementation of interfaces to link law enforcement, state attorneys and court system data to the CJIS hub providing a great deal of benefit to the criminal justice community.

Office of the State Treasurer

The Governor's executive budget includes $768,228 from the general fund to rewrite the programs used by the state treasurer. Due to the age of the state's mainframe system, programming costs and maintenance are costly.

Office of Attorney General

The Attorney General's Office received bonding approval for $3,632,691 to remodel and provide an addition to the Crime Lab in the 2005-07 biennium. The bids exceeded the appropriation. The Governor recommends an additional $1,242,840 from the general fund to complete the project as originally included in the comprehensive master plan for the east state laboratories. The executive recommendation also includes $217,000 from the general fund for the Crime Lab to cover inflationary increases and $85,000 for maintenance agreements for lab equipment purchased in the current biennium.

The Bureau of Criminal Investigation continues to struggle with the loss of federal grant funds to support services. The Governor recommends an increase of $212,000 for the Division from the general fund to cover inflationary increases and to cover necessary expenses including the replacement of bullet proof vests.

The Attorney General requested $1.1 million in salary equity increases for employees. The Governor's budget includes for this purpose, $643,000 from the general fund and $10,000 from special funds. The recommendation is made that priorities for salary adjustment be directed to the scientists in the Crime Lab, officers in the Bureau of Criminal Investigation, and unclassified attorneys.

ND Public Employees Retirement System

The Governor has approved funding of $9.5 million from the PERS special fund to replace and update the Public Employees Retirement System business application.

Elementary, Secondary, and Other Education

Department of Public Instruction

Governor Hoeven's recommendation for elementary and secondary education funding not only follows the groundbreaking work of the Governor's Commission on Education Improvement, but goes above and beyond the Commission's recommendation to provide an historic increase in K-12 funding.

The Commission was created by the Governor, by executive order, in January 2006 pursuant to an Agreement to Stay Litigation, executed by nine North Dakota school districts. The nine districts filed a complaint in district court requesting that the state's public school finance system be declared unconstitutional. The Agreement to Stay Litigation allows the Legislative Assembly an opportunity to find a resolution to the complaint, based on certain terms and conditions agreed to by the plaintiff districts. The Agreement called for the creation of the Commission on Education Improvement, charged with responsibility to "examine the current system of delivering and financing public elementary and secondary education" and prepare a "report that provides recommendations on how to improve the current system of delivering and financing public elementary and secondary education."

Pursuant to this charge, the Commission has recommended a landmark change in the state's K-12 funding system, as well as a $60.0 million general fund increase in funding for state aid to K-12 education. This recommendation is included in Governor Hoeven's budget for the 2007-09 biennium. In addition, the Governor has included an additional $16.0 million from the general fund and an additional $4.6 million from the

state tuition fund to bring the total state funded increase in state aid to education to an historic $80.6 million.

In summary, the Governor's budget includes:

- A new, equitable distribution formula which provides for the distribution of all funds previously distributed as state school aid, teacher compensation, tuition apportionment, special education average daily membership (ADM) payments, and supplemental revenue payments.
- A comprehensive base payment formula with weighting factor adjustments for the various programs authorized by state law, the added costs of operating small schools, taxable valuations in excess of 150 percent of the state average, and local taxing effort considerably below the statewide average.
- A hold-harmless provision ensuring that the conversion to the proposed new formula will result in each school district receiving an increase of no less than 2.0 percent compared to the 2006-07 fiscal year.
- Increases included in the state school aid formula:
    - $6.0 million for special education ADM payments.
    - $2.0 million for special education contract reimbursements (along with a change in the criteria used to distribute the contract reimbursements, as recommended by the Department of Public Instruction's Special Education Study Committee)
    - $16.5 million for equity payments to reduce financial inequities between similar school districts throughout the state.
    - $3.0 million to initiate a new state funded program to provide full-day kindergarten for at-risk students, beginning with the 2008-09 school year.
    - $45.5 million to increase the state school aid formula payments.
    - $4.6 million from the state tuition fund to increase the state school aid formula payments.
- In addition, an increase of $1.0 million is provided for financial incentives to educational associations governed by joint powers agreements (JPA's).
- Other increases for K-12 education not included in the budget for the Department of Public Instruction include $2.0 million for grants to develop additional career and technical education centers and course offerings.

Also included in the Governor's budget for the Department of Public Instruction is:

- $400,000 to rewrite the state school aid software, required as a result of the proposed new funding plan.
- $500,000 to rewrite the current teacher licensure application used by the department and the Education Standards and Practices Board (ESPB) to collect teacher licensure information required as a result of the No Child Left Behind (NCLB) Act. This funding provides for only the department's share of the estimated costs. The ESPB portion of the application will be paid with other funds provided by the ESPB.
- $450,000 to pay additional costs associated with the student assessment program, expanded to include additional grade levels and subject areas as required by NCLB.

Higher Education

The executive recommendation for general fund dollars for Higher Education is $470.2 million, an increase from the 2005-07 legislative appropriation of $83.0 million of which $30.3 million are one-time expenditures. The 21 percent increase includes $14.2 million for capital projects and $16.1 for one-time expenditures related to information technology and deferred maintenance.

The request for $33.8 million for campus parity distributions and $10.0 million in equity payments to colleges was funded in whole. According to the State Board of Higher Education, funding at this level will result in limiting tuition increases to no more than 5 percent per year in the 2007-09 biennium.

The Governor recommended that the $1.671 million general fund requested by Higher Education for student financial assistance grants which address affordability be increased by an additional $500,000. The change means that $5.8 million from the general fund will be available to students from the state grant program representing an increase from the current biennium of 59 percent. Over all, the executive recommendation makes available $11.7 million for student grant programs including the Scholar's program, professional student exchange program, education incentive grants, and American Indian scholarships.

The executive recommendation includes $4.0 million for deferred maintenance requested as part of the base budget. Additionally, the Governor's budget includes a one-time infusion of $6.0 million for deferred maintenance. The funds have been distributed to each of the campuses according to the North Dakota University System (NDUS) formula. A separate appropriation of $1.0 million is included in the NDUS budget for Mayville to address deferred maintenance and develop a master plan for campus buildings.

The Governor's budget also includes in the NDUS budget of $300,000 from the general fund for the North Dakota Space Grant Consortium and an increase of $310,000 to EPSCOR to further leverage federal and private research funds. Additionally, a one-time appropriation of $1.0 million is made available for the Northern Tier Network project.

State Library

Governor Hoeven's budget includes a $200,000 increase for the State Aid to Public Libraries program administered by the State Library. State Aid to Public Libraries program distributes state grants to public libraries based on the city or county population and the county land area in which the library is located. Although costs have increased substantially for library materials and operating expenses in the past 20 years, state aid to public libraries funding has actually declined over time when compared with the appropriation of 20 years ago. The Governor's budget includes $1.2 million for this program, the first time since the 1987-89 biennium that the appropriation has exceeded $1.0 million.

Department of Career and Technical Education

Governor Hoeven's budget for the Department of Career and Technical Education (CTE) includes the amounts recommended by the Commission on Education Improvement. The budget includes an increase of $2.0 million for grants to establish a pilot program to defray the start-up costs of two new area CTE centers and to provide incentives for area CTE centers and other cooperative service delivery techniques for CTE programs.

Health and Human Services

ND Department of Health

To help better protect North Dakota citizens by reducing the severity of the flu, the Governor has included $2.3 million for the purchase and stockpile of antiviral drugs like Tamiflu and Relenza. An antiviral stockpile will assure availability of these drugs at a time when they may not be available through normal distribution supply chains because of high demand in other areas of the country.

The Governor recognizes that the cost of vaccines and the number of recommended vaccines for children have increased. In addition, the federal funding for these vaccines will no longer cover the full cost to vaccinate a child. Therefore, he has provided 2.00 FTE to the Department of Health to develop a program to maximize volume discounts on purchases of immunizations and to manage immunization orders and reimbursements from providers.

With tobacco use among youth on the rise, the Governor is recommending funding a youth tobacco program from the community health trust fund. Current funding supports the implementation of the curricula and school policy, but has been inadequate to develop and implement a youth media campaign. Media campaigns that are combined with other activities to reduce youth tobacco use are effective in reducing consumption of tobacco products and increasing cessation among tobacco users. This program will include a youth coordinator to oversee all aspects of a prevention program.

The Governor continues to fund the physician and dental loan programs to encourage healthcare providers to locate in rural North Dakota.

Indian Affairs Commission

The Governor has recommended $125,000 from the general fund and the addition of a full-time education coordinator in the Indian Affairs Commission. The No Child Left Behind legislation has identified an increasing number of North Dakota schools that are in need of improvement. Many of these schools have significant enrollments of American Indian students. The Indian education coordinator will focus on collecting data and developing strategies to assist the schools and the students.

Veterans' Home

The Governor's recommendation approves a reduction in general fund appropriation to the Veterans' Home of 11 percent. Included in the budget recommendation is replacement of resident room furniture, to maximize space in the rooms, provide a more comfortable environment and meet the special needs of residents. Funding is also included to provide computer-based and online training to employees, reducing the amount of time away from the Veterans Home when employees need to travel to obtain required in-service training.

Department of Human Services

Governor Hoeven's budget recommendation for the Department of Human Services includes an additional $71.0 million for ongoing operations. Included in the Department of Human Services base budget were increased cost changes to multiple grant programs. In addition, the increased cost of consumer goods, energy and gas are reflected in the Food Stamp, Low Income Home Energy Assistance (LIHEAP), Child Care and JOBS Transportation programs. The increased clawback payment relating to Medicare Part D is included in the Departments base budget request. The Human Services budget includes an increase from the general fund to meet a shortfall in federal funding due to Federal Medical Assistance Percentage (FMAP) adjustments, a consequence of rising per capita personal income in North Dakota.

The Governor has included $816,204 from the general fund and 6.00 FTE to address some of the capacity issues in the regional human service centers. Included are additional crisis beds for the seriously mentally ill (SMI) along with a case manager. This will ease the pressure of diversions to the State Hospital while providing treatment to clients in the least restrictive manner. Also included is an additional addiction counselor for the southeast region serving those with chemical addiction, as

well as enhanced residential service to adolescents in the west central region in need of chemical addiction treatment.

Without a sufficient number of licensed foster homes, children could be at risk of being placed into an institutional setting rather than remaining in a home environment; therefore, the Governor is providing $112,500 additional funds to recruit and retain family foster homes across the state.

The executive recommendation includes a three percent inflationary increase to providers for each year of the biennium totaling $38.3 million of which $14.1 million is from the general fund. Also included is $0.5 million to rebase building limits for nursing facilities.

The Governor's recommendation provides an increase of $280,000 for a total of $1.0 million from the general fund to support the delivery of congregate and home delivered meals. Also included is $20,000 for the Governor's Committee on Aging. Children's Advocacy Services continue to be funded at $100,000; however, for the 2007-09 budget, the appropriation has been transferred from the Office of the Attorney General to the Department of Human Services.

In consideration of the unique treatment needs of individuals with meth addiction and the limited treatment facilities available within the state, the Governor's budget continues to provide funding for the Robinson Recovery House, as well as funding for an additional meth residential treatment facility, funded at $700,000 from the general fund.

The Governor recognizes the need to further address sex offender community treatment. Included in the recommendation is $2.8 million to phase in a program for 140 individuals. Additionally, $1.3 million is included for sexual offender needs at the State Hospital to add a 20-bed 4th unit. The Governor's budget also includes 19.00 FTE, previously approved by the Emergency Commission, for the continuation of the 20-bed, 3rd unit for sex offenders. Also included in the recommendation is funding of $3.1 million for a new wing to the existing GM building to house sex offenders needing the highest level security.

The Governor's recommendation enhances the Drug Court efforts at the human service centers. Due to the effectiveness of the drug courts, the executive budget recommends an increase of $386,477 for the addition of a drug court in the north central region as well as addiction counselors in the Minot, Grand Forks, Fargo, and Bismarck regions.

The executive recommendation includes $6.2 million for projects at the Developmental Center and the State Hospital. Those projects include roof repairs, mechanical and electrical repairs, street reconstruction, and sewer improvements.

To better align the mission of the Children's Special Health Services (CSHS), the executive recommendation transfers CSHS, including the Russell Silver Syndrome program of $150,000, as well as 8.00 FTE to the Department of Health.

The governor has also included in his recommendation $31.0 million funding for Medicaid Management Information System (MMIS), of which $3.6 million is from the general fund. The current MMIS system requires replacement due to outdated architecture and difficulty in modifying it to meet changing federal requirements.

Job Service North Dakota

A $7.3 million special fund appropriation was included by the Governor for modernization of the unemployment insurance tax and benefit systems.

Regulatory

Industrial Commission

The Governor's budget supports the significantly increased energy activity within the state and the impact this activity continues to have on this agency's functions. General fund dollars are provided for 2.00 FTE previously funded through the land and minerals trust fund and 2.00 new FTE to serve in energy-related positions.

One-time, general fund projects authorized within the recommended budget include:

- $16,000 to quantify and map shallow natural gas throughout the state.
- $280,000 for replacing the Core Sample Library roof and repairing damages within the buildings' offices.
- $8,000 for repairing or replacing the dust collection system in the Heritage Center lab.

Additionally, the Governor's budget provides a one-time $250,000 transfer to the fossil excavation and restoration fund for the Corridor of Time and other web-based projects.

Department of Financial Institutions

The executive recommendation includes special funds of $29,860 to establish a field office in Grand Forks with existing staff members.

Bank of North Dakota

The Governor's budget creates a new Bio-fuels PACE program, expanding the current Bio-diesel PACE program. Total general fund dollars for the program are $5.0 million, including anticipated turnback from the 2005-2007 Bio-diesel PACE program. The fund will provide interest assistance on loans for the construction of ethanol, biodiesel or other bio-fuel plants, as well as for building livestock feeding or milking operations that will use feed by-products from bio-fuels plants.

Funding for the Agriculture PACE program will be $1.4 million from the general fund. The PACE program will be funded at $4.5 million from the general fund, and the $950,000 special fund appropriation will be maintained for the beginning farmer loan program.

Housing Finance Agency

The executive recommendation approves a $6.0 million special fund appropriation for two new loan programs. The Community Housing Development Assistance program will provide interim financing for predevelopment soft costs, land acquisition, and site development. The Housing Rehabilitation and Revitalization loan program will target the rehabilitation of either single-family or multi-family properties.

Public Safety

Highway Patrol

Governor Hoeven's budget for the Highway Patrol includes several new FTE to enhance the security of the State Capitol and the safety of the state's citizens. Three temporary capitol security positions are converted to permanent status to allow the agency more control over the persons filling these positions. In addition, two additional trooper positions are authorized for the State Capitol. Also related to the State Capitol, $50,000 is provided to allow the integration of the building's security and mechanical automation systems.

In addition to providing security for the State Capitol and the Legislative Assembly, the agency is responsible for law enforcement efforts relating to the safety and protection of the motoring public. This involves traffic safety enforcement, drug interdiction efforts, and ensuring the security of our international border. To assist the agency in ensuring these responsibilities are met, four additional trooper positions are authorized.

The Governor's budget also includes $642,000 for one-time expenses relating to the replacement of out-dated in-car video systems with digital recorders.

Department of Corrections and Rehabilitation

Governor Hoeven's recommendation for the Department of Corrections and Rehabilitation equips the agency to deal with the continually increasing number of inmates committed to the care and custody of the Department, provides funding for new programs to treat and rehabilitate inmates, and provides funding for efforts to reduce growth in the inmate population by providing alternative sanctions and treatment options. In addition, the Governor's budget provides for a one-time investment in State Prison infrastructure.

As the number of inmates grows, so does the agency's need for staff to ensure safe and secure facilities for inmates and staff. To ensure that the agency can continue to effectively manage its various facilities and programs, as well as to supervise an increasing number of offenders assigned to supervision in community settings, an increase of 29.50 FTE is authorized, as follows:

- 12.00 FTE to convert long-term temporary positions to permanent status.
- 3.00 FTE for new drug court initiatives. The drug court program in Fargo will be expanded and programs will be started in Grand Forks and Minot.
- 5.00 FTE correctional officer III's for the James River Correctional Center (JRCC).
- 1.00 FTE business manager for the JRCC.
- 1.00 FTE treatment director to coordinate agency treatment programs in all divisions.
- 7.00 FTE parole officers to address growing caseloads.
- 0.50 FTE account technician for the central office.

A one-time investment in agency infrastructure is provided through a $42.0 million Prison expansion project. The project will provide for the replacement of the East Cell House with a new state-of-the-art 125-bed general housing facility, a new 175-bed orientation unit, a new infirmary, a new 92-bed segregation unit, a new guard tower, a new laundry facility, and a new central warehouse. In addition, one-time investments are provided for repairs to existing buildings and equipment purchases.

The state's contract with the Dakota Women's Correctional and Rehabilitation Center in New England is continued at a cost of $8.0 million. In addition, $1.6 million is provided to house inmates at county jails across the state.

Faith-based programming initiatives, such as the Teen Challenge program, are continued in the Governor's budget and an additional $150,000 is provided to expand these efforts. An additional $1.5 million is provided to fund new transitional programming, providing necessary placement options for inmates preparing for parole or other release from the Department.

Office of the Adjutant General

The executive budget consolidates the Department of Emergency Services within the Office of the Adjutant General. Administrative efficiencies are anticipated as services are centralized and streamlined.

Within the budget, the Governor provides general fund appropriations of:

- $400,000 for recruiting/retention bonuses for 2nd lieutenant's and soldiers recruiting other soldiers.
- $300,588 and 2.00 FTE to add two family program coordinators.
- 2.00 FTE and $253,206 for a grants manager and a public information officer.
- $1,084,970 for communication equipment to move from analog to digital technology.
- $980,000 in one-time funding for a computer aided dispatch project that will serve State Radio, Highway Patrol and 22 counties served by State Radio.

Additionally, the Governor recommends that unexpended general fund veteran's bonus grant funds from the 2005-2007 biennium be carried over and utilized for similar bonuses during the 2007-2009 biennium.

Agriculture and Economic Development

Department of Commerce

The North Dakota Trade Office has been extremely effective in increasing the state's international export market. The Trade Office plans to expand their activities at an estimated cost of $2.6 million in the 2007-09 biennium. The executive recommendation provides $1.4 million from the general fund to support the efforts of the Trade Office.

In recognition of the increase in the manufacturing sector of our economy, the Governor is recommending the investment of an additional $211,000, for a total of $950,000, from the general fund for the Manufacturing Extension Partnership program. The program has assisted more than 200 manufacturers in finding cost effective solutions to manufacturing challenges.

The North Dakota development fund invested $7.3 million in more than 75 projects in the past biennium. Sixty-five of the projects involved primary sector businesses. In order to continue this success, the executive recommendation provides for the transfer of $3.0 million general fund dollars to the development fund for future investments in the state's economy. The fund has not received monies from the general fund since 2001.

The 2003 statutory language that provided for an additional one percent lodging tax that was deposited in the general fund and earmarked for the promotion of the Lewis & Clark Bicentennial will sunset at the end of the 2005-07 biennium. The Governor supports the sunset of the tax; however, in recognition of the return on investment from tourism marketing dollars, the executive recommendation continues the general fund appropriation of $3.1 million for tourism.

The Governor is proposing a Workforce and Career Promotion initiative that will strengthen the linkages between public schools and business on careers in North Dakota so students can make career decisions that will allow them to stay in the state. The initiative includes $1.2 million general fund dollars for 10 workforce talent coordinators to be stationed in each of the North Dakota Joint Powers Agreement areas.

The Internship Program Initiative is a proposal by the Governor earmarking $400,000 from the general fund to develop the state's workforce by expanding the use of credit and non-credit internships for postsecondary students. The internships will provide a way for students to make connections with North Dakota businesses and serve as an incentive for students to continue employment in the state.

The Governor recommends the continuation of the ethanol production incentive fund which is a continuing appropriation. During the 2005-07 biennium, $1.3 million has been distributed to the existing plants. It is estimated that with the projected carryover of $3.5 million, over $6.0 million will be available for distribution in the 2007-09 biennium.

Department of Agriculture

The demand for meat and poultry inspection services has increased significantly with the rise in the number of small meat processors. In order to keep up with the demand of on-site inspections, the Governor has included an additional $666,000 for 5.00 FTE and their associated operating expenses to be funded from state and federal sources.

The requirements of the Board of Animal Health continue to grow with their responsibility for protecting the health and welfare of the entire animal industry of North Dakota with a valuation of over $1.5 billion. The executive recommendation includes an additional veterinarian position for $172,000 with $54,500 of the costs supported with Game and Fish funds for the Board's work with non-traditional livestock. The total Game and Fish funds appropriated to the Board for this type of work is $211,000.

The executive recommendation supports the continued relationship between the department and the U.S. Department of Agriculture for conducting wildlife services to reduce urban and agricultural losses due to conflicts with wildlife. The budget includes $250,000 from the general fund and $680,000 from Game and Fish funds.

The Agriculture in the Classroom program continues to provide agriculture education to students throughout the state. The recommended budget includes $100,000 for the program to come from the environmental and rangeland protection fund. In order for the funds to be available for this purpose, it is recommended that the sunset for the $50 pesticide registration fee be extended.

Upper Great Plains Transportation Institute

The executive budget provides for construction of the $5.5 million Center for Transportation Study funded entirely through special or other funds. The budget also approves establishing the ND Agricultural & Rural Business Logistics Center and 2.00 new FTE, which will also be funded with $551,775 non-general funds.

Agricultural Research and Extension

The Governor's recommended budget funds the ongoing operating costs for the Main and Branch Research Extension Stations, Extension Service, Northern Crops Institute and the Agronomy Seed Farm. The Governor approved funding of the projects and initiatives ranked 1 through 3 by the State Board for Agriculture Research and Extension:

- Equipment and operating pools for the research centers and extension service totaling $1,040,000 from the general fund.
- $700,000 and three new FTE for bio-products research.
- 7.00 FTE and $462,800 for additional support staff at the research/ extension centers.
- $675,000 general fund for Scab research and NDAWN.
- $470,000 and 2.00 FTE for pulse improvement projects.

Additionally, the executive budget includes one-time funding for the following capital projects:

- $9.0 million from the general fund for construction of a research greenhouse facility on the NDSU campus.
- $400,000 from the general fund to complete construction of the agronomy lab and greenhouse at the North Central Research Station in Minot.
- $1,107,750 from the general fund for office building additions and renovation projects for the headquarters buildings at the Carrington, Hettinger and North Central Research Extension Centers.

North Dakota State Fair

The executive recommendation provides $5.0 million from the general fund and authorizes another $5.0 million in special funds for the construction of a $10.0 million grandstand on the fairgrounds.

Natural Resources and Transportation

Historical Society

Governor Hoeven's budget for the Historical Society provides for an investment in buildings and infrastructure to ensure the agency can fulfill its mission to preserve and interpret North Dakota's history. An appropriation of $900,000 is provided for completion of the Fort Abercrombie visitors' center. Phase I of the project was authorized by the 2005 Legislative Assembly. Over $1.0 million is provided for repairs of state historic buildings and sites. The development of interpretive exhibits is an ongoing effort and $220,000 is provided to develop new exhibits at the Heritage Center.

The interpretation and preservation of the state's heritage is only possible through the efforts of qualified staff, both temporary seasonal staff and permanent FTE positions. As private sector wages increase, the agency finds it increasingly difficult to hire and retain seasonal temporary staff, which is critical for the operation of the state's historic sites. To address this issue, funding is provided to increase temporary seasonal salaries 50 cents per hour each year of the biennium. In addition 3.00 new FTE positions are authorized: a historian/exhibit planner, an assistant collections curator, and a GIS technician.

In addition, $50,000 is provided for the state's participation in the Lincoln Bicentennial Commemoration.

Council on the Arts

The mission of the Council on the Arts is to encourage the study and presentation of the performing and fine arts and to encourage public interest in the cultural heritage of our state. To assist the agency in fulfilling this mission, Governor Hoeven's budget provides $80,000 for new grant initiatives. An additional $10,000 is provided to fund arts and cultural initiatives relating to the state's participation in the Lincoln Bicentennial Commemoration.

Game and Fish Department

A key initiative of the department has been the expansion of public hunting access to private land. Governor Hoeven's budget continues the department's focus on this initiative and authorizes an additional $2.0 million for the 2007-09 biennium to ensure the department will be able to meet its goal of providing public access to 1 million acres by 2008.

Three new FTE positions are authorized: a game warden investigator, a fisheries technician, and a bighorn sheep biologist.

Parks and Recreation Department

State parks provide valued outdoor recreational opportunities for North Dakotan's and visitors to our state from across the nation. To preserve and improve the state's park system, one-time investments are made in buildings and infrastructure, repairs, and new equipment. The 2007-09 budget provides $1.2 million for equipment purchases, $2.8 million for building and infrastructure projects, and $1.3 million for building and infrastructure repairs. To meet public demands for improved reservation capabilities, $160,000 is provided for the development of an online reservation system.

To meet public demands for snowmobile and ATV trail opportunities, a new FTE, along with related operating expenses, is authorized to manage a year-round trail system in the Pembina Gorge. Three new maintenance supervisors, funded from state parks revenue, are authorized. In addition, funding is provided to increase temporary seasonal salaries 50 cents per hour each year of the biennium.

The Parks and Recreation Department serves as the fiscal agent for the distribution of state grants to the International Peace Garden. To preserve this cherished tourist destination and memorial to the lasting peace between the United States and Canada, Governor Hoeven's budget includes $1.5 million to assist in the construction of a new year-round interpretive center and $933,000 to address deferred maintenance issues at the Peace Garden. Of the 1,451 acres comprising the Peace Garden, 888 acres and 153 buildings are located on the U.S side of the border. In addition, the long-standing grant to assist in funding operational costs is increased from $352,854 per biennium to $736,854.

Water Commission

The Governor's budget recommendation provides $10.0 million from the general fund for the administrative expenses of the agency and redirects the special funds no longer used for this purpose to water infrastructure development projects. Another $6.0 million ($3.0 million from the general fund and $3.0 million special funds) is dedicated to the Red River Valley Water Supply Project within the executive recommendation.

Department of Transportation

Governor Hoeven's budget for the Department of Transportation ensures that the state's transportation infrastructure will continue to be maintained, repaired, and improved, despite transportation inflation rates that have eroded the agency's budget. To address abnormally high road materials inflation rates incurring during the 2005-07 biennium, which resulted in the deferral of road maintenance and repair projects, the Governor's budget includes a one-time general fund appropriation of $20.0 million. The general fund appropriation will also be used to provide for equipment purchases and various IT projects.

The Governor's budget provides for the matching of over $480.0 million in federal funds with no tax or fee increases.

Compensation Package

The recommended compensation package includes funds for a 4 percent average salary increase with a minimum increase of $75 per month effective July 1, 2007 and another 4 percent average salary increase with a minimum increase of $75 per month effective July 1, 2008. Salary increases must be based on merit and equity, and are not to be given across the board. Employees whose documented performance levels do not meet standards are not eligible for any salary increase.

The compensation package continues full health insurance coverage for state employees and their families. The total cost for health insurance is $658.08 per month per employee. This is a $104.14 or an 18.8 percent increase over last biennium.

The retiree health credit was increased from $4.50 per year of service to $5.00 per year of service. This benefit change is funded by a monthly retirement contribution increase of 0.15 percent from 9.12 percent to 9.27 percent.

In addition to the compensation package noted above, the budget recommends a total of $10.0 million to address issues of equity and moving employee salaries closer to market. The $10.0 million is $5.0 million general fund and $5.0 million non-general funds. Based on market data for all classified employees in the Human Resource Management Service System (HRMS), funds will be distributed to agencies to adjust employee salaries. The HRMS Division of the Office of Management and Budget (OMB) must provide or approve the adjustment plan of agencies prior to transferring the appropriation authority. Those employees furthest from the market will receive the largest increases. Years of service will be recognized in order to avoid compression or other inequities.

Unique circumstances warranted other salary increases being recommended in specific agencies as follows:

Agency	General Fund	Special Funds
Office of Attorney General Non-classified attorneys BCI agents & crime lab scientists	$643,000	
Office of Administrative Hearings Attorneys & admin law judges		$120,528
Retirement and Investment Office Brings compa ratio closer to state average		65,301
Public Employees Retirement System Brings compa ratio closer to state average		202,760
ND School for the Deaf Composite salary schedule for teachers	49,568	10,274
ND Vision Services Composite salary schedule for teachers	81,662	
Insurance Department Boiler inspectors, attorneys, chief financial examiner, and directors of examining and licensing divisions		172,236
Financial Institutions Classification adjustments		155,696
DOCR – Youth Correctional Center Composite salary schedule for teachers	197,979	
Historical Society Fifty cent per hour increase for seasonal staff each year of the biennium	73,928	
Council on the Arts Employees placed in classified system	92,315	
Parks and Recreation Fifty cent per hour increase for seasonal staff each year of the biennium.	120,000	

Supplemental Appropriation

Supplemental appropriations have been recommended for agencies as follows:

125	Attorney General	$167,170
201	Department of Public Instruction	275,000
230	University of North Dakota	560,476
235	North Dakota State University	289,092
244	North Dakota Forest Service	55,500
530	Department of Corrections & Rehabilitation	4,808,655
540	Office of Adjutant General-Dept of Emergency Services	4,300,000
602	Department of Agriculture	114,000
	Total	**$10,569,893**

The supplemental appropriation recommended for the Office of the Attorney General is to cover shortfalls in litigation fees ($21,140), prosecution witness fees ($43,000) and school finance litigation costs ($103,030).

The supplemental appropriation for the Department of Public Instruction is to provide operating funds for the Department to meet its essential obligations.

The supplemental appropriation recommended for the University of North Dakota represents the state share of expenses due to the 1997 flood.

The amount recommended for North Dakota State University represents the state share of expenses due to the 2000 rain event.

The supplemental appropriation for the North Dakota Forest Service is to cover agency costs in fighting wild land fires during the 2006 season.

The supplemental appropriation for the Department of Corrections and Rehabilitation is due to higher than anticipated inmate populations for both male and female inmates, a higher than budgeted daily rate at the Dakota Women's Correctional Rehabilitation Center, and higher than budgeted medical costs, meal costs and number of meals served.

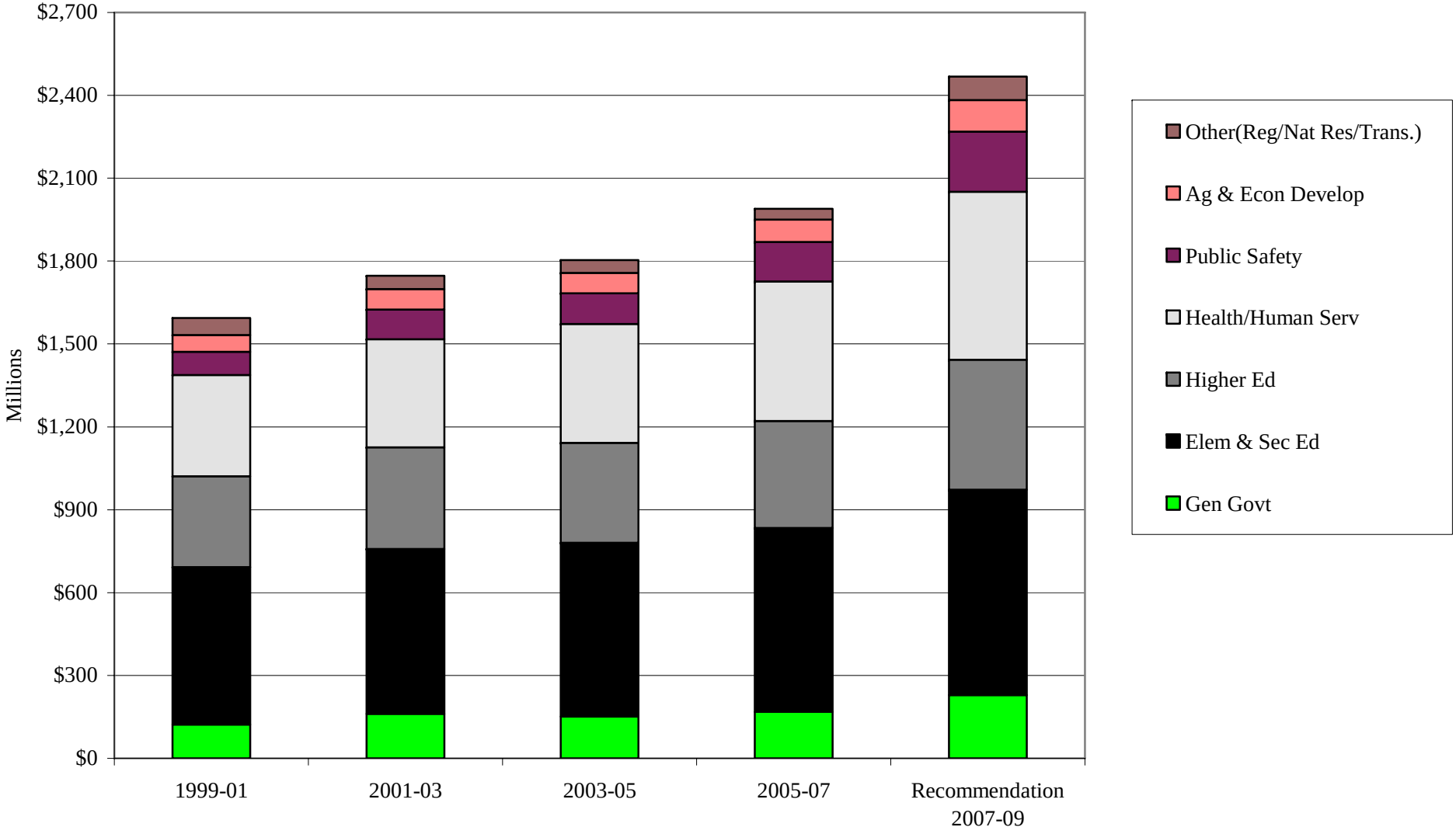
The Division of Emergency Services, within the Office of the Adjutant General, borrows from the Bank of North Dakota sufficient funds to pay the state's share of disaster costs. This supplemental appropriation will allow for repayment of the loan with interest.

The supplemental appropriation for the Department of Agriculture is due to federal funding reductions in the State Meat and Poultry Inspection program.

STATE OF NORTH DAKOTA
COMPARISON OF GENERAL FUND APPROPRIATION BY FUNCTION
FOR THE BIENNIUMS 1999-01 THROUGH 2007-09

	1999-01		2001-03		2003-05		2005-07		RECOMMENDATION 2007-09	
General Government	$122,330,515	8%	$161,693,309	9%	$151,008,049	8%	$168,852,736	8%	$229,112,033	9%
Elementary and Secondary Education	569,948,811	36%	596,464,679	34%	629,628,592	35%	664,681,161	33%	743,484,789	30%
Higher Education	328,813,637	21%	366,953,836	21%	361,541,418	20%	387,157,893	19%	470,227,440	19%
Health and Human Services	366,459,182	23%	391,732,710	22%	430,097,751	24%	505,573,540	25%	608,059,914	25%
Public Safety	84,403,147	5%	107,555,257	6%	110,488,151	6%	142,777,447	7%	218,239,158	9%
Agriculture and Economic Development	59,950,307	4%	74,594,917	4%	74,596,964	4%	81,048,559	4%	113,243,056	5%
Other (Regulatory/Nat. Resources/Trans.)	62,132,939	4%	47,989,005	3%	46,300,236	3%	39,361,287	2%	85,959,949	3%
Total	$ 1,594,038,538	100%	$ 1,746,983,713	100%	$ 1,803,661,161	100%	$ 1,989,452,623	100%	$ 2,468,326,339	100%

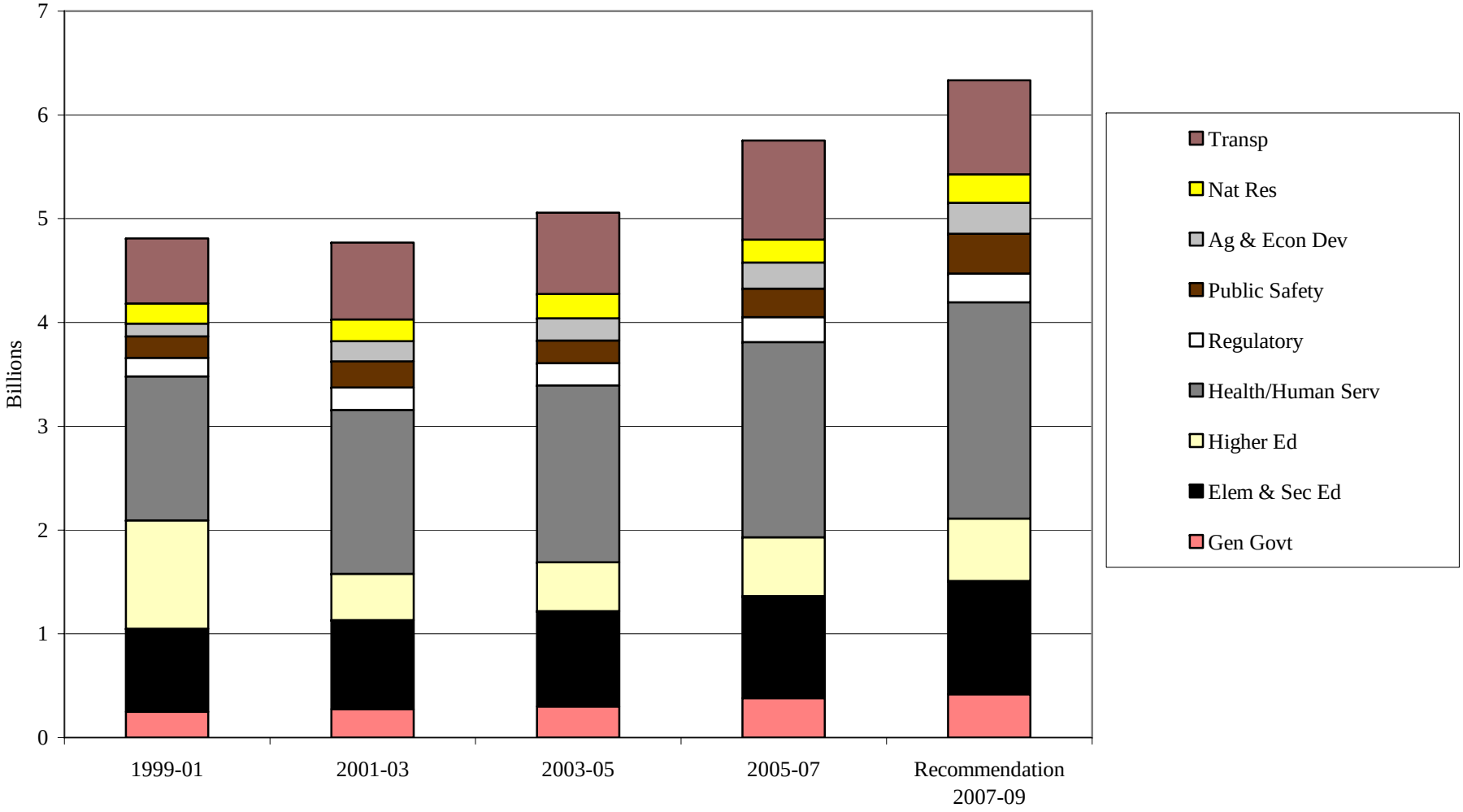
State of North Dakota
Comparison of General Fund Appropriations by Function
For the Bienniums 1999-01 through 2007-09



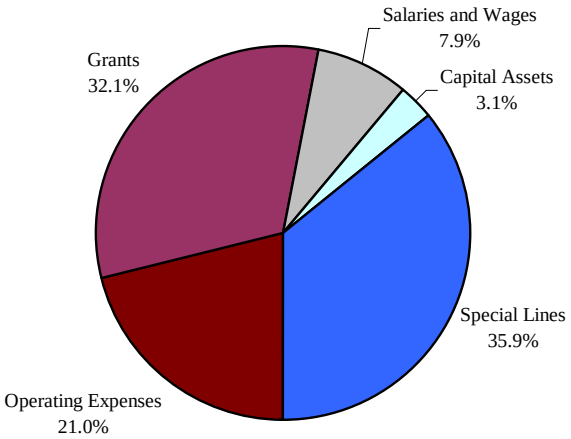
STATE OF NORTH DAKOTA
COMPARISON OF TOTAL FUNDS APPROPRIATION BY FUNCTION
FOR THE BIENNIUMS 1999-01 THROUGH 2007-09

	1999-01		2001-03		2003-05		2005-07		RECOMMENDATION 2007-09	
General Government	$250,006,800	5%	$275,699,456	6%	$299,857,664	6%	$379,725,102	7%	$416,140,723	7%
Elementary and Secondary Education	800,552,900	17%	855,498,310	18%	917,804,540	18%	983,530,999	17%	1,093,417,518	17%
Higher Education	1,042,330,303	22%	447,321,037	9%	472,088,193	9%	565,710,001	10%	599,700,596	9%
Health and Human Services	1,386,015,697	29%	1,578,037,243	33%	1,703,558,805	34%	1,881,658,571	33%	2,084,871,158	33%
Regulatory	180,381,150	4%	217,837,795	5%	215,333,036	4%	240,883,388	4%	278,295,299	4%
Public Safety	206,954,579	4%	251,582,222	5%	216,485,182	4%	274,585,418	5%	382,452,054	6%
Agriculture and Economic Development	123,051,113	3%	193,708,017	4%	214,995,227	4%	252,438,998	4%	298,748,660	5%
Natural Resources	194,657,690	4%	210,077,673	4%	234,930,831	5%	219,132,965	4%	272,281,360	4%
Transportation	625,387,607	13%	739,918,943	16%	784,385,918	16%	955,008,348	17%	907,295,066	14%
Total	$4,809,337,839	100%	$4,769,680,696	100%	$5,059,439,396	100%	$5,752,673,790	100%	$6,333,202,434	100%

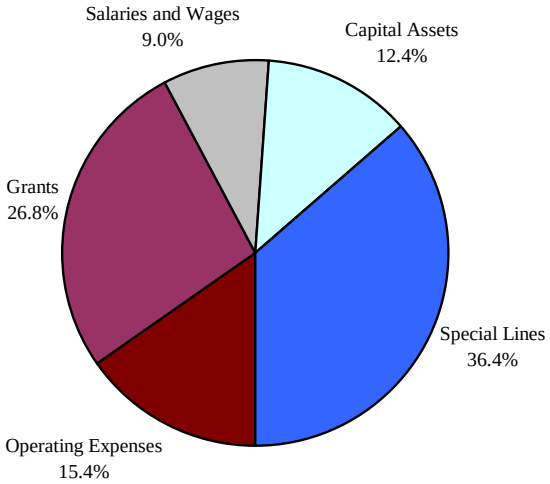
State of North Dakota
Comparison of Total Funds Appropriations by Function
For the Bienniums 1999-01 through 2007-09



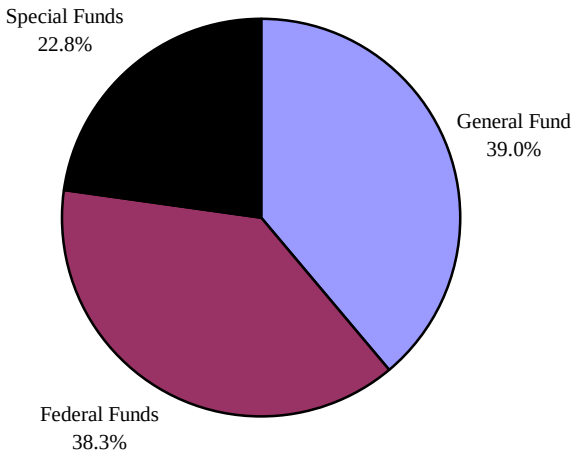
Recommended Line Item Expenditures - General Fund	
Salaries and Wages	$195,699,418
Operating Expenses	518,814,104
Capital Assets	75,485,164
Grants	791,961,783
Special Lines	886,365,870
Total	$2,468,326,339



Recommended Line Item Expenditures -Total Funds	
Salaries and Wages	$570,446,261
Operating Expenses	973,970,688
Capital Assets	782,724,251
Grants	1,699,163,876
Special Lines	2,306,897,358
Total	$6,333,202,434



Recommended Funding Source - Total Funds	
General Fund	$2,468,326,339
Federal Funds	2,422,936,015
Special Funds	1,441,940,080
Total	$6,333,202,434



COMPARISON OF 2005-07 AND 2007-09 LEGISLATIVELY AUTHORIZED FTE AND 2007-09 EXECUTIVE RECOMMENDATION

Department	Notes	2005-07 Legislatively Authorized FTE	2007-09 Executive Recommendation	Increase/ Decrease
General Government				
Executive Branch				
101 Office of the Governor		18.00	18.00	0.00
108 Office of the Secretary of State		27.00	27.00	0.00
110 Office of Management and Budget		131.50	132.50	1.00
112 Information Technology Department		265.20	312.20	47.00
117 Office of the State Auditor		55.00	54.80	(0.20)
120 Office of the State Treasurer		6.00	6.00	0.00
125 Office of the Attorney General	1	185.30	181.30	(4.00)
127 Office of the State Tax Commissioner		133.00	133.00	0.00
140 Office of Administrative Hearings		8.00	8.00	0.00
188 Commission on Legal Counsel of Indigents	2	19.00	29.00	10.00
190 Retirement and Investment Office		17.00	17.00	0.00
192 Public Employees Retirement System		29.00	33.00	4.00
Legislative and Judicial Branches				
150 Legislative Assembly		0.00	0.00	0.00
160 Legislative Council		33.00	33.00	0.00
180 Judicial Branch		332.00	343.00	11.00
Education				
Elementary, Secondary, and Other Education				
201 Department of Public Instruction		92.75	98.25	5.50
226 State Land Department		18.75	18.75	0.00
250 State Library		28.75	29.75	1.00
252 School for the Deaf		49.19	48.44	(0.75)
253 ND Vision Services/School for the Blind		26.95	27.00	0.05
270 Dept. of Career and Technical Education		27.50	27.50	0.00
Higher Education				
215 North Dakota University System Office		20.00	21.00	1.00
227 Bismarck State College		115.15	105.38	(9.77)
228 Lake Region State College		36.21	30.49	(5.72)
229 Williston State College		44.98	38.80	(6.18)
230 University of North Dakota		623.76	637.24	13.48

COMPARISON OF 2005-07 AND 2007-09 LEGISLATIVELY AUTHORIZED FTE AND 2007-09 EXECUTIVE RECOMMENDATION

Department	Notes	2005-07 Legislatively Authorized FTE	2007-09 Executive Recommendation	Increase/ Decrease
232 UND Medical School		178.56	155.74	(22.82)
235 ND State University		483.99	498.12	14.13
238 ND State College of Science		179.88	156.77	(23.11)
239 Dickinson State University		108.98	121.60	12.62
240 Mayville State University		66.80	55.89	(10.91)
241 Minot State University		198.82	184.83	(13.99)
242 Valley City State University		90.57	78.15	(12.42)
243 Minot State University - Bottineau		34.32	31.11	(3.21)
244 ND Forest Service		12.40	19.47	7.07
Health and Human Services				
301 ND Department of Health	6	319.50	331.50	12.00
313 Veterans Home		90.97	90.97	0.00
316 Indian Affairs Commission		3.00	4.00	1.00
321 Department of Veterans Affairs		6.00	6.00	0.00
325 Department of Human Services	3, 6	2,039.43	2,085.68	46.25
360 Protection and Advocacy Project		25.50	27.50	2.00
380 Job Service North Dakota		355.80	308.00	(47.80)
Regulatory				
401 Office of the Insurance Commissioner		46.50	46.50	0.00
405 Industrial Commission		51.37	55.37	4.00
406 Office of the Labor Commissioner		11.00	11.00	0.00
408 Public Service Commission		41.00	42.00	1.00
412 Aeronautics Commission		6.00	6.00	0.00
413 Dept of Banking and Financial Institutions		27.00	27.00	0.00
414 Securities Department		9.00	9.00	0.00
471 Bank of North Dakota		178.50	176.50	(2.00)
473 North Dakota Housing Finance Agency		43.00	43.00	0.00
475 North Dakota Mill and Elevator Association		127.00	131.00	4.00
485 Workforce Safety and Insurance		223.14	223.14	0.00
Public Safety				
504 Highway Patrol		186.00	197.00	11.00
512 Department of Emergency Services		49.00	0.00	(49.00)
530 Department of Corrections and Rehabilitation		677.28	706.79	29.51
540 Office of the Adjutant General		144.00	232.00	88.00

COMPARISON OF 2005-07 AND 2007-09 LEGISLATIVELY AUTHORIZED FTE AND 2007-09 EXECUTIVE RECOMMENDATION

Department	Notes	2005-07 Legislatively Authorized FTE	2007-09 Executive Recommendation	Increase/ Decrease
Agriculture, Economic Development				
601 Department of Commerce		62.00	73.00	11.00
602 North Dakota Department of Agriculture		61.00	67.00	6.00
616 State Seed Department		30.00	30.00	0.00
627 Upper Great Plains Transportation Institute		48.50	43.40	(5.10)
628 Branch Research Centers	4	87.26	95.26	8.00
630 NDSU Extension Service	4	256.86	257.86	1.00
638 Northern Crops Institute	4	10.20	11.20	1.00
640 NDSU Main Research Station	4	345.08	348.08	3.00
649 Agronomy Seed Farm	4	3.00	3.00	0.00
665 ND State Fair		0.00	0.00	0.00
670 ND Racing Commission	5	2.00	2.00	0.00
Natural Resources				
701 State Historical Society		57.00	60.00	3.00
709 Council on the Arts		5.00	5.00	0.00
720 Game and Fish Department		152.00	155.00	3.00
750 Department of Parks and Recreation		46.50	50.50	4.00
770 State Water Commission		84.00	84.00	0.00
Transportation				
801 Department of Transportation		1,044.50	1,052.50	8.00
2005-07 FTE authorized by Budget Section		58.00	0.00	(58.00)
TOTAL FTE		**10,710.20**	**10,809.83**	**99.63** *

NOTES:

* Of the 99.63 FTE increase, 82.53 are funded from the general fund and 17.10 are non general fund.

1 The total does not include 2.00 FTE from Consumer Protection that are assigned to the AG refund fund continuing appropriation.

2 The 2005-07 authorized FTE for the Commission on Legal Counsel of Indigents has been adjusted according to statutory authority to implement public defender offices.

3 This amount does not include 21.00 FTE at the State Hospital authorized in HB1015 and additional FTE authorized in HB1012 for Medicaid program review of eligibility and payment. FTE authorization in both bills requires Emergency Commission and Budget Section approval.

4 The 2005-07 legislatively Authorized FTE has been adjusted to reflect changes made as per authority granted in 2005 Senate Bill 2020.

5 The Racing Commission was transferred out of the Attorney General's Office to independent agency status beginning with the 2005-07 biennium.

6 The Children's Special Health Services program was transferred from the Department of Human Services to the Health Department.

COMPENSATION PACKAGE ADJUSTMENTS

Biennium: 2007-2009
Version: 2007-ALL-R03

Department	Salary Package	Health Insurance	Retirement Health Credit	Total	Funding Sources		
					General	Federal	Special
101 OFFICE OF THE GOVERNOR	128,641	44,997	2,694	176,332	176,332	0	0
108 SECRETARY OF STATE	125,758	67,500	2,630	195,888	187,815	8,073	0
110 OFFICE OF MANAGEMENT AND BUDGET	653,181	327,500	13,564	987,059	794,389	0	192,670
112 INFORMATION TECHNOLOGY	1,856,928	749,994	43,690	2,650,612	166,434	0	2,484,178
117 OFFICE OF THE STATE AUDITOR	361,419	125,000	7,624	494,043	342,887	50,723	100,433
120 OFFICE OF THE STATE TREASURER	34,243	15,000	722	49,965	49,965	0	0
125 OFFICE OF THE ATTORNEY GENERAL	909,192	442,500	22,806	1,374,498	1,142,294	44,985	187,219
127 OFFICE OF STATE TAX COMMISSIONER	708,669	331,250	14,845	1,054,764	1,054,764	0	0
140 OFFICE OF ADMINISTRATIVE HEARINGS	58,094	20,000	1,228	79,322	0	0	79,322
160 LEGISLATIVE COUNCIL	245,698	80,000	5,288	330,986	330,986	0	0
180 JUDICIAL BRANCH	1,842,343	860,000	54,028	2,756,371	2,685,278	66,487	4,606
188 COMM ON LEGAL COUNSEL FOR INDIGENTS	133,438	47,500	2,820	183,758	183,758	0	0
190 RETIREMENT AND INVESTMENT OFFICE	111,745	42,500	2,394	156,641	0	0	156,641
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM	158,165	85,000	3,562	246,727	0	0	246,727
201 DEPT OF PUBLIC INSTRUCTION	561,806	244,994	11,520	818,320	245,118	572,703	499
226 STATE LAND DEPARTMENT	122,054	47,498	2,564	172,116	0	0	172,116
250 STATE LIBRARY	114,387	62,500	2,546	179,433	154,951	24,482	0
252 SCHOOL FOR THE DEAF	162,790	128,719	2,968	294,477	280,150	14,327	0
253 ND VISION SERVICES	64,639	68,744	1,124	134,507	103,422	0	31,085
270 CAREER AND TECHNICAL EDUCATION	178,244	62,500	1,140	241,884	224,236	17,648	0
301 ND DEPARTMENT OF HEALTH	1,830,141	840,000	38,773	2,708,915	833,451	1,766,807	108,657
313 VETERANS HOME	373,795	239,826	7,406	621,027	185,495	0	435,532
316 INDIAN AFFAIRS COMMISSION	18,301	10,000	496	28,797	28,797	0	0
321 DEPARTMENT OF VETERANS AFFAIRS	27,339	15,000	576	42,915	42,915	0	0
325 DEPARTMENT OF HUMAN SERVICES	10,245,605	5,204,830	209,640	15,660,084	9,883,124	5,283,392	493,568
360 PROTECTION AND ADVOCACY	141,850	67,500	3,172	212,522	41,743	170,779	0
380 JOB SERVICE NORTH DAKOTA	1,606,945	735,000	28,044	2,369,990	10,583	2,337,305	22,102
401 OFFICE OF THE INSURANCE COMMISSIONER	279,431	118,746	5,854	404,032	0	15,177	388,855
405 INDUSTRIAL COMMISSION	336,025	140,000	7,572	483,597	433,367	5,462	44,768
406 OFFICE OF THE LABOR COMMISSIONER	61,374	30,000	1,250	92,624	66,196	26,428	0
408 PUBLIC SERVICE COMMISSION	279,804	102,500	6,052	388,358	255,405	132,953	0
412 AERONAUTICS COMMISSION	38,342	15,000	808	54,150	0	0	54,150
413 DEPT OF FINANCIAL INST	210,262	67,500	4,438	282,200	0	0	282,200
414 SECURITIES DEPARTMENT	60,554	22,500	1,278	84,332	84,332	0	0
471 BANK OF NORTH DAKOTA	905,194	457,470	20,492	1,383,156	0	0	1,383,156

COMPENSATION PACKAGE ADJUSTMENTS

Biennium: 2007-2009
Version: 2007-ALL-R03

Department	Salary Package	Health Insurance	Retirement Health Credit	Total	Funding Sources		
					General	Federal	Special
473 ND HOUSING FINANCE AGENCY	213,828	105,000	4,812	323,640	0	0	323,640
475 ND MILL AND ELEVATOR ASSOCIATION	0	327,302	15,228	342,530	0	0	342,530
485 WORKFORCE SAFETY AND INSURANCE	1,453,924	602,486	32,577	2,088,987	0	0	2,088,987
504 HIGHWAY PATROL	1,150,618	482,500	24,164	1,657,282	1,093,866	169,627	393,789
530 DEPT OF CORRECTIONS AND REHAB	3,145,591	1,668,750	69,509	4,883,877	4,613,947	4,672	265,258
540 ADJUTANT GENERAL	1,062,812	565,000	-11,727	1,583,748	554,286	962,028	67,434
601 DEPT OF COMMERCE	428,542	182,500	10,354	621,398	454,775	123,114	43,509
602 DEPARTMENT OF AGRICULTURE	337,509	157,492	7,774	502,776	267,044	169,373	66,359
616 STATE SEED DEPARTMENT	157,827	75,000	3,280	236,111	0	0	236,111
627 UPPER GREAT PLAINS TRANS INST	399,965	111,250	1,070	512,285	55,058	417,650	39,577
628 BRANCH RESEARCH CENTERS	517,944	236,250	3,496	757,690	558,280	0	199,410
630 NDSU EXTENSION SERVICE	1,780,105	653,750	4,420	2,438,275	1,389,237	130,527	918,511
638 NORTHERN CROPS INSTITUTE	75,240	27,500	142	102,882	57,740	0	45,142
640 NDSU MAIN RESEARCH CENTER	2,572,509	850,000	6,100	3,428,609	2,342,392	76,222	1,009,995
649 AGRONOMY SEED FARM	19,914	7,500	184	27,598	0	0	27,598
670 ND HORSE RACING COMMISSION	12,953	5,000	274	18,227	3,161	0	15,066
701 HISTORICAL SOCIETY	282,045	147,500	6,272	435,817	387,460	48,357	0
709 COUNCIL ON THE ARTS	24,010	12,500	508	37,018	37,018	0	0
720 GAME AND FISH DEPARTMENT	938,218	387,500	20,072	1,345,790	0	497,821	847,969
750 PARKS AND RECREATION DEPT	239,147	125,000	5,398	369,545	350,914	7,463	11,168
770 WATER COMMISSION	535,461	210,000	11,292	756,753	687,506	11,580	57,667
801 DEPT OF TRANSPORTATION	5,584,170	2,602,500	117,953	8,304,626	0	1,369,420	6,935,206
	45,878,728	**21,461,848**	**868,760**	**68,169,866**	**32,840,871**	**14,525,585**	**20,803,410**

Lease Purchase Agreements

Ag. No.	Agency Name	Lease Description	Original Value	Monthly Payment Amount	Months Remaining
110	OFFICE OF MANAGEMENT AND BUDGET	IT Print From ITD Mainframe --Printer	420,000	7,000	24
		Xerox Digi Path--Digital Printing	92,046	1,790	9
		Xerox DocuTech 6100- Digital Printing	248,337	4,776	9
		Xerox DocuTech 6135-Digital Printing	365,742	7,033	9
190	RETIREMENT AND INVESTMENT OFFICE	Xerox Copier/Printer/Fax/Scanner	12,100	464	21
		Xerox Printer/Copier/Fax/Scanner	14,590	413	3
201	DEPT OF PUBLIC INSTRUCTION	Sharp AR-M237 Digital Copier	3,393	155	4
		Canon 8500 Digital Copier	45,700	438	7
		Kyocera Mita 6330 Digital Copier	13,000	322	5
		Kyocera Mita 5035 Digital Copier	8,000	182	5
228	LAKE REGION STATE COLLEGE	Copier Lease	121,945	2,102	24
230	UNIVERSITY OF NORTH DAKOTA	Piper Warrior Aircraft N443ND	163,529	1,708	24
		Piper Warrior Aircraft N432ND	172,927	1,842	24
		Piper Warrior Aircraft N431ND	172,927	1,842	24
		M300 Data System for Citation Research Aircraft	60,558	1,138	24
		Dimming Equipment	170,000	14,554	24
		34 ATC Radar Consoles	371,652	11,618	24
		Piper Warrior Aircraft N446ND	163,529	1,707	24
		Piper Warrior Aircraft N449ND	163,529	1,715	24
		Piper Warrior Aircraft N448ND	163,529	1,716	24
		Piper Warrior Aircraft N447ND	163,529	1,707	24
235	NORTH DAKOTA STATE UNIVERSITY	CASE Articulated Wheel Loader	134,446	21,625	6
		Campus-wide Copiers and Related Equipment	698,830	257,006	13
		Copiers, Faxes and Scanners	78,562	28,502	13
		Document Publishing Equipment and Plotter Copier	304,551	110,474	9
		John Deere 644H Front End Loader	65,000	14,295	7
		Massey MF8-XP Plot Combine w/Grain Gage Attachmt	129,162	24,945	22
238	ND STATE COLLEGE OF SCIENCE	Copy Center Equipment	120,580	3,918	18
313	VETERANS HOME	Copy machine lease	10,836	217	24
380	JOB SERVICE NORTH DAKOTA	Mainframe Lease	1,818,389	33,861	24

Lease Purchase Agreements

Ag. No.	Agency Name	Lease Description	Original Value	Monthly Payment Amount	Months Remaining
512	DEPT OF EMERGENCY SERVICES	Motorola State Radio Lease Purchase	8,101,386	63,556	24
530	DEPT OF CORRECTIONS AND REHAB	RRI - Wide Belt Sander	89,580	1,682	24
		RRI - Rip Saw, Planer, Table Saw, Sewing Machine	58,062	1,095	8
801	DEPT OF TRANSPORTATION	Mail Machine	168,840	2,814	24
		Smart Mailer Software	89,340	1,489	24

2007-2009 BIENNIUM TELECOMMUTE ANALYSIS FORM SUMMARY

Agency		2007-2009 Biennium Telecommute Analysis Forms Relating to Requested Positions								New Positions Included in 2007-2009
		Position Type					Position Location			
		New	Vacant	Relocated	Assigned New Prog	Total	Central Office	Tele-commute	Total	Executive Recommendation
110	OFFICE OF MANAGEMENT AND BUDGET	2.00				**2.00**	2.00		**2.00**	1.00
112	INFORMATION TECHNOLOGY	37.00				**37.00**	37.00		**37.00**	46.00
117	OFFICE OF THE STATE AUDITOR	2.00				**2.00**	1.00	1.00	**2.00**	0.00
120	OFFICE OF THE STATE TREASURER	1.00				**1.00**	1.00		**1.00**	0.00
180	JUDICIAL BRANCH	0.00				**0.00**	0.00		**0.00**	11.00
188	COMM ON LEGAL COUNSEL - INDIGENTS	10.00				**10.00**	10.00		**10.00**	10.00
192	PUBLIC EMPLOYEES RETIREENT SYSTEM	4.00				**4.00**	4.00		**4.00**	4.00
201	DEPT OF PUBLIC INSTRUCTION	5.50				**5.50**	5.50		**5.50**	5.50
215	ND UNIVERSITY SYSTEM OFFICE	0.00				**0.00**	0.00		**0.00**	1.00
244	NORTH DAKOTA FOREST SERVICE	1.50				**1.50**	1.50		**1.50**	0.00
250	STATE LIBRARY	1.00				**1.00**	1.00		**1.00**	1.00
301	ND DEPARTMENT OF HEALTH	15.00				**15.00**	14.00	1.00	**15.00**	13.00
316	INDIAN AFFAIRS COMMISSION	1.00				**1.00**	1.00		**1.00**	1.00
321	DEPARTMENT OF VETERANS AFFAIRS	1.00				**1.00**	1.00		**1.00**	0.00
325	DEPARTMENT OF HUMAN SERVICES	109.00				**109.00**	109.00		**109.00**	28.00
360	PROTECTION AND ADVOCACY	2.00				**2.00**	2.00		**2.00**	2.00
405	INDUSTRIAL COMMISSION	4.00				**4.00**	4.00		**4.00**	4.00
408	PUBLIC SERVICE COMMISSION	1.00				**1.00**	1.00		**1.00**	1.00
473	ND HOUSING FINANCE AGENCY		6.00			**6.00**	6.00		**6.00**	0.00
475	ND MILL AND ELEVATOR ASSOCIATION	4.00				**4.00**	4.00		**4.00**	4.00
485	WORKFORCE SAFETY AND INSURANCE	15.00				**15.00**	15.00		**15.00**	0.00
504	HIGHWAY PATROL	25.00				**25.00**	25.00		**25.00**	11.00
530	DEPT OF CORRECTIONS AND REHAB	151.20				**151.20**	151.20		**151.20**	29.50
540	ADJUTANT GENERAL	42.00				**42.00**	42.00		**42.00**	39.00
601	DEPT OF COMMERCE	3.00				**3.00**	3.00		**3.00**	11.00
602	DEPARTMENT OF AGRICULTURE	8.50				**8.50**	2.50	6.00	**8.50**	6.00
627	UPPER GREAT PLAINS TRANS INST	2.00				**2.00**	2.00		**2.00**	2.00
628	BRANCH RESEARCH CENTERS	17.10				**17.10**	17.10		**17.10**	8.00
630	NDSU EXTENSION SERVICE	12.20				**12.20**	9.00	3.20	**12.20**	1.00
638	NORTHERN CROPS INSTITUTE	1.00				**1.00**	1.00		**1.00**	1.00
640	NDSU MAIN RESEARCH CENTER	10.10				**10.10**	10.10		**10.10**	3.00
670	ND HORSE RACING COMMISSION	1.00				**1.00**	1.00		**1.00**	0.00
701	HISTORICAL SOCIETY	10.50				**10.50**	10.50		**10.50**	3.00
720	GAME AND FISH DEPARTMENT	3.00				**3.00**	3.00		**3.00**	3.00

2007-2009 BIENNIUM TELECOMMUTE ANALYSIS FORM SUMMARY

Agency		2007-2009 Biennium Telecommute Analysis Forms Relating to Requested Positions								New Positions Included in 2007-2009
		Position Type					Position Location			
		New	Vacant	Relocated	Assigned New Prog	Total	Central Office	Tele-commute	Total	Executive Recommendation
750	PARKS AND RECREATION DEPT	4.00	3.00			**7.00**	7.00		**7.00**	4.00
770	WATER COMMISSION	1.00				**1.00**	1.00		**1.00**	0.00
801	DEPT OF TRANSPORTATION	1.00				**1.00**	1.00		**1.00**	1.00
	TOTALS	**509.60**	**9.00**			**518.60**	**507.40**	**11.20**	**518.60**	**255.00**

Capital Assets

The capital budget summarizes the 2007-09 biennium executive recommendation for state investments in capital assets. The term "capital assets" refers to: capital projects, extraordinary repairs, other capital payments, equipment over $5,000 and information technology (IT) equipment over $5,000. The executive recommendations for capital assets are summarized on the following pages.

The capital budget is a long-range planning document for the state's capital needs. It assists the executive and legislative branches of government by formalizing capital funding objectives, setting spending priorities, and efficiently allocating limited financial resources.

The capital budget is a financial management tool used to:

- Assist in determining infrastructure and repair needs.
- Provide for orderly replacement of facilities.
- Enhance the ability of decision makers to match resources with needs.
- Permit the organized development of capital infrastructure over an extended period of time.

The capital budget contributes to long-range policy development by:

- Formalizing capital funding objectives and debt policy.
- Providing for efficient allocation of limited financial resources.
- Setting spending priorities for capital assets.

The capital budget positively influences the state's credit rating by:

- Demonstrating that government has identified and prioritized needs and arranged for funding.
- Providing evidence of the development and maintenance of sound infrastructure, which is required for expansion of the state's economic base.
- Demonstrating government's ability to provide for the essential capital needs of its citizens.

The capital budget is a reporting document and communication tool used to:

- Communicate the significance of capital expenditures in the delivery of public services.
- Provide for intergovernmental coordination in timing and location of related projects.

Capital Assets Recommendations by Category– 2007-2009

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
110 OFFICE OF MANAGEMENT AND BUDGET	0	4,345,000	253,519	40,000	6,500	4,645,019
112 INFORMATION TECHNOLOGY	0	60,000	5,407,075	102,600	6,875,575	12,445,250
117 OFFICE OF THE STATE AUDITOR	0	0	0	10,000	0	10,000
125 OFFICE OF THE ATTORNEY GENERAL	1,242,840	0	182,485	718,406	6,000	2,149,731
127 OFFICE OF STATE TAX COMMISSIONER	0	0	0	0	18,000	18,000
150 LEGISLATIVE ASSEMBLY	0	0	0	206,000	0	206,000
160 LEGISLATIVE COUNCIL	0	0	0	25,000	32,000	57,000
180 JUDICIAL BRANCH	0	0	0	433,542	121,041	554,583
215 ND UNIVERSITY SYSTEM	0	1,000,000	15,822,002	0	0	16,822,002
226 STATE LAND DEPARTMENT	0	0	0	10,000	0	10,000
227 BISMARCK STATE COLLEGE	543,000	473,192	0	0	0	1,016,192
228 LAKE REGION STATE COLLEGE	3,007,600	125,604	0	0	0	3,133,204
229 WILLISTON STATE COLLEGE	1,400,000	157,198	0	0	0	1,557,198
230 UNIVERSITY OF NORTH DAKOTA	80,400,000	5,928,875	0	0	0	86,328,875
235 NORTH DAKOTA STATE UNIVERSITY	25,500,000	4,209,161	0	0	0	29,709,161
238 ND STATE COLLEGE OF SCIENCE	10,084,420	1,386,445	0	0	0	11,470,865
239 DICKINSON STATE UNIVERSITY	8,000,000	1,018,763	0	0	0	9,018,763
240 MAYVILLE STATE UNIVERSITY	900,000	946,930	0	0	0	1,846,930
241 MINOT STATE UNIVERSITY	8,075,550	1,452,744	0	0	0	9,528,294
242 VALLEY CITY STATE UNIVERSITY	2,200,000	796,235	0	0	0	2,996,235

Capital Assets Recommendations by Category– 2007-2009

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
243 MINOT STATE UNIVERSITY - BOTTINEAU	252,000	158,702	0	0	0	410,702
244 NORTH DAKOTA FOREST SERVICE	120,000	60,204	0	0	0	180,204
252 SCHOOL FOR THE DEAF	0	150,000	0	0	0	150,000
253 ND VISION SERVICES	0	135,600	0	6,500	0	142,100
301 ND DEPARTMENT OF HEALTH	0	228,841	692,242	869,800	26,500	1,817,383
313 VETERANS HOME	0	31,200	260,205	158,942	0	450,347
325 DEPARTMENT OF HUMAN SERVICES	7,460,957	1,933,500	1,057,329	165,140	0	10,616,926
380 JOB SERVICE NORTH DAKOTA	0	0	20,000	0	0	20,000
405 INDUSTRIAL COMMISSION	0	230,000	0	8,000	26,500	264,500
408 PUBLIC SERVICE COMMISSION	0	0	0	75,000	32,500	107,500
412 AERONAUTICS COMMISSION	0	734,000	0	0	0	734,000
471 BANK OF NORTH DAKOTA	100,000	0	0	400,000	1,400,000	1,900,000
485 WORKFORCE SAFETY AND INSURANCE	0	0	0	13,000	775,000	788,000
530 DEPT OF CORRECTIONS AND REHAB	42,170,000	2,293,080	3,090,022	1,267,408	0	48,820,510
540 ADJUTANT GENERAL	41,300,000	4,625,000	575,667	1,575,347	980,000	49,056,014
601 DEPT OF COMMERCE	0	0	0	25,000	0	25,000
602 DEPARTMENT OF AGRICULTURE	0	0	0	5,000	0	5,000
616 STATE SEED DEPARTMENT	0	100,000	0	40,000	0	140,000
627 UPPER GREAT PLAINS TRANS INST	5,500,000	0	0	0	300,000	5,800,000
628 BRANCH RESEARCH CENTERS	1,101,000	0	0	1,771,784	0	2,872,784

Capital Assets Recommendations by Category– 2007-2009

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
638 NORTHERN CROPS INSTITUTE	0	0	0	365,000	0	365,000
640 NDSU MAIN RESEARCH CENTER	10,107,750	840,465	0	1,963,000	0	12,911,215
649 AGRONOMY SEED FARM	0	0	0	152,000	0	152,000
665 ND STATE FAIR	10,000,000	0	210,000	0	0	10,210,000
701 HISTORICAL SOCIETY	900,000	1,278,819	331,762	81,000	0	2,591,581
720 GAME AND FISH DEPARTMENT	0	1,629,241	1,000,000	605,000	50,000	3,284,241
750 PARKS AND RECREATION DEPT	5,220,175	1,312,500	0	1,167,500	0	7,700,175
770 WATER COMMISSION	0	0	53,483,936	20,000	30,000	53,533,936
801 DEPT OF TRANSPORTATION	1,610,000	2,655,423	512,064,476	31,991,302	399,897	548,721,098
	267,195,292	40,296,722	594,450,720	44,271,271	11,079,513	957,293,518

Capital Assets Recommendations - By Funding Source – 2007-2009

Agency	General Fund	Federal Funds	Special Funds	Bond Funds	Total
110 OFFICE OF MANAGEMENT AND BUDGET	3,855,019	0	790,000	0	4,645,019
112 INFORMATION TECHNOLOGY	225,000	0	12,220,250	0	12,445,250
117 OFFICE OF THE STATE AUDITOR	0	0	10,000	0	10,000
125 OFFICE OF THE ATTORNEY GENERAL	1,579,725	394,006	176,000	0	2,149,731
127 OFFICE OF STATE TAX COMMISSIONER	18,000	0	0	0	18,000
150 LEGISLATIVE ASSEMBLY	206,000	0	0	0	206,000
160 LEGISLATIVE COUNCIL	57,000	0	0	0	57,000
180 JUDICIAL BRANCH	554,583	0	0	0	554,583
215 ND UNIVERSITY SYSTEM	15,792,252	0	1,029,750	0	16,822,002
226 STATE LAND DEPARTMENT	0	0	10,000	0	10,000
227 BISMARCK STATE COLLEGE	988,387	0	27,805	0	1,016,192
228 LAKE REGION STATE COLLEGE	125,604	0	3,007,600	0	3,133,204
229 WILLISTON STATE COLLEGE	157,198	0	1,400,000	0	1,557,198
230 UNIVERSITY OF NORTH DAKOTA	8,128,875	0	78,200,000	0	86,328,875
235 NORTH DAKOTA STATE UNIVERSITY	9,209,161	0	20,500,000	0	29,709,161
238 ND STATE COLLEGE OF SCIENCE	3,056,865	0	8,414,000	0	11,470,865
239 DICKINSON STATE UNIVERSITY	1,018,763	0	8,000,000	0	9,018,763
240 MAYVILLE STATE UNIVERSITY	946,930	0	900,000	0	1,846,930
241 MINOT STATE UNIVERSITY	3,952,744	0	5,575,550	0	9,528,294
242 VALLEY CITY STATE UNIVERSITY	2,996,235	0	0	0	2,996,235
243 MINOT STATE UNIVERSITY - BOTTINEAU	397,797	0	12,905	0	410,702

Capital Assets Recommendations - By Funding Source – 2007-2009

Agency	General Fund	Federal Funds	Special Funds	Bond Funds	Total
244 NORTH DAKOTA FOREST SERVICE	180,204	0	0	0	180,204
252 SCHOOL FOR THE DEAF	150,000	0	0	0	150,000
253 ND VISION SERVICES	119,600	0	22,500	0	142,100
301 ND DEPARTMENT OF HEALTH	348,248	1,013,904	455,231	0	1,817,383
313 VETERANS HOME	136,500	0	313,847	0	450,347
325 DEPARTMENT OF HUMAN SERVICES	10,518,532	95,976	2,418	0	10,616,926
380 JOB SERVICE NORTH DAKOTA	0	20,000	0	0	20,000
405 INDUSTRIAL COMMISSION	256,500	0	8,000	0	264,500
408 PUBLIC SERVICE COMMISSION	93,600	13,900	0	0	107,500
412 AERONAUTICS COMMISSION	0	600,000	134,000	0	734,000
471 BANK OF NORTH DAKOTA	0	0	1,900,000	0	1,900,000
485 WORKFORCE SAFETY AND INSURANCE	0	0	788,000	0	788,000
530 DEPT OF CORRECTIONS AND REHAB	48,265,010	0	555,500	0	48,820,510
540 ADJUTANT GENERAL	3,315,637	45,740,377	0	0	49,056,014
601 DEPT OF COMMERCE	0	25,000	0	0	25,000
602 DEPARTMENT OF AGRICULTURE	0	5,000	0	0	5,000
616 STATE SEED DEPARTMENT	0	0	140,000	0	140,000
627 UPPER GREAT PLAINS TRANS INST	0	5,500,000	300,000	0	5,800,000
628 BRANCH RESEARCH CENTERS	800,000	0	2,072,784	0	2,872,784
638 NORTHERN CROPS INSTITUTE	0	0	365,000	0	365,000
640 NDSU MAIN RESEARCH CENTER	11,353,215	0	1,558,000	0	12,911,215

Capital Assets Recommendations - By Funding Source – 2007-2009

Agency	General Fund	Federal Funds	Special Funds	Bond Funds	Total
649 AGRONOMY SEED FARM	0	0	152,000	0	152,000
665 ND STATE FAIR	5,210,000	0	5,000,000	0	10,210,000
701 HISTORICAL SOCIETY	1,988,248	570,000	33,333	0	2,591,581
720 GAME AND FISH DEPARTMENT	0	996,500	2,287,741	0	3,284,241
750 PARKS AND RECREATION DEPT	6,306,416	532,500	861,259	0	7,700,175
770 WATER COMMISSION	0	20,849,000	32,684,936	0	53,533,936
801 DEPT OF TRANSPORTATION	1,410,920	378,229,300	169,080,878	0	548,721,098
	143,718,768	454,585,463	358,989,287	0	957,293,518

Capital Projects

Capital projects are expenditures for land, new construction, additions, renovations, restorations and demolitions of buildings and infrastructure. Capital projects recommendations are based on a review and analysis of each requested capital project. Agency budget requests include, for each capital project requested, a justification for the project, project description and specifications, requested funding sources, and anticipated operating and staffing costs for the upcoming and two subsequent biennia.

Justification

During preparation of the capital project requests, agencies were asked to justify the need for each project by considering the following questions:

- Is there evidence of the need for this project?
- Has there been adequate planning? If not, should a planning appropriation be considered?
- Can a third party finance or share the cost of this project?
- Is renovating or remodeling more cost effective?
- Has leasing of capital assets been considered?
- Can this project be postponed until the following biennium?
- Would this project be necessary if the size of government was reduced? If population declined? If a technological breakthrough occurred? If demand for services declined? If not, what is the likelihood any of these will happen in the next ten years?
- What are the operating costs over the life of this project and are they reasonable? Will the state have to pay these costs? Can the state afford to do so? Is it cost effective to spend more at the outset of the project to reduce future operating costs (e.g., through redesign of a facility)?
- Have all the costs relating to this project been considered? Does the total cost include construction costs, architects' fees, contingency fees, construction supervision fees, equipment, insurance and bid costs, and site acquisition?
- What are the economies of scale? Would a bigger facility be cheaper per client served or personnel housed? If a bigger facility is built, can part of the space be rented?

NOTE: Adapted from "Capital Budgeting and Finance: "The Legislative Role," published by the National Conference of State Legislatures.

Evaluation

The Office of Management and Budget considered external mandates, program needs, state policy direction, and available funding sources in evaluating and prioritizing capital project requests.

External mandates include:

- Court orders.
- Health and life safety codes.
- Handicap accessibility regulations.
- Regulations regarding the historical significance of existing facilities.

Program needs include or are influence by:

- Demographic shifts.
- Department goals.
- Public convenience.
- Program requirements.
- Obsolecense of existing facilities.

State policy direction is influenced by:

- Gubernatorial priorities.
- Economic development needs and initiatives.
- Consolidation of state services.

Funding considerations include:

- Non general fund dollars available for construction and operation.
- Existing state debt obligations.
- Operating efficiency of the proposed facility.

Capital Projects Recommendations – 2007-2009

Agency	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
125 OFFICE OF ATTORNEY GEN	Crime Lab Building	1,242,840	1,242,840	0	0	0
227 BISMARCK STATE COLLEGE	Schafer Hall Renovation-1st Floor	543,000	515,195	0	27,805	0
228 LAKE REGION ST COLLEGE	Wind Energy Project	3,007,600	0	0	3,007,600	0
229 WILLISTON ST COLLEGE	Creighton Building Addition	1,400,000	0	0	1,400,000	0
230 UNIV OF NORTH DAKOTA	Allied Health Facility	20,400,000	0	0	20,400,000	0
	American Indian Center	10,000,000	0	0	10,000,000	0
	EERC Commercialization Center	5,000,000	0	0	5,000,000	0
	Earth Systems Science Building	5,000,000	0	0	5,000,000	0
	Indoor Track Facility	15,000,000	0	0	15,000,000	0
	Memorial Union Front (North) Entrance	4,500,000	0	0	4,500,000	0
	O'Kelly – Ireland Lab	2,200,000	2,200,000	0	0	0
	SMHS Laboratory and Admin Renovations	9,800,000	0	0	9,800,000	0
	SMHS-Bismarck FPC Graduate Center	4,500,000	0	0	4,500,000	0
	Wilkerson Dining Center	4,000,000	0	0	4,000,000	0
235 NORTH DAKOTA STATE UNIV	Dakota Coteau Field School	4,000,000	0	0	4,000,000	0
	Ellig Softball Complex	4,500,000	0	0	4,500,000	0
	Living Learn Residence Hall West/Ceres Hall	12,000,000	0	0	12,000,000	0
	Minard Hall Renovation - Phase I and II	5,000,000	5,000,000	0	0	0
238 ND ST COLLEGE OF SCIENCE	Football Stadium and Track Renovation	1,700,000	0	0	1,700,000	0
	Parking Lot	714,000	0	0	714,000	0
	Robertson Hall Renovation	6,000,000	0	0	6,000,000	0
	Steam line distribution replacement	1,670,420	1,670,420	0	0	0
239 DICKINSON STATE UNIV	Whitney Stadium Renovation Addition	8,000,000	0	0	8,000,000	0
240 MAYVILLE STATE UNIV	Northwest Hall Rehabilitation	900,000	0	0	900,000	0
241 MINOT STATE UNIV	Dakota Hall elevator	340,000	0	0	340,000	0
	Dome-athletic floor replacement	336,400	0	0	336,400	0
	Pioneer Hall elevator	363,000	0	0	363,000	0
	Swain Hall renovation and addition	7,036,150	2,500,000	0	4,536,150	0
242 VALLEY CITY STATE UNIV	Steamline Replacement	2,200,000	2,200,000	0	0	0
243 MINOT ST UNIV-BOTTINEAU	Steam Line Replacement	252,000	239,095	0	12,905	0
244 NORTH DAKOTA FOREST SERV	Storage Buildings and Outdoor Restroom Fac's	120,000	120,000	0	0	0
325 DEPT OF HUMAN SERVICES	Developmental Center - Infrastructure Improv	998,200	947,092	51,108	0	0
	State Hospital - Infrastructure Improvements	3,362,757	3,362,757	0	0	0
	State Hospital Sex Offender Addition	3,100,000	3,100,000	0	0	0
471 BANK OF NORTH DAKOTA	Landscaping for new facility	100,000	0	0	100,000	0
530 DEPT OF CORRECT & REHAB	State Prison Expansion	42,000,000	42,000,000	0	0	0
	YCC - Security Lighting - Video Surveillance	170,000	170,000	0	0	0
540 ADJUTANT GENERAL	Estimated Federal Construction	15,000,000	0	15,000,000	0	0

Capital Projects Recommendations – 2007-2009

Agency	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
	Total Army School System	26,300,000	0	26,300,000	0	0
627 UPPER GR PLAINS TRANS INST	Center for Transportation Study	5,500,000	0	5,500,000	0	0
628 BRANCH RESEARCH CENTERS	Agronomy Lab & Greenhouse - N Cent Resrch	400,000	400,000	0	0	0
	Headqutrs facility parking lot and landscaping	350,000	0	0	350,000	0
	Waste Management Facility	351,000	0	0	351,000	0
640 NDSU MAIN RESRCH CENTER	Hdqtr. Office Building additions & renovations	1,107,750	1,107,750	0	0	0
	Research Greenhouse Complex - Phase II	9,000,000	9,000,000	0	0	0
665 ND STATE FAIR	New Grandstand	10,000,000	5,000,000	0	5,000,000	0
701 HISTORICAL SOCIETY	Abercrombie Interpretative Center	900,000	700,000	200,000	0	0
750 PARKS AND REC DEPT	DLSP Ramp widening	150,000	0	0	150,000	0
	FALSP Conservation Easement	275,000	55,000	220,000	0	0
	FSSP Boat ramp 1827 msl	109,760	0	0	109,760	0
	FSSP Campground Phase II	320,000	320,000	0	0	0
	Federal funding match for construction projects	250,000	0	250,000	0	0
	LSSP Campground rewire phase II	255,000	255,000	0	0	0
	Other fund authority for capital projects	100,000	0	0	100,000	0
	Peace Garden Infrastructure upgrade	933,000	933,000	0	0	0
	Peace Garden interpretive center/gardens	1,500,000	1,500,000	0	0	0
	Pembina Gorge Trailhead and trails develop	160,500	160,500	0	0	0
	State Park Road repairs	691,915	407,916	0	283,999	0
	TRSP Campground water/rewire	200,000	200,000	0	0	0
	TRSP Trail River Crossing	125,000	62,500	62,500	0	0
	Turtle River Admin Building Completion	150,000	150,000	0	0	0
801 DEPT OF TRANSPORTATION	Land and Buildings	1,610,000	0	0	1,610,000	0
		267,195,292	**85,519,065**	**47,583,608**	**134,092,619**	**0**

Capital Projects

125 – Office of the Attorney General

Crime Laboratory Building
This project is phase III of the master plan development at the East Laboratory campus. The project includes remodeling of the existing 5,291 square foot crime laboratory and an addition of 14,000 square feet. The construction bids exceeded the appropriation authority from the 2005 legislature. The project includes $1,242,840 of additional general fund expenditures. Total general fund operating and maintenance costs are estimated at $297,448 per biennium. (The 2005-2207 appropriation was $3,632,691 general fund bonding. Total project authority is $4,875,531.)

227 – Bismarck State College

Schafer Hall Renovation – 1st Floor
Part of a multi-stage renovation to Schafer Hall, this project will provide hazardous material abatement and renovation to the business office and computer center. The project also includes a 1,100 square foot addition to the computer center. The project includes $515,195 from the general fund and $27,805 of special funds for a total project cost of $543,000. No net additional operating and maintenance costs are anticipated.

228 – Lake Region State College

Wind Energy Project
The installation of a wind turbine will provide utility savings to replace the two existing boilers and provide a closed lab for students to observe the potential of North Dakota wind energy. The project would be completed under performance contracting at a cost of $3,007,600. No additional operating or maintenance costs are expected as a result of this project.

229 – Williston State College

Creighton Building Addition
This project will provide 9,000 square feet of additional laboratory space and 4,000 square feet of additional support space for the Diesel Technology program. The project includes $1,400,000 of special funds and will result in additional operating and maintenance expenses of $30,000 per biennium to be paid within the agency's budget.

230 – University of North Dakota

Allied Health Facility
This new construction project will combine a number of interrelated departments including Physical Therapy, Occupational Therapy, Clinical Lab Science, Rural Health, Sports Medicine, and Physician Assistant Programs into one facility designed to accommodate their specific research and education needs. The 130,000 square foot project includes $20,400,000 of special funds. Additional operating and maintenance funds have not been identified.

American Indian Center
This new building will accommodate a greatly expanded learning center, administrative and support offices, event space, and a cultural center museum/gallery that will feature American Indian artifacts, heritage and history of the native peoples. The project includes $10,000,000 of special funds. The project will result in increased operating costs of $345,450 per biennium to be paid with special funds.

EERC Commercialization Center
A new facility adjacent to the existing EERC complex, this project will allow researchers and industry specialists to work together on cutting-edge technologies. The project includes $5,000,000 in special funds. The project will result in increased operating and maintenance costs of $220,500 per biennium to be paid with special funds.

Earth Systems Science Building
The construction of this building will provide a new teaching platform that utilizes earth-friendly construction techniques resulting in a learning center for new technologies that refine and improve traditional construction methods to achieve a higher degree of energy efficiency and reduced environmental damage. The project includes $5,000,000 of special funds and will result in operating and maintenance expenses of $169,050 per biennium to be paid with special funds.

Indoor Track Facility
The UND Athletic Department currently has no indoor, multi-purpose space of sufficient size and arrangement to accommodate an indoor track and football practice field. UND has retained a sports facility consultant to develop this $15,000,000 special fund project. The project will result in increased operating and maintenance costs of $330,750 per biennium to be paid with special funds.

Memorial Union Front (North) Entrance
This project will provide elevator and grade access improvements to the primary entrance. It also includes an addition incorporating new meeting and conference

spaces. The project includes $4,500,000 in special funds. Additional operating costs of $147,000 per biennium will be paid with special funds.

O'Kelly Hall Renovation – Ireland Laboratory Renovation

This project would provide code-required improvements to the fire protection, mechanical, ventilation, and electrical systems for the building. It will also address mandatory accessibility improvements. The project includes $2,200,000 from the general fund. The project will not result in increased operating and maintenance costs.

SMHS Laboratory and Administrative Renovations

Original 1952 construction will be remodeled to provide updated research laboratories, and convert existing patient exam rooms into appropriate office facilities. The project includes $9,800,000 of special funds. No net additional operating or maintenance costs are expected as a result of this project.

SMHS – Bismarck Center for Family Practice/Graduate Center

This project will provide a new facility to accommodate both the Bismarck Center for Family Practice and the UND Graduate School's distance learning program. The project includes $4,500,000 of special funds and will result in operating costs of $161,700 per biennium to be paid with special funds.

Wilkerson Dining Center

Renovation to this existing dining space will provide improved service delivery, greater variety, and improved quality to the student residents. The improvements will result in a more flexible food delivery system that can be more easily modified to accommodate future changes. The project includes $4,000,000 of special funds. No net additional operating and maintenance costs are expected as a result of this project.

235 - North Dakota State University

Dakota Coteau Field School

This new facility will provide a field research station for students and faculty of the University. The project includes $4,000,000 of special funds. Additional operating and maintenance costs have not been identified.

Ellig Softball Complex

This project includes construction of a press box, dugouts, locker rooms and restrooms, updates to the irrigation system, lights, bleachers, and a maintenance storage area at the existing four-diamond softball complex. The project includes $4,500,000 of special funds. No net increase in operating or maintenance is expected.

Living/Learning Residence Hall/Ceres Hall

The project includes both construction of a new $10,000,000 residence hall and a $2,000,000 renovation/addition to the existing Ceres Hall. The project includes $12,000,000 of special funds. The increased operating and maintenance costs will be paid with special funds.

Minard Hall Renovation – Phase I and II

Phases I and II will provide a weatherproof exterior envelope prior to renovation of interior spaces. It includes replacing the roof, tuck-pointing the masonry, replacing the windows, and updating/replacing the utility infrastructure to the building. The project includes $5,000,000 from the general fund. The project will not increase operating and maintenance costs.

238 - North Dakota State College of Science

Football Stadium and Track Renovation

The existing concrete bleachers have become a safety hazard as decaying becomes more prevalent. In the spring of 2006, the bleachers were chained off and are no longer used. This project would replace the seating portion of the bleachers, renovate the restroom and snack areas, and replace the existing track. The project includes $1,700,000 of special funds. No increase in operating or maintenance is expected.

Parking Lot

This project provides for reconstruction of Parking Lot 4 at a cost of $714,000 of special funds. No increase in operating or maintenance is expected.

Robertson Hall Renovation

This project will renovate the existing single room/shared restroom configuration into shared suites. It also includes replacement of the mechanical systems and installation of a new ventilation system and air conditioning. The project includes $6,000,000 of special funds. The increased operating and maintenance funds will be paid with special funds.

Steam Line Distribution Replacement

This project will replace 1,900 lineal feet of 30-year old steam line and includes $1,670,420 from the general fund. No net increase in operating or maintenance is expected.

239 – Dickinson State University

Whitney Stadium Renovation and Addition

This project was approved by the legislature for the 2005-2007 biennium. The project was submitted at $5,000,000. As the planning was refined, it was apparent that the

estimate would need to be raised to $8,000,000. Fund raising continues but will not be completed by the end of the 2005-2007 biennium. The project includes $8,000,000 of special funds. The project will result in increased operating and maintenance costs of $218,584 per biennium to be paid within the agency's budget.

240 – Mayville State University

Northwest Hall Rehabilitation
This project will continue the renovation of Northwest Hall for an alumni center, the foundation offices and guest accommodations. The project includes $900,000 of special funds. No net increase in operating and maintenance expenses is anticipated.

241 – Minot State University

Dakota Hall Elevator
This project will replace the existing four-stop elevator that does not meet ADA or building code requirements. The project includes $340,000 of special funds. No net increase in operating and maintenance expenses is anticipated.

Dome – Athletic Floor Replacement
This project will replace the running track at the existing Dome. The recommendation includes $336,400 of special funds. No net increase in operating and maintenance is expected.

Pioneer Hall Elevator
This project will provide an elevator to the existing four-story building. The project includes $363,000 of special funds. Additional operating and maintenance costs have not been identified.

Swain Hall Renovation and Addition
This project provides for complete renovation of the existing 52,000 square foot building including lighting, plumbing, heating, ventilation, windows, hazardous material abatement and interiors. It also includes a 15,250 square foot addition. Funding is $2,500,000 from the general fund and $4,536,150 of special funds for a project total of $7,036,150. An increase in operating and maintenance expenses is estimated at $29,533 per biennium to be paid within the agency's budget.

242 – Valley City State University

Steam Line Replacement
This project will replace the distribution piping in the power huse, replace the main steam lines to the individual building vaults, and replace the lines from the vaults to the buildings. The project includes $2,200,000 from the general fund. No net increase in operating and maintenance expenses is anticipated.

243 – Minot State University - Bottineau

Steam Line Replacement
This project will replace 850 linear feet of steam line from the heating plant to six campus buildings. The project includes $239,095 from the general fund and $12,905 of special funds for a total project cost of $252,000. No net increase in operating and maintenance funds is anticipated.

244 - North Dakota Forest Service

Storage Buildings and Outdoor Restroom Facility
This project includes two storage buildings for service vehicles, fire strike team engines, and equipment, and an outdoor restroom to serve two recreation areas. The project includes $120,000 from the general fund. No net increase in operating and maintenance funds is anticipated.

325 – Department of Human Services

Developmental Center – Infrastructure Improvements
This project groups together a number of projects including $396,000 in roof repairs, $167,000 in interior upgrades, and $435,200 in mechanical, electrical and surface replacement/repairs. The project includes $947,092 from the general fund and $51,108 of federal funds for a project total of $998,200. No net increase in operating and maintenance expenses is anticipated.

State Hospital – Infrastructure Improvements
This project groups together three separate projects including $2,498,757 to upgrade the electrical service, $614,000 for street reconstruction, and $250,000 for sewer improvements. The project includes $3,362,757 from the general fund. No net increase in operating and maintenance expenses is anticipated.

State Hospital – Sex Offender Addition
This project will provide a new wing to the existing GM Building to house sex offenders needing the highest level security. The project includes $3,100,000 from the general fund. Additional operating and maintenance costs have not been identified.

471 – Bank of North Dakota

Landscaping for New Facility
This project will provide an additional $100,000 of special funds for the new facility to complete the site landscaping. The net increase in operating has not been identified.

530 - Department of Corrections and Rehabilitation

State Prison Expansion
This project includes site demolition, a 40,000 square foot orientation and processing unit, a 21,000 square foot medical facility, new guard tower, central warehouse and receiving area, specialty housing units, visitors area, laundry facilities and a 125 bed general population cell house. Total net increase in beds equals 244. The project includes $42,000,000 from the general fund. Additional general fund operating and maintenance expenses are estimated at $4,733,849.

Youth Correctional Center – Security Lighting – Video Surveillance
This project will include new street lighting and video surveillance cameras to monitor traffic in and out of the campus. The project includes $170,000 from the general fund. No net increase in operating and maintenance expenses is anticipated.

540 – Adjutant General

Estimated Federal Construction
This recommendation represents the historical expenditures for the Army Guard contracts line. The spending authority includes $15,000,000 federal funding, however, the National Guard Bureau has not yet approved funding or specific projects for the 2007-2009 biennium. Any increase in operating and maintenance costs will be paid within the agency's budget.

Total Army School System
This collection of new buildings will be the location of a "Total Army School System" (TASS). The facility will include a 38,400 square foot administrative building, a 47,100 square foot education building and a 59,300 square foot vertical construction education building. The TASS will be a nation-wide training facility. Construction is estimated at $26,300,000 of federal funds. Operating and maintenance costs of $888,502 are federally funded.

627 – Upper Great Plains Transportation Institute

Center for Transportation Study
This new 50,000 square foot facility will consolidate the various faculty, research, and instructional spaces throughout the NDSU campus into one location. The project includes $5,500,000 federal funds. The project will result in increased operating and maintenance costs of $200,000 per biennium to be paid within the agency's budget.

628 – Branch Research Centers

Agronomy Lab and Greenhouse – North Central Research Center
The agronomy laboratory and greenhouse project was approved by the 2005 legislature. The project includes a new 9,600 square foot laboratory and a greenhouse for winter research. The construction bids exceeded the appropriation authority. The project includes $400,000 of additional general fund dollars. Additional operating and maintenance costs are estimated at $16,000 per biennium to be paid with special funds. (The 2005-2007 appropriation includes $440,000 of general fund bonding and $1,250,000 of special funds for a total project authority of $1,690,000. Total project authority is $2,090,000.)

Headquarters Facility Parking Lot and Landscaping
This project will provide the office and multi-purpose facility with additional parking to accommodate public use and provide landscaping around the facility. The project includes $350,000 of special funds. No net increase in operating and maintenance expenses is anticipated.

Waste Management Facility
This project will provide the existing Dickinson Research Extension Center (DREC) with appropriate waste management facilities for the livestock operations as required by the State Department of Health. The project includes $351,000 of special funds. An increase in operating and maintenance expenses is estimated at $5,000 per biennium to be paid with special funds.

640 – NDSU Main Research Center

Headquarters Office Building Additions and Renovations
This project includes three separate additions to existing headquarter facilities. At Carrington, $465,000 will provide additional program and outreach service space. At Hettinger, $222,750 will provide additional office and conference space. At North Central, $420,000 will provide additional office and data processing space. The project includes $1,107,750 from the general fund. An increase in operating and

maintenance expenses is estimated at $33,000 per biennium to be paid within the agency's budgets.

Research Greenhouse Complex
The first phase of this $27 million project was approved by the 2005 legislature with $2,000,000 of general fund supported bonding, $2,000,000 of federal funds and $3,000,000 of special funds for a project total of $7,000,000. As planning and design developed, it became apparent that a larger first phase would be necessary to provide a functioning facility. This project provides an additional $9,000,000 from the general fund. Total construction authority is $16,000,000. An increase in operating and maintenance expenses is estimated at $160,000 per biennium to be paid within the agency's budget.

665 – North Dakota State Fair

New Grandstand
This project will replace the existing grandstand with a new expanded, accessible, grandstand. It also includes accessible restrooms and concession space. The project includes $5,000,000 from the general fund and $5,000,000 in special funds for a total project cost of $10,000,000. No net increase in operating and maintenance is anticipated.

701 - State Historical Society

Fort Abercrombie Interpretive Center
The 2005 legislature appropriated $400,000 for the planning and preliminary development of an interpretive center. This appropriation will enable the Historical Society to complete the facility with $700,000 from the general fund and $200,000 in federal funds, for a total project cost of $900,000. Additional general fund operating and maintenance costs are estimated at $39,870. (Total project authority is $1,300,000.)

750 - Department of Parks and Recreation

Ramp Widening – Devils Lake State Park, Graham's Island
This project will expand the boat ramp from 24' wide to 48' wide and expand the vehicle access, queuing area, and purchase one courtesy dock. The project includes $150,000 of special funds from the Game and Fish Department. An increase in general fund operating and maintenance expenses is estimated at $2,400 per biennium.

Conservation Easement – Fort Abraham Lincoln State Park
This project will allow the agency to purchase scenic easements on the west boundary of the existing park. The project includes $55,000 from the general fund and $220,000 of federal funds for a total project cost of $275,000. No increase in operating and maintenance is anticipated.

Boat Ramp 1827 msl – Fort Stevenson State Park
This project will extend the existing boat ramp from 1825 msl to 1848 msl. The project includes $109,760 of special funds from the Game and Fish Department. No increase in operating and maintenance expenses is expected.

Campground Phase II – Fort Stevenson State Park
Phase II of this project includes establishment of water, electrical and sewer service to 15 of the 30 sites in the campground expansion project. The project includes $320,000 from the general fund. An increase in operating and maintenance expenses is estimated at $7,000 per biennium to be paid within the agency's budget.

Federal Fund Match for Construction Projects
This appropriation provides spending authority for potential federal fund match construction projects. It includes $250,000 of federal funds. No increase in operating and maintenance expenses is expected.

Campground Rewire Phase II – Lake Sakakawea State Park
This project will replace the current electrical and water service to the remaining 30 sites of a 55 pad campground. The project includes $255,000 from the general fund. No increase in operating or maintenance is anticipated.

Other Fund Authority
This appropriation provides spending authority for capital expenses through acceptance of donated dollars. It includes $100,000 of special funds. No increase in operating and maintenance expenses is expected.

Peace Garden Infrastructure Upgrade
This project includes a number of smaller projects including stonework repairs and pointing, water and sewer line repairs, and upgrades at the water treatment plant. The project includes $933,000 from the general fund. No increase in operating and maintenance expenses is anticipated.

Peace Garden Interpretive Center/Gardens
This project will rehabilitate the formal gardens area and build a new interpretive center. The project includes $1,500,000 from the general fund. The amount of additional operating and maintenance costs is unknown at this time.

Pembina Gorge Trailhead and Trails Development
This project will develop a scenic overview, public trailhead and parking area, and a day hike trail. It includes $160,500 from the general fund. No increase in operating and maintenance expenses is expected.

State Park Road Repairs
This project includes asphalt repairs and sealing of interior park asphalt roads in four state parks: Lake Sakakawea State Park, Fort Stevenson State Park, Graham's Island State Park, Beaver Lake State Park. The project includes $407,916 from the general fund and $283,999 of special funds for a total project cost of $691,915. No net additional operating and maintenance costs are anticipated.

Campground Water/Rewire – Turtle River State Park
This project will replace the current electrical and water service to the modern RV campground. The project includes $200,000 from the general fund. No increase in operating and maintenance is anticipated.

Trail River Crossing – Turtle River State Park
This project will replace an existing bridge that has been condemned to vehicle traffic by the Department of Transportation. The project includes $62,500 from the general fund and $62,500 of federal funds for a total project cost of $125,000. No net additional operating and maintenance costs are anticipated.

Turtle River Administration Office Completion
This project will provide additional funds for parking lot paving, interpretive exhibits and landscaping at the new office building. The project includes $150,000 from the general fund. No increase in operating and maintenance expenses is expected.

801 - Department of Transportation

Land and Buildings
This project combines a number of smaller buildings including five tractor sheds, four salt storage sheds and three section buildings. It also includes miscellaneous land purchases for district facilities. The project includes $1,610,000 of special funds. Any increase in operating and maintenance will be paid within the agency's budget

Extraordinary Repairs

Extraordinary repairs include expenditures for substantial repairs and improvements to buildings and infrastructure. The Fiscal Management Division of OMB uses a building and infrastructure renewal formula, based on industry standards, to generate an estimate of total dollars that should be spent to adequately maintain buildings and infrastructure.

For large agencies with numerous facilities the formula generates a pool to be used to address extraordinary repair needs. Some buildings will not have extraordinary repair needs during the biennium; other buildings may have extraordinary repair needs that differ from the formula amount. Newer buildings will normally require fewer repairs than older buildings. The pooled resources from all buildings and infrastructure in the formula will be applied by the agency to the areas of greatest need. However, many agencies have few buildings and minimal infrastructure, limiting the flexibility provided by pooling resources.

The formula driven calculations may not always reflect actual repair needs. Therefore, although the formula was used to guide agencies in requesting repair dollars, actual requests may be higher or lower than formula amounts.

Extraordinary Repairs - Buildings

Formulas are generally used to calculate the cost to adequately maintain buildings.

The formula used by the Fiscal Management Division is based on the following premises:

- The formula reflects current building valuation.
- The formula recognizes that as a general policy, fewer resources should be directed to building renewal than the cost of building replacement.
- The formula recognizes that older buildings require proportionally more repair funds than do newer buildings.
- The formula reflects the effects of building repair projects already accomplished.
- The formula is applied to an entire facility system in an actuarial manner, generating a pool of funds to be used on extraordinary repairs

Building Formula

The annual extraordinary repairs formula for buildings is as follows:

Buildings 5 years old or older at mid-year of biennium

Building Replacement Value x 2% = Formula Amount

Buildings less than 5 years old

$0

Building Value Factor

The North Dakota Century Code requires that all state buildings built after 1939 be insured at replacement value. The building's insured value is used as the building replacement value for the formula calculation. All state owned buildings are insured through the fire and tornado fund.

Building Age

The building age is determined by subtracting the year a building was built or extensively renovated from 2006, the mid-year in the 2005-07 biennium. For example, if a building was built or renovated in 1953, the building age is 53 (2006-1953).

Extraordinary Repairs - Infrastructure

Infrastructure is defined as a structure outside of and apart from a building, but necessary to the function of the building. Examples of infrastructure include water and sewer lines, electrical lines, parking lots, sidewalks and roads.

Recognizing that formulas based on building value would not provide adequate funding for infrastructure needs, the Fiscal Management Division of OMB has adopted a formula for calculating costs of extraordinary repairs to infrastructure.

Because, in some cases, the value and age of infrastructure are difficult to determine, the infrastructure formula is based on the replacement value of various infrastructure components.

Infrastructure Formula

The annual extraordinary repairs formula for infrastructure is as follows:

P X R = Formula Amount

P = Infrastructure renewal percentage
R = Infrastructure replacement value (per unit value times the number of units)

Infrastructure Renewal Percentage

The infrastructure renewal percentage is the straight line depreciation over the normal life of the item. For example, the infrastructure renewal percentage for an item with a 20-year normal life is 5 percent.

Infrastructure Replacement Value

Infrastructure is valued at replacement cost. Expertise from the North Dakota Association of Physical Plant Administrators was used to determine replacement costs and parameters applicable to the valuation of the numerous types of infrastructure.

The schedule on the following pages show amounts included in the executive recommendation for each state agency with extraordinary repairs for the 2007-09 biennium.

Extraordinary Repairs Recommendation 2007-09

No.	Agency Name	Building Formula	Infrastructure Formula	Total Formula	Extraordinary Repairs Requested	% of Formula Requested	Extraordinary Repairs Recommended	% of Formula Recommended
110	Office of Management and Budget	$ 5,914,442	$ 629,062	$ 6,543,504	$ 1,310,000	20%	$ 4,345,000	66%
112	Information Technology Department	47,057	-	47,057	60,000	128%	60,000	128%
215	ND University System	-	-	-	-	0%	1,000,000	0%
227	Bismarck State College	1,517,712	547,007	2,064,719	369,297	18%	473,192	23%
228	Lake Region State College	579,631	173,815	753,446	97,695	13%	125,604	17%
229	Williston State College	653,071	384,254	1,037,325	148,591	14%	157,198	15%
230	University of North Dakota	14,692,366	6,780,419	21,472,785	3,868,593	18%	5,928,875	28%
235	North Dakota State University	9,564,289	4,041,530	13,605,819	2,679,967	20%	4,209,161	31%
238	ND State College of Science	4,301,222	1,512,409	5,813,631	1,092,534	19%	1,386,445	24%
239	Dickinson State University	1,907,131	343,437	2,250,568	565,843	25%	1,018,763	45%
240	Mayville Sstate University	989,447	456,938	1,446,385	390,638	27%	946,930	65%
241	Minot State University	3,648,455	906,438	4,554,893	883,103	19%	1,452,744	32%
242	Vallley City State University	1,732,132	386,958	2,119,090	438,662	21%	796,235	38%
243	Minot State University - Bottineau	389,797	143,518	533,315	131,659	25%	158,702	30%
244	North Dakota Forest Service	70,372	150,210	220,582	47,472	22%	60,204	27%
252	School for the Deaf	448,173	147,856	596,029	50,000	8%	150,000	25%
253	ND Vision Services	164,446	-	164,446	25,600	16%	135,600	82%
301	ND Department of Health	228,840	-	228,840	228,841	100%	228,841	100%
313	Veterans Home	388,112	332,048	720,160	28,500	4%	31,200	4%
325	Department of Human Services	3,886,087	1,512,181	5,398,268	180,000	3%	1,933,500	36%
380	Job Service North Dakota	1,165,982	73,271	1,239,253	-	0%	-	0%
405	Industrial Commission	-	-	-	-	0%	230,000	0%
412	Aeronautics Commission	-	82,309	82,309	734,000	892%	734,000	892%
471	Bank of North Dakota	346,539	28,146	374,685	-	0%	-	0%
485	Workforce Safety and Insurance	520,330	69,258	589,588	-	0%	-	0%
504	Highway Patrol	145,902	-	145,902	-	0%	-	0%
530	Dept of Corrections and Rehabilitation	4,515,973	826,865	5,342,838	-	0%	2,293,080	43%
540	Office of the Adjutant General	4,266,106	4,362,975	8,629,081	4,000,000	46%	4,625,000	54%
616	State Seed Department	98,533	-	98,533	100,000	101%	100,000	101%
628	Branch Research Centers	527,102	719,892	1,246,994	-	0%	-	0%
640	NDSU Main Research Center	350,953	245,885	596,838	740,465	124%	840,465	141%
649	Agronomy Seed Farm	54,520	44,838	99,358	-	0%	-	0%
701	Historical Society	525,277	897,841	1,423,118	251,319	18%	1,278,819	90%
720	Game and Fish Department	441,241	-	441,241	1,629,241	369%	1,629,241	369%
750	Parks and Recreation Dept	548,249	3,544,135	4,092,384	742,000	18%	1,312,500	32%
770	State Water Commission	24,630	34,840	59,470	-	0%	-	0%
801	Dept of Transportation	2,210,447	856,760	3,067,207	2,655,423	87%	2,655,423	87%
	TOTALS	$ 66,864,566	$ 30,235,095	$ 97,099,661	$ 23,449,443	24%	$ 40,296,722	42%

Other Capital Payments Recommendation – 2007-2009

Agency	Total	General Fund	Federal Funds	Special Funds	Bond Proceeds	Project Description
110 MANAGEMENT & BUDGET	158,519	158,519	0	0	0	Bond Payments for Fire Suppression System
110 MANAGEMENT AND BUDGET	95,000	95,000	0	0	0	Special Assessments
112 INFORMATION TECHNOLOGY	5,407,075	0	0	5,407,075	0	ConnectND Bond Repayment
125 OFFICE OF ATTORNEY GENERAL	182,485	182,485	0	0	0	Crime Laboratory bond payments
215 ND UNIVERSITY SYSTEM	15,822,002	14,792,252	0	1,029,750	0	Capital Bond Payments
301 ND DEPARTMENT OF HEALTH	529,221	185,227	343,994	0	0	Bond Payment for Laboratory Addition
301 ND DEPARTMENT OF HEALTH	163,021	163,021	0	0	0	Bond Payment for State Morgue Building
313 VETERANS HOME	260,205	0	0	260,205	0	Bond & Interest Payments
325 DEPT OF HUMAN SERVICES	285	210	75	0	0	Bond Payment SE Human Service Center
325 DEPT OF HUMAN SERVICES	399	149	250	0	0	Bond Payment for SE Human Service Center
325 DEPT OF HUMAN SERVICES	534,505	534,505	0	0	0	Developmental Center Bond Payments
325 DEPT OF HUMAN SERVICES	55,749	24,645	28,686	2,418	0	SE Human Service Center Bond Payments
325 DEPT OF HUMAN SERVICES	466,391	466,391	0	0	0	State Hospital Bond Payments
380 JOB SERVICE NORTH DAKOTA	20,000	0	20,000	0	0	Special Assessments
530 DEPT OF CORRECT AND REHAB	78,476	78,476	0	0	0	JRCC - Debt Service - 2005A
530 DEPT OF CORRECT AND REHAB	452,148	452,148	0	0	0	JRCC MRCC - Debt Serv - 2003B (Phase II)
530 DEPT OF CORRECT AND REHAB	1,019,076	1,019,076	0	0	0	NDSP-Debt Serv-1998B Bonds
530 DEPT OF CORRECT AND REHAB	1,002,963	1,002,963	0	0	0	NDSP - Debt Service - 2003A
530 DEPT OF CORRECT AND REHAB	252,194	252,194	0	0	0	YCC - Debt Service (Gymnasium 1998A)
530 DEPT OF CORRECT AND REHAB	285,165	285,165	0	0	0	YCC - Debt Service t (Pine Cottage 2000A)
540 ADJUTANT GENERAL	70,667	70,667	0	0	0	Bond Payment (Grand Forks Armory)

Other Capital Payments Recommendation – 2007-2009

Agency	Total	General Fund	Federal Funds	Special Funds	Bond Proceeds	Project Description
540 ADJUTANT GENERAL	35,000	35,000	0	0	0	Payment in lieu of taxes
540 ADJUTANT GENERAL	470,000	470,000	0	0	0	Special Assessments - City of Fargo
665 ND STATE FAIR	210,000	210,000	0	0	0	Biennial Bond Payment
701 HISTORICAL SOCIETY	331,762	298,429	0	33,333	0	Archives and Chateau Interpretative Ctr
720 GAME AND FISH DEPARTMENT	100,000	0	0	100,000	0	Game and Fish Land Acquisition
720 GAME AND FISH DEPARTMENT	900,000	0	0	900,000	0	In Lieu of Tax Payments
770 WATER COMMISSION	13,992,714	0	0	13,992,714	0	Bond Payments
770 WATER COMMISSION	39,491,222	0	20,829,000	18,662,222	0	NAWS and SWPP
801 DEPT OF TRANSPORTATION	2,028,286	0	0	2,028,286	0	Bond Payment
801 DEPT OF TRANSPORTATION	510,036,190	0	378,208,600	131,827,590	0	Other Capital Payments
	594,450,720	20,776,522	399,430,605	174,243,593	0	

Financing

The executive recommendation for capital assets expenditures during the 2007-09 biennium is $957.3 million. The majority of expenditures relate to highway projects ($548.7 million) and water projects ($53.5 million), funded from federal and special funds.

The executive recommendation for capital projects is $267.2 million. Capital projects are funded with $85.5 million from the general fund, $47.6 million from federal funds, and $134.1 million from special funds.

Debt Obligations and Limits

NDCC 54-17.2-23 limits the amount of bond payments to be paid from the state's general fund. The amount "may not exceed the amount equal to a portion of the sales, use, and motor vehicle excise tax collections equal to 10 percent of an amount, determined by multiplying the quotient of 1 percent divided by the general sales tax rate that was in effect when the taxes were collected**,** times the net sales, use, and motor vehicle excise tax collections." The general sales tax rate is currently 5 percent. Consequently, the state building authority lease payment limitation can be calculated as follows:

10% x 1%/5% x Net Sales Tax Collections = General Fund Payment Limitation

Current debt obligations of the general fund and maximum legal debt limits are reflected below: Current debt obligations are within the legal limit.

Debt Obligations and Limits

Biennium	Current Gen Fund Debt Obligation	Statutory Debt Limit*	Balance Avail for Additional Debt Service
2005-07	18,000,738	19,587,060	1,586,322
2007-09	20,096,542	22,701,700	2,605,158
2009-11	18,301,696	23,609,768	5,308,072
2011-13	17,037,198	24,554,159	7,516,961
2013-15	16,314,033	25,536,325	9,222,292
2015-17	13,868,811	26,557,778	12,688,967
2017-19	11,788,289	27,620,089	15,831,800
2019-21	10,148,479	28,724,893	18,576,414
2021-23	7,972,441	29,873,888	21,901,447
2023-25	3,006,710	31,068,844	28,062,134

* Based on the August 2006 forecast with 4% growth each biennium

All capital projects recommended in the 2007-09 executive budget are funded with cash. There are no projects funded through bonded indebtedness. Approximately $5.3 million will be available for additional bond payments in 2009-11 without exceeding the statutory debt limit. The $5.3 million is the difference between the 2009-11 biennium statutory debt limit of $23.6 million and the estimated general fund debt obligation of $18.3 million.

Bonds issued for construction projects are repaid over a 20-year period. Based on estimated funds available in future bienniums for additional bond payments, bonds in the amount of $51.2 million could have been issued during the 2007-09 biennium (based on estimates prepared by financial advisors to the State of North Dakota).

Debt Affordability

North Dakota remains a low-debt state. The following chart compares North Dakota debt to industry guidelines:

DEBT AFFORDABILITY

Criteria	Industry Guidelines	North Dakota
2004 per capita debt	$1,200 per capita is high	$235
2004 debt to personal income	10% is high	0.9%
Debt obligation as a percent of general fund revenues	States average 5%	0.9%

Equipment and IT Equipment over $5,000

State agencies invest significant resources in purchases of equipment in excess of $5,000. Governmental Accounting Standards Board (GASB) Statement No. 34, and fixed asset accounting policies established for the State of North Dakota by the Office of Management and Budget, provides that equipment purchases should be capitalized if the cost is $5,000 or more. "Equipment" includes the costs of office equipment, machinery, furniture and fixtures, furnishings and similar items.

Budget instructions issued by the Office of Management and Budget direct agencies to include in the capital assets request all equipment and IT equipment purchases in excess of $5,000. All equipment requests for items of $5,000 or less are included in the operating line item.

The 2007-09 biennium executive recommendation includes $44.3 million for the purchase of equipment items costing $5,000 or more. Recommended funding sources are $6.1 million from the general fund, $1.7 million from federal funds, and $36.5 million from special funds. The executive recommendation includes $11.1 million for the purchase of IT equipment items costing $5,000 or more. Recommended funding sources for IT equipment purchases are $1.6 million from the general fund, $0.01 million from federal funds, and $9.4 million from special funds.

The schedule on the following pages show amounts included in the executive recommendation for each state agency with equipment and IT equipment purchases in excess of $5,000 for the 2007-09 biennium.

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source: General	Federal	Special
110 MANAGEMENT AND BUDGET	Computer To Plate (CTP) Processor	40,000	40,000	0	0	40,000
112 INFORMATION TECHNOLOGY	Herman Miller Replacement	102,600	102,600	0	0	102,600
117 OFFICE OF THE STATE AUDITOR	New copier	10,000	10,000	0	0	10,000
125 OFFICE OF ATTORNEY GENERAL	3130 Genetic Analyzer	92,000	92,000	0	92,000	0
	9700 Thermocycler	15,000	15,000	0	15,000	0
	Autoclave	8,000	8,000	0	8,000	0
	Centrifuge	6,500	6,500	0	6,500	0
	Crime Lab Equipment Replacement	170,000	170,000	0	0	170,000
	Gas Chromatograph/Headspace Analyzer	65,500	65,500	0	65,500	0
	Hydrogen Generator	10,006	10,006	0	10,006	0
	Intoxilyzer 5000	65,000	65,000	0	65,000	0
	Intoxilyzer 8000	32,000	32,000	0	32,000	0
	Livescan units	100,000	100,000	0	100,000	0
	Motor Vehicles	116,000	116,000	116,000	0	0
	Polarized Light Microscope	38,400	38,400	38,400	0	0
	TOTAL	**718,406**	**718,406**	**154,400**	**394,006**	**170,000**
150 LEGISLATIVE ASSEMBLY	Committee room renovation	200,000	200,000	200,000	0	0
	Miscellaneous equipment	6,000	6,000	6,000	0	0
	TOTAL	**206,000**	**206,000**	**206,000**	**0**	**0**
160 LEGISLATIVE COUNCIL	Replacement copier	25,000	25,000	25,000	0	0
180 JUDICIAL BRANCH	Copy Machines	178,000	178,000	178,000	0	0
	Evidence Projectors	32,500	32,500	32,500	0	0
	IT offices	15,000	15,000	15,000	0	0
	Office Furniture	10,000	10,000	10,000	0	0
	Reader/printer	8,042	8,042	8,042	0	0
	Shelving	10,000	10,000	10,000	0	0
	Sound Systems	90,000	90,000	90,000	0	0
	Tables for Conference Room	6,000	6,000	6,000	0	0
	Workstations	84,000	84,000	84,000	0	0
	TOTAL	**433,542**	**433,542**	**433,542**	**0**	**0**
226 STATE LAND DEPARTMENT	Equipment purchases for surface Mgmt.	10,000	10,000	0	0	10,000

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source: General	Federal	Special
253 ND VISION SERVICES	View Plus Braille Printer	6,500	6,500	0	0	6,500
301 ND DEPARTMENT OF HEALTH	ABI 7500 upgrade	15,000	15,000	0	0	15,000
	Ammonia Analyzer	21,600	21,600	0	0	21,600
	Autotitrator	30,000	30,000	0	22,500	7,500
	Biosafety Cabinet	10,000	10,000	0	0	10,000
	C1.1 water unit	15,000	15,000	0	0	15,000
	CO2 Incubator	25,000	25,000	0	15,000	10,000
	Fine particulate (TEOM) analyzer	19,500	19,500	0	0	19,500
	Flow injection analyzer	50,000	50,000	0	30,000	20,000
	Infrared camera	25,000	25,000	0	15,000	10,000
	Ion Chromatography system	55,000	55,000	0	33,000	22,000
	Mercury combustion analyzer	20,000	20,000	0	11,355	8,645
	Mobile emergency generators	40,000	40,000	0	40,000	0
	Oxides of nitrogen analyzer	20,400	20,400	0	0	20,400
	Ozone Analyzer	30,000	30,000	0	0	30,000
	Perkin Elmer Atomic Absorption	25,000	25,000	0	10,000	15,000
	Radio Base Station	20,000	20,000	0	20,000	0
	Satellite Downlink	25,000	25,000	0	25,000	0
	Satellite dish	8,000	8,000	0	8,000	0
	SmartCycler	100,000	100,000	0	18,914	81,086
	Sulfur Dioxide Analyzer	36,400	36,400	0	0	36,400
	Tac Pak Satellite	109,500	109,500	0	109,500	0
	Tekran Speciated Mercury trace level analyz	101,900	101,900	0	0	101,900
	X-ray fluorescence analyzer	20,000	20,000	0	12,000	8,000
	Zeiss Axioskop 2	39,500	39,500	0	39,500	0
	kVp/Ion chamber	8,000	8,000	0	4,800	3,200
	TOTAL	**869,800**	**869,800**	**0**	**414,569**	**455,231**
313 VETERANS HOME	Bariatric bed and mattress	6,442	6,442	0	0	6,442
	Bobcat 2200 Utility Vehicle	0	16,500	16,500	0	0
	Elevator	0	120,000	120,000	0	0
	Grasshopper lawn mowers	16,000	16,000	0	0	16,000
	TOTAL	**22,442**	**158,942**	**136,500**	**0**	**22,442**
325 DEPT OF HUMAN SERVICES	Dev Center - Copy Machines	0	42,440	37,007	5,433	0
	Dev Center - Dental Chairs	0	20,000	17,440	2,560	0
	Dev Center - GPS Tracking Units	0	9,000	7,849	1,151	0

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
	Dev Center - Pressure Mapping System	0	8,000	6,976	1,024	0
	Dev Center - Seating Simulator	0	6,000	5,231	769	0
	Dev Center - Wheelchair Frames	0	7,200	6,279	921	0
	LR Humans Service Center Equipment - Copiers	20,000	20,000	17,734	2,266	0
	SE Human Service Center Equipment - Copiers	19,000	19,000	17,267	1,733	0
	State Hospital Equip - X Ray Film Processor	20,000	20,000	20,000	0	0
	State Hospital Equip-Electro Cardiograph EKG	13,500	13,500	13,500	0	0
	TOTAL	**72,500**	**165,140**	**149,283**	**15,857**	**0**
405 INDUSTRIAL COMMISSION	Dust Collection System	0	8,000	8,000	0	0
408 PUBLIC SERVICE COMMISSION	100 Gal LPG & 100 Gal Volumetric prover unit	0	27,000	27,000	0	0
	Bore Hole Camera Cable	10,000	10,000	0	10,000	0
	Scale Test Cart	0	12,000	12,000	0	0
	Seismograph	6,000	6,000	2,100	3,900	0
	Video Conferencing Equipment	0	20,000	20,000	0	0
	TOTAL	**16,000**	**75,000**	**61,100**	**13,900**	**0**
471 BANK OF NORTH DAKOTA	Boardroom Audio/Visual Equipment	70,000	70,000	0	0	70,000
	Boardroom Table	12,000	12,000	0	0	12,000
	Coin Wrapper	28,000	28,000	0	0	28,000
	Conference/Break Room Audio/Visual Equipment	66,000	66,000	0	0	66,000
	Folder/Inserter	40,000	40,000	0	0	40,000
	Miscellaneous Equipment	30,500	30,500	0	0	30,500
	Night Drop Box	8,500	8,500	0	0	8,500
	Surveillance System	30,000	30,000	0	0	30,000
	Three Large Copiers	45,000	45,000	0	0	45,000
	Training Room Audio/Visual Equipment	51,000	51,000	0	0	51,000
	Two Currency Counters	14,000	14,000	0	0	14,000
	Vault Alarm System	5,000	5,000	0	0	5,000
	TOTAL	**400,000**	**400,000**	**0**	**0**	**400,000**
485 WKFORCE SAFETY & INSURANCE	Scanners	13,000	13,000	0	0	13,000

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
512 DEPT OF EMERGENCY SERVICES	Motorola Lease Purchase of St Radio Equip	1,525,347	0	0	0	0
530 DEPT OF CORRECT AND REHAB	JRCC - Digital Video Recorders	32,000	32,000	32,000	0	0
	JRCC - GE Ion Track	0	45,000	45,000	0	0
	JRCC - Line Scan 222	20,000	20,000	20,000	0	0
	JRCC - Self Prop Articulating Boom Lift	0	59,000	59,000	0	0
	JRCC - Surveillance Cameras	15,000	15,000	15,000	0	0
	JRCC - Video Conference Equipment	10,000	10,000	10,000	0	0
	JRCC - X-ray Machine	75,000	75,000	75,000	0	0
	MRCC - Bobcat Machine	0	30,000	30,000	0	0
	MRCC - Security Cameras	24,000	24,000	24,000	0	0
	MRCC - Utility Vehicle	15,000	15,000	15,000	0	0
	NDSP - Air Conditioning - RRI Warehouse	0	16,500	16,500	0	0
	NDSP - Articulating Lift	0	35,000	35,000	0	0
	NDSP - Digital X-ray; Cassette & Scanner	54,458	54,458	54,458	0	0
	NDSP - EKG Machine	5,000	5,000	5,000	0	0
	NDSP - Exhaust Fans - WCH	5,700	5,700	5,700	0	0
	NDSP - Lift Station Furnance	8,250	8,250	8,250	0	0
	NDSP - Point of Care Lab Equipment	6,000	6,000	6,000	0	0
	NDSP - Repeater Digital Radio System	0	48,000	48,000	0	0
	NDSP - Riding Mower	14,500	14,500	14,500	0	0
	NDSP - Scissor Lift	16,000	16,000	16,000	0	0
	NDSP - Small Baggage Screening Machine	27,000	27,000	27,000	0	0
	NDSP - Steam Chest	0	6,000	6,000	0	0
	NDSP - Stero Pots and Pans Washer	16,000	16,000	16,000	0	0
	RRI - Auto Mortise and Tenon Machine	43,000	43,000	0	0	43,000
	RRI - Brake Press	135,000	135,000	0	0	135,000
	RRI - Case Clamp and Dowel Insert Mach	20,500	20,500	0	0	20,500
	RRI - Computer Numeri Control (CNC) Rtr	195,000	195,000	0	0	195,000
	RRI - Forklift	12,000	12,000	0	0	12,000
	RRI - Hinge Die Set	45,000	45,000	0	0	45,000
	RRI - Semi-trailer Van	20,000	20,000	0	0	20,000
	RRI - Skid Steer Loader	25,000	25,000	0	0	25,000
	RRI - Tube Bender	40,000	40,000	0	0	40,000
	RRI - Water Jet Sign Stripping Machine	20,000	20,000	0	0	20,000
	YCC - Optical Equipment	0	25,000	25,000	0	0
	YCC - Security Beds	0	79,000	79,000	0	0

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
	YCC - Toro Lawn Mower	0	24,500	24,500	0	0
	TOTAL	**899,408**	**1,267,408**	**711,908**	**0**	**555,500**
540 ADJUTANT GENERAL	Motorola Lease Purchase of St Radio Equip	0	1,525,347	1,084,970	440,377	0
	Toro Ground Master	50,000	50,000	50,000	0	0
	TOTAL	**50,000**	**1,575,347**	**1,134,970**	**440,377**	**0**
601 DEPT OF COMMERCE	Thermal Imaging Camera	25,000	25,000	0	25,000	0
602 DEPARTMENT OF AGRICULTURE	All Terrain Vehicle	5,000	5,000	0	5,000	0
616 STATE SEED DEPARTMENT	Lab Testing Equipment	40,000	40,000	0	0	40,000
628 BRANCH RESEARCH CENTERS	10' Notill Drill	30,000	30,000	0	0	30,000
	3 pt Sprayer with Light Bar Guidance Sys	7,500	7,500	0	0	7,500
	ATV	0	11,666	11,666	0	0
	Advanced Line Planter	42,000	42,000	0	0	42,000
	Air Seeder	35,700	35,700	0	0	35,700
	Auger 7 inch x 35 ft self-propelled	6,000	6,000	0	0	6,000
	Automatic variable rate nozzle appl sys	20,000	20,000	0	0	20,000
	Bale Wrapper	20,200	20,200	0	0	20,200
	Baler	7,500	7,500	0	0	7,500
	Belt Conveyor Auger	15,000	15,000	0	0	15,000
	Color Copier with Duplexor	15,000	15,000	0	0	15,000
	Combine	100,000	200,000	100,000	0	100,000
	Commercial Lawn Mower 5 ft	9,000	9,000	0	0	9,000
	Corn/hay chopper	28,000	28,000	0	0	28,000
	Cultivator	0	11,667	11,667	0	0
	Document camera	5,500	5,500	0	0	5,500
	Feed Delivery Wagon	25,000	25,000	0	0	25,000
	Field scale air seeder/drill	50,000	50,000	0	0	50,000
	Forage dryer and associated lab accessories	5,000	5,000	0	0	5,000
	Forage mower/conditioner	23,000	23,000	0	0	23,000
	Front End Loader	68,333	68,333	68,333	0	0
	GPS System	8,000	8,000	0	0	8,000
	Garden Tractor	7,500	7,500	0	0	7,500
	Granule Applicator attachment for Chisel Plow	7,500	7,500	0	0	7,500

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
	Gravity Box	8,500	8,500	0	0	8,500
	Hay Rake	0	11,667	11,667	0	0
	Haylage Chopper	35,700	35,700	0	0	35,700
	Heavy Harrow	23,000	23,000	0	0	23,000
	Heavy Harrow 30-40 ft	10,000	10,000	0	0	10,000
	Hopper Bin 1000 bushel	10,000	10,000	0	0	10,000
	Hopper Bottom Trailor - 45ft	15,000	15,000	0	0	15,000
	Hydraulic squeeze chute and accessories	19,000	19,000	0	0	19,000
	John Deer 750 Notill Drill	45,000	45,000	0	0	45,000
	Land Roller 20 ft	10,000	10,000	0	0	10,000
	Manure Composting Machine	20,000	20,000	0	0	20,000
	Manure spreader	15,000	15,000	0	0	15,000
	Mower	17,000	17,000	0	0	17,000
	No-till/Minimum-till plot drill/planter	35,000	35,000	0	0	35,000
	Plot Combine	176,667	176,667	176,667	0	0
	Plot Combine Almaco Model 40	250,000	250,000	0	0	250,000
	Plot forage harvester	21,000	21,000	0	0	21,000
	Portable Cattle Chute	7,684	7,684	0	0	7,684
	RFID reader & data recording for elec ID	5,000	5,000	0	0	5,000
	Research Plot Combine with Auto Scale	150,000	150,000	0	0	150,000
	Rotary Mower	12,000	12,000	0	0	12,000
	Seedbed Cultivator and Mulcher	8,000	8,000	0	0	8,000
	Silage dump wagon	20,000	20,000	20,000	0	0
	Soil Probe - Pickup Mount	15,000	15,000	0	0	15,000
	Swather - Pull type 24-30ft w/ pickup reel	25,000	25,000	0	0	25,000
	Tandem Disk	7,500	7,500	0	0	7,500
	Utility Tractor (65-70HP)	65,000	65,000	0	0	65,000
	Utility Tractorm enclosed - tandem axial	8,000	8,000	0	0	8,000
	Utility tractor (50-60 HP) used	27,000	27,000	0	0	27,000
	Utility vehicle	40,000	40,000	0	0	40,000
	TOTAL	**1,636,784**	**1,771,784**	**400,000**	**0**	**1,371,784**
638 NORTHERN CROPS INSTITUTE	Blast Freezer	10,000	10,000	0	0	10,000
	Color Sorter	60,000	60,000	0	0	60,000
	Dryer System	75,000	75,000	0	0	75,000
	Fine Grinding System	150,000	150,000	0	0	150,000
	Rapid Visco Analyzer	50,000	50,000	0	0	50,000
	Rheofermentometer	20,000	20,000	0	0	20,000

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
	TOTAL	**365,000**	**365,000**	**0**	**0**	**365,000**
640 NDSU MAIN RESEARCH CENTER	Liquid Chromatograph	50,000	50,000	0	0	50,000
	Agilent nucleic acid extraction/isolation sys.	10,000	10,000	0	0	10,000
	Autoclave	8,000	8,000	0	0	8,000
	Blood gas analyzer	15,000	15,000	0	0	15,000
	Buhler Mill	95,000	95,000	0	0	95,000
	CI-600 Root Scanner	0	9,000	9,000	0	0
	Carbon Nitrogen Sulfur Analyzer (CNS)	45,000	45,000	0	0	45,000
	Centrifical concentration system	7,500	7,500	0	0	7,500
	Centrifuge, Floor model refrigerated	40,000	40,000	0	0	40,000
	Chemical fume hood	6,000	6,000	0	0	6,000
	Color Sorter for Grains and other seeds	80,000	80,000	0	0	80,000
	Elemental Analyzer	58,000	58,000	0	0	58,000
	FastPreg System	7,000	7,000	0	0	7,000
	Fluorescent upgrade	0	6,000	6,000	0	0
	Freezer	24,000	24,000	0	0	24,000
	Gas Chromatograph (GC)	20,000	20,000	0	0	20,000
	Gas Chromatography	0	100,000	100,000	0	0
	Gas chromatograph-mass spectrophotometer	100,000	100,000	0	0	100,000
	Glucose Analyzer	5,000	5,000	0	0	5,000
	Greenhouse Autoclave	50,000	50,000	50,000	0	0
	Greenhouse lights	5,000	5,000	0	0	5,000
	Growth Chamber	30,000	30,000	0	0	30,000
	High Performance Liquid Chromatography	45,000	45,000	0	0	45,000
	High Pressure Liquid chromatograph	30,000	30,000	0	0	30,000
	High pressure liquid chromatograph	25,000	25,000	0	0	25,000
	Laminar Flow Sterile Hood	6,000	6,000	0	0	6,000
	Large Capacity Freeze Dryer, shelf model	40,000	40,000	0	0	40,000
	Lyophilizer	15,000	15,000	0	0	15,000
	Mass Spectrometer	71,500	71,500	0	0	71,500
	New Brunswick Fermenter	20,000	20,000	0	0	20,000
	Petrifilm Reader	8,000	8,000	0	0	8,000
	Plot Combine	130,000	260,000	130,000	0	130,000
	Plot Planter	40,000	40,000	0	0	40,000
	Plot combine	0	85,000	85,000	0	0
	Potato Harvester	20,000	20,000	0	0	20,000
	Potato Planter	0	10,000	10,000	0	0

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
	Real-time PCR	30,000	30,000	0	0	30,000
	Rectal Ultrasound Probe	5,000	5,000	0	0	5,000
	Sensory Evaluation Equip	30,000	30,000	0	0	30,000
	Solid Phase Micro	60,000	60,000	0	0	60,000
	Soil Probe with Geoprobe Hammer	19,000	19,000	0	0	19,000
	Sorvall hi-speed centrifuge + rotors	65,000	65,000	0	0	65,000
	Steromicroscope	0	15,000	15,000	0	0
	Thar Supercritical fluid extractor	65,000	65,000	0	0	65,000
	Toro Garden Tractor	16,000	16,000	0	0	16,000
	Typhoon gel system	100,000	100,000	0	0	100,000
	Upright Ultra Low Freezer	12,000	12,000	0	0	12,000
	Vacuum Plot Planter	75,000	75,000	0	0	75,000
	Programmable spectrophotomete	25,000	25,000	0	0	25,000
	TOTAL	**1,608,000**	**1,963,000**	**405,000**	**0**	**1,558,000**
649 AGRONOMY SEED FARM	Autosteer Unit for tractor.	12,000	12,000	0	0	12,000
	Combine	100,000	100,000	0	0	100,000
	Field cultivator	25,000	25,000	0	0	25,000
	Forklift	15,000	15,000	0	0	15,000
	TOTAL	**152,000**	**152,000**	**0**	**0**	**152,000**
701 HISTORICAL SOCIETY	Two Toro Mowers - Historic Sites	81,000	81,000	81,000	0	0
720 GAME AND FISH DEPARTMENT	Audio-Visual Equipment Replacement	86,000	86,000	0	0	86,000
	Enforcement Division Equipment	120,000	120,000	0	45,000	75,000
	Fisheries Division Equipment	149,000	149,000	0	111,000	38,000
	Wildlife Division Equipment	250,000	250,000	0	190,500	59,500
	TOTAL	**605,000**	**605,000**	**0**	**346,500**	**258,500**
750 PARKS AND RECREATION DEPT	All-Terrain vehicle	0	5,587	5,587	0	0
	Alpine snowmobile	0	24,000	24,000	0	0
	Boat Motor	0	6,000	6,000	0	0
	Bobcat	0	56,000	56,000	0	0
	Bobcat snowblower	0	6,000	6,000	0	0
	Brush mower	0	5,000	5,000	0	0
	Courtesy dock	0	5,000	5,000	0	0
	Equipment trailer	0	10,000	10,000	0	0
	Fire Pumper	0	18,000	18,000	0	0

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
	Fire Pumper FF1509-4	0	60,000	60,000	0	0
	Industrial JD2755 tractor	0	20,239	20,239	0	0
	Industrial leaf blower	0	5,000	5,000	0	0
	Industrial tractor	0	165,000	165,000	0	0
	Off Highway Vehicle	17,500	17,500	0	0	17,500
	Rescue Boat	0	55,000	55,000	0	0
	Riding mower	0	13,815	13,815	0	0
	Seed drill	0	5,000	5,000	0	0
	Sewage pumper wagon	0	15,000	15,000	0	0
	Sewage sump pumps	0	18,000	18,000	0	0
	Snow Blower 3 pt	0	12,000	12,000	0	0
	Snowmobiile Groomer	200,000	200,000	0	0	200,000
	Snowmobile	0	9,000	9,000	0	0
	Snowmobile Alpine II	0	7,000	7,000	0	0
	Snowmobile trailer	0	8,000	8,000	0	0
	Toro Mower 72"	0	54,000	54,000	0	0
	Toro Workman	0	51,000	51,000	0	0
	Track Truck Cross Country Ski Groomer	0	40,000	40,000	0	0
	Utility Tractor	0	20,000	20,000	0	0
	Utility tractor	0	195,000	195,000	0	0
	Utility vehicle	0	36,850	36,850	0	0
	Visitor Center furniture	0	20,000	20,000	0	0
	Weed badger	0	4,509	4,509	0	0
	TOTAL	**217,500**	**1,167,500**	**950,000**	**0**	**217,500**
770 WATER COMMISSION	Pipe Inspection Camera	20,000	20,000	0	20,000	0
801 DEPT OF TRANSPORTATION	Aerial Film Titler	13,000	13,000	0	0	13,000
	All Terrain Vehicle Trailer	10,000	10,000	0	0	10,000
	Automatic Data Recorder (ADR 3000)	53,000	53,000	0	0	53,000
	Automatic Data Records (ADR 6000)	100,000	100,000	0	0	100,000
	Base Stations	19,952	19,952	0	0	19,952
	Bending Beam Rheometer	25,000	25,000	0	10,000	15,000
	Camera (optional)	0	5,000	5,000	0	0
	Color Copier (Bridge)	0	20,000	20,000	0	0
	Color Copiers (Hwy.)	40,500	40,500	0	0	40,500
	Copier (MV)	8,150	8,150	0	0	8,150
	Copier in Repro	0	110,000	110,000	0	0

Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
	Digital Aerial Photo Printer	32,000	32,000	0	0	32,000
	Emergency Mobile Radio Tower	0	100,000	100,000	0	0
	Falling Weight Deflectometor	0	103,000	103,000	0	0
	File shelving and work station	8,500	8,500	0	0	8,500
	Fleet Vehicles	25,098,000	25,098,000	0	0	25,098,000
	GPS Survey Equipment	0	67,920	67,920	0	0
	GPS receiver and data collectors	110,000	110,000	0	0	110,000
	Herman Miller Revisions	42,800	42,800	0	0	42,800
	Herman Miller & Bridge Division Revisions	0	60,000	60,000	0	0
	Highway Traffic Data Collectors	0	45,000	45,000	0	0
	Hood in Chemical Lab	10,000	10,000	0	4,700	5,300
	Jaw Crusher	15,000	15,000	0	6,000	9,000
	Light Weight Road Profiler	0	100,000	100,000	0	0
	Maintenance Equipment & Shop Equip	4,869,900	4,869,900	0	0	4,869,900
	Multi-media Cameras	30,000	30,000	0	0	30,000
	PC Tablets and Arcpad	12,000	12,000	0	0	12,000
	Pathways Van	0	600,000	600,000	0	0
	Plotter	20,000	20,000	0	0	20,000
	Printer Folder	8,000	8,000	0	0	8,000
	Printing Stitcher	7,000	7,000	0	0	7,000
	Q-test Test Station	5,500	5,500	0	0	5,500
	Replacements for Pathways Van	40,000	40,000	0	0	40,000
	Robotic Total Station Survey Equipment	202,080	202,080	0	0	202,080
	TOTAL	**30,780,382**	**31,991,302**	**1,210,920**	**20,700**	**30,759,682**
	TOTAL ALL AGENCIES	**40,956,211**	**44,271,271**	**6,067,623**	**1,695,909**	**36,507,739**

IT Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source: General	Federal	Special
110 MANAGEMENT AND BUDGET	FileNet Document Scanner	0	6,500	6,500	0	0
112 INFORMATION TECHNOLOGY	AS400 replacement	104,000	104,000	0	0	104,000
	DIS Equipment	15,000	15,000	0	0	15,000
	K-12 Network Refresh	225,000	225,000	225,000	0	0
	MMIS Servers	0	993,575	0	0	993,575
	Mainframe Downgrade	200,000	200,000	0	0	200,000
	Network Infrastructure	1,708,000	1,708,000	0	0	1,708,000
	New Intel Servers	200,000	200,000	0	0	200,000
	Refresh Intel Server Farm	500,000	500,000	0	0	500,000
	Refresh Unix Server Farm	360,000	360,000	0	0	360,000
	Storage Area Network	1,048,000	1,048,000	0	0	1,048,000
	Tape System replacement	500,000	500,000	0	0	500,000
	VOIP Equipment Refresh	1,022,000	1,022,000	0	0	1,022,000
	TOTAL	**5,882,000**	**6,875,575**	**225,000**	**0**	**6,650,575**
125 OFFICE OF ATTORNEY GENERAL	Computer Server	6,000	6,000	0	0	6,000
127 STATE TAX COMMISSIONER	Scanner	18,000	18,000	18,000	0	0
160 LEGISLATIVE COUNCIL	Computer server replacements	32,000	32,000	32,000	0	0
180 JUDICIAL BRANCH	Digital Audio Recording	58,041	58,041	58,041	0	0
	Servers	63,000	63,000	63,000	0	0
	TOTAL	**121,041**	**121,041**	**121,041**	**0**	**0**
301 ND DEPARTMENT OF HEALTH	Printer (color)	6,500	6,500	0	6,500	0
	Server Upgrade for SDWIS	8,000	8,000	0	8,000	0
	Server for Northwest Analytical LIMS	12,000	12,000	0	12,000	0
	TOTAL	**26,500**	**26,500**	**0**	**26,500**	**0**
405 INDUSTRIAL COMMISSION	HP Designjet series graphics printer	0	18,500	18,500	0	0
	Server	8,000	8,000	0	0	8,000
	TOTAL	**8,000**	**26,500**	**18,500**	**0**	**8,000**
408 PUBLIC SERVICE COMMISSION	High Speed Scanner	7,000	7,000	7,000	0	0
	Large format Plotter	18,000	18,000	18,000	0	0
	Server Update	7,500	7,500	7,500	0	0

IT Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source General	Federal	Special
	TOTAL	**32,500**	**32,500**	**32,500**	**0**	**0**
471 BANK OF NORTH DAKOTA	16 Servers/ 2 Storage Area Network	235,008	235,008	0	0	235,008
	2 AS400/12 Servers/2 SAN	568,020	568,020	0	0	568,020
	Bond Accounting/Safekeeping System	300,000	300,000	0	0	300,000
	Color Laser Jet 9500 Printer	8,000	8,000	0	0	8,000
	Five Servers and equip for Wire Transfer	55,000	55,000	0	0	55,000
	Server for BND's mission critical appl	60,000	60,000	0	0	60,000
	Server for COLD Storage Imaging	60,000	60,000	0	0	60,000
	Server for Internal Intranet Site (Synergy)	5,000	5,000	0	0	5,000
	Two Color Laser Jet Printers	16,000	16,000	0	0	16,000
	Two Servers for Residential Loan Info	20,000	20,000	0	0	20,000
	Video Monitor for new bldg computer room	13,000	13,000	0	0	13,000
	Xerox Laser Printer	59,972	59,972	0	0	59,972
	TOTAL	**1,400,000**	**1,400,000**	**0**	**0**	**1,400,000**
485 WKFORCE SAFETY & INSURANCE	Hardware for Data Warehouse	50,000	50,000	0	0	50,000
	Hardware for System Replacement Project	675,000	675,000	0	0	675,000
	Hardware for Web Portal	50,000	50,000	0	0	50,000
	TOTAL	**775,000**	**775,000**	**0**	**0**	**775,000**
540 ADJUTANT GENERAL	Computer Aided Dispatch	0	980,000	980,000	0	0
627 UPPER GREAT PLAINS TRANS INST	Driver Simulator Equipment	200,000	200,000	0	0	200,000
	SuperPave Design Lab	100,000	100,000	0	0	100,000
	TOTAL	**300,000**	**300,000**	**0**	**0**	**300,000**
720 GAME AND FISH DEPARTMENT	Replacement of Depr Mainframe Line Print	40,000	40,000	0	0	40,000
	Replacement of Department Plotter	10,000	10,000	0	0	10,000
	TOTAL	**50,000**	**50,000**	**0**	**0**	**50,000**
770 WATER COMMISSION	Infrastructure Enhancement	30,000	30,000	0	0	30,000
801 DEPT OF TRANSPORTATION	Black & White Printers	10,675	10,675	0	0	10,675
	Color Printer	67,775	67,775	0	0	67,775
	Color Printer (HR)	10,000	10,000	0	0	10,000
	Computers and Printers	29,722	29,722	0	0	29,722
	ImageStation Stereo Softcopy Kit (SSK)	0	200,000	200,000	0	0

IT Equipment Over $5,000

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Plotters	32,025	32,025	0	0	32,025
	Printer	8,025	8,025	0	0	8,025
	Scanners	41,675	41,675	0	0	41,675
	TOTAL	**199,897**	**399,897**	**200,000**	**0**	**199,897**
	TOTAL ALL AGENCIES	**8,880,938**	**11,079,513**	**1,633,541**	**26,500**	**9,419,472**

Agency Information Technology Budgets

Agencies are required to submit information technology plans to the Information Technology Department (ITD) as required by NDCC 54-59. The agency plan information is contained in the IT capture subschedule of BARS. This report summarizes the technology budget requests for each agency by infrastructure, projects, and funding source. The agencies Information Technology Plans for 2007-09 as published by ITD, lists a more detailed look at the infrastructure and projects in each agency's technology plan. The statewide Information Technology Plan provides an overview of technology direction for agencies, legislative and judicial branches, K-12, and the North Dakota University System. The technology plans were used as a basis for developing the budget requests, but because the planning process is a continuous one, priorities and estimated costs may change over time.

The information technology budgets for the agencies include 100 percent of the expenses reported in the object codes for IT-Telephone, IT-Data Processing, IT-Software/Supplies, IT-Contractual Services, and IT-Equipment. Salaries and benefits are included for employees or portions of employees who are responsible for information technology for the agency.

While technology is becoming an important component of government operations, it cannot be viewed in isolation. Technology is a tool that is integral to the programs and services provided by government agencies. As such, the value and the cost of the technology should be considered in relationship to the total cost of the programs and services it supports.

Agency Information Technology Budgets

101 OFFICE OF THE GOVERNOR

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	87,700	106,000	106,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**87,700**	**106,000**	**106,000**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
108 SECRETARY OF STATE
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,620,175	1,620,175	1,620,175
FEDERAL FUNDS	2,158,449	2,158,449	2,158,449
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**3,778,624**	**3,778,624**	**3,778,624**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
MIGRATING APPLICATIONS TO SOSKB - PHASE 2	0	824,153	824,153
TOTAL PROJECTS	**0**	**824,153**	**824,153**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	824,153	824,153
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**824,153**	**824,153**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

110 OFFICE OF MANAGEMENT AND BUDGET

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	3,348,458	3,441,415	3,045,968
FEDERAL FUNDS	75,000	75,000	75,000
SPECIAL FUNDS	378,470	378,470	378,470
TOTAL INFRASTRUCTURE	**3,801,928**	**3,894,885**	**3,499,438**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
112 INFORMATION TECHNOLOGY
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	3,838,284	4,809,710	3,878,577
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	72,198,701	75,816,638	74,299,366
TOTAL INFRASTRUCTURE	**76,036,985**	**80,626,348**	**78,177,943**
INFRASTRUCTURE FTE	**12.00**	**12.00**	**12.00**
PROJECTS			
JSND UI MODERNIZATION PROJECT	0	0	130,104
ITD TIME AND LABOR	250,000	250,000	250,000
DESKTOP SERVICE	0	475,866	475,866
CJIS OPERATIONS AND SUPPORT	828,464	1,006,976	1,006,976
GIS OPERATIONS AND SUPPORT	540,670	625,690	552,003
GIS PROJECT POOL	0	329,276	0
CJIS PROJECT POOL	300,000	1,315,000	1,272,978
BUSINESS INTELLIGENCE IMPLEMENTATION AND SU	0	1,634,387	1,254,210
MEDICAID MANAGEMENT AND INFORMATION SYSTEM	0	13,452,235	13,452,235
CELLULAR CONTRACT AND SERVICE	0	2,127,794	0
TOTAL PROJECTS	**1,919,134**	**21,217,224**	**18,394,372**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	1,189,134	3,147,814	1,443,967
FEDERAL FUNDS	300,000	300,000	300,000
SPECIAL FUNDS	430,000	17,769,410	16,650,405
TOTAL PROJECTS FUNDING SOURCE	**1,919,134**	**21,217,224**	**18,394,372**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
117 OFFICE OF THE STATE AUDITOR
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	303,600	310,100	303,600
FEDERAL FUNDS	19,320	19,320	19,320
SPECIAL FUNDS	35,250	35,250	35,250
TOTAL INFRASTRUCTURE	**358,170**	**364,670**	**358,170**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

120 OFFICE OF THE STATE TREASURER

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	92,373	92,373	92,373
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**92,373**	**92,373**	**92,373**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
REWRITE MAINFRAME SOFTWARE APPLICATIONS	0	768,228	768,228
TOTAL PROJECTS	**0**	**768,228**	**768,228**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	768,228	768,228
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**768,228**	**768,228**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
125 OFFICE OF THE ATTORNEY GENERAL
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,860,478	2,153,341	2,029,938
FEDERAL FUNDS	29,203	30,266	29,203
SPECIAL FUNDS	505,222	517,330	523,638
TOTAL INFRASTRUCTURE	**2,394,903**	**2,700,937**	**2,582,779**
INFRASTRUCTURE FTE	**2.00**	**2.00**	**2.00**
PROJECTS			
BCI CASE MANAGEMENT	180,000	180,000	180,000
AGENCY DOCUMENT STORAGE	150,000	150,000	150,000
DNA REPLACEMENT	28,260	28,260	28,260
INTERFACES FOR PROSECUTION AND DISPOSITION	150,000	150,000	150,000
TOXICOLOGY	50,000	50,000	50,000
TOTAL PROJECTS	**558,260**	**558,260**	**558,260**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	558,260	558,260	558,260
TOTAL PROJECTS FUNDING SOURCE	**558,260**	**558,260**	**558,260**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
127 OFFICE OF STATE TAX COMMISSIONER
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	2,989,884	5,170,369	3,456,709
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	1,700,000
TOTAL INFRASTRUCTURE	**2,989,884**	**5,170,369**	**5,156,709**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

140 OFFICE OF ADMINISTRATIVE HEARINGS

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	82,747	82,747	82,747
TOTAL INFRASTRUCTURE	**82,747**	**82,747**	**82,747**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
DIGITAL RECORDING OF HEARINGS	0	7,500	0
TOTAL PROJECTS	**0**	**7,500**	**0**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	7,500	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**7,500**	**0**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

150 LEGISLATIVE ASSEMBLY

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,418,718	1,418,718	1,418,718
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**1,418,718**	**1,418,718**	**1,418,718**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
LEGISLATIVE APPLICATIONS REPLACEMENT SYSTEM	3,910,827	3,910,827	3,910,827
TOTAL PROJECTS	**3,910,827**	**3,910,827**	**3,910,827**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	3,910,827	3,910,827	3,910,827
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**3,910,827**	**3,910,827**	**3,910,827**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

160 LEGISLATIVE COUNCIL

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,357,934	1,357,934	1,399,817
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**1,357,934**	**1,357,934**	**1,399,817**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
180 JUDICIAL BRANCH
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	4,014,446	4,014,446	4,100,067
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**4,014,446**	**4,014,446**	**4,100,067**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
ENHANCED RECORDS MANAGEMENT SYSTEM	115,750	115,750	115,750
UCIS UPDATE/REPLACEMENT	1,375,000	1,375,000	1,375,000
TOTAL PROJECTS	**1,490,750**	**1,490,750**	**1,490,750**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	1,490,750	1,490,750	1,490,750
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**1,490,750**	**1,490,750**	**1,490,750**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

188 COMMISSION ON LEGAL COUNSEL FOR INDIGENTS

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	201,642	280,572	201,642
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**201,642**	**280,572**	**201,642**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

190 RETIREMENT AND INVESTMENT OFFICE

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	612,279	612,279	630,132
TOTAL INFRASTRUCTURE	**612,279**	**612,279**	**630,132**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

192 PUBLIC EMPLOYEES RETIREMENT SYSTEM

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	906,018	906,018	931,798
TOTAL INFRASTRUCTURE	**906,018**	**906,018**	**931,798**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
LEGACY APPLICATION SYSTEM REPLACEMENT	0	8,927,040	0
RETIREE STANDALONE PRESCRIPTION DRUG COVERA	44,412	44,412	44,412
INCREASE BASIC LIFE INSURANCE COVERAGE	4,492	4,492	4,492
INCREASE CONTRIBUTION RATES FOR ALL PLANS	3,116	3,116	3,116
ADD A NEW SUB-STATUS	3,623	3,623	3,623
HEALTH CREDIT INCREASE	3,478	3,478	3,478
NEW BENEFIT OPTION	10,361	10,361	10,361
TOTAL PROJECTS	**69,482**	**8,996,522**	**69,482**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	69,482	8,996,522	69,482
TOTAL PROJECTS FUNDING SOURCE	**69,482**	**8,996,522**	**69,482**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
201 DEPT OF PUBLIC INSTRUCTION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	629,137	929,137	976,781
FEDERAL FUNDS	2,336,552	2,336,552	2,393,521
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**2,965,689**	**3,265,689**	**3,370,302**
INFRASTRUCTURE FTE	**2.00**	**2.00**	**2.00**
PROJECTS			
FOUDATION AID	0	500,000	400,000
ESPB COMING OFF MAINFRAME	0	1,000,000	500,000
SPECIAL EDUCATION IEP	2,500,000	2,500,000	2,500,000
STARS REPORTING	200,000	200,000	200,000
STATEWIDE LONGITUDINAL DATA SYSTEM	1,000,000	1,000,000	1,000,000
TOTAL PROJECTS	**3,700,000**	**5,200,000**	**4,600,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	1,500,000	900,000
FEDERAL FUNDS	3,700,000	3,700,000	3,700,000
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**3,700,000**	**5,200,000**	**4,600,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
215 ND UNIVERSITY SYSTEM
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	157,000	157,000	157,000
FEDERAL FUNDS	4,000	4,000	4,000
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**161,000**	**161,000**	**161,000**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
COMMON INFORMATION SERVICES CIS POOL	27,384,293	27,384,293	27,384,293
NORTHERN TIER NETWORK	900,000	3,600,000	1,500,000
COLLABORATION PROJECT-PHASE I	0	1,000,000	0
NETWORK REFURBISHMENT TO REPLACE CONVERGENC	0	2,000,000	0
TOTAL PROJECTS	**28,284,293**	**33,984,293**	**28,884,293**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	28,284,293	33,984,293	28,884,293
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**28,284,293**	**33,984,293**	**28,884,293**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
226 STATE LAND DEPARTMENT
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	303,126	303,126	318,509
TOTAL INFRASTRUCTURE	**303,126**	**303,126**	**318,509**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
244 NORTH DAKOTA FOREST SERVICE
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	22,855	22,855	22,855
FEDERAL FUNDS	91,420	91,420	91,420
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**114,275**	**114,275**	**114,275**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
250 STATE LIBRARY
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	91,452	91,452	98,601
FEDERAL FUNDS	122,000	122,000	122,000
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**213,452**	**213,452**	**220,601**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
252 SCHOOL FOR THE DEAF
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	182,398	182,398	190,422
FEDERAL FUNDS	2,638	2,638	2,638
SPECIAL FUNDS	138,465	138,465	138,465
TOTAL INFRASTRUCTURE	**323,501**	**323,501**	**331,525**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

253 ND VISION SERVICES

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	148,658	148,658	157,064
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	82,984	82,984	82,984
TOTAL INFRASTRUCTURE	**231,642**	**231,642**	**240,048**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
270 CAREER AND TECHNICAL EDUCATION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	86,739	86,739	86,739
FEDERAL FUNDS	85,000	85,000	85,000
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**171,739**	**171,739**	**171,739**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
301 ND DEPARTMENT OF HEALTH
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	776,512	896,570	797,293
FEDERAL FUNDS	3,360,322	3,251,082	3,401,752
SPECIAL FUNDS	12,982	25,964	13,262
TOTAL INFRASTRUCTURE	**4,149,816**	**4,173,616**	**4,212,307**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
EVER - ELECTRONIC DEATH REGISTRATION	120,000	120,000	120,000
TOTAL PROJECTS	**120,000**	**120,000**	**120,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	120,000	120,000	120,000
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**120,000**	**120,000**	**120,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
313 VETERANS HOME
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	250,950	250,950	250,950
TOTAL INFRASTRUCTURE	**250,950**	**250,950**	**250,950**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
COMPUTER BASED TRAINING	0	12,900	12,900
VIDEO CONFERENCING	0	4,950	4,950
TOTAL PROJECTS	**0**	**17,850**	**17,850**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	17,850
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	17,850	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**17,850**	**17,850**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
316 INDIAN AFFAIRS COMMISSION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	9,525	14,675	14,675
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**9,525**	**14,675**	**14,675**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
321 DEPARTMENT OF VETERANS AFFAIRS
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	21,963	34,789	21,963
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**21,963**	**34,789**	**21,963**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
DISCHARGE PAPERS (DD214S)	0	21,356	0
UPGRADE WEBSITE	0	2,268	2,268
TOTAL PROJECTS	**0**	**23,624**	**2,268**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	23,624	2,268
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**23,624**	**2,268**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
325 DEPARTMENT OF HUMAN SERVICES
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	15,055,055	15,058,400	15,264,686
FEDERAL FUNDS	15,431,671	15,432,835	15,488,013
SPECIAL FUNDS	1,767,969	1,767,969	1,768,051
TOTAL INFRASTRUCTURE	**32,254,695**	**32,259,204**	**32,520,750**
INFRASTRUCTURE FTE	**4.00**	**4.00**	**4.00**
PROJECTS			
MEDICAID SYSTEMS PROJECT - PHASE II	0	24,823,387	24,823,387
CLIENT INFORMATION SHARING SYSTEM	1,000,000	1,000,000	1,000,000
CHILD WELFARE SYSTEM FRONT END REDESIGN	400,000	400,000	400,000
TOTAL PROJECTS	**1,400,000**	**26,223,387**	**26,223,387**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	619,800	3,530,235	3,530,235
FEDERAL FUNDS	780,200	22,693,152	22,693,157
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**1,400,000**	**26,223,387**	**26,223,392**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
360 PROTECTION AND ADVOCACY
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	73,994	73,994	73,994
FEDERAL FUNDS	65,877	65,877	65,877
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**139,871**	**139,871**	**139,871**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
380 JOB SERVICE NORTH DAKOTA
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	9,610,543	9,610,543	9,824,061
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**9,610,543**	**9,610,543**	**9,824,061**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
UI MODERNIZATION-REED ACT	7,300,000	7,300,000	7,300,000
WEB SERVICES FOR ICON/IBIQ	30,000	30,000	30,000
ELECTRONIC DEPOSIT AND EBT	85,108	85,108	85,108
PMIS	61,000	61,000	61,000
MIGRATE INTERNET SITE FROM ORACLE APP SERVE	0	0	0
IMPLEMENT FILENET RECORDS MANAGER	105,000	105,000	105,000
TOTAL PROJECTS	**7,581,108**	**7,581,108**	**7,581,108**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	7,581,108	7,581,108	7,581,108
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**7,581,108**	**7,581,108**	**7,581,108**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

401 OFFICE OF THE INSURANCE COMMISSIONER

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	1,744	1,744	1,744
SPECIAL FUNDS	621,926	621,926	621,926
TOTAL INFRASTRUCTURE	**623,670**	**623,670**	**623,670**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
BOILER AND ANHYDROUS AMMONIA INSPECTION SYS	50,000	50,000	50,000
SHIC COMPUTERS, MONITORS, PRINTERS AND MS O	29,600	29,600	29,600
TOTAL PROJECTS	**79,600**	**79,600**	**79,600**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	29,600	29,600	29,600
SPECIAL FUNDS	50,000	50,000	50,000
TOTAL PROJECTS FUNDING SOURCE	**79,600**	**79,600**	**79,600**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
405 INDUSTRIAL COMMISSION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	333,781	400,101	400,101
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	53,084	53,084	53,084
TOTAL INFRASTRUCTURE	**386,865**	**453,185**	**453,185**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
406 OFFICE OF THE LABOR COMMISSIONER
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	59,086	77,319	59,086
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**59,086**	**77,319**	**59,086**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
408 PUBLIC SERVICE COMMISSION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	480,857	681,397	563,799
FEDERAL FUNDS	148,829	148,829	157,339
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**629,686**	**830,226**	**721,138**
INFRASTRUCTURE FTE	**.00**	**1.00**	**.00**

Agency Information Technology Budgets
412 AERONAUTICS COMMISSION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	172,576	172,576	172,576
TOTAL INFRASTRUCTURE	**172,576**	**172,576**	**172,576**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
413 DEPT OF FINANCIAL INST
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	218,989	226,699	218,989
TOTAL INFRASTRUCTURE	**218,989**	**226,699**	**218,989**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
414 SECURITIES DEPARTMENT
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	55,715	55,715	55,715
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**55,715**	**55,715**	**55,715**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
DOCUMENT, SPACE SOLUTION	29,984	29,984	29,984
TOTAL PROJECTS	**29,984**	**29,984**	**29,984**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	29,984	29,984	29,984
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**29,984**	**29,984**	**29,984**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
471 BANK OF NORTH DAKOTA
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	10,837,942	10,837,942	11,010,085
TOTAL INFRASTRUCTURE	**10,837,942**	**10,837,942**	**11,010,085**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
BOND ACCOUNTING AND SECURITIES SAFEKEEPING	300,000	300,000	300,000
TOTAL PROJECTS	**300,000**	**300,000**	**300,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	300,000	300,000	300,000
TOTAL PROJECTS FUNDING SOURCE	**300,000**	**300,000**	**300,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
473 ND HOUSING FINANCE AGENCY
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	524,270	524,270	536,306
TOTAL INFRASTRUCTURE	**524,270**	**524,270**	**536,306**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
475 ND MILL AND ELEVATOR ASSOCIATION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	467,798	467,798	467,798
TOTAL INFRASTRUCTURE	**467,798**	**467,798**	**467,798**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
485 WORKFORCE SAFETY AND INSURANCE
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	5,325,580	5,325,580	5,544,804
TOTAL INFRASTRUCTURE	**5,325,580**	**5,325,580**	**5,544,804**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
CLAIMS AND POLICY SYSTEM REPLACEMENT	10,631,640	10,631,640	10,631,640
WEB PORTAL	776,250	776,250	776,250
DATA WAREHOUSE	833,750	833,750	833,750
CUSTOMER RELATIONSHIP MODEL	0	0	0
LEARNING MANAGEMENT SYSTEM	46,000	46,000	46,000
TOTAL PROJECTS	**12,287,640**	**12,287,640**	**12,287,640**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	12,287,640	12,287,640	12,287,640
TOTAL PROJECTS FUNDING SOURCE	**12,287,640**	**12,287,640**	**12,287,640**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
504 HIGHWAY PATROL
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	823,000	823,000	823,000
FEDERAL FUNDS	8,000	8,000	8,000
SPECIAL FUNDS	307,000	307,000	307,000
TOTAL INFRASTRUCTURE	**1,138,000**	**1,138,000**	**1,138,000**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
AUTOMATED EVIDENCE TRACKING	66,000	66,000	66,000
TOTAL PROJECTS	**66,000**	**66,000**	**66,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	48,000	48,000	48,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	18,000	18,000	18,000
TOTAL PROJECTS FUNDING SOURCE	**66,000**	**66,000**	**66,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
512 DEPARTMENT OF EMERGENCY SERVICES
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,930,765	2,036,225	0
FEDERAL FUNDS	332,701	332,701	0
SPECIAL FUNDS	204,634	204,6340	0
TOTAL INFRASTRUCTURE	**2,468,100**	**2,573,560**	**0**
INFRASTRUCTURE FTE	**.00**	**1 .00**	**.00**
PROJECTS			
CAD COMPUTER AIDED DISPATCH	0	980,000	0
TOTAL PROJECTS	**0**	**980,000**	**0**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	980,000	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**980,000**	**0**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
530 DEPT OF CORRECTIONS AND REHAB
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	2,506,655	3,296,100	2,818,399
FEDERAL FUNDS	19,720	19,720	19,720
SPECIAL FUNDS	227,798	227,798	235,808
TOTAL INFRASTRUCTURE	**2,754,173**	**3,543,618**	**3,073,927**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
INMATE MEDICAL SYSTEM	0	1,000,000	1,000,000
INTEGRATE FIELD SERVICE OPERATIONS INTO ITA	0	3,750,000	0
FILENET SYSTEM APPLICATION	0	206,000	0
TOTAL PROJECTS	**0**	**4,956,000**	**1,000,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	4,956,000	1,000,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**4,956,000**	**1,000,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
540 ADJUTANT GENERAL
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	95,120	95,120	2,039,971
FEDERAL FUNDS	882,600	882,600	1,239,485
SPECIAL FUNDS	0	0	204,634
TOTAL INFRASTRUCTURE	**977,720**	**977,720**	**3,484,090**
INFRASTRUCTURE FTE	**.00**	**.00**	**1.00**
PROJECTS			
CAD COMPUTER AIDED DISPATCH	0	0	980,000
TOTAL PROJECTS	**0**	**0**	**980,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	980,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**0**	**980,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
601 DEPT OF COMMERCE
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	574,199	588,719	581,786
FEDERAL FUNDS	178,390	171,650	179,424
SPECIAL FUNDS	8,523	8,523	8,523
TOTAL INFRASTRUCTURE	**761,112**	**768,892**	**769,733**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
NEW WEB APPLICATION WITH CALENDAR FOR NON-P	25,000	25,000	25,000
TOTAL PROJECTS	**25,000**	**25,000**	**25,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	25,000	25,000	25,000
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**25,000**	**25,000**	**25,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
602 DEPARTMENT OF AGRICULTURE
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	243,439	296,490	273,793
FEDERAL FUNDS	121,748	153,358	136,775
SPECIAL FUNDS	62,044	92,415	92,415
TOTAL INFRASTRUCTURE	**427,231**	**542,263**	**502,983**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
NATIONAL ANIMAL ID SYSTEM	30,000	30,000	30,000
TOTAL PROJECTS	**30,000**	**30,000**	**30,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	30,000	30,000	30,000
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**30,000**	**30,000**	**30,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
616 STATE SEED DEPARTMENT
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	138,658	138,658	138,658
TOTAL INFRASTRUCTURE	**138,658**	**138,658**	**138,658**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

627 UPPER GREAT PLAINS TRANS INST

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	110,296	110,296	113,608
FEDERAL FUNDS	731,137	731,137	737,339
SPECIAL FUNDS	300,223	300,223	300,223
TOTAL INFRASTRUCTURE	**1,141,656**	**1,141,656**	**1,151,170**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
628 BRANCH RESEARCH CENTERS
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	169,326	169,326	169,326
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	103,042	103,042	103,042
TOTAL INFRASTRUCTURE	**272,368**	**272,368**	**272,368**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

630 NDSU EXTENSION SERVICE

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	467,750	500,552	509,603
FEDERAL FUNDS	123,002	123,002	124,474
SPECIAL FUNDS	506,422	506,422	510,393
TOTAL INFRASTRUCTURE	**1,097,174**	**1,129,976**	**1,144,470**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

638 NORTHERN CROPS INSTITUTE

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	21,500	21,500	21,500
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	22,400	22,400	22,400
TOTAL INFRASTRUCTURE	**43,900**	**43,900**	**43,900**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
640 NDSU MAIN RESEARCH CENTER
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	305,000	305,000	305,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	350,000	350,000	350,000
TOTAL INFRASTRUCTURE	**655,000**	**655,000**	**655,000**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
649 AGRONOMY SEED FARM
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	3,162	3,162	3,162
TOTAL INFRASTRUCTURE	**3,162**	**3,162**	**3,162**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
670 ND HORSE RACING COMMISSION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	11,000	12,700	11,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	1,700	0
TOTAL INFRASTRUCTURE	**11,000**	**14,400**	**11,000**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
701 HISTORICAL SOCIETY
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	265,880	284,063	265,880
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**265,880**	**284,063**	**265,880**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
CONTENTDM SOFTWARE	0	20,000	0
TOTAL PROJECTS	**0**	**20,000**	**0**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	20,000	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**20,000**	**0**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
709 COUNCIL ON THE ARTS
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	37,266	37,266	37,266
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	**37,266**	**37,266**	**37,266**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
720 GAME AND FISH DEPARTMENT
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	1,526,290	1,526,290	1,553,691
TOTAL INFRASTRUCTURE	**1,526,290**	**1,526,290**	**1,553,691**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
CONVERTING EDUCATION SYSTEM TO WEB APPLICAT	59,000	59,000	59,000
ENFORCEMENT INCIDENT REPORTING AND CASE MAN	50,000	50,000	50,000
REPLACEMENT OF LINE PRINTER	190,000	190,000	190,000
CONVERTING LOTTERY SYSTEM TO WEB APPLICATIO	125,000	125,000	125,000
TOTAL PROJECTS	**424,000**	**424,000**	**424,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	424,000	424,000	424,000
TOTAL PROJECTS FUNDING SOURCE	**424,000**	**424,000**	**424,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
750 PARKS AND RECREATION DEPT
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	337,397	337,397	344,767
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	118,534	118,534	118,534
TOTAL INFRASTRUCTURE	**455,931**	**455,931**	**463,301**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**
PROJECTS			
ONLINE PARKS MANAGEMENT PROGRAM	0	160,000	160,000
TOTAL PROJECTS	**0**	**160,000**	**160,000**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	160,000	160,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**160,000**	**160,000**
PROJECT FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets
770 WATER COMMISSION
Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	68,147	786,039
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	766,293	766,293	0
TOTAL INFRASTRUCTURE	**766,293**	**834,440**	**786,039**
INFRASTRUCTURE FTE	**.00**	**.00**	**.00**

Agency Information Technology Budgets

801 DEPT OF TRANSPORTATION

Biennium: 2007-2009

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	45,830	87,234	49,216
SPECIAL FUNDS	13,107,977	14,454,591	13,310,317
TOTAL INFRASTRUCTURE	**13,153,807**	**14,541,825**	**13,359,533**
INFRASTRUCTURE FTE	**25.00**	**25.00**	**2.00**
PROJECTS			
PROJECT MANAGEMENT SYSTEM	0	155,925	155,925
3-D ORTHOPHOTOGRAPHY	0	200,000	0
ROADWAY INFORMATION MANAGEMENT SYSTEM (RIMS	0	1,000,000	1,000,000
DRIVERS LICENSE SYSTEM REWRITE	0	5,019,610	5,019,610
TOTAL PROJECTS	**0**	**6,375,535**	**6,175,535**
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	6,175,535
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	6,375,535	0
TOTAL PROJECTS FUNDING SOURCE	**0**	**6,375,535**	**6,175,535**
PROJECT FTE	**.00**	**.00**	**.00**

OFFICE OF THE GOVERNOR

Agency 101

Statutory Authority

ND Constitution Article V, Sections 1, 2, 5, 6, 7, 8, 9, and 10; North Dakota Century Code Chapters 54-07, 54-08, 54-02-07, 54-01-17.2, and 55-06.

Agency Description

The Governor, as the chief executive officer of the State of North Dakota, serves as the spokesperson for North Dakota state government and coordinates the policies of most state agencies. The Governor submits the executive budget, gives the state of the state report, makes recommendation on programs requiring legislative approval and is mandated by law to serve on and make appointments to boards, commissions and committees. The Lt. Governor shall assume the duties of the Governor when the Governor is out of the state or unable to serve as Governor. The Lt. Governor serves as President of the North Dakota State Senate.

Major Accomplishments

1. Committed $50.0 million for the Governor's Center of Excellence; established the ND Transmission Authority to promote new transmission lines and energy infrastructure; enhanced North Dakota Trade Office funding to $800,000, and increased the seed capital investment credit to $2.5 million annually.
2. Created a new North Dakota Renewable Energy Office to promote renewable energy initiatives in wind, ethanol, bio-diesel, hydrogen and other renewable energy resources.
3. Expanded the Ag. Business Investment Tax Credit for value-added processing; secured nearly $1.0 million to pursue the state's rail rate complaint case; enhanced funding for Agriculture Research and Extension Service by $1.7 million; and provided an additional $100,000 in funding for Adult Farm Management.
4. Authorized more than $100.0 million for water development projects to provide for clean drinking water, flood protection and irrigation needs.
5. Increased K-12 funding by nearly $40.0 million with 70 percent of new money for teacher compensation; increased per pupil payments; improved school funding equity by expanded funding for joint powers agreements, isolated schools, and career and technical education; and increased by $2.3 million technology funding for K-12 education. Increased funding for Higher Education by almost $26.0 million and $20.0 million in Centers of Excellence funding. Authorized more than $175.0 million for capital construction projects on state campuses.
6. Enhanced Department of Human Services funding by more than $80.0 million that produced more than $150.0 million in total funding to help seniors, children, people with disabilities, and other vulnerable individuals; enhanced funding for long-term care providers by more than $24.5 million and home and community based care by $6.5 million; abolished the Social Security Unemployment Insurance Offset, and established a Single Point of Entry to serve seniors; and increased the senior mill levy match by 21 percent to provide meals for low income seniors.
7. Established mandatory life sentences without parole for offenders when a sex crime results in the death of the victim; enhanced the civil commitment laws and probation; opened court records in civil commitment proceedings and enhanced the civil commitment process to provide for greater monitoring and supervision of dangerous sex offenders.
8. Secured a 4 and 4 percent salary increase for state employees in the 2005-07 biennium, while retaining full medical insurance coverage by the state and secured funding for salary equity adjustments in agency budgets, including the Highway Patrol and Department of Corrections
9. Promoted $5.0 million to fund the Veterans' Bonus Program, enhanced tuition credits and provided a state tax exemption for mobilized service members.

Executive Budget Recommendation

- Provides the funds necessary for temporary staff, interns, and permanent staffing of positions in the Governor's Office.
- Increases operating expenses by $11,000 to support the advisory commission on faith based and community initiatives.

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REQUEST / RECOMMENDATION COMPARISON SUMMARY

101 OFFICE OF THE GOVERNOR **Bill#: SB 2001**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
GOVERNOR'S PROGRAMS AND ADMIN.	4,650,860	5,163,137	38,804	.8%	5,201,941	333,379	6.5%	5,496,516
TOTAL MAJOR PROGRAMS	4,650,860	5,163,137	38,804	.8%	5,201,941	333,379	6.5%	5,496,516
BY LINE ITEM								
SALARIES AND WAGES	2,006,868	2,289,968	44,186	1.9%	2,334,154	302,461	13.2%	2,592,429
OPERATING EXPENSES	294,342	352,369	-70,882	-20.1%	281,487	-34,582	-9.8%	317,787
GRANTS	2,342,970	2,500,000	0	.0%	2,500,000	0	.0%	2,500,000
CONTINGENCY	0	10,000	0	.0%	10,000	0	.0%	10,000
PRESIDENTIAL ELECTORS	378	0	500	100.0%	500	500	100.0%	500
GOVERNOR'S TRANSITION IN	0	0	15,000	100.0%	15,000	15,000	100.0%	15,000
GOVERNOR'S TRANSITION OUT	0	0	50,000	100.0%	50,000	50,000	100.0%	50,000
ROUGHRIDER AWARDS	6,302	10,800	0	.0%	10,800	0	.0%	10,800
TOTAL LINE ITEMS	4,650,860	5,163,137	38,804	.8%	5,201,941	333,379	6.5%	5,496,516
BY FUNDING SOURCE								
GENERAL FUND	2,259,395	2,598,137	103,804	4.0%	2,701,941	398,379	15.3%	2,996,516
FEDERAL FUNDS	2,391,465	2,560,000	-60,000	-2.3%	2,500,000	-60,000	-2.3%	2,500,000
SPECIAL FUNDS	0	5,000	-5,000	-100.0%	0	-5,000	-100.0%	0
TOTAL FUNDING SOURCE	4,650,860	5,163,137	38,804	.8%	5,201,941	333,379	6.5%	5,496,516
TOTAL FTE	18.00	18.00	.00	.0%	18.00	.00	.0%	18.00

SECRETARY OF STATE

Agency 108

Statutory Authority

North Dakota Constitution, Article V, Section 12; North Dakota Century Code Title 10 and Title 16.1; North Dakota Century Code Chapters 15.02, 54-09, 35-01, 35-17, 35-21, 35-29, 35-30, 35-31, 35-05, 41-09, 43-07, 44-06, 45-10, 45-10.1, 45-11, 45.22, 45-23, 47.22, 47-25, 50-22, 53-01, 54-05.1, 54-16, and 55-01.

Agency Description

Secretary of State is the office of record for certain legal documents generated by the executive and legislative branches of state government and the office of record for public records and notices including various business entities. The agency performs a wide range of licensing, regulatory, registration, and administrative functions within four operating divisions in accordance with the requirements of the state's constitution and laws.

Major Accomplishments

1. Enhanced agency website, which received approximately 1,400,000 hits on an annual basis on its various pages and sections.
2. Enhanced 24/7 live business records search on agency website which displays data about business entities filed with the agency.
3. Enhanced website for access to annual reports filed by businesses. This allows customers to complete forms online and print, sign, and mail them to the agency.
4. Planned for migration from AS/400 platform created in 1988/1992 to a new platform, Secretary of State Knowledge Base (SOSKB) system, specifically designed for agency operations. SOSKB will greatly enhance services for customers and provide for productivity gains.
5. Initiated the mandated migration of the Central Indexing System (CIS) from the state's mainframe to new SOSKB operating platform. This will greatly enhance the agency's CIS, which is connected to the state's 53 counties, to provide direct access on the Internet for lien searches and filings.
6. Continued to enhance the agency's Election Management System and launched a new and expanded election section on agency website to provide more information about elections, candidates, campaign contributions, and results of election night returns from the state's counties.
7. Started work on Election Administration System for housing centralized county poll books and provided other election related administrative support functions.
8. Implemented, with the assistance of the state's 53 counties, the Help America Vote Act of 2002 (HAVA), a federal program for election reform.
9. Completed a five-year effort to amend Article XII of the state's constitution removing corporate governance barriers, which was approved by voters with favorable vote on Measure No. 2 on the June 13, 2006, statewide ballot.

Executive Budget Recommendation

- Provides one-time funding of $824,153 for the Secretary of State Knowledge Base (SOSKB) integration project. SITAC ranked this project fifth of 14 large projects.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

108 SECRETARY OF STATE **Bill#: SB 2002**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
SECRETARY OF STATE OPERATIONS	4,146,328	4,551,675	-88,784	-2.0%	4,462,891	923,184	20.3%	5,474,859
PUBLIC PRINTING LEG LAW BOOKS	318,082	327,000	-23,500	-7.2%	303,500	-23,500	-7.2%	303,500
FEDERAL ELECTION REFORM	4,278,706	9,684,728	-4,203,571	-43.4%	5,481,157	-4,195,498	-43.3%	5,489,230
TOTAL MAJOR PROGRAMS	8,743,116	14,563,403	-4,315,855	-29.6%	10,247,548	-3,295,814	-22.6%	11,267,589
BY LINE ITEM								
SALARIES AND WAGES	2,121,565	2,346,114	49,596	2.1%	2,395,710	237,411	10.1%	2,583,525
OPERATING EXPENSES	2,020,942	2,182,561	-123,380	-5.7%	2,059,181	700,773	32.1%	2,883,334
CAPITAL ASSETS	0	15,000	-15,000	-100.0%	0	-15,000	-100.0%	0
PETITION REVIEW	3,821	8,000	0	.0%	8,000	0	.0%	8,000
ELECTION REFORM	4,278,706	9,684,728	-4,203,571	-43.4%	5,481,157	-4,195,498	-43.3%	5,489,230
PUBLIC PRINTING OPERATING	318,082	327,000	-23,500	-7.2%	303,500	-23,500	-7.2%	303,500
TOTAL LINE ITEMS	8,743,116	14,563,403	-4,315,855	-29.6%	10,247,548	-3,295,814	-22.6%	11,267,589
BY FUNDING SOURCE								
GENERAL FUND	4,122,109	4,594,363	-292,715	-6.4%	4,301,648	719,253	15.7%	5,313,616
FEDERAL FUNDS	4,278,706	9,504,040	-4,022,883	-42.3%	5,481,157	-4,014,810	-42.2%	5,489,230
SPECIAL FUNDS	342,301	465,000	-257	-.1%	464,743	-257	-.1%	464,743
TOTAL FUNDING SOURCE	8,743,116	14,563,403	-4,315,855	-29.6%	10,247,548	-3,295,814	-22.6%	11,267,589
TOTAL FTE	27.00	27.00	.00	.0%	27.00	.00	.0%	27.00

Statutory Authority

North Dakota Century Code Chapter 54-44.

Agency Description

OMB's five divisions include:

- Fiscal Management - provides services for budgeting, accounting, payroll, and financial reporting.
- Facility Management - provides services to maintain and operate the capitol complex.
- Human Resource Management Service - provides leadership and expertise in human resource services.
- Central Services - provides services through Central Duplicating, the State Procurement Office, Central Supply, and Surplus Property.
- Risk Management - protects the assets of the State of North Dakota.

Major Accomplishments

1. Fiscal Management:
   - Integrated the new purchasing card contract into PeopleSoft.
   - Implemented eApplications.
   - Upgraded PeopleSoft HRMS and the PeopleSoft portal to 8.9.
2. Facility Management:
   - Managed and supervised the fire suppression project for the state capitol building.
3. Human Resources Management Services:
   - Hosted the Central States Compensation Association Conference.
   - Provided several training programs to state employees and completed several salary studies.
4. Central Services:
   - Designed a website used by all state agencies for posting solicitations online.
5. Risk management:
   - Implemented an online incident reporting system that ensures prompt reporting of potential claims and lawsuits.

Executive Budget Recommendation

- Provides $3.0 million for deferred maintenance of the capitol complex and extraordinary repairs at the Heritage Center.
- Provides $100,000 for the All-Veterans Memorial. Funding will be used to place additional veterans' names on the memorial as well as needed repairs.
- Provides $10.0 million for a salary equity pool; $5.0 million from the general fund to be distributed among general fund agencies and $5.0 million special fund authority for those agencies funded from non-general fund sources. Funding will be distributed based on salary equity issues throughout all agencies.
- Provides $686,000 matching funds to Prairie Public Broadcasting for a federal grant to continue the conversion from analog to digital technology. The funds will be a one-time payment.
- Provides $20.0 million from the general fund for Centers of Excellence.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

110 OFFICE OF MANAGEMENT AND BUDGET **Bill#: SB 2015**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,200,676	40,782,766	-10,809,610	-26.5%	29,973,156	-10,099,660	-24.8%	30,683,106
FACILITY MANAGEMENT	8,163,829	11,467,070	-1,966,555	-17.1%	9,500,515	1,562,214	13.6%	13,029,284
FISCAL MANAGEMENT	4,583,800	7,255,016	-868,407	-12.0%	6,386,609	8,949,677	123.4%	16,204,693
HUMAN RESOURCE MGMT SERVICE	1,205,246	1,375,464	21,853	1.6%	1,397,317	157,730	11.5%	1,533,194
RISK MANAGEMENT	1,132,529	1,149,594	49,091	4.3%	1,198,685	95,324	8.3%	1,244,918
CENTRAL SERVICES	4,205,005	5,796,523	142,795	2.5%	5,939,318	482,719	8.3%	6,279,242
TOTAL MAJOR PROGRAMS	21,491,085	67,826,433	-13,430,833	-19.8%	54,395,600	1,148,004	1.7%	68,974,437
BY LINE ITEM								
SALARIES AND WAGES	11,391,635	13,678,150	391,261	2.9%	14,069,411	1,541,994	11.3%	15,220,144
OPERATING EXPENSES	7,736,982	11,508,042	353,490	3.1%	11,861,532	54,094	.5%	11,562,136
FISCAL MANAGEMENT CARRYOVER	1,491,198	915,103	-915,103	-100.0%	0	-915,103	-100.0%	0
CAPITAL ASSETS	692,270	3,999,000	-2,395,481	-59.9%	1,603,519	646,019	16.2%	4,645,019
GRANTS	179,000	389,000	-165,000	-42.4%	224,000	-165,000	-42.4%	224,000
PRAIRIE PUBLIC BROADCASTING	0	1,337,138	0	.0%	1,337,138	686,000	51.3%	2,023,138
CENTERS FOR EXCELLENCE	0	36,000,000	-10,700,000	-29.7%	25,300,000	-10,700,000	-29.7%	25,300,000
STATEWIDE EQUITY POOL	0	0	0	.0%	0	10,000,000	100.0%	10,000,000
TOTAL LINE ITEMS	21,491,085	67,826,433	-13,430,833	-19.8%	54,395,600	1,148,004	1.7%	68,974,437
BY FUNDING SOURCE								
GENERAL FUND	15,573,993	21,071,114	19,519,974	92.6%	40,591,088	29,002,963	137.6%	50,074,077
FEDERAL FUNDS	192,079	207,200	-132,200	-63.8%	75,000	-132,200	-63.8%	75,000
SPECIAL FUNDS	5,725,013	46,548,119	-32,818,607	-70.5%	13,729,512	-27,722,759	-59.6%	18,825,360
TOTAL FUNDING SOURCE	21,491,085	67,826,433	-13,430,833	-19.8%	54,395,600	1,148,004	1.7%	68,974,437
TOTAL FTE	186.50	127.50	4.00	3.1%	131.50	5.00	3.9%	132.50

Statutory Authority

North Dakota Century Code Chapters 54-59, 54-44.6, 54-46 and 54-46.1.

Agency Description

The Information Technology Department (ITD) is managed by the Chief Information Officer who reports directly to the Governor. The Department is responsible for all wide area network services, planning, selection, and implementation for all state agencies, including institutions under the control of the State Board of Higher Education, counties, cities, and school districts. ITD is also responsible for computer support services, software development, statewide communications services, standards for providing information to other state agencies and the public through the internet, technology planning, process redesign, and quality assurance.

In addition, the appropriations for the following entities and programs are within ITD's budget: the Division of Independent Study, the Educational Technology Council, EduTech, the Geographic Information System initiative and the Criminal Justice Information Sharing initiative.

Major Accomplishments

1. StageNet: Designed specifications for the state network infrastructure required to support customer requirements over the next several years.
2. Second Data Center: Converted from hot site services in Colorado to a local, second data center; this allowed ITD to provide greater bandwidth capacity, redundant hardware for fail over process capacity and critical system recovery within eight hours in case of a disaster.
3. Deployed a new state portal for e-government services. The new nd.gov portal has a redesigned interface and has improved the ability of citizens to access government information and utilize e-government services.
4. Transformed the traditional help desk into a customer focused "Service Desk" that combines interpersonal skills, technical expertise and business awareness. This new breed of support structure not only handles incidents and questions, but also provides an interface for other business activities, including customer work orders, requests for change, problem root-cause analysis and service level management.
5. Registered 826 users for access to the CJIS hub in 2005. Over 560,000 transactions occurred for fiscal year 2005. New enhancements to the hub included the ability to check offenses on non-sufficient funds, search capabilities of central warrant information systems, search capabilities of custody and supervision records and the addition of the offender registration report.
6. Published the ITD Annual Report that discusses major IT accomplishments in more detail. The report can be found at www.nd.gov/itd/pubs.

Executive Budget Recommendation

- Provides FTE and special fund authority to meet increased demand for support services from agencies, such as Bank of North Dakota IT Support, ConnectND and Powerschool support, increased hosting services and security support and desktop support.
- Provides $1,151,490 from the general fund for CJIS-Criminal Justice Information System to build and implement interfaces to access law enforcement, states attorneys and court system data. Moved 2.00 FTE CJIS from the Office of the Attorney General.
- Provides $280,900 for antivirus licenses for K-12, an increase of $70,000.
- Provides FTE and special fund authority for K-12 support for Powerschool, Data Warehouse and K-12 Video.
- Provides FTE and special fund authority for the Human Service's MMIS system rewrite.
- Provides FTE and special fund authority for Higher Education patch management on ConnectND and the Northern Tier Network.
- Provides FTE and special fund authority for Business Intelligence, which includes a data warehouse for Connect ND, MMIS and other applications as requested.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

112 INFORMATION TECHNOLOGY **Bill#: HB 1021**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ITD GENERAL FUND EXPENDITURES	7,802,245	8,965,542	131,218	1.5%	9,096,760	1,480,467	16.5%	10,446,009
ITD FEDERAL FUND EXPENDITURES	12,526	500,000	-200,000	-40.0%	300,000	-200,000	-40.0%	300,000
INDEPENDENT STUDY	4,645,165	6,016,779	43,592	.7%	6,060,371	359,226	6.0%	6,376,005
ITD SPECIAL FUND EXPENDITURES	79,866,737	93,924,906	-9,094,225	-9.7%	84,830,681	13,817,243	14.7%	107,742,149
TOTAL MAJOR PROGRAMS	92,326,673	109,407,227	-9,119,415	-8.3%	100,287,812	15,456,936	14.1%	124,864,163
BY LINE ITEM								
SALARIES AND WAGES	24,593,769	29,681,174	21,694	.1%	29,702,868	8,765,477	29.5%	38,446,651
OPERATING EXPENSES	33,074,038	49,054,146	-4,874,646	-9.9%	44,179,500	8,095,502	16.5%	57,149,648
CAPITAL ASSETS	3,386,854	10,361,163	790,512	7.6%	11,151,675	1,784,087	17.2%	12,145,250
DIVISION OF INDEPENDENT STUDY	4,645,165	6,016,779	43,592	.7%	6,060,371	359,226	6.0%	6,376,005
EDUCATIONAL TECHNOLOGY COUNCIL	784,324	886,597	0	.0%	886,597	19,977	2.3%	906,574
EDUTECH	2,540,348	2,652,348	0	.0%	2,652,348	70,000	2.6%	2,722,348
WIDE AREA NETWORK	3,612,141	7,542,950	-3,739,400	-49.6%	3,803,550	-3,476,024	-46.1%	4,066,926
ERP SYSTEM	18,889,813	0	0	.0%	0	0	.0%	0
GEOGRAPHIC INFORMATION SYSTEM	578,856	686,980	0	.0%	686,980	11,333	1.6%	698,313
CRIMINAL JUSTICE INFO SHARING	221,365	2,525,090	-1,361,167	-53.9%	1,163,923	-172,642	-6.8%	2,352,448
TOTAL LINE ITEMS	92,326,673	109,407,227	-9,119,415	-8.3%	100,287,812	15,456,936	14.1%	124,864,163
BY FUNDING SOURCE								
GENERAL FUND	8,646,794	9,972,837	-92,327	-.9%	9,880,510	1,041,201	10.4%	11,268,434
FEDERAL FUNDS	12,526	500,000	-200,000	-40.0%	300,000	-200,000	-40.0%	300,000
SPECIAL FUNDS	83,667,353	98,934,390	-8,827,088	-8.9%	90,107,302	14,615,735	14.8%	113,295,729
TOTAL FUNDING SOURCE	92,326,673	109,407,227	-9,119,415	-8.3%	100,287,812	15,456,936	14.1%	124,864,163
TOTAL FTE	255.20	265.20	-1.00	-.4%	264.20	47.00	17.7%	312.20

OFFICE OF THE STATE AUDITOR

Agency 117

Statutory Authority
North Dakota Century Code Chapter 54-10.

Agency Description
The State Auditor is a constitutionally elected state official. The Office of the State Auditor is divided into four operational divisions.

- The Division of State Audits, the largest division, is responsible for auditing state government and conducting financial, compliance, performance, and information system audits.
- The Division of Local Government Audits performs audits of counties, cities, school districts, and other political subdivisions.
- The Division of Royalty Audits conducts audits of federal royalty payments from oil, gas, and coal leases located within the State of North Dakota.
- Administration, the fourth division, accounts for activities of the State Auditor and the office manager.

Major Accomplishments
1. Made significant operational improvements in state agencies as a result of financial and performance audits.
2. Conducted the first security assessment of the State's computer network through the use of consultants.

Executive Budget Recommendation
- Establishes a separate line item for information technology auditing.
- Provides necessary funding to continue the agency's current service level.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

117 OFFICE OF THE STATE AUDITOR **Bill#: SB 2004**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	282,668	315,420	970	.3%	316,390	22,012	7.0%	337,432
DIVISION OF LOCAL GOVERNMENT AUDITS	1,130,649	1,441,970	122,722	8.5%	1,564,692	223,155	15.4%	1,665,125
DIVISION OF STATE AUDITS	4,156,032	4,810,585	75,945	1.6%	4,886,530	397,790	8.3%	5,208,375
MINERAL ROYALTY AUDITING	819,199	993,171	-120,912	-12.2%	872,259	-70,189	-7.1%	922,982
TOTAL MAJOR PROGRAMS	6,388,548	7,561,146	78,725	1.0%	7,639,871	572,768	7.6%	8,133,914
BY LINE ITEM								
SALARIES AND WAGES	5,709,828	6,674,851	44,471	.7%	6,719,322	538,514	8.1%	7,213,365
OPERATING EXPENSES	678,720	876,295	-65,746	-7.5%	810,549	-65,746	-7.5%	810,549
CAPITAL ASSETS	0	10,000	0	.0%	10,000	0	.0%	10,000
INFO TECHNOLOGY CONSULTANTS	0	0	100,000	100.0%	100,000	100,000	100.0%	100,000
TOTAL LINE ITEMS	6,388,548	7,561,146	78,725	1.0%	7,639,871	572,768	7.6%	8,133,914
BY FUNDING SOURCE								
GENERAL FUND	4,438,700	5,126,005	76,915	1.5%	5,202,920	419,802	8.2%	5,545,807
FEDERAL FUNDS	819,199	993,171	-120,912	-12.2%	872,259	-70,189	-7.1%	922,982
SPECIAL FUNDS	1,130,649	1,441,970	122,722	8.5%	1,564,692	223,155	15.5%	1,665,125
TOTAL FUNDING SOURCE	6,388,548	7,561,146	78,725	1.0%	7,639,871	572,768	7.6%	8,133,914
TOTAL FTE	55.00	55.00	-.20	-.4%	54.80	-.20	-.4%	54.80

OFFICE OF THE STATE TREASURER

Agency 120

Statutory Authority

North Dakota Constitution Article V, Section 2; Article X, Sections 12 and 25; North Dakota Century Code Chapters 5-01, 5-03, 5-04, 21-01, 21-04, 37-15, 54-06, 54-11, 54-27, 54-30, and 55-01; Sections 4-24-09, 4-28-08, 15-03-01, 15-10-12, 15-13-07, 16.1-15-33, 21-10-01, 25-01-11, 32-15-31, 37-14-14, 50-27-01, 54-16-08, 57-13-01, 57-32-05, 57-51-14 and 65-04-30.

Agency Description

The State Treasurer's office serves as the custodian of all state funds. The agency is responsible for the cash management of the general fund as well as the investment services of special funds and/or numerous trust funds. The State Treasurer's Office is responsible for distributing accurate and timely tax distributions to over 500 political subdivisions across the state.

Major Accomplishments

1. Website: Launched a new website in July of 2006. The site provides an informational campaign that will establish relationships in and outside state government as well as educate stakeholders as to agency functions.
2. BidND: Launched an investment initiative, BidND in June 2005. BidND invests special fund dollars in North Dakota banks and credit unions using a bid process. To date, BidND has brought millions of dollars home to over 40 North Dakota communities. By using a bid process, these investments have been placed at higher than average interest rates.
3. Interest Income: Increased interest income by effective cash management, together with the state's increased revenue and increased interest rates. The combination resulted in record interest income in excess of 1,000 percent over the legislative forecast. Purchased investments with terms in excess of 90 days, an increase from the usual terms of 35 days or less.

Executive Budget Recommendation

- Provides $768,228 from the general fund to rewrite mainframe software programs.
- Reduces general fund appropriation for CO^2 pipeline in-lieu of tax payments due to depreciation on property value and increased mills.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

120 OFFICE OF THE STATE TREASURER **Bill#: SB 2005**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,385,309	2,344,547	-124,232	-5.3%	2,220,315	693,961	29.6%	3,038,508
TOTAL MAJOR PROGRAMS	2,385,309	2,344,547	-124,232	-5.3%	2,220,315	693,961	29.6%	3,038,508
BY LINE ITEM								
SALARIES AND WAGES	592,304	644,760	10,768	1.7%	655,528	60,733	9.4%	705,493
OPERATING EXPENSES	102,833	154,787	0	.0%	154,787	768,228	496.3%	923,015
IN LIEU OF TAX PAYMENTS	1,690,172	1,545,000	-135,000	-8.7%	1,410,000	-135,000	-8.7%	1,410,000
TOTAL LINE ITEMS	2,385,309	2,344,547	-124,232	-5.3%	2,220,315	693,961	29.6%	3,038,508
BY FUNDING SOURCE								
GENERAL FUND	2,385,309	2,344,547	-124,232	-5.3%	2,220,315	693,961	29.6%	3,038,508
TOTAL FUNDING SOURCE	2,385,309	2,344,547	-124,232	-5.3%	2,220,315	693,961	29.6%	3,038,508
TOTAL FTE	6.00	6.00	.00	.0%	6.00	.00	.0%	6.00

Statutory Authority

North Dakota Constitution Article V, Section 12; North Dakota Century Code Chapters 5-02, 12-60, 12-62, 18-01, 51-15, 51-28, 53-06.1, 53-12.1, and 54-12; Sections 32-12.2-03 and 04.

Agency Description

The Office of Attorney General represents and defends the interests of the citizens of North Dakota by executing the responsibilities charged to the North Dakota Attorney General by the North Dakota Constitution, state statutes and administrative rules, North Dakota and federal case law, and common law. The Attorney General is the chief legal counsel and advisor to state government providing legal representation to all facets of state government, including the governor, all departments of state government, and all state agencies, boards, and commissions.

The office consists of 13 divisions: Administration, Bureau of Criminal Investigation, Civil Litigation, Consumer Protection and Antitrust, Crime Laboratory, Criminal and Regulatory, Finance and Administration, Fire Marshal, Gaming, Information Technology, Lottery, Natural Resources and Indian Affairs, and State and Local Government.

Major Accomplishments

1. Enforced N.D.C.C. Chapter 51-25, which requires tobacco product manufacturers who do not join the master settlement agreement to pay funds into an escrow account based upon the number of cigarettes sold in North Dakota. This resulted in more than $46,341,095 in settlement payments for the period from January 2004 through December 2005, for a total of $174,261,200 in settlement payments to date.
2. Collected $3,671,800 for the Bank of North Dakota and $3,087,775 for Job Service North Dakota.
3. Defended the Risk Management Fund in 47 new lawsuits resulting in a total of 74 cases defended during that time period.
4. Defended the constitutionality of North Dakota's Do-Not-Call law.
5. Defended a class action suit against the Department of Corrections and Rehabilitation. The DOCR, along with individual officials, was sued in November 2003 by two female inmates claiming they had been discriminated against in the provision of services and programs based on their gender. The plaintiffs' response to the motion for summary judgment is due December 30, 2006.
6. Issued 171 Attorney General's Opinions. Forty-five of the opinions addressed alleged violations of the open records and meetings laws.
7. Assisted the state in issuing $342.0 million in state revenue bonds.
8. Drafted agreements for storing vaccines and other drugs that would be needed to respond to bioterrorism incident or outbreak of a contagious disease.
9. Settled the litigation filed against Burlington Northern Santa Fe Railroad over underground contamination in Mandan with the state recovering $30.2 million from the railroad.
10. Obtained dismissal of a suit brought in federal court challenging the constitutionality of the state's corporate farming law.
11. Successfully defended two lawsuits brought to stop the Devils Lake Outlet.
12. Successfully defended state hunting laws in a challenge brought by the State of Minnesota.
13. Successfully defended a suit brought by downstream Missouri River interests challenging the state's walleye stocking program for Lake Sakakawea.
14. Worked with the Health Department and the U.S. Environmental Protection Agency to clarify the Clean Air Act's application to North Dakota power plants.
15. Worked with the Health Department to hold the United States' first-ever "periodic review" hearings under the Clean Air Act's provisions on Prevention of Significant Deterioration.
16. Worked 260 methamphetamine laboratories in 2004 and 192 in 2005. An additional six incidents were worked through March 31, 2006. Twenty-three agents of the Bureau are clandestine lab certified personnel, nine of which are site safety certified.
17. Increased its manpower in the cybercrime area and now dedicates the efforts of two investigators to coordinate cybercrime investigative activities and provide assistance to local law enforcement.
18. Upgraded six existing and purchased three additional livescan units to process and transmit fingerprint images from eight of the state's largest jails and the state penitentiary to the criminal history record system at BCI.

19. Continued to partner with the Highway Patrol, State Radio Communications, and the ND National Guard to enhance the fusion center located at Fraine Barracks.
20. Opened 3,137 consumer complaints and investigations and closed 3,204 files in 2004-05. The office recovered $1.2 million on behalf of consumers. During the same period the office initiated legal action against 99 companies or individuals resulting in recovered fines, penalties, investigative costs and attorney's fees totaling $505,140.
21. Monitored 975 active charitable gaming sites where $538.6 million was wagered and $32.9 million was raised for charitable uses; $19.4 million was collected in gaming and pull tab excise taxes; $4.5 million was generated in bingo sales tax; and $231,000 was collected in interest, penalties, monetary fines, criminal history record check fees, and sales of gaming stamps and publications.
22. Developed and implemented "auto calculating" gaming tax return forms on the office's web page to reduce the number of mathematical errors on tax returns submitted to the Gaming Division.
23. Implemented a new limited Gaming compliance audit review program and a new in-office audit review program.
24. Conducted 125 fire investigations during calendar years 2004 and 2005 to assist local fire and law officials in fire cause determination and arson mitigation.
25. Generated $19.2 million in operating revenue and approximately $5.6 million in state general fund revenue from the Lottery. For the 2005-07 biennium, the Lottery projected operating revenue of $38.5 million and state general fund revenue of $10.0 million

Executive Budget Recommendation

- Provides $1.2 million for the Crime Lab building and remodeling project located in south Bismarck.
- Authorizes an additional $302,000 from the general fund for the Crime Lab for inflationary increases in operating expenses and the purchase of maintenance agreements for lab equipment.
- Provides $643,000 from the general fund to address salary inequities, most specifically in the Crime Lab, Bureau of Criminal Investigation, and Legal divisions.
- Includes an additional $212,000 of general fund monies to cover inflationary increases in BCI's operating expenses and replacement of bullet proof vests.
- Provides an additional $110,000 from the general fund for computer replacement and software updates.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

125 OFFICE OF THE ATTORNEY GENERAL **Bill#: HB 2003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
FINANCE AND ADMINISTRATION	1,154,226	1,472,486	-73,990	-5.0%	1,398,496	22,804	1.5%	1,495,290
INFORMATION TECHNOLOGY	2,653,106	2,639,563	128,251	4.9%	2,767,814	316,127	12.0%	2,955,690
ATTORNEY GENERAL ADMINISTRATION	720,101	837,541	10,045	1.2%	847,586	710,707	84.9%	1,548,248
LEGAL SERVICES	5,090,185	5,831,967	-316,427	-5.4%	5,515,540	-83,077	-1.4%	5,748,890
BUREAU OF CRIMINAL INVESTIGATION	12,779,863	16,771,345	-2,406,189	-14.3%	14,365,156	-1,732,843	-10.3%	15,038,502
CRIME LAB	2,580,379	7,237,678	-3,552,604	-49.1%	3,685,074	-1,888,606	-26.1%	5,349,072
CONSUMER PROTECTION	1,034,296	1,541,188	-155,000	-10.1%	1,386,188	-76,497	-5.0%	1,464,691
GAMING	1,938,925	2,164,042	11,152	.5%	2,175,194	120,097	5.5%	2,284,139
FIRE MARSHAL	1,119,805	1,302,556	-68,418	-5.3%	1,234,138	-11,748	-.9%	1,290,808
LOTTERY	0	3,899,191	54,015	1.4%	3,953,206	149,211	3.8%	4,048,402
TOTAL MAJOR PROGRAMS	29,070,886	43,697,557	-6,369,165	-14.6%	37,328,392	-2,473,825	-5.7%	41,223,732
BY LINE ITEM								
SALARIES AND WAGES	16,681,747	19,549,735	-138,984	-.7%	19,410,751	1,794,320	9.2%	21,344,055
OPERATING EXPENSES	6,774,944	8,483,795	310,608	3.7%	8,794,403	934,608	11.0%	9,418,403
CAPITAL ASSETS	610,781	5,418,741	-4,511,850	-83.3%	906,891	-3,269,010	-60.3%	2,149,731
GRANTS	4,757,702	5,944,056	-1,747,056	-29.4%	4,197,000	-1,747,056	-29.4%	4,197,000
LITIGATION FEES	34,580	50,000	0	.0%	50,000	0	.0%	50,000
STATE SCHOOL FINANCE LAWSUIT	195,106	337,000	-337,000	-100.0%	0	-337,000	-100.0%	0
NORTH DAKOTA LOTTERY	0	3,899,191	54,015	1.4%	3,953,206	149,211	3.8%	4,048,402
ARREST & RETURN OF FUGITIVES	11,746	10,000	0	.0%	10,000	0	.0%	10,000
GAMING COMMISSION	4,280	5,039	1,102	21.9%	6,141	1,102	21.9%	6,141
TOTAL LINE ITEMS	29,070,886	43,697,557	-6,369,165	-14.6%	37,328,392	-2,473,825	-5.7%	41,223,732
BY FUNDING SOURCE								
GENERAL FUND	17,052,291	19,212,156	64,926	.3%	19,277,082	3,717,053	19.3%	22,929,209
FEDERAL FUNDS	8,777,720	12,295,598	-3,541,061	-28.8%	8,754,537	-3,496,020	-28.4%	8,799,578
SPECIAL FUNDS	3,240,875	12,189,803	-2,893,030	-23.7%	9,296,773	-2,694,858	-22.1%	9,494,945
TOTAL FUNDING SOURCE	29,070,886	43,697,557	-6,369,165	-14.6%	37,328,392	-2,473,825	-5.7%	41,223,732
TOTAL FTE	172.00	185.30	-4.00	-2.2%	181.30	-4.00	-2.2%	181.30

OFFICE OF STATE TAX COMMISSIONER

Agency 127

Statutory Authority

North Dakota Century Code Chapters 57-01 through 57-02.

Agency Description

The Office of State Tax Commissioner is charged with the responsibility to fairly and effectively administer the tax laws of North Dakota. The Office of State Tax Commissioner consists of six separate divisions including the Commissioner's Division that is the administrative center of the department; the Legal Division that provides legal advice and counsel to the department and to the State Board of Equalization; the Operations Division that is responsible for leading the department's technology efforts and oversees the processing of tax returns; the Fiscal Management Division that performs accounting functions, budgeting, and collects delinquent taxes; the Income, Sales and Special Taxes Division that includes Individual Income, Corporation Income, Sales and Use, Motor Fuel, Financial Institution, Oil and Gas Gross Production, Oil Extraction, Alcoholic Beverages, Tobacco Products, Estate, Special Taxes, and applicable local option taxes; and the Property Tax Division that includes Property and Utility Taxes, Coal Taxes, Homestead Credit and Renter Refund Program, and the Telecommunications Gross Receipts Tax.

Major Accomplishments

1. Completed the first conversion of Sales and Use taxes, Local Option taxes, City Lodging, and City Restaurant & Lodging taxes, Withholding, Motor Fuels & Estate tax to the new GenTax integrated tax system. Individual Income tax will be converted in January 2007 and Corporate Income tax will follow in June 2007.
2. Completed all the requirements to borrow $14.0 million for the new tax system.
3. Implemented the Streamlined Sales and Use Tax Agreement, with 12 other states, which took effect October 1, 2005.
4. Provided a simplified sales and use tax system that provides for electronic registration, electronic filing and payment options.
5. Implemented the North American Industry Classification System in place of the U.S. Standard Industrial Classification system for use in developing statistics about North Dakota business activity.
6. Continued agency reorganization efforts to fairly and effectively administer the tax laws of North Dakota by realigning key processes, functions and organizational units resulting in a department that is more effectively structured and customer-friendly in the delivery of services.
7. Conducted various seminars and workshops.
8. Designed new forms and redesigned old forms.
9. Worked with other state agencies and IRS to assist taxpayers in reporting taxes.
10. Assumed administration of new taxes and implemented changes for tax laws and local taxes.
11. Developed new programming and electronic filing for taxpayers to use when reporting taxes.
12. Updated manuals, forms, tax return processing, and programs and provided taxpayer assistance.

Executive Budget Recommendation

- Provides $5,356,702 of general fund dollars for the principal and interest payments on the GenTax integrated tax system.
- Allows for the expenditure of $1.7 million unexpended GenTax project funds in 2007-09 for $1,150,000 of post production costs and on-site support, and $550,000 for one year maintenance agreement fees.
- Increases operating expenses by $380,000 for data processing and communications increases.
- Provides $4.5 million for the Homestead Tax Credit program.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

127 OFFICE OF STATE TAX COMMISSIONER **Bill#: SB 2006**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COMMISSIONERS DIVISION	1,069,265	1,177,586	6,305	.5%	1,183,891	83,583	7.1%	1,261,169
LEGAL DIVISION	645,350	680,636	-20,466	-3.0%	660,170	21,792	3.2%	702,428
FISCAL MANAGEMENT DIVISION	1,429,438	1,675,578	-39,038	-2.3%	1,636,540	76,926	4.6%	1,752,504
INCOME, SALES AND SPECIAL TAXES DIV.	8,231,309	8,923,278	-4,982	-.1%	8,918,296	592,727	6.6%	9,516,005
PROPERTY, UTILITIES TAX DIVISION	488,509	539,985	801	.1%	540,786	41,282	7.6%	581,267
OPERATIONS DIVISION	4,444,338	5,108,089	159,275	3.1%	5,267,364	1,870,834	36.6%	6,978,923
INTEGRATED TAX SYSTEM	0	14,000,000	-14,000,000	-	0	-8,643,298	-61.7%	5,356,702
HOMESTEAD TAX CREDIT	3,689,621	4,500,000	0	100.0%	4,500,000	0	.0%	4,500,000
TOTAL MAJOR PROGRAMS	19,997,830	36,605,152	-13,898,105	-38.0%	22,707,047	-5,956,154	-16.3%	30,648,998
BY LINE ITEM								
SALARIES AND WAGES	11,873,646	13,466,823	221,895	1.6%	13,688,718	1,276,659	9.5%	14,743,482
OPERATING EXPENSES	4,415,519	4,613,329	-113,000	-2.4%	4,500,329	1,417,485	30.7%	6,030,814
CAPITAL ASSETS	19,044	25,000	-7,000	-28.0%	18,000	-7,000	-28.0%	18,000
HOMESTEAD TAX CREDIT	3,689,621	4,500,000	0	.0%	4,500,000	0	.0%	4,500,000
INTEGRATED TAX SYSTEM	0	14,000,000	-14,000,000	-100.0%	0	-8,643,298	-61.7%	5,356,702
TOTAL LINE ITEMS	19,997,830	36,605,152	-13,898,105	-38.0%	22,707,047	-5,956,154	-16.3%	30,648,998
BY FUNDING SOURCE								
GENERAL FUND	19,785,780	22,485,152	221,895	1.0%	22,707,047	6,463,846	28.7%	28,948,998
FEDERAL FUNDS	212,050	120,000	-120,000	-100.0%	0	-120,000	-100.0%	0
SPECIAL FUNDS	0	14,000,000	-14,000,000	-100.0%	0	-12,300,000	-87.9%	1,700,000
TOTAL FUNDING SOURCE	19,997,830	36,605,152	-13,898,105	-38.0%	22,707,047	-5,956,154	-16.3%	30,648,998
TOTAL FTE	137.00	133.00	.00	.0%	133.00	.00	.0%	133.00

OFFICE OF ADMINISTRATIVE HEARINGS

Agency 140

Statutory Authority

North Dakota Century Code Chapters 12-59, and 37-19.1; Sections 54-57-03, and 61-03-22.

Agency Description

The Office of Administrative Hearings is an executive branch agency that provides independent administrative law judges to preside over state and local administrative hearings and related proceedings.

Hearings are conducted under authority from the Administrative Agencies Practices Act (NDCC Chapter 28-32), specific agency statutes, agency procedural rules, and the Uniform Rules of Administrative Procedure for Adjudicative Proceedings (ND Administrative Code Article 98-02).

Major Accomplishments

1. Completed agency reorganization on July 1, 2004 and continued to refine it throughout 2005 and 2006. The reorganization was aimed at better conducted hearings, particularly Workforce Safety and Insurance and the Department of Human Services hearings.
2. Established performance measures effective July 1, 2006, for WSI hearings and will develop performance measures for other agency hearings during the remainder of the 2005-07 biennium.
3. Co-sponsored the National Association of Hearing Officials 2006 Annual Professional Development Conference in Bismarck. The Department of Transportation and the Department of Human Services also lent assistance. The 89 attendees were from North Dakota, 32 other U.S. states, and the Virgin Islands.

Executive Budget Recommendation

- Provides $120,528 in equity funding for attorney salaries.
- Increases professional fees by $50,000 to cover increasing anticipated caseloads requiring contracted administrative law judge services.
- Includes $7,500 for digital recording equipment and software to enable digital recording of hearing proceedings.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

140 OFFICE OF ADMINISTRATIVE HEARINGS **Bill#: HB 1017**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OFFICE OF ADMIN HEARINGS SERVICES	1,170,950	1,409,844	26,897	1.9%	1,436,741	284,247	20.2%	1,694,091
TOTAL MAJOR PROGRAMS	1,170,950	1,409,844	26,897	1.9%	1,436,741	284,247	20.2%	1,694,091
BY LINE ITEM								
SALARIES AND WAGES	896,040	1,042,927	26,897	2.6%	1,069,824	226,747	21.7%	1,269,674
OPERATING EXPENSES	274,910	366,917	0	.0%	366,917	57,500	15.7%	424,417
TOTAL LINE ITEMS	1,170,950	1,409,844	26,897	1.9%	1,436,741	284,247	20.2%	1,694,091
BY FUNDING SOURCE								
SPECIAL FUNDS	1,170,950	1,409,844	26,897	1.9%	1,436,741	284,247	20.2%	1,694,091
TOTAL FUNDING SOURCE	1,170,950	1,409,844	26,897	1.9%	1,436,741	284,247	20.2%	1,694,091
TOTAL FTE	8.00	8.00	.00	.0%	8.00	.00	.0%	8.00

LEGISLATIVE ASSEMBLY

Agency 150

Statutory Authority

North Dakota Constitution, Article IV; North Dakota Century Code Chapters 54-03, 54-03.1, 54-03.2, and 54-05.1.

Agency Description

The Legislative Assembly is the policymaking branch of state government. The Legislative Assembly meets for organization and orientation purposes during the month of December in the even-numbered years and convenes each odd-numbered year for the regular session which may not exceed 80 days during the biennium.

Major Accomplishments

1. Performed constitutional responsibilities within the limited amount of time in an effective and efficient manner to meet the needs and expectations of the people of North Dakota.

Executive Budget Recommendation

- Includes the 2007-09 budget request as submitted.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

150 LEGISLATIVE ASSEMBLY **Bill#: HB 1001**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ND LEGISLATIVE ASSEMBLY	7,979,757	10,317,396	3,601,105	34.9%	13,918,501	3,601,105	34.9%	13,918,501
TOTAL MAJOR PROGRAMS	7,979,757	10,317,396	3,601,105	34.9%	13,918,501	3,601,105	34.9%	13,918,501
BY LINE ITEM								
SALARIES AND WAGES	5,522,903	6,137,242	553,779	9.0%	6,691,021	553,779	9.0%	6,691,021
OPERATING EXPENSES	2,272,730	3,126,134	-221,795	-7.1%	2,904,339	-221,795	-7.1%	2,904,339
CAPITAL ASSETS	16,600	254,750	-48,750	-19.1%	206,000	-48,750	-19.1%	206,000
NTL CONFERENCE OF STATE LEGISLATURE	167,524	177,750	28,564	16.1%	206,314	28,564	16.1%	206,314
LEG APPLICATION REPLACEMENT	0	621,520	3,289,307	529.2%	3,910,827	3,289,307	529.2%	3,910,827
TOTAL LINE ITEMS	7,979,757	10,317,396	3,601,105	34.9%	13,918,501	3,601,105	34.9%	13,918,501
BY FUNDING SOURCE								
GENERAL FUND	7,979,757	10,297,396	3,621,105	35.2%	13,918,501	3,621,105	35.2%	13,918,501
SPECIAL FUNDS	0	20,000	-20,000	-100.0%	0	-20,000	-100.0%	0
TOTAL FUNDING SOURCE	7,979,757	10,317,396	3,601,105	34.9%	13,918,501	3,601,105	34.9%	13,918,501
TOTAL FTE	.00	.00	.00	.0%	.00	.00	.0%	.00

LEGISLATIVE COUNCIL

Agency 160

Statutory Authority

The principal statutory language authorizing the responsibilities and functions of the Legislative Council is contained in North Dakota Century Code Chapter 54-35. Statutory authority relating to the organizational session of the Legislative Assembly is located in Chapter 54-03.1. Additional statutory references to the Legislative Council are located in numerous places in the North Dakota Century Code.

Agency Description

The Legislative Council consists of 17 legislators. The council oversees the interim activities of the legislative branch, conducts studies, monitors activities of the other branches of government, provides oversight on matters of interest to the legislative branch, makes arrangements for legislative sessions, and recommends legislation to the Legislative Assembly. The Legislative Council staff, consisting of a group of professional and clerical people, provides administrative, research, analysis, drafting, and technical support services for the legislative branch.

Major Accomplishments

1. Conducted studies and performed other duties and responsibilities in accordance with the directives of the Legislative Assembly through the Legislative Council and its interim committees. The Legislative Council staff performed research, analysis and drafting tasks in a satisfactory manner to meet the expectations of the Legislative Assembly, its members, and the Legislative Council within appropriate time frames.

Executive Budget Recommendation

- Includes the 2007-09 budget request as submitted.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

160 LEGISLATIVE COUNCIL **Bill#: HB 1001**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
FISCAL SERVICES	1,296,098	1,596,753	-126,233	-7.9%	1,470,520	-64,620	-4.0%	1,532,133
LEGAL SERVICES	1,736,477	2,047,843	84,927	4.1%	2,132,770	187,815	9.2%	2,235,658
GENERAL AND ADMIN SERVICES	3,598,764	5,575,557	-1,211,615	-21.7%	4,363,942	-1,045,130	-18.7%	4,530,427
TOTAL MAJOR PROGRAMS	6,631,339	9,220,153	-1,252,921	-13.6%	7,967,232	-921,935	-10.0%	8,298,218
BY LINE ITEM								
SALARIES AND WAGES	4,526,961	5,489,358	-183,206	-3.3%	5,306,152	147,780	2.7%	5,637,138
OPERATING EXPENSES	1,801,475	2,613,278	-9,198	-.4%	2,604,080	-9,198	-.4%	2,604,080
CAPITAL ASSETS	30,472	41,000	16,000	39.0%	57,000	16,000	39.0%	57,000
ND BUSINESS CLIMATE REPORT	25,000	0	0	.0%	0	0	.0%	0
INFORMATION TECHNOLOGY MAN	217,431	0	0	.0%	0	0	.0%	0
CHAMBERS SOUND SYSTEM UPGRADE	30,000	0	0	.0%	0	0	.0%	0
HIGHER EDUCATION STUDY	0	175,000	-175,000	-100.0%	0	-175,000	-100.0%	0
LEGISLATIVE APPL'S REPLACEMENT	0	901,517	-901,517	-100.0%	0	-901,517	-100.0%	0
TOTAL LINE ITEMS	6,631,339	9,220,153	-1,252,921	-13.6%	7,967,232	-921,935	-10.0%	8,298,218
BY FUNDING SOURCE								
GENERAL FUND	6,631,339	9,220,153	-1,252,921	-13.6%	7,967,232	-921,935	-10.0%	8,298,218
TOTAL FUNDING SOURCE	6,631,339	9,220,153	-1,252,921	-13.6%	7,967,232	-921,935	-10.0%	8,298,218
TOTAL FTE	33.00	33.00	.00	.0%	33.00	.00	.0%	33.00

JUDICIAL BRANCH

Agency 180

Statutory Authority

North Dakota Constitution, Article VI, Judicial Branch, Sections 1-13, Chapters 27-02, 27-03, 27-04, 27-05, 27-05.2, 27-06, 27-17, 27-20, 27-23, North Dakota Century Code; North Dakota Rules of Disciplinary Procedure.

Agency Description

The North Dakota judicial system is comprised of the Supreme Court, district courts, municipal courts, and the Intermediate Court of Appeals, when convened. The Juvenile Court is a division of the District Court. These courts provide the forum for the resolution of litigation in an orderly, timely manner.

Major Accomplishments

1. Provided web-based access to court records.
2. Provided greater protection of juror privacy.
3. Revised the rules of criminal procedure.
4. Mandated greater use of alternative dispute resolution processes.
5. Created a single, comprehensive rule for use of interactive video.
6. Changed Rules of Professional Conduct.
7. Updated system to accept credit cards for payment of fines, fees, bonds, and restitution.
8. Initiated and expanded an enhanced records management project in the trial courts.
9. Expanded interactive television and expanded digital audio recording.

Executive Budget Recommendation

- Recommends the 2007-09 budget as requested.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

180 JUDICIAL BRANCH **Bill#: HB 1002**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
SUPREME COURT	7,228,854	8,590,603	479,237	5.6%	9,069,840	879,725	10.2%	9,470,328
DISTRICT COURT	43,549,181	49,167,214	7,796,409	15.9%	56,963,623	10,112,876	20.6%	59,280,090
JUDICIAL COND COMM AND DISC. BOARD	498,575	607,530	71,008	11.7%	678,538	110,424	18.2%	717,954
TOTAL MAJOR PROGRAMS	51,276,610	58,365,347	8,346,654	14.3%	66,712,001	11,103,025	19.0%	69,468,372
BY LINE ITEM								
SALARIES AND WAGES	38,760,555	43,475,199	3,272,815	7.5%	46,748,014	5,933,146	13.6%	49,408,345
OPERATING EXPENSES	10,682,944	13,147,416	3,637,200	27.7%	16,784,616	3,637,200	27.7%	16,784,616
CAPITAL ASSETS	446,325	193,500	361,083	186.6%	554,583	361,083	186.6%	554,583
SUPREME COURT- JUDGES RETIREMENT	124,066	134,931	-12,700	-9.4%	122,231	-12,700	-9.4%	122,231
JUDICIAL CONDUCT COMM &	498,575	607,530	71,008	11.7%	678,538	110,424	18.2%	717,954
DISCIPLINARY BRD	670,892	706,771	-2,952	-.4%	703,819	-2,952	-.4%	703,819
DISTRICT COURT- JUDGES RETIREMENT	13,253	20,000	0	.0%	20,000	0	.0%	20,000
ALTERNATIVE DISPUTE RESOLUTION	80,000	80,000	0	.0%	80,000	0	.0%	80,000
UND-CENT LEGAL RESEARCH MEDIATION	0	0	1,020,200	100.0%	1,020,200	1,076,824	100.0%	1,076,824
TOTAL LINE ITEMS	51,276,610	58,365,347	8,346,654	14.3%	66,712,001	11,103,025	19.0%	69,468,372
BY FUNDING SOURCE								
GENERAL FUND	48,926,869	56,857,869	7,724,191	13.6%	64,582,060	10,409,469	18.3%	67,267,338
FEDERAL FUNDS	1,554,353	1,219,957	615,234	50.4%	1,835,191	681,721	55.9%	1,901,678
SPECIAL FUNDS	795,388	287,521	7,229	2.5%	294,750	11,835	4.1%	299,356
TOTAL FUNDING SOURCE	51,276,610	58,365,347	8,346,654	14.3%	66,712,001	11,103,025	19.0%	69,468,372
TOTAL FTE	336.00	332.00	11.00	3.3%	343.00	11.00	3.3%	343.00

COMMISSION ON LEGAL COUNSEL FOR INDIGENTS

Agency 188

Statutory Authority

North Dakota Century Code 54-61-01 to 54-61-04.

Agency Description

The North Dakota Commission on Legal Counsel for Indigents is an executive branch agency and consists of the statutorily-created board, which consists of seven persons appointed from various entities, to serve staggering terms. The agency is responsible for the delivery of constitutionally-adequate services to criminal defendants and respondents in the state who financially qualify for indigent services in accordance with eligibility requirements. The Commission utilizes the seven judicial districts to regulate its programs.

Major Accomplishments

1. Appointed a director, deputy director, and staff for the administrative office in Valley City.
2. Established a system for the assignment of counsel throughout the state, which eliminated court involvement in the process.
3. Established contracts for counsel in areas of the state where public defender offices were not open.
4. Opened three public defender offices in Minot, Dickinson, and Williston in areas of the state where contracts were not able to be negotiated with attorneys. These offices have full-time state employees and state-supported offices.
5. Established IT network systems between agency branches which allow for some shared, public access, but private, separate access for individual public defender offices.
6. Assumed bill-paying capabilities and access to PeopleSoft.
7. Provided training for contract counsel and public defenders.
8. Started a method to adopt new standards for the agency and employees of the agency, as well as for contractors with the agency.

Executive Budget Recommendation

- Provides $11.0 million for the statewide delivery of constitutionally adequate services to criminal defendants.
- Provides for the phased in addition of public defense offices in Bismarck and Fargo in the 2007-09 biennium.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

188 COMMISSION ON LEGAL COUNSEL FOR INDIGENTS **Bill#: HB 1023**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COUNSEL FOR INDIGENTS-DISTRICTS	366,307	993,653	-290,353	-29.2%	703,300	-290,353	-29.2%	703,300
COUNSEL FOR INDIGENTS-JUVENILE	158,535	220,611	-5,361	-2.4%	215,250	-5,361	-2.4%	215,250
COUNSEL FOR INDIGENTS-CONTRACTS	4,156,184	5,698,817	-127,805	-2.2%	5,571,012	-127,805	-2.2%	5,571,012
COUNSEL FOR INDIGENTS-ADMIN	0	2,867,488	672,708	23.5%	3,540,196	1,856,466	64.7%	4,723,954
TOTAL MAJOR PROGRAMS	4,681,026	9,780,569	249,189	2.5%	10,029,758	1,432,947	14.7%	11,213,516
BY LINE ITEM								
LEGAL COUNSEL FOR INDIGENTS	4,681,026	9,780,569	249,189	2.5%	10,029,758	1,432,947	14.7%	11,213,516
TOTAL LINE ITEMS	4,681,026	9,780,569	249,189	2.5%	10,029,758	1,432,947	14.7%	11,213,516
BY FUNDING SOURCE								
GENERAL FUND	4,056,001	8,560,569	-231,516	-2.7%	8,329,053	952,242	11.1%	9,512,811
SPECIAL FUNDS	625,025	1,220,000	480,705	39.4%	1,700,705	480,705	39.4%	1,700,705
TOTAL FUNDING SOURCE	4,681,026	9,780,569	249,189	2.5%	10,029,758	1,432,947	14.7%	11,213,516
TOTAL FTE	.00	19.00	.00	.0%	19.00	10.00	52.6%	29.00

RETIREMENT AND INVESTMENT OFFICE

Agency 190

Statutory Authority

North Dakota Constitution Article IV, Section 13; North Dakota Century Code Chapters 15-39.1, and 21-10; Section 54-52-04.

Agency Description

The Retirement and Investment Office (RIO) is an agency of the State of North Dakota. The agency was created by the 1989 Legislative Assembly to capture administrative and investment cost savings in the management of two important long-standing state programs - the retirement program of the Teachers' Fund for Retirement (TFFR) and the investment program of the State Investment Board (SIB).

TFFR is a qualified defined benefit public pension plan. The plan covers North Dakota public school teachers and administrators. Benefit funding comes from member and employer contributions and investment earnings. TFFR serves approximately 9,800 teachers from 245 employer groups and pays benefits to over 5,800 retirees and beneficiaries. High quality member services and outreach programs are offered to members and employers as part of the continuing effort to keep them informed about the retirement program.

The SIB is responsible for setting policies and procedures guiding the investment of nearly $5.0 billion in assets for five pension funds and 17 other insurance-type funds.

Major Accomplishments

1. Received the Government Officers Finance Association (GFOA) Certificate of Achievement for Financial reporting for annual financial reports for the fiscal year ended June 30, 2005. This was the eighth time RIO received this award.
2. Successfully completed the CPAS pension software replacement and Filenet image migration projects. The goal of the updated systems was to update technology, improve service to members, increase data reliability, provide tools for improving staff productivity, and enhance system integration capabilities. The Filenet Upgrade project was completed in February 2005. The CPAS software went into production in September 2005. The project was completed in January 2006 approximately $68,000 under budget and four months over schedule. Over time, TFFR members, employers and RIO staff will benefit from this state of the art pension administration system.

Executive Budget Recommendation

- Approves budget as requested.
- Provides salary equity funding to increase agency compa ratio.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

190 RETIREMENT AND INVESTMENT OFFICE **Bill#: SB 2022**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
TEACHERS FUND FOR RETIREMENT	3,219,845	2,639,469	-442,420	-16.8%	2,197,049	-284,677	-10.8%	2,354,792
INVESTMENT PROGRAM	647,279	849,260	82,053	9.7%	931,313	146,252	17.2%	995,512
TOTAL MAJOR PROGRAMS	3,867,124	3,488,729	-360,367	-10.3%	3,128,362	-138,425	-4.0%	3,350,304
BY LINE ITEM								
SALARIES AND WAGES	1,751,348	1,978,420	136,943	6.9%	2,115,363	358,885	18.1%	2,337,305
OPERATING EXPENSES	629,475	914,610	16,389	1.8%	930,999	16,389	1.8%	930,999
CONTINGENCY	0	82,000	0	.0%	82,000	0	.0%	82,000
CONTRACTED SERVICES	1,486,301	513,699	-513,699	-100.0%	0	-513,699	-100.0%	0
TOTAL LINE ITEMS	3,867,124	3,488,729	-360,367	-10.3%	3,128,362	-138,425	-4.0%	3,350,304
BY FUNDING SOURCE								
SPECIAL FUNDS	3,867,124	3,488,729	-360,367	-10.3%	3,128,362	-138,425	-4.0%	3,350,304
TOTAL FUNDING SOURCE	3,867,124	3,488,729	-360,367	-10.3%	3,128,362	-138,425	-4.0%	3,350,304
TOTAL FTE	17.00	17.00	.00	.0%	17.00	.00	.0%	17.00

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Agency 192

Statutory Authority

North Dakota Century Code 39-03.1, 52-09, 52-11-01, 54-52, 54-52.1, 54-52.2, 54-52.3 and 54-52.6.

Agency Description

The Public Employees Retirement System is the administrator of several employee benefit plans for state employees and employees of participating political subdivisions. The plans include the following:

- Seven Defined Benefit Retirement Plans
- Defined Contribution Retirement Plan
- Deferred Compensation Program
- Retiree Health Insurance Credit Program
- Group Health Insurance Plan
- Group Life Insurance Plan
- Voluntary insurance products (dental, vision, long-term care)
- Employee Assistance Program
- Pretax Benefits Program (FlexComp)

Major Accomplishments

1. Prepared annual Business Plans.
2. Hired an actuarial firm to conduct an actuarial audit of the defined benefit plans.
3. Developed an expedited enrollment form for the NDPERS Companion Plan to encourage participation in this voluntary savings program.
4. Rebid the group life insurance program and Employee Assistance Program; completed the transition to a new life insurance carrier.
5. Developed an employer-based wellness plan that resulted in lower health insurance premiums for participating employers.
6. Initiated a Worksite Wellness program at four pilot worksites.
7. Hired an actuarial firm to determine the affect of GASB 45 on the system's other post-employment benefits.
8. Implemented the Medicare Part D program.
9. Conducted an asset/liability study for the defined benefits retirement plans and updated the investment policies accordingly.
10. Conducted a review of our existing business system, identified options and determined the agency should move forward with a replacement.
11. Rebid the group dental and long term care voluntary insurance plans; will be transitioning the dental plan to a new carrier.
12. Implemented a disease management program as part of the group health insurance plan.
13. Completed an experience study of the retirement plans as specified in the North Dakota Century Code.
14. Converted the agency's financial reporting from Great Plains to PeopleSoft Financials.

Executive Budget Recommendation

- Provides funding for salary equity to increase PERS average compa ratio.
- Provides funding for an IT project to write a new application, updating PERS programming and migrating off the mainframe system.

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REQUEST / RECOMMENDATION COMPARISON SUMMARY

192 PUBLIC EMPLOYEES RETIREMENT SYSTEM **Bill#: SB 2022**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
PERS	3,908,429	4,719,237	31,420	.7%	4,750,657	9,830,627	208.3%	14,549,864
TOTAL MAJOR PROGRAMS	3,908,429	4,719,237	31,420	.7%	4,750,657	9,830,627	208.3%	14,549,864
BY LINE ITEM								
SALARIES AND WAGES	2,542,981	2,885,526	104,520	3.6%	2,990,046	864,319	30.0%	3,749,845
OPERATING EXPENSES	1,365,448	1,583,711	-73,100	-4.6%	1,510,611	8,966,308	566.2%	10,550,019
CONTINGENCY	0	250,000	0	.0%	250,000	0	.0%	250,000
TOTAL LINE ITEMS	3,908,429	4,719,237	31,420	.7%	4,750,657	9,830,627	208.3%	14,549,864
BY FUNDING SOURCE								
GENERAL FUND	0	19,000	-16,500	-86.8%	2,500	-19,000	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	3,908,429	4,700,237	47,920	1.0%	4,748,157	9,849,627	209.6%	14,549,864
TOTAL FUNDING SOURCE	3,908,429	4,719,237	31,420	.7%	4,750,657	9,830,627	208.3%	14,549,864
TOTAL FTE	.00	29.00	.00	.0%	29.00	4.00	13.8%	33.00

Statutory Authority

North Dakota Century Code Title 15.1; Sections 25-06-02.1, 25-07-01.1 and 54-24-01.

Agency Description

The Superintendent of Public Instruction enforces state statutes and federal regulations pertaining to the establishment and maintenance of public schools and related programs, including:

- Supervising the provision of elementary and secondary education; approving and accrediting schools; approving school construction; approving the school calendar; implementing a uniform system of school district accounting, budgeting and reporting; and administering school district aid, transportation, and teacher compensation payments.
- Developing course content standards and assessments.
- Directing school district annexation, reorganization, and dissolution efforts.
- Promulgating administrative rules.
- Administering state and federal programs identified in state law; Adult Education, Special Education, English Language Learner Program, Child Nutrition and Food Distribution Programs.
- Serving as a member of the State Board of Public School Education, State Board for Career and Technical Education, Board of University and School Lands, Teachers' Fund for Retirement, Children's Services Coordinating Committee, Education Technology Council and the High School Activities Association.
- Supervising the ND School for the Deaf, ND Vision Services/School for the Blind, and the State Library. Although these entities have separate staff and prepare separate budgets, the administrators of each entity are appointed by and report to the superintendent of public instruction.
- Developing teacher contracts and personnel policies needed for administration of state-supported schools (NDSD and NDSB).

Major Accomplishments

1. Contributed data and data analysis relating to the special education finance study, Augenblich study, and the Commission on Education Improvement. Both studies were commissioned and funded by the Department of Public Instruction.
2. Completed the English language learners assessment system and program guidelines to meet state and federal requirements.
3. Funded 19 program sites that provided adult education and family literacy services. Over 2,000 adults were served last year. All local programs met or exceeded their negotiated performance measures for the year.
4. Developed a Memorandum of Understanding with the Bureau of Indian Affairs (BIA) that brings all BIA schools into the system to assess and calculate adequate yearly progress of BIA students.
5. Completed the administrative rulemaking process for school approval and accreditation, English language learners, special education and Title I programs, as required by state and federal law.
6. Completed the development of science content and achievement standards, and the accompanying assessment instrument which is scheduled for implementation in 2006-2007.
7. Invited a team of individuals, representing various educational stakeholders, to attend the McREL Policy Forum in the fall of 2005. As a result, a plan was proposed at the legislatively required joint boards meeting to form a P-16 task force. The mission of the task force is to align all elements of public education to ensure student success in the workplace upon graduation, or to prepare them for college.
8. Wrote and submitted to the US Department of Education (USDOE), three new competitive grant proposals. The new grants have the potential to carry out strategic initiatives and to supplement district needs.
9. Initiated a new strategic plan for 2006-2011, which includes the development of major goals and activities that will serve as a roadmap during the next five years.
10. Conducted training for statewide special education administrators, advocacy organizations, and university faculty regarding the new provisions of the Individuals with Disabilities Education Act (IDEA). The department also provided training on the new law to general education administrators, general and special education teachers and parents of students with disabilities.
11. Received recognition from the USDOE that North Dakota is one of a few states to have the capability of accurately submitting valid and reliable electronic information.
12. Altered monitoring practices to include stakeholder involvement and data analysis that focuses on student achievement. This makes the process more broadly understood and appreciated by schools being monitored and heightens local ownership.
13. Continued to partner with the Education Standards and Practices Board to align the school accreditation program with teacher licensure files.

14. Accumulated three years of data (upon the completion of the 2007-08 school year) to be used in the calculation of adequate yearly progress, as required by USDOE to complete our state accountability plan.
15. Enhanced a web-based computer system for school foods to allow online processing of local agency agreements, claims for reimbursement, distribution of commodity foods and various reporting functions.
16. Conducted specialized training for incorporating fruits and vegetables in school menus and for marketing school meals and healthy foods.
17. Expanded the 21st Century After School Program from 8 to 14 grantees offering after school programs to more than 70 school districts. Programming has been directed at the core academic areas of reading, math and science. The department provided support for local program directors to attend the national training related to after school programs.
18. Expanded the After School Snack Program to include 70 sponsors at 92 sites.
19. Provided training in the development, adoption and implementation of local wellness policies.
20. Developed, distributed and trained all local school food service personnel on HACCP requirements.
21. In cooperation with the Office of the First Lady and in partnership with educational leaders, upgraded the department website, developed curriculum, and initiated partnerships to curb underage drinking and to reduce cyber bullying.

Executive Budget Recommendation

- Provides $775,165,879 for the proposed new state school aid program, an increase of $80.6 million. Included in this total is $16.5 million for equity payments, $17.5 million for special education contracts and gifted and talented programs, $33.5 million for transportation payments, $3.0 million for full day kindergarten for at-risk students beginning with the 2008-09 school year, $43.0 million for special education ADM payments, and $661.7 million for state school aid formula payments.
- Provides a $350,000 increase in general fund operating expenses to offset reductions incurred in prior bienniums. Inflationary increases and increased IT costs have resulted in a shortfall in state funded operating expenses.
- Authorizes 1.00 FTE for the school finance division. This division has been understaffed and requests for information continue to increase.
- Provides $400,000 from the general fund to provide for the rewrite of the school finance program.
- Provides $500,000 from the general fund for the rewrite of the mainframe application used by DPI and the Education Standards and Practices Board to collect teacher licensure data and determine compliance with the highly qualified teacher provisions of the NCLB Act.
- Provides an additional $450,000 from the general fund to supplement the existing appropriation of $1.2 million for student assessments. Pursuant to the No Child Left Behind (NCLB) Act, additional grade levels and subjects have been added to the state assessment program. Continued development costs to ensure alignment with state content standards is required by the USDOE. In addition, the existing contract with CTB/McGraw-Hill expires in 2008 and cost increases are anticipated with a new contract.
- Provides $2.0 million for financial incentives to educational associations participating in joint powers agreements (JPA's).

EXECUTIVE RECOMMENDATION - 2007-09 BIENNIUM
STATE SCHOOL AID PROGRAM

Description	2005-07 Appropriation	Increase (Decrease)	2007-09 Recommendation
State school aid formula payments - per student payment growth	$484,053,759	$45,500,000	$529,553,759 [1]
State school aid formula payments - reallocation to per student pmts	0	127,512,120	127,512,120 [1]
Supplemental revenue to per student payments	5,000,000	(5,000,000)	0 [1]
Teacher compensation grants to per student payments	50,912,120	(50,912,120)	0 [1]
Tuition apportionment to per student payments	71,600,000	(71,600,000)	0 [1]
Tuition apportionment growth	0	4,600,000	4,600,000 [1]
Special education ADM payments [2]	37,000,000	6,000,000	43,000,000 [1]
Equity payments	0	16,500,000	16,500,000 [1]
Full day kindergarten for at-risk students [3]	0	3,000,000	3,000,000 [1]
Special education contracts	15,500,000	2,000,000	17,500,000
Career and Technical Education grants	10,517,216	2,000,000	12,517,216
JPA incentives	1,000,000	1,000,000	2,000,000
Transportation payments	33,500,000	0	33,500,000
Total	$709,083,095	$80,600,000 [4]	$789,683,095

[1] The total amount recommended for state school aid per student formula payments is $724,165,879.

[2] The amount recommended for special education ADM payments includes the continuation of $400,000 for gifted and talented programs.

[3] The implementation of the weighting factor for funding full day kindergarten for at risk students is effective for the 2008-09 school year.

[4] The total recommended increase in K-12 funding is $80.6 million, including a $4.6 million increase in tuition apportionment funds. The net increase in recommended general fund appropriations is $76.0 million.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

201 DEPT OF PUBLIC INSTRUCTION **Bill#: SB 2013**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMIN/ SCHOOL DIST SUPPORT SERVICES	619,172,944	649,904,894	109,719,498	16.9%	759,624,392	131,054,737	20.2%	780,959,631
EDUCATION IMPROVEMENT	207,813,030	204,991,798	-30,127,397	-14.7%	174,864,401	-28,809,568	-14.1%	176,182,230
EDUC SUPPORT & COMMUNITY LEARNING	69,561,084	77,446,530	2,491,806	3.2%	79,938,336	3,077,782	4.0%	80,524,312
TOTAL MAJOR PROGRAMS	896,547,058	932,343,222	82,083,907	8.8%	1,014,427,129	105,322,951	11.3%	1,037,666,173
BY LINE ITEM								
SALARIES AND WAGES	8,834,578	10,056,952	838,598	8.3%	10,895,550	1,754,242	17.4%	11,811,194
OPERATING EXPENSES	14,097,553	14,892,308	4,472,586	30.0%	19,364,894	6,195,986	41.6%	21,088,294
CAPITAL ASSETS	14,271	0	0	.0%	0	0	.0%	0
GRANTS-STATE SCHOOL AID	454,579,990	484,053,759	220,512,120	45.6%	704,565,879	240,112,120	49.6%	724,165,879
GRANTS-SPECIAL EDUCATION CONTRACTS	13,000,000	15,500,000	1,000,000	6.5%	16,500,000	2,000,000	12.9%	17,500,000
GRANTS-TRANSPORTATION	34,800,000	33,500,000	0	0%	33,500,000	0	0%	33,500,000
GRANTS-TUITION APPORTIONMENT	69,272,576	71,600,000	-71,600,000	-100.0%	0	-71,600,000	-100.0%	0
GRANTS-SPECIAL EDUCATION	36,898,217	37,000,000	-37,000,000	-100.0%	0	-37,000,000	-100.0%	0
GRANTS-REVENUE SUPPLEMENT	5,000,000	5,000,000	-5,000,000	9.4%	0	0	-100.0%	0
GRANTS-OTHER GRANTS	207,615,873	207,999,083	19,531,723	-100.0%	227,530,806	-5,000,000	9.4%	227,530,806
GRANTS-TEACHER COMPENSATION	51,854,000	50,912,120	-50,912,120	-100.0%	0	19,531,723	-100.0%	0
REORGANIZATION BONUSES	500,000	759,000	-759,000	100.0%	0	-50,912,120	-100.0%	0
JPA INCENTIVES	0	1,000,000	1,000,000	.0%	2,000,000	-759,000	100.0%	2,000,000
TRANSPORTATION EFFICIENCY	40,000	30,000	0	.0%	30,000	1,000,000	.0%	30,000
NATIONAL BOARD CERTIFICATION	40,000	40,000	0	.0%	40,000	0	.0%	40,000
TOTAL LINE ITEMS	896,547,058	932,343,222	82,083,907	8.8%	1,014,427,129	105,322,951	11.3%	1,037,666,173
BY FUNDING SOURCE								
GENERAL FUND	604,818,025	636,443,581	57,076,297	9.0%	693,519,878	75,142,145	11.8%	711,585,726
FEDERAL FUNDS	220,831,290	222,184,380	25,807,314	11.6%	247,991,694	26,380,011	11.9%	248,564,391
SPECIAL FUNDS	70,897,743	73,715,261	-799,704	-1.1%	72,915,557	3,800,795	5.2%	77,516,056
TOTAL FUNDING SOURCE	896,547,058	932,343,222	82,083,907	8.8%	1,014,427,129	105,322,951	11.3%	1,037,666,173
TOTAL FTE	93.25	92.75	4.50	4.9%	97.25	5.50	5.9%	98.25

Statutory Authority

North Dakota Constitution, Article VIII, Section 6; North Dakota Century Code Chapter 15-10.

Agency Description

The North Dakota State Board of Higher Education (SBHE), established in 1939 by the voters of North Dakota, is the governing body for the state's 11 publicly funded institutions which comprise the North Dakota University System (NDUS). The SBHE carries out its constitutional responsibilities through a comprehensive set of policies. The Chancellor serves as the system's chief executive officer. The Chancellor and the system office staff support the SBHE in developing public policy for the NDUS, in advocating on its behalf, and fostering shared leadership throughout the system.

Major Accomplishments

1. Ensured timely and successful implementation of the centers of excellence initiative, with the following funded projects:
   - The BSC Energy Center: $3.0 million.
   - The LRSC Dakota Center of Optimized Agriculture: $450,000.
   - The NDSU Center for Advanced Electronics Design and Manufacturing: $3.0 million; NDSU Center of Excellence for Agbiotechnology: $2.0 million. NDSU Center of Excellence on Surface Protection: $2.0 million.
   - The UND Research Foundation Center of Excellence in Life Sciences and Advanced Technologies: $3.5 million. UND Center of Excellence for UAV and Simulation Applications: $1.0 million. The UND National Center for Hydrogen Technology: $2.5 million.
   - The VCSU Institute for Customized Business Solutions: $1.0 million.
   - The WSC Petroleum Safety and Technology Center: $400,000.
   - The DSU Institute for Technology and Business Center for Entrepreneurship and Rural Revitalization: $1.5 million.
2. Reviewed and adopted major changes to the NDUS long-term finance plan, including the adoption of a new set of funding peers.
3. Participated in P-16 Task Force developing recommendations to improve student performance.
4. Created the North Dakota Higher Education Consortium for Substance Abuse Prevention to address issues of substance abuse on campus.
5. Implemented CC Benefits at the two-year campuses to systematically identify ND's workforce needs.
6. Implemented several statewide articulation and transfer agreements in a number of discipline areas including childhood education involving the private and tribal colleges. A transfer agreement with the state of Washington was put in place for 10 of the 11 NDUS campuses.
7. Developed, with private sector involvement, a Volunteer Speakers program.
8. Identified solutions to address the financial challenges at MaSU.
9. Continued to have active participation by private sector membership in the Roundtable.
10. Continued to expand the number of businesses served through workforce training.

Executive Budget Recommendation

- Provides $500,000 more general fund monies than requested, for a total of $5.8 million for financial awards that address student affordability.
- Approves an increase of more than 57 percent for overall student financial aid programs.
- Provides an increase of $2,096,200 of which $420,000 is designated as one-time monies for the Common Information Services pool.
- Approves $3.7 million of the $4.1 million requested from the general fund for ConnectND. The $3.7 million is considered one-time funding for the project.
- Provides $300,000 in the Board Initiatives line item for the North Dakota Space Grant Consortium.
- Provides $310,000 additional general fund dollars for EPSCOR for a total of $5.5 million, which will generate an estimated $15.5 million of federal and private funds.
- Approves an increase of $1.0 million in the Capital Assets line item specifically for Mayville State University to address deferred maintenance projects that require immediate attention and to develop a master plan for campus buildings.
- Allows an additional $1.0 million for installation of the Northern Tier Network to support research, education, and economic development initiatives.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

215 ND UNIVERSITY SYSTEM **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
SYSTEM GOVERNANCE	4,635,852	6,062,426	378,968	6.3%	6,441,394	378,968	6.3%	6,441,394
STUDENT GRANT PROGRAMS	6,079,115	8,807,069	2,896,960	32.9%	11,704,029	3,396,960	38.6%	12,204,029
SYSTEM GRANT PROGRAMS	29,798,919	28,683,734	7,987,200	27.8%	36,670,934	7,106,200	24.8%	35,789,934
SYSTEM PROJECTS	11,382,760	16,004,315	3,265,000	20.4%	19,269,315	2,908,861	18.2%	18,913,176
TOTAL MAJOR PROGRAMS	51,896,646	59,557,544	14,528,128	24.4%	74,085,672	13,790,989	23.2%	73,348,533
BY LINE ITEM								
SYSTEM GOVERNANCE-OPERATING	4,470,635	5,568,422	872,972	15.7%	6,441,394	872,972	15.7%	6,441,394
OPERATIONS POOL	578,417	344,559	0	.0%	344,559	0	.0%	344,559
CAPITAL ASSETS	10,604,322	14,278,141	1,850,000	13.0%	16,128,141	2,543,861	17.8%	16,822,002
STUDENT FINANCIAL ASSISTANCE GRANTS	2,585,188	3,823,502	1,663,995	43.5%	5,487,497	2,163,995	56.6%	5,987,497
CONTINGENCY AND CAPITAL EMERGENCY	1,819,119	496,482	0	.0%	496,482	0	.0%	496,482
SCHOLARS PROGRAM	808,698	915,456	563,110	61.5%	1,478,566	563,110	61.5%	1,478,566
TITLE II	695,600	695,600	0	.0%	695,600	0	.0%	695,600
NATIVE AMERICAN SCHOLARSHIP PROG	202,850	253,626	127,000	50.1%	380,626	127,000	50.1%	380,626
COMMON INFORMATION SERVICES	18,555,783	20,607,093	7,677,200	37.3%	28,284,293	6,796,200	33.0%	27,403,293
EDUCATION INCENTIVE PROGRAMS	878,490	1,577,314	163,000	10.3%	1,740,314	163,000	10.3%	1,740,314
CENTERS FOR EXCELLENCE	1,550,000	0	0	.0%	0	0	.0%	0
PROF STUDENT EXCHANGE PROG.	1,603,889	2,237,171	379,855	17.0%	2,617,026	379,855	17.0%	2,617,026
PROFESSIONAL LIABILITY INSURANCE	1,850,000	1,350,000	0	.0%	1,350,000	0	.0%	1,350,000
COMPETITIVE RESEARCH PROGRAM	4,750,000	5,190,000	310,000	6.0%	5,500,000	310,000	6.0%	5,500,000
BIENNIUM CARRYOVER	165,217	494,004	-494,004	-100.0%	0	-494,004	-100.0%	0
BOARD INITIATIVES	778,438	1,726,174	1,415,000	82.0%	3,141,174	365,000	21.1%	2,091,174
TOTAL LINE ITEMS	51,896,646	59,557,544	14,528,128	24.4%	74,085,672	13,790,989	23.2%	73,348,533
BY FUNDING SOURCE								
GENERAL FUND	49,658,072	56,845,462	14,802,400	26.0%	71,647,862	14,065,261	24.7%	70,910,723
FEDERAL FUNDS	782,500	1,057,526	33,074	3.1%	1,090,600	33,074	3.1%	1,090,600
SPECIAL FUNDS	1,456,074	1,654,556	-307,346	-18.6%	1,347,210	-307,346	-18.6%	1,347,210
TOTAL FUNDING SOURCE	51,896,646	59,557,544	14,528,128	24.4%	74,085,672	13,790,989	23.2%	73,348,533
TOTAL FTE	20.00	20.00	1.00	5.0%	21.00	1.00	5.0%	21.00

STATE LAND DEPARTMENT

Agency 226

Statutory Authority

North Dakota Constitution Article IX; North Dakota Century Code Chapters 15-01 through 15-09, 38.09, 38.11, and 47-30.1, Sections 57-62-03 through 57-62-06 and 63-01.1-01.

Agency Description

The primary function of the Board of University and School Lands and the Land Department is to generate income for distribution to local school districts and other institutions in North Dakota. This income is generated through prudent management of trust assets, consisting of over 711,000 surface acres, over 2.5 million mineral acres and over $887.0 million in investment assets (loans, marketable securities, and cash equivalents). The surface acres are leased to ranchers and farmers across the state. The 2.5 million mineral acres are offered for oil, gas, coal, gravel and scoria leasing. Revenues from all sources are deposited in permanent trust funds and are invested in the Farm Loan Pool administered by the Bank of North Dakota, US Treasury notes and bonds, and corporate bonds and stocks. The income from these investments, together with surface and mineral rentals, is distributed to schools (public grades K-12), and educational and other public institutions at specified intervals throughout the biennium.

The Land Department is the trustee for the lands and minerals trust fund. This trust fund consists of 660,000 mineral acres formerly managed by the Bank of North Dakota, and minerals located under navigable streams, rivers, and lakes, which are owned by North Dakota as a sovereign state.

The Land Department also administers the Unclaimed Property Act. In this capacity the Department collects "unclaimed property" (uncashed checks, unused bank accounts, etc.), and processes claims from owners. This property is held in trust for the owner forever, and the income it produces is distributed to public grades K-12.

The Energy Development Impact Office (EDIO) reduces the fiscal impact of oil exploration, development and production for those local subdivisions in whose jurisdiction the activity occurs through the targeted application of grant funds appropriated by the legislature. The goal of the program is to pick up costs that are over and above the normal costs that these units of government would incur.

Major Accomplishments

1. Enhanced outreach and holder education efforts by participating in a national unclaimed property database and utilized informational mailings to new businesses.
2. Worked with the legislature and education organizations to enact 2005 House Concurrent Resolution 3037, providing for a change in the way trust distributions are calculated. The measure allows the Land Board to manage the educational trust fund assets in a more efficient and effective manner, which will result in higher, more stable and more reliable distributions to trust beneficiaries for generations to come.
3. Researched the differences between passive, active and enhanced (risk controlled) equity investing and used the results to restructure both the Land Board's large cap US and international equity portfolios in an effort to enhance trust growth and future distributions.
4. Continued successful agricultural leasing program. Land improvement projects such as biological control of leafy spurge and the range improvement program both contributed to improved condition of school trust lands while income from easements and permits were at near record levels because of increased oil and gas development.
5. Worked on developing an electronic filing program for producer royalty reports. Oil and gas leasing activity has increased to record levels due to higher prices and improved exploration technology.
6. Distributed EDIO grants, which have been fully utilized as the need by local subdivisions impacted by oil development continues to exceed available amounts.

Executive Budget Recommendation

- Recommends budget as submitted, which includes a $1.0 million increase in EDIO grants per 2005 House Bill No. 1404.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

226 STATE LAND DEPARTMENT **Bill#: HB 1013**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
LAND DEPARTMENT	3,963,844	7,826,022	1,128,550	14.4%	8,954,572	1,300,666	16.6%	9,126,688
TOTAL MAJOR PROGRAMS	3,963,844	7,826,022	1,128,550	14.4%	8,954,572	1,300,666	16.6%	9,126,688
BY LINE ITEM								
SALARIES AND WAGES	1,827,553	2,229,222	101,550	4.6%	2,330,772	273,666	12.3%	2,502,888
OPERATING EXPENSES	500,474	648,700	27,000	4.2%	675,700	27,000	4.2%	675,700
CAPITAL ASSETS	6,350	10,000	0	.0%	10,000	0	.0%	10,000
OTHER GRANTS	1,629,467	4,888,100	1,000,000	20.5%	5,888,100	1,000,000	20.5%	5,888,100
CONTINGENCY	0	50,000	0	.0%	50,000	0	.0%	50,000
TOTAL LINE ITEMS	3,963,844	7,826,022	1,128,550	14.4%	8,954,572	1,300,666	16.6%	9,126,688
BY FUNDING SOURCE								
SPECIAL FUNDS	3,963,844	7,826,022	1,128,550	14.4%	8,954,572	1,300,666	16.6%	9,126,688
TOTAL FUNDING SOURCE	3,963,844	7,826,022	1,128,550	14.4%	8,954,572	1,300,666	16.6%	9,126,688
TOTAL FTE	17.75	18.75	.00	.0%	18.75	.00	.0%	18.75

BISMARCK STATE COLLEGE

Agency 227

Statutory Authority

North Dakota Century Code Chapter 15-10-01.

Agency Description

As a community college, the purpose of Bismarck State College (BSC) is to provide an educational environment of the highest caliber at a reasonable cost; to maintain a warm and wholesome social atmosphere; to provide opportunities for advanced knowledge, improved skills, high ideals and ethical standards; and to make learning an enjoyable, rewarding experience. Students may 1) earn college credits for transfer to a four-year institution; 2) complete training in a vocation-technical program; 3) keep job skills current or take non-credit courses in subjects of personal interest. The college also recognizes the importance of promoting research, public service, economic development, and cultural awareness. The BSC service areas include the immediate, contiguous geographical region for most programs, and statewide, regional or nationwide areas for select, unique programs.

Major Accomplishments

1. Coordinated training for 2,513 people from 266 businesses in the Southwest Workforce Training Region during 2004-05. Of the clients served, 99 percent were satisfied with the training, and 30 percent were repeat clients.
2. Developed, at the request of and in partnership with industry, new programs including:
   - Transportation and Supply Chain Management
   - Geographic Information Systems
   - Industrial Maintenance Technology
   - Web Page Development and Design
3. Received approval to begin offering an Associates Degree Nursing program in the fall of 2005
4. Implemented ConnectND software.
5. Received acceptance to join the Academic Quality Improvement Program (AQIP) by the Higher Learning Commission of the North Central Association of Colleges and Schools. AQIP is a quality-based, continuous improvement model for maintaining accreditation.
6. Hosted collaborative students who attend classes on the BSC campus. In 2004-05, more than 400 collaborative students were enrolled in programs and more than 400 high school students attended classes at the Technical Center.
7. Received a $1.5 million grant to help build the National Energy Center of Excellence and received a HUD earmark for $300,000 for the same purpose.
8. Received an earmark of $495,850 to implement the Industrial Maintenance Technology program, which will educate technicians who install, repair and maintain industrial production and processing equipment.
9. Received notification in January 2005 that students enrolled in the 2003-04 Practical Nursing program received a 100 percent pass rate for the National Council Licensure Examination for Practical Nurses. The national pass rate is 89.36 percent.
10. Sponsored the eighth annual ArtsQuest, a springtime celebration of music, theater, art, and literature for the campus and community.
11. Received designation as the National Power Plant Operations Technology and Education Center in the Energy Bill passed by Congress in August 2005.
12. Opened Allied Health Campus in the fall of 2005 in downtown Bismarck. Programs located there are nursing, including certified nursing assistant program; surgical technology; and massage therapy.
13. Received $3.0 million through the ND Centers of Excellence for Economic Development. BSC's Center of Excellence focuses on education of multi-skilled technicians for the energy industry on a national scale.
14. Received certification from the Learning Resources Network (LERN), the leading training and consulting services for lifelong learning professionals.

Executive Budget Recommendation

- Provides from the general fund an increase of $1,993,005 for parity and a $524,585 equity increase.
- Approves the renovation of the 1st floor of Schafer Hall for $543,000 with $515,195 from the general fund and the remaining from local and private funds.
- Provides an additional $104,000 for deferred maintenance.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

227 BISMARCK STATE COLLEGE **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
BISMARCK STATE COLLEGE	16,573,254	23,082,512	-2,387,077	-10.3%	20,695,435	-2,283,182	-9.9%	20,799,330
TOTAL MAJOR PROGRAMS	16,573,254	23,082,512	-2,387,077	-10.3%	20,695,435	-2,283,182	-9.9%	20,799,330
BY LINE ITEM								
OPERATING EXPENSES	15,762,327	17,265,548	2,517,590	14.6%	19,783,138	2,517,590	14.6%	19,783,138
CAPITAL ASSETS	706,817	746,281	-376,984	-50.5%	369,297	242,106	32.4%	988,387
CAPITAL ASSETS-CARRYOVER	24,384	43,183	-43,183	-100.0%	0	-43,183	-100.0%	0
CAPITAL ASSETS NON-STATE FUNDED	79,726	5,027,500	-4,484,500	-89.2%	543,000	-4,999,695	-99.4%	27,805
TOTAL LINE ITEMS	16,573,254	23,082,512	-2,387,077	-10.3%	20,695,435	-2,283,182	-9.9%	20,799,330
BY FUNDING SOURCE								
GENERAL FUND	16,493,528	17,552,212	3,115,418	17.7%	20,667,630	3,219,313	18.3%	20,771,525
SPECIAL FUNDS	79,726	5,530,300	-5,502,495	-99.5%	27,805	-5,502,495	-99.5%	27,805
TOTAL FUNDING SOURCE	16,573,254	23,082,512	-2,387,077	-10.3%	20,695,435	-2,283,182	-9.9%	20,799,330
TOTAL FTE	123.30	115.15	-9.77	-8.5%	105.38	-9.77	-8.5%	105.38

LAKE REGION STATE COLLEGE

Agency 228

Statutory Authority

North Dakota Century Code Chapter 15-10-01.1.

Agency Description

Lake Region State College is a student-centered, open access, comprehensive community college within the North Dakota University System. The college provides quality academic education, vocational/technical training, workforce training, educational outreach opportunities, and life-long learning.

LRSC serves more than 2,700 students each year through on-campus and distance delivery. Lake Region State College is proud to collaborate with other North Dakota University System campuses to offer an associate of arts degree online, a Baccalaureate degree in business in cooperation with Mayville State University in Devils Lake, and an Associate Applied Science in Law Enforcement through innovative computer-based training and e-learning technology.

Major Accomplishments

1. Continued to refine the institutional research function to meet needs of legislative and mandated accountability measures.
2. Maintained a fiscally sound operation despite limited resources.
3. Offered nursing programs in a collaborative effort with Williston State College, Minot State University – Bottineau, and Minot State University and awarded its first nursing degrees in FY06.
4. Continued to expand the Associate in Applied Science degree in American Sign Language and Interpreting in cooperation with North Dakota School for the Deaf. The program was added to the Sign Language Certificate already in place. A full-time instructor/coordinator was hired with grant funds from a federal grant through St. Paul Technical College. The college requested continued support from the NDSD in the form of faculty.
5. Expanded outreach offerings where requested in Dual Credit, IVN, Internet, Grand Forks Air Force Base, and off-site delivery areas including Baghdad, Iraq and Thule, Greenland. Online courses continue to grow exponentially. LRSC's Peace Officer Training program is in its fifth consecutive year of delivery to the Fargo area.
6. Received a $400,000 grant from the North Dakota Commerce Department to establish the Center for Excellence in the first round of project competition. Lake Region's Center for Optimized Agriculture is currently in its first full production year.
7. Continued to improve the coordination of strategic planning, program review, and budget process in coordination with the Report of the Roundtable. Lake Region State's campus planning process focuses on Roundtable goals when creating its annual plans. Communication of college plans and impact of the Roundtable on the college is communicated to external audiences through various campus publications.

Executive Budget Recommendation

- Provides from the general fund an increase of $493,253 for parity and $244,425 equity increase.
- Approves the $3.0 million wind energy project as a performance contract project and provides an additional $28,000 for deferred maintenance.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

228 LAKE REGION STATE COLLEGE **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
LAKE REGION STATE COLLEGE	5,079,936	6,177,526	2,120,836	34.3%	8,298,362	3,483,345	56.4%	9,660,871
TOTAL MAJOR PROGRAMS	5,079,936	6,177,526	2,120,836	34.3%	8,298,362	3,483,345	56.4%	9,660,871
BY LINE ITEM								
OPERATING EXPENSES	5,032,682	5,789,989	737,678	12.7%	6,527,667	737,678	12.7%	6,527,667
CAPITAL ASSETS	44,831	387,537	-289,842	-74.8%	97,695	-261,933	-67.6%	125,604
CAPITAL ASSETS-CARRYOVER	2,423	0	0	.0%	0	0	.0%	0
CAPITAL ASSETS NON-STATE FUNDED	0	0	1,673,000	100.0%	1,673,000	3,007,600	100.0%	3,007,600
TOTAL LINE ITEMS	5,079,936	6,177,526	2,120,836	34.3%	8,298,362	3,483,345	56.4%	9,660,871
BY FUNDING SOURCE								
GENERAL FUND	5,079,936	6,177,526	447,836	7.2%	6,625,362	475,745	7.7%	6,653,271
SPECIAL FUNDS	0	0	1,673,000	.0%	1,673,000	3,007,600	.0%	3,007,600
TOTAL FUNDING SOURCE	5,079,936	6,177,526	2,120,836	34.3%	8,298,362	3,483,345	56.4%	9,660,871
TOTAL FTE	36.85	36.21	-5.72	-15.8%	30.49	-5.72	-15.8%	30.49

WILLISTON STATE COLLEGE

Agency 229

Statutory Authority

North Dakota Century Code 15-10-01.1.

Agency Description

Williston State College is a comprehensive community college serving northwest North Dakota and beyond with Associate of Arts, Associate of Science, Associate of Applied Science and certificate education in academic transfer and vocational education and with Workforce Training as a service to regional employers. In the '05-'06 academic year, the Williston State College Workforce Training Division trained over 2,200 employees in the northwest quadrant of North Dakota and the college served over 940 college credit students.

Major Accomplishments

1. Worked extensively with the oil industry advisory board to gain an understanding of the needs of the industry, set goals, develop a plan to meet these goals, and take action to accomplish these goals. A number of training programs are offered to meet some of the needs including truck driving training and new hire training. Most recently, through Center of Excellence funding, local grant funding, and extensive contributions from industry along with support from the WSC foundation, WSC began development of an oil field training site that will allow hands-on training. The training site is located on a nine-acre tract of land located in the Williston Industrial Park. Two 1,000 foot wells have been drilled. One will be used for proprietary research and development, downhole testing, and proprietary training. The other will be used for new hire training open to employees from multiple companies. This site will have a workover rig that has been donated and is currently being refurbished as well as an oil fire training site. It is fully expected that this will be a successful program with great potential for growth as this is industry driven and in high demand.
2. Implemented the Dakota Nursing Program in partnership with other community colleges in North Dakota. After legislative changes, the college now offers the one-year LPN certificate program and a two-year registered nursing program. The program changes are serving the students and the health care industry across North Dakota.
3. Provided daycare on campus since the fall of 2004 for flexible scheduling based on student class and work schedules. The college contracted with a local daycare provider for the service.
4. Implemented the plan during fiscal year 2006 to reallocate funds from all departments with general fund and tuition revenue sources. These funds were reallocated to the utility expenditure line. In light of the increased rates, we feel this was an accomplishment worth noting.
5. Implemented the new administrative software and completed two fiscal years using the new system.

Executive Budget Recommendation

- Provides from the general fund an increase of $593,981 for parity and $92,124 equity increase.
- Approves the $1.4 million Creighton building addition from non-state funding sources

REQUEST / RECOMMENDATION COMPARISON SUMMARY

229 WILLISTON STATE COLLEGE **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
WILLISTON STATE COLLEGE	5,496,161	13,899,472	-5,911,779	-42.5%	7,987,693	-5,903,172	-42.5%	7,996,300
TOTAL MAJOR PROGRAMS	5,496,161	13,899,472	-5,911,779	-42.5%	7,987,693	-5,903,172	-42.5%	7,996,300
BY LINE ITEM								
OPERATING EXPENSES	5,407,371	5,752,997	686,105	11.9%	6,439,102	686,105	11.9%	6,439,102
CAPITAL ASSETS	88,790	176,475	-27,884	-15.8%	148,591	-19,277	-10.9%	157,198
CAPITAL ASSETS NON-STATE FUNDED	0	7,960,000	-6,560,000	-82.4%	1,400,000	-6,560,000	-82.4%	1,400,000
BIENNIUM CARRYOVER	0	10,000	-10,000	-100.0%	0	-10,000	-100.0%	0
TOTAL LINE ITEMS	5,496,161	13,899,472	-5,911,779	-42.5%	7,987,693	-5,903,172	-42.5%	7,996,300
BY FUNDING SOURCE								
GENERAL FUND	5,496,161	5,939,472	648,221	10.9%	6,587,693	656,828	11.1%	6,596,300
SPECIAL FUNDS	0	7,960,000	-6,560,000	-82.4%	1,400,000	-6,560,000	-82.4%	1,400,000
TOTAL FUNDING SOURCE	5,496,161	13,899,472	-5,911,779	-42.5%	7,987,693	-5,903,172	-42.5%	7,996,300
TOTAL FTE	46.17	44.98	-6.18	-13.7%	38.80	-6.18	-13.7%	38.80

Statutory Authority

North Dakota Constitution, Articles VIII and IX; North Dakota Century Code Sections 15-11 and 15-22.

Agency Description

The University of North Dakota, classified as a "Doctoral/Research University Intensive" institution by the Carnegie Foundation for the Advancement of Teaching, is characterized by a solid foundation of the liberal arts, a manageable size, high-quality students and faculty, a diverse curriculum, a widely recognized program of graduate education and research, law and medical schools praised for quality and innovation, rich cultural resources, and an outstanding record of alumni support. Its major academic divisions include Arts and Sciences, Aerospace Sciences, Business and Public Administration, Education and Human Development, Engineering and Mines, Nursing, Medicine and Health Sciences, Law, Graduate School, and Continuing Education.

Major Accomplishments

1. Maintained all institutional and discipline-specific accreditations.
2. Released the new strategic plan, Building on Excellence, in the summer of 2005.
3. Sponsored program activities in FY05 that generated nearly $163.0 million in economic output and 1,584 jobs across Grand Forks County, the State of North Dakota and the five-state North Central Region. $127.9 million of the $163.0 million of economic output and 1,284 of the 1,584 jobs are realized within the state.
4. Increased fall 2005 enrollment for a total of 12,954 students. Served nearly 17,000 students in degree credit offerings during 2005-06 fall, spring, and summer semesters.
5. Optimized the use of information technology to improve student learning, research, and the administration of the university.
6. Took resource development to a new level through an enhanced cooperative approach involving the president, vice presidents, deans and chairs in concert with the UND Foundation and other foundations, while building greater public understanding and support of the university's mission, distinctive qualities and strategic agenda.
7. Expanded and strengthened the university's commitment to research and creativity as a means of enriching the learning environment and as a drive for economic development.
8. Received $7.0 million for Centers of Excellence including $3.5 million for Life Sciences and Advanced Technologies, $2.5 million for the National Center for Hydrogen Technology, and $1.0 million for the Center of Excellence for Unmanned Aerial Vehicles.
9. EPSCoR received $193.5 million in external awards from an investment of $24.3 million from State funds during the past 10 years.
10. Enrolled 1,953 participants in the Workforce Development program.
11. Held the grand opening of the American Indian Student Services Center in the spring of 2006.
12. Ranked 14th in "The Top 25 most Highly Entrepreneurial Undergraduate Universities" and ranked 19th in the country on the Princeton Review's list of the "25 Most Connected Campuses."

Executive Budget Recommendation

- Provides from the general fund an increase of $10,356,966 for parity and $3,163,572 for equity increases.
- Approves $2.2 million additional general fund dollars for the O'Kelly Hall-Ireland Lab and a supplemental $2.0 million for deferred maintenance.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

230 UNIVERSITY OF NORTH DAKOTA **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
UNIVERSITY OF NORTH DAKOTA	101,787,454	238,713,136	-67,564,513	-28.3%	171,148,623	-45,104,231	-18.9%	193,608,905
TOTAL MAJOR PROGRAMS	101,787,454	238,713,136	-67,564,513	-28.3%	171,148,623	-45,104,231	-18.9%	193,608,905
BY LINE ITEM								
OPERATING EXPENSES	99,578,517	93,011,602	14,268,428	15.3%	107,280,030	14,268,428	15.3%	107,280,030
CAPITAL ASSETS	1,697,540	2,300,545	1,568,048	68.2%	3,868,593	5,828,330	253.3%	8,128,875
CAPITAL ASSETS-CARRYOVER	140,397	664,596	-664,596	-100.0%	0	-664,596	-100.0%	0
CAPITAL ASSETS NON-STATE FUNDED	0	142,736,393	-82,736,393	-58.0%	60,000,000	-64,536,393	-45.2%	78,200,000
1997 FLOOD EXPENDITURES	371,000	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	101,787,454	238,713,136	-67,564,513	-28.3%	171,148,623	-45,104,231	-18.9%	193,608,905
BY FUNDING SOURCE								
GENERAL FUND	101,787,454	95,976,743	15,171,880	15.8%	111,148,623	19,432,162	20.2%	115,408,905
SPECIAL FUNDS	0	142,736,393	-82,736,393	-58.0%	60,000,000	-64,536,393	-45.2%	78,200,000
TOTAL FUNDING SOURCE	101,787,454	238,713,136	-67,564,513	-28.3%	171,148,623	-45,104,231	-18.9%	193,608,905
TOTAL FTE	706.74	623.76	13.48	2.2%	637.24	13.48	2.2%	637.24

Statutory Authority

North Dakota Constitution, Articles VIII and IX; North Dakota Century Code Chapter 15-22.

Agency Description

The University of North Dakota School of Medicine and Health Sciences (SMHS) is recognized nationally as one of the outstanding community-based medical schools in the nation and as a model for highest quality educational programs, efficiently delivered, with an emphasis on primary care. In addition to medical student and resident education, the SMHS provides educational opportunities for a wide variety of allied health service professionals including clinical lab science, athletic training, physical therapy, occupational therapy and the physician assistant program. Further, the SMHS is acknowledged for its leadership in providing education in health professions through its commitment to American Indians.

Major Accomplishments

1. Dedicated the Minot Center for Family Medicine (CFM) facility in May 2005. The Center also contains School of Medicine and Health Sciences (SMHS) campus offices and a branch office of Center for Rural Health. The Minot CFM has had an approximate 20 percent increase in its number of patients.
2. Received by the Center for Rural Health, a federal grant program which funds the Rural Assistance Center for the United States. This grant is awarded for five years and has an annual budget of $756,000.
3. Constructed a $900,000 addition to The Center for Excellence in Neuroscience research facility which was initiated in June 2006.
4. Continued to receive research funding at a high level with awards of $16.5 million in 2006 despite more restrictive National Institute of Health/National Science Foundation budgets.
5. Submitted approximately $135.0 million in grant and contract proposals in fiscal year 2006, a record high.
6. Received accreditation by the Liaison Committee on Medical Education (LCME) for eight years with commendations in several areas including: leadership by the Dean and Associate Deans, curriculum, volunteer faculty, Rural Opportunities in Medical Education, Indians into Medicine Program, Grand Forks Clinical Education Center and focused research. Several areas of concentration were mentioned as “models” for community based medical schools.
7. Developed programs that are fully accredited and student performance on national board and licensure exams equaled or exceeded the national norms. Approximately 15 percent of medical school sophomores scored in the top 1 percentile on National Board of Medical Examiners Step 1 Examination. Approximately 17,000 students nationwide take the exam.
8. Increased tuition eight percent for each year of the 2005-07 biennial budget.
9. Provided salary increases for eligible faculty and staff which averaged 4.4 percent for 2005-06 and 3.6 percent for 2006-07.
10. Established, in conjunction with the UND Foundation, an Office of Development with a director of development, marketing and alumni relations coordinator, and an administrative assistant

Executive Budget Recommendation

- Provides funding for operations of the Medical Center.
- Provides a general fund increase of $2.5 million for parity and $758,452 for equity increases.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

232 UND MEDICAL CENTER **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
UND-MEDICAL CENTER	30,165,865	31,361,002	2,513,936	8.0%	33,874,938	2,513,936	8.0%	33,874,938
TOTAL MAJOR PROGRAMS	30,165,865	31,361,002	2,513,936	8.0%	33,874,938	2,513,936	8.0%	33,874,938
BY LINE ITEM								
OPERATING EXPENSES	30,165,865	31,361,002	2,513,936	8.0%	33,874,938	2,513,936	8.0%	33,874,938
TOTAL LINE ITEMS	30,165,865	31,361,002	2,513,936	8.0%	33,874,938	2,513,936	8.0%	33,874,938
BY FUNDING SOURCE								
GENERAL FUND	30,165,865	31,361,002	2,513,936	8.0%	33,874,938	2,513,936	8.0%	33,874,938
TOTAL FUNDING SOURCE	30,165,865	31,361,002	2,513,936	8.0%	33,874,938	2,513,936	8.0%	33,874,938
TOTAL FTE	198.91	178.56	-22.82	-12.8%	155.74	-22.82	-12.8%	155.74

NORTH DAKOTA STATE UNIVERSITY

Agency 235

Statutory Authority

North Dakota Constitution Section 215; North Dakota Century Code Chapter 15-12.

Agency Description

North Dakota State University (NDSU) affirms its heritage as North Dakota's land-grant institution. Through its colleges, station and extension, NDSU, as a member of the North Dakota University System (NDUS), provides instruction, research, and public service. NDSU educates and serves the people of North Dakota, the region, the nation, and the international community by discovering, communicating, applying and preserving knowledge. The University fosters the personal growth of individuals by creating an environment which nurtures intellectual, social, and cultural development. It offers academic and professional programs which lead to degrees, from the baccalaureate through the doctorate. NDSU assumes a coordinating role in the North Dakota University System for academic computing and economic development. The University provides information systems necessary to accomplish its mission.

Major Accomplishments

1. Set a new record for the sixth year in a row, with 2005 with enrollment of 12,099 students.
2. Fall 2005 graduate program enrollment was up 126 individuals for a total of 1,603 graduate students and fall 2005 international program enrollment was up 16 individuals for a total of 616 students.
3. Reflected by the Annual Employment Report, 93 percent of all recent graduates were employed.
4. Offered 41 doctoral and professional programs, 51 master degree programs, 103 bachelor degree programs, and one specialist program.
5. Collaborated with North Dakota University System campuses, including:
   - L-12 teacher professional development courses with Minnesota State University-Moorhead and University of North Dakota.
   - Ag degree program and biosurveillance research with Dickinson State University.
   - Legal Assistant program with Lake Region State College.
   - Elementary Ed program with Valley City State University.
   - Articulation agreement with North Dakota State College of Science.
   - Medical Assistant program with Minot State University-Bottineau.
6. Contributed to the states economy with 5,363 employees in 2005.
7. Surveyed faculty and staff and received results demonstrating more satisfaction with the institution than in 2002.
8. Provided faculty and staff a 6.2 percent salary increase in FY06 and 4.7 percent increase in FY07.
9. Research expenditures during FY05 were $102.1 million, placing NDSU 7th among its peers.
10. Increased the number of external proposals in the 2003-05 biennium by 34.2 percent over 2001-03.
11. Increased the dollar value of external proposals in the 2003-05 biennium by 33.5 percent over 2001-03.
12. Completed two additional buildings:
    - Alien Technology and the incubator building will join Phoenix International, Research I, and Research II /Center for Nanoscale Science Engineering at the NDSU Research and Technology Park, and
    - Bobcat, a business of Ingersoll-Rand Co. Ltd., will be the anchor tenant of the Center for Technology Enterprise.

Executive Budget Recommendation

- Provides from the general fund, an increase of $8,972,682 for parity and $4,140,843 for equity increases.
- Provides an additional $1.0 million general fund dollars for deferred maintenance.
- Approves $5.0 million additional general fund dollars for Minard Hall.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

235 NORTH DAKOTA STATE UNIVERSITY **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
NORTH DAKOTA STATE UNIVERSITY	81,703,294	115,937,538	-2,939,396	-2.5%	112,998,142	3,589,798	3.1%	119,527,336
TOTAL MAJOR PROGRAMS	81,703,294	115,937,538	-2,939,396	-2.5%	112,998,142	3,589,798	3.1%	119,527,336
BY LINE ITEM								
OPERATING EXPENSES	78,337,274	76,704,650	13,113,525	17.1%	89,818,175	13,113,525	17.1%	89,818,175
CAPITAL ASSETS	1,696,868	1,692,226	987,741	58.4%	2,679,967	7,516,935	444.2%	9,209,161
CAPITAL ASSETS-CARRYOVER	169,152	40,662	-40,662	-100.0%	0	-40,662	-100.0%	0
CAPITAL ASSETS NON-STATE FUNDED	0	37,500,000	-17,000,000	-45.3%	20,500,000	-17,000,000	-45.3%	20,500,000
2000 FLOOD EXPENDITURES	1,500,000	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	81,703,294	115,937,538	-2,939,396	-2.5%	112,998,142	3,589,798	3.1%	119,527,336
BY FUNDING SOURCE								
GENERAL FUND	81,703,294	78,437,538	14,060,604	17.9%	92,498,142	20,589,798	26.2%	99,027,336
SPECIAL FUNDS	0	37,500,000	-17,000,000	-45.3%	20,500,000	-17,000,000	-45.3%	20,500,000
TOTAL FUNDING SOURCE	81,703,294	115,937,538	-2,939,396	-2.5%	112,998,142	3,589,798	3.1%	119,527,336
TOTAL FTE	545.02	483.99	14.13	2.9%	498.12	14.13	2.9%	498.12

Statutory Authority
North Dakota Century Code Chapter 15-15.02.

Agency Description
The college provides educational programs and services which serve the needs of individuals preparing for careers in the applied sciences/technologies. It serves the businesses and industries of North Dakota by working with employers on the design and delivery of customized training programs. It is the vision of the college to provide quality education/services "second to none" through commitment to customer focus, employee development, and continuous improvement.

The college is committed to a philosophy that provides for the varied educational needs of each person through competent faculty, curriculum programs, and educational experiences. Students have the opportunity to develop to their full potential, obtain gainful employment, and make satisfactory career progress. The college provides students with practical hands-on and general education knowledge and skills.

Major Accomplishments
1. Offered an online entrepreneurship course. New business partnerships have been established and the college continues to grow in the area of workforce training. The college is in discussion with the city of Wahpeton and the local high school on a joint venture of a new city/college/community track and stadium located on campus.
2. Developed a Reward and Recognition Plan to recognize employees for entrepreneurial contributions.
3. Provided high-quality education and skill-development opportunities that prepare students to be successful personally and professionally, to advance and change careers readily, and to be life-long learners, good citizens, leaders and knowledgeable contributing members of an increasingly global and multi-cultural society. The college accomplished this by:
   - Tracking students involved in the course placement policy.
   - Expanding wireless access to 100 percent of the campus.
   - Conducting customer service training required of all faculty and staff.
   - Focusing the entire institution on student learning and development.
4. Continued to help create a University System environment that is responsive to the needs of its various clients. The college has accomplished this through:
   - Establishing a task force to develop a curriculum evaluation system.
   - Responding to a high demand for welders by expanding the welding program at the Skills and Technology Training Center (STTC) in Fargo.
   - Enhancing dual credit offerings.
   - Increasing student participation in North Dakota cooperative education offerings by 15 percent.
5. Developed and launched a statewide website for workforce training.
6. Created a University System that is proactively accessible to all areas of North Dakota and seeks students and customers from outside the state. The college is realizing this cornerstone by increasing online course offerings by over 20 percent, including two AAS programs and also signed new articulation agreements with several colleges.
7. Increased the number of credit and non-credit students and/or businesses served at the STTC in Fargo. Course enrollment increased from 82 to 243.
8. Worked toward a funding and resource allocation system linked to the needs and expectations of the University System through:
   - Attainment of a 10-fold increase in grant funds received.
   - Increased campus facility usage during the summer months.
   - Grant writing revenue increased by 25 percent over previous year.
   - Granting to out-of-state students who live in our residence halls and use our meal plans the same tuition rate as in-state students.
   - Increased legislative support in southeast North Dakota.
9. Worked hard at keeping the Vision of the Roundtable on the minds of internal and external constituents. Roundtable goals have been communicated on campus repeatedly throughout the year using multiple channels. External constituents are reminded of the Vision through the Presidential Advisory Committee and numerous successful marketing and communications efforts. NDSCS has increased its exposure in the mass media and is in the process of a major reconfiguration of its web site.

Executive Budget Recommendation
- Provides from the general fund an increase of $2,339,371 for parity and $33,694 for equity increases.
- Provides an additional $293,911 general fund dollars for deferred maintenance.
- Approves $1,670,420 million additional general fund dollars for steam line distribution replacement.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

238 ND STATE COLLEGE OF SCIENCE **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ND STATE COLLEGE OF SCIENCE	24,757,624	28,545,080	8,291,767	29.0%	36,836,847	10,285,678	36.0%	38,830,758
TOTAL MAJOR PROGRAMS	24,757,624	28,545,080	8,291,767	29.0%	36,836,847	10,285,678	36.0%	38,830,758
BY LINE ITEM								
OPERATING EXPENSES	23,936,824	24,986,828	2,373,065	9.5%	27,359,893	2,373,065	9.5%	27,359,893
CAPITAL ASSETS	820,800	753,332	339,202	45.0%	1,092,534	2,303,533	305.8%	3,056,865
CAPITAL ASSETS NON-STATE FUNDED	0	2,804,920	5,579,500	198.9%	8,384,420	5,609,080	200.0%	8,414,000
TOTAL LINE ITEMS	24,757,624	28,545,080	8,291,767	29.0%	36,836,847	10,285,678	36.0%	38,830,758
BY FUNDING SOURCE								
GENERAL FUND	24,757,624	25,740,160	2,712,267	10.5%	28,452,427	4,676,598	18.2%	30,416,758
SPECIAL FUNDS	0	2,804,920	5,579,500	198.9%	8,384,420	5,609,080	200.0%	8,414,000
TOTAL FUNDING SOURCE	24,757,624	28,545,080	8,291,767	29.0%	36,836,847	10,285,678	36.0%	38,830,758
TOTAL FTE	174.95	179.88	-23.11	-12.8%	156.77	-23.11	-12.8%	156.77

DICKINSON STATE UNIVERSITY

Agency 239

Statutory Authority

North Dakota Century Code Chapter 15-13-01.

Agency Description

Dickinson State University is a comprehensive state institution, one of 11 colleges and universities that make up the North Dakota University System. The university employs approximately 180 faculty and staff with an enrollment of approximately 2,600 students. The university has shown a strong growth pattern in enrollment during the last decade. More than 50 programs are offered at the undergraduate level. The institution is comprised of two colleges, the College of Arts and Sciences, and the College of Education, Business, and Applied Sciences. The majority of students come from North Dakota, Montana, and other Midwestern states. A strong contingent of international students representing 23 different countries, are also an important component of the student body.

Major Accomplishments

1. Enrolled record-breaking student numbers for the 10th consecutive year. A total of 2,516 students were enrolled at the university for the fall 2005 semester, an increase of 1.5 percent over the previous year.
2. Established the Center for Entrepreneurship and Rural Revitalization at Dickinson State University. The Center received $1.15 million in North Dakota Centers of Excellence funding and was designated a state Center of Excellence.
3. Completed Phase I and II of the Murphy Hall Expansion and Renovation project, which is an addition to the science facility. Phase III, remodeling the existing structure, is underway and expected to be completed in early 2007.
4. Completed the construction of the Alumni and Foundation House, a building that contains offices and provides space for meetings and gatherings.
5. Started construction of Hawks Landing, a senior living facility located on campus, which is expected to open in December 2006.
6. Graduated a combined total of 810 students in the past two years. The graduating class of 2005 was the largest in university history. The placement rate for the class of 2005 was 97.8 percent.
7. Added a major in Computer Technology Management and minor and certificate programs in Human Resource Management and Entrepreneurship. These programs are available at the DSU campus and at Bismarck State College through the Office of Extended Campus.
8. Added Bachelor of Science programs in education with available majors in elementary education and in secondary education. Secondary education majors offered include composite social science, math, English, and history. These programs are available at the DSU campus and at Bismarck State College through the Office of Extended Campus.
9. Launched the E-Scholars program, which is an elite online entrepreneurship curriculum made possible by a partnership with sister institution, University of Portland.
10. Established the Academic Success Center to provide a writing center, tutoring and academic advising services to all university students.
11. Established the North Dakota Trade Office at Dickinson State University.
12. Signed partnership agreements with both Nizhniy Novgorod State Agricultural University and Voronezh State University allowing for student and faculty exchange.
13. Grew the Theodore Roosevelt Honors Leadership Program to 120 participants and received approval by the National Collegiate Honors Council.
14. Received a full 10-year accreditation from the Higher Learning Commission of the North Central Association of Colleges and Schools.
15. Received continuing accreditation from the National Council for the Accreditation of Teacher Education and continuing accreditation program approval by the North Dakota Education Standards and Practices Board.
16. Received a full eight-year accreditation by the National League for Nursing Accrediting Commission, Inc. for the Bachelor of Science in Nursing Completion Program.
17. Received accreditation of the Music Program from the National Association of Music Schools.
18. Formed a partnership with Partners for Grassland Stewardship to assist in efforts to build agreements on strategies, policies and projects in the grasslands of North Dakota.
19. Hosted a Roosevelt symposium in October 2006, bringing nationally-known TR scholars and authors together on campus.

Executive Budget Recommendation

- Provides from the general fund an increase of $1,641,858 for parity and $544,871 for equity increases.
- Provides an additional $453,000 general fund dollars for deferred maintenance.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

239 DICKINSON STATE UNIVERSITY **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
DICKINSON STATE UNIVERSITY	18,892,900	24,553,637	910,562	3.7%	25,464,199	1,363,482	5.6%	25,917,119
TOTAL MAJOR PROGRAMS	18,892,900	24,553,637	910,562	3.7%	25,464,199	1,363,482	5.6%	25,917,119
BY LINE ITEM								
OPERATING EXPENSES	13,598,831	14,711,627	2,186,729	14.9%	16,898,356	2,186,729	14.9%	16,898,356
CAPITAL ASSETS	36,199	383,690	182,153	47.5%	565,843	635,073	165.5%	1,018,763
CAPITAL ASSETS-CARRYOVER	166,823	357,763	-357,763	-100.0%	0	-357,763	-100.0%	0
CAPITAL ASSETS NON-STATE FUNDED	5,091,047	9,100,557	-1,100,557	-12.1%	8,000,000	-1,100,557	-12.1%	8,000,000
TOTAL LINE ITEMS	18,892,900	24,553,637	910,562	3.7%	25,464,199	1,363,482	5.6%	25,917,119
BY FUNDING SOURCE								
GENERAL FUND	13,801,853	15,453,080	2,011,119	13.0%	17,464,199	2,464,039	15.9%	17,917,119
SPECIAL FUNDS	5,091,047	9,100,557	-1,100,557	-12.1%	8,000,000	-1,100,557	-12.1%	8,000,000
TOTAL FUNDING SOURCE	18,892,900	24,553,637	910,562	3.7%	25,464,199	1,363,482	5.6%	25,917,119
TOTAL FTE	114.81	108.98	12.62	11.6%	121.60	12.62	11.6%	121.60

MAYVILLE STATE UNIVERSITY

Agency 240

Statutory Authority

North Dakota Constitution, Article VIII, Section 6; North Dakota Century Code Chapter 15-13.

Agency Description

Mayville State University (MaSU) is a regional, undergraduate institution of higher education with a focus on teaching and learning. The university operates as an institution within the North Dakota University System to provide instructional programs which, prepare students for careers as teachers in the elementary and secondary schools, and for positions in business.

Major Accomplishments

1. Expanded on the learner-centered focus provided in a technology-rich environment for teaching and learning.
2. Provided all graduates with the IT Certificate.
3. Expanded programs including business and education degree programs at Lake Region State College, a psychology major, and additional online programs.
4. Implemented successful instructional delivery (dual-credit courses and courses shared between area high schools) over the Heart of the Valley Interactive Television Consortium.
5. Prepared major grant proposals, and received grant awards including research funding through INBRE grant.
6. Transitioned from a full-time president to an interim president, while a search is conducted for a permanent CEO.
7. Reviewed and revised the structure of the Foundation to provide for continued fund and friend raising.
8. Received approval for financial support for the ongoing operations of the Wellness Center by the MSU student senate through an increase in the student fees.
9. Established the Office of Worldwide Learning (OWL) to coordinate distance learning, support faculty distance learning needs, and to provide a ‘one-stop” service for distance students.

Executive Budget Recommendation

- Provides from the general fund an increase of $805,139 for parity and $81,020 for equity increases.
- Approves an additional $556,292 from the general fund for deferred maintenance.
- Provides $1.0 million from the general fund in the North Dakota University System 215 budget for deferred maintenance and developing a master plan for the campus.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

240 MAYVILLE STATE UNIVERSITY **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
MAYVILLE STATE UNIVERSITY	9,217,026	10,906,624	3,330,803	30.5%	14,237,427	830,095	7.6%	11,736,719
TOTAL MAJOR PROGRAMS	9,217,026	10,906,624	3,330,803	30.5%	14,237,427	830,095	7.6%	11,736,719
BY LINE ITEM								
OPERATING EXPENSES	8,598,320	9,003,630	886,159	9.8%	9,889,789	886,159	9.8%	9,889,789
CAPITAL ASSETS	284,384	358,994	31,644	8.8%	390,638	587,936	163.8%	946,930
CAPITAL ASSETS-CARRYOVER	334,322	24,205	-24,205	-100.0%	0	-24,205	-100.0%	0
CAPITAL ASSETS NON-STATE FUNDED	0	1,500,000	2,457,000	163.8%	3,957,000	-600,000	-40.0%	900,000
BIENNIUM CARRYOVER	0	19,795	-19,795	-100.0%	0	-19,795	-100.0%	0
TOTAL LINE ITEMS	9,217,026	10,906,624	3,330,803	30.5%	14,237,427	830,095	7.6%	11,736,719
BY FUNDING SOURCE								
GENERAL FUND	9,217,026	9,406,624	873,803	9.3%	10,280,427	1,430,095	15.2%	10,836,719
SPECIAL FUNDS	0	1,500,000	2,457,000	163.8%	3,957,000	-600,000	-40.0%	900,000
TOTAL FUNDING SOURCE	9,217,026	10,906,624	3,330,803	30.5%	14,237,427	830,095	7.6%	11,736,719
TOTAL FTE	69.97	66.80	-10.91	-16.3%	55.89	-10.91	-16.3%	55.89

Statutory Authority

North Dakota Constitution, Article VIII, Section 6; North Dakota Century Code Chapters 15-10 and 15-13.

Agency Description

Minot State University (MiSU) is a comprehensive public university whose purpose is to foster the intellectual, personal, and social development of its students, and to promote the public good through excellence in teaching, research, scholarly activity, and public service. The university offers a wide array of undergraduate programs in the liberal arts and the professions. Graduate education includes masters programs in communication disorders, criminal justice, education, management, mathematics, music, science and special education. One education specialist degree is offered in school psychology.

Major Accomplishments

1. Showed an increase in full-time equivalent student (FTE) enrollment this past academic year. A new enrollment management program, increased recruiting and marketing efforts, and other retention efforts have contributed to this positive growth in FTE.
2. Continued to perform well as faculty in the classroom and in scholarship and service. Many faculty have been recognized for their scholarly achievements, including research, publications, and contributions in service.
3. Proceeded with the strategic plan work. Information, preliminary themes, strategic goals, objectives, and specific tasks have been developed and shared with the campus at an open forum. A new vision, mission, set of core values, and a core purpose were developed through a variety of open forums and meetings with the Planning and Budgeting Council, three senates, deans, and administrative team
4. Proceeded with the Higher Learning Commission. A coordinator and a self-study committee were appointed to begin the self-study work for the university's accreditation visit scheduled in April 2008
5. Prepared a plan to support and advance the University's recruitment of international students through targeted cooperative agreements with international institutions. A cooperative agreement was signed with a Chinese institution, SIAS International University in the Henan Province, after a productive visit in February.
6. Developed a first-year mandatory orientation program which started in the fall of 2006. In addition, a mentoring program, which involves volunteer faculty and staff to mentor a small number of first-year students, was developed and started in the fall.
7. Hired a dean of the graduate school and sponsored programs with a grant-writing and research support office.
8. Reviewed and evaluated the levels of staffing in the Advancement Office. A new advancement vice president was hired.
9. Completed an Office of Public Information to focus exclusively on internal and external communications.
10. Completed, by a task force, the feasibility of moving to NCAA Div II. While the recommendation was favorable, the campus decided to wait to examine additional funding requirements and conference availability.

Executive Budget Recommendation

- Provides from the general fund, an increase of $2,616,595 for parity and $338,104 for equity increases.
- Approves an additional $569,641 from the general fund for deferred maintenance.
- Provides $2.5 million from the general fund for the Swain Hall renovation.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

241 MINOT STATE UNIVERSITY **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
MINOT STATE UNIVERSITY	26,704,778	36,427,719	2,701,482	7.4%	39,129,201	3,271,123	9.0%	39,698,842
TOTAL MAJOR PROGRAMS	26,704,778	36,427,719	2,701,482	7.4%	39,129,201	3,271,123	9.0%	39,698,842
BY LINE ITEM								
OPERATING EXPENSES	26,091,928	27,215,849	2,954,699	10.9%	30,170,548	2,954,699	10.9%	30,170,548
CAPITAL ASSETS	612,850	676,870	206,233	30.5%	883,103	3,275,874	484.0%	3,952,744
CAPITAL ASSETS NON-STATE FUNDED	0	8,535,000	-459,450	-5.4%	8,075,550	-2,959,450	-34.7%	5,575,550
TOTAL LINE ITEMS	26,704,778	36,427,719	2,701,482	7.4%	39,129,201	3,271,123	9.0%	39,698,842
BY FUNDING SOURCE								
GENERAL FUND	26,704,778	27,892,719	3,320,517	11.9%	31,213,236	6,230,573	22.3%	34,123,292
SPECIAL FUNDS	0	8,535,000	-619,035	-7.3%	7,915,965	-2,959,450	-34.7%	5,575,550
TOTAL FUNDING SOURCE	26,704,778	36,427,719	2,701,482	7.4%	39,129,201	3,271,123	9.0%	39,698,842
TOTAL FTE	217.49	198.82	-13.99	-7.0%	184.83	-13.99	-7.0%	184.83

VALLEY CITY STATE UNIVERSITY

Agency 242

Statutory Authority

North Dakota Constitution, Article VIII, Section 6.

Agency Description

Valley City State University (VCSU), operating as a postsecondary educational institution within the North Dakota University System, serves the citizens of North Dakota and the surrounding area by offering a broad and diverse population of students an opportunity to challenge their individual learning capabilities.

Major Accomplishments

1. Continued to expand upon its focus on student centeredness and providing a technology-rich environment for teaching and learning.
2. Continued to expand the network infrastructure, including replacement of hardware and software.
3. Continued faculty and staff development through significant grant and foundation support.
4. Maintained an active and productive relationship in the economic and cultural renaissance in the Sheyenne Valley.
5. Secured state and accreditation authority to offer the Master of Education degree. Began offering the M.Ed., including creation of the School of Education and Graduate Studies, headed by a dean.
6. Partnered with the Valley Development Group to attract Eagle Creek Software Services as a new enterprise in the community.
7. Trained about 70 postgraduate individuals to qualify as Eagle Creek employees.
8. Created undergraduate program to continue producing employees for Eagle Creek and other firms.
9. Helped create more than 50 new high-paying jobs in the community.
10. Secured $1.0 million from the state Centers of Excellence program to create the Institute for Customized Business Solutions.

Executive Budget Recommendation

- Provides from the general fund an increase of $1,137,501 for parity and $39,569 for equity increases.
- Approves an additional $357,573 from the general fund for deferred maintenance.
- Provides $2.2 million from the general fund for steam line replacement.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

242 VALLEY CITY STATE UNIVERSITY **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
VALLEY CITY STATE UNIVERSITY	11,531,031	12,398,871	3,223,387	26.0%	15,622,258	3,580,960	28.9%	15,979,831
TOTAL MAJOR PROGRAMS	11,531,031	12,398,871	3,223,387	26.0%	15,622,258	3,580,960	28.9%	15,979,831
BY LINE ITEM								
OPERATING EXPENSES	11,304,672	11,806,526	1,177,070	10.0%	12,983,596	1,177,070	10.0%	12,983,596
CAPITAL ASSETS	181,405	508,416	-69,754	-13.7%	438,662	2,487,819	489.3%	2,996,235
CAPITAL ASSETS-CARRYOVER	44,954	83,929	-83,929	-100.0%	0	-83,929	-100.0%	0
CAPITAL ASSETS NON-STATE FUNDED	0	0	2,200,000	100.0%	2,200,000	0	.0%	0
TOTAL LINE ITEMS	11,531,031	12,398,871	3,223,387	26.0%	15,622,258	3,580,960	28.9%	15,979,831
BY FUNDING SOURCE								
GENERAL FUND	11,531,031	12,398,871	1,023,387	8.3%	13,422,258	3,580,960	28.9%	15,979,831
SPECIAL FUNDS	0	0	2,200,000	.0%	2,200,000	0	.0%	0
TOTAL FUNDING SOURCE	11,531,031	12,398,871	3,223,387	26.0%	15,622,258	3,580,960	28.9%	15,979,831
TOTAL FTE	92.12	90.57	-12.42	-13.7%	78.15	-12.42	-13.7%	78.15

MINOT STATE UNIVERSITY - BOTTINEAU

Agency 243

Statutory Authority

North Dakota Constitution, Article XIX, Section 216.

Agency Description

Minot State University - Bottineau Campus is a two-year branch campus of Minot State University and is part of the North Dakota State University System. Minot State University - Bottineau Campus' focus is to fulfill its historic mandate by providing programs in environmental/natural resource studies and business, as well as course work for programs that will provide for the educational needs of our constituents.

MSU-Bottineau Campus achieves its mission by providing specialized technical programs in agriculture, environmental/natural resource studies, and crucial business specializations as well as through traditional curricula that transfer to baccalaureate programs.

MSU-Bottineau has 56 employees (24 faculty and 32 staff - all funding sources), offering 33 vocational-technical programs leading to certificates, diplomas, or Associate of Applied Science (AAS) degrees. It also offers comprehensive university parallel/transfer course work leading to Associate of Arts (AA) or Associate of Science (AS) degrees.

Major Accomplishments

1. Created the following new online programs: Para-education, urban forestry, medical transcription, medical coding/billing, reception services, landscape technology, greenhouse technology, and bookkeeping.
2. Added the Minot adult farm management program to the college's curriculum inventory.
3. Collaborated with Valley City State University to offer a 3+1 program in wildlife management. This cooperative project allows students to spend three years on the Bottineau campus and one year on the Valley City campus and earn a bachelor's degree from VCSU.
4. Collaborated with WSC, BSC, and LRSC in the Dakota Nursing Consortium. The consortium brings practical and registered nurse curriculums to Bottineau, Williston, Bismarck, and Devils Lake.
5. Cooperated with Heart of America Health Center in Rugby to bring the practical nursing program to that community via distance education.
6. Received a general fund appropriation from the ND legislature to construct an addition to Thatcher Hall that will house the arts and humanities department.
7. Increased the scholarship endowment fund by $200,000.
8. Conducted a successful Centennial year/event.
9. Received funding from a benefactor to build a racquetball court addition to the athletic wing.
10. Led the University System in interactive video network programming.
11. Increased online programs, courses, and enrollment by 100 percent, 21 percent, and 34 percent respectively since last biennium.

Executive Budget Recommendation

- Provides from the general fund an increase of $398,275 for parity and $38,742 for equity increases.
- Approves an additional $27,043 from the general fund for deferred maintenance.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

243 MINOT STATE UNIVERSITY - BOTTINEAU **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
MINOT STATE UNIVERSITY - BOTTINEAU	4,318,484	10,444,185	-5,541,049	-53.1%	5,155,136	-5,262,006	-50.4%	5,182,179
TOTAL MAJOR PROGRAMS	4,318,484	10,444,185	-5,541,049	-53.1%	5,155,136	-5,262,006	-50.4%	5,182,179
BY LINE ITEM								
OPERATING EXPENSES	4,108,821	4,334,460	437,017	10.1%	4,771,477	437,017	10.1%	4,771,477
CAPITAL ASSETS	209,663	109,725	21,934	20.0%	383,659	300,977	274.3%	410,702
CAPITAL ASSETS NON-STATE FUNDED	0	6,000,000	-6,000,000	-100.0%	0	-6,000,000	-100.0%	0
TOTAL LINE ITEMS	4,318,484	10,444,185	-5,541,049	-53.1%	5,155,136	-5,262,006	-50.4%	5,182,179
BY FUNDING SOURCE								
GENERAL FUND	4,318,484	4,444,185	698,046	15.7%	5,142,231	725,089	16.3%	5,169,274
SPECIAL FUNDS	0	6,000,000	-5,987,095	-99.8%	12,905	-5,987,095	-99.8%	12,905
TOTAL FUNDING SOURCE	4,318,484	10,444,185	-5,289,049	-50.6%	5,155,136	-5,262,006	-50.4%	5,182,179
TOTAL FTE	36.08	34.32	-3.21	-9.4%	31.11	-3.21	-9.4%	31.11

NORTH DAKOTA FOREST SERVICE

Agency 244

Statutory Authority

North Dakota Constitution, Article VIII, Section 6.

Agency Description

The State Forester has the statutory authority and responsibility to meet the forestry needs in North Dakota. The North Dakota Forest Service administers forestry programs statewide. The agency operates a conifer tree nursery at Towner. Technical assistance for management of private forest lands, state forest lands, urban and community forests, tree planting and wild-land fire control is provided. The North Dakota Forest Service owns and manages over 13,200 acres of state forest lands.

Major Accomplishments

1. Awarded communities $2,540,500 since 1991 for 761 tree planting and community forestry development projects valued at over $5.6 million.
2. Awarded $329,788 in Cooperative Fire Protection Assistance cost-share in 2005 to 109 fire departments. As of December 31, 2005, equipment with an original acquisition value of $8.48 million was on loan to fire departments through the Federal Excess Property Program.
3. Completed by the Forest Resource Management, 4,356 forest resource management plans for 226,700 acres of privately-owned woodlands since 1991.
4. Raised public awareness and fostered individual responsibility for conserving natural resources by delivering 9,519 seat hours of forestry workshops for elementary school teachers, students, youth organizations and adults in 2005.
5. Ensured North Dakota's roads are safe for winter travel by initiating 526 Living Snow Fence projects in 40 counties protecting 233 miles of interstate, state, county, township, and tribal roads since 1999.
6. Initiated a “mechanization plan” in 1999 to minimize strenuous tasks, reduce labor needs, improve efficiency, improve stock quality and develop incentives to attract an adequate workforce. Projects completed in 2006 include mechanization of tree packaging systems, improvements to seed handling and processing facilities, purchase of an aerial lift for seed collection, expansion of herbicide and fungicide test programs, replacement of two tractors, and purchase of additional seed bed shade frames to increase production options and improve stock quality.

Executive Budget Recommendation

- Provides general fund monies for operations and a supplemental payment of $12,732 for deferred maintenance.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

244 NORTH DAKOTA FOREST SERVICE **Bill#: HB 1003**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OPERATIONS	2,592,829	2,925,646	433,085	14.8%	3,358,731	433,085	14.8%	3,358,731
CAPITAL ASSETS	359,367	101,638	65,834	64.8%	167,472	78,566	77.3%	180,204
TOTAL MAJOR PROGRAMS	2,952,196	3,027,284	498,919	16.5%	3,526,203	511,651	16.9%	3,538,935
BY LINE ITEM								
OPERATING EXPENSES	2,592,829	2,925,646	433,085	14.8%	3,358,731	433,085	14.8%	3,358,731
CAPITAL ASSETS	132,410	101,638	65,834	64.8%	167,472	78,566	77.3%	180,204
BIENNIUM CARRYOVER	226,957	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	2,952,196	3,027,284	498,919	16.5%	3,526,203	511,651	16.9%	3,538,935
BY FUNDING SOURCE								
GENERAL FUND	1,795,272	2,052,283	356,434	17.4%	2,408,717	498,166	23.8%	2,541,449
SPECIAL FUNDS	1,156,924	975,001	142,485	14.6%	1,117,486	22,485	.23%	997,486
TOTAL FUNDING SOURCE	2,952,196	3,027,284	498,919	16.5%	3,526,203	511,651	16.9%	3,538,935
TOTAL FTE	17.97	12.40	7.07	57.0%	19.47	7.07	57.0%	19.47

Statutory Authority
North Dakota Century Code Chapter 54-24.

Agency Description
The North Dakota State Library provides statewide leadership to public and school libraries. The State Library provides comprehensive informational resources for all citizens in the state. Services include training librarians, board members, and citizens; collecting, organizing, and cataloging state documents; developing the statewide online library catalog; facilitating interlibrary loans for all libraries statewide; and coordinating online library resources for libraries and citizens.

Major Accomplishments
1. Established partnerships through the Library Vision 2010 initiative, which provides a long-range plan for coordinated library services in North Dakota.
2. Assisted in adding 43 libraries to the statewide online library catalog through cataloging materials and training staff.
3. Continued development of an extensive interlibrary loan system, acting as the "hub" for the state.
4. Facilitated 74,000 interlibrary loan requests last biennium, in addition to coordinating direct borrowing between libraries.
5. Conducted extensive training for librarians and board members to learn to use the statewide online library catalog and the online library resources.
6. Established an electronic state document retrieval and delivery service.
7. Administered state Library Vision 2010 (LV2010) grant funds, federal Library Services and Technology Act (LSTA) grant funds, and Gates grant funds to develop and enhance library services statewide.
8. Expanded the Dakota Radio Information Service (DRIS) to eastern North Dakota through a partnership with Minnesota.

Executive Budget Recommendation
- Increases state aid to public libraries by $200,000, or 20.0 percent; provides total state aid to public libraries of $1.2 million, the first time since the 1987-89 biennium that state aid has exceeded $1.0 million.
- Provides authorization for an additional FTE to provide outreach training relating to accessing library resources. Training will be provided to librarians, teachers, students, and the public.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

250 STATE LIBRARY **Bill#: SB 2013**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	437,007	476,794	8,008	1.7%	484,802	44,259	9.3%	521,053
SERVICES	3,052,464	3,422,060	222,177	6.5%	3,644,237	450,699	13.2%	3,872,759
PROGRAMS	1,091,515	1,267,500	0	.0%	1,267,500	200,000	15.8%	1,467,500
TOTAL MAJOR PROGRAMS	4,580,986	5,166,354	230,185	4.5%	5,396,539	694,958	13.5%	5,861,312
BY LINE ITEM								
SALARIES AND WAGES	2,035,264	2,232,082	134,185	6.0%	2,366,267	398,958	17.9%	2,631,040
OPERATING EXPENSES	1,152,920	1,381,772	96,000	6.9%	1,477,772	96,000	6.9%	1,477,772
GRANTS	1,392,802	1,552,500	0	.0%	1,552,500	200,000	12.9%	1,752,500
TOTAL LINE ITEMS	4,580,986	5,166,354	230,185	4.5%	5,396,539	694,958	13.5%	5,861,312
BY FUNDING SOURCE								
GENERAL FUND	3,026,466	3,507,082	32,339	.9%	3,539,421	472,630	13.5%	3,979,712
FEDERAL FUNDS	1,463,520	1,567,420	197,846	12.6%	1,765,266	222,328	14.2%	1,789,748
SPECIAL FUNDS	91,000	91,852	0	.0%	91,852	0	.0%	91,852
TOTAL FUNDING SOURCE	4,580,986	5,166,354	230,185	4.5%	5,396,539	694,958	13.5%	5,861,312
TOTAL FTE	28.75	28.75	.00	.0%	28.75	1.00	3.5%	29.75

SCHOOL FOR THE DEAF

Agency 252

Statutory Authority

North Dakota Constitution Article IX, Section 12; North Dakota Century Code Chapter 25-07.

Agency Description

North Dakota School for the Deaf (NDSD) is a special function school for the education of children (ND citizens ages 0-21) who are deaf/hard of hearing. Out-of-State children are accepted on a tuition basis.

NDSD utilizes specialized methods of instruction and provides a comprehensive program covering a broad range of disciplines including traditional academics; career and technology education; special studies; health and physical education; art; residential, extracurricular and recreational activities. A major emphasis throughout all programs is the development of language, both receptive and expressive. NDSD supports a parent/infant program that serves hearing impaired children, ages birth to three years, and their families with specialized instruction in their homes. NDSD also provides a summer camp experience for children with hearing loss and their siblings to help develop socialization, self-esteem, and self-help skills. NDSD is fully accredited by DPI, NCA, and CEASD.

NDSD serves as a resource for students, individuals, their parents, families, professionals and agencies who work with those individuals on a statewide basis. The services include comprehensive evaluations, assessments, consultations, in-services, and a newsletter focusing on concerns in the field of deaf education. The North Dakota Deaf-Blind Services Project provides technical assistance and resource center materials to parents/families, schools, and other service providers for deaf-blind children and youth in the state.

Major Accomplishments

1. Entered into guaranteed energy savings contract for facility energy improvements.
2. Continued to collaborate with Lake Region State College and the Board of Higher Education to offer an American Sign Language and Interpreter Studies Program.
3. Expanded use of an OTO-acoustic emissions unit for screening infants for early detection of hearing loss.
4. Continued NDSD and Deaf-Blind libraries on the Online Dakota Informational Network (ODIN) and started transition from PALS to Aleph software.
5. Continued energy efficiency upgrades and facility improvements to provide efficient, safe, and comfortable environment for students and staff. Completed parking lot expansion to accommodate increased parking demands on campus.
6. Added second videoconference room for additional classes on campus.
7. Added SMART board to enhance learning opportunities for students.
8. Began leasing space to Head Start program and providing foodservices for up to 100 additional children.
9. Continued to expand IVN sign language classes statewide.
10. Provided onsite training and mentoring for interpreter trainees.
11. Began providing captioning services for schools and non profit agencies. The audible portions of educational video tapes are transcribed and captions are encoded/burned onto the video tape which makes information accessible to students/individuals who are deaf or hard of hearing.

Executive Budget Recommendation

- Approves .75 FTE reduction, as included in the agency budget request.
- Includes $59,842 to maintain teacher salaries on the composite salary schedule developed by Human Resource Management Services (HRMS).
- Includes $150,000 for extraordinary repairs, including: $10,000 for parking lot and road repairs, $40,000 for roof repairs, and $100,000 to address deferred maintenance.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

252 SCHOOL FOR THE DEAF **Bill#: SB 2013**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
AUXILIARY SERVICES	1,198,394	1,628,412	-209,821	-12.9%	1,418,591	-31,956	-2.0%	1,596,456
ADMINISTRATION	766,826	772,027	-42,891	-5.6%	729,136	-2,377	-.3%	769,650
RESIDENT LIVING	690,835	766,573	5,000	.7%	771,573	70,446	9.2%	837,019
EDUCATION INCLUDING TRANSPORTATION	2,310,247	2,619,580	-23,124	-.9%	2,596,456	64,369	2.5%	2,683,949
OUTREACH SERVICES	693,632	905,770	-10,339	-1.1%	895,431	12,820	1.4%	918,590
TOTAL MAJOR PROGRAMS	5,659,934	6,692,362	-281,175	-4.2%	6,411,187	113,302	1.7%	6,805,664
BY LINE ITEM								
SALARIES AND WAGES	4,501,198	5,035,602	-188,698	-3.7%	4,846,904	105,779	2.1%	5,141,381
OPERATING EXPENSES	1,096,825	1,377,265	137,018	9.9%	1,514,283	137,018	9.9%	1,514,283
CAPITAL ASSETS	61,911	279,495	-229,495	-82.1%	50,000	-129,495	-46.3%	150,000
TOTAL LINE ITEMS	5,659,934	6,692,362	-281,175	-4.2%	6,411,187	113,302	1.7%	6,805,664
BY FUNDING SOURCE								
GENERAL FUND	4,992,628	5,365,097	96,255	1.8%	5,461,352	476,405	8.9%	5,841,502
FEDERAL FUNDS	199,650	274,786	-17,544	-6.4%	257,242	-3,217	-1.2%	271,569
SPECIAL FUNDS	467,656	1,052,479	-359,886	-34.2%	692,593	-359,886	-34.2%	692,593
TOTAL FUNDING SOURCE	5,659,934	6,692,362	-281,175	-4.2%	6,411,187	113,302	1.7%	6,805,664
TOTAL FTE	51.85	49.19	-.75	-1.5%	48.44	-.75	-1.5%	48.44

Statutory Authority

North Dakota Constitution, Article IX, Section 12; North Dakota Century Code Chapter 25-06.

Agency Description

North Dakota Vision Services/School for the Blind (NDVS/SB) is a statewide comprehensive resource agency that works cooperatively with related agencies in providing a full range of services to all persons who are blind or visually impaired, including those with multiple disabilities. Services include evaluation, consultation, and instruction in the vision specific related areas (i.e. orientation & mobility, Braille, daily living skills, technology, career/vocational, recreation/leisure and functional vision). Services provided via the Vision Resource Center include adaptive materials and equipment, Talking Book Machine Lending Agency, Braille productions, the vision services "store," descriptive videos, and the professional and consumer library. Additional services include support to parents and families, adult evaluation and training, summer camp and in-service training.

Major Accomplishments

1. Developed short-term center-based programming providing instruction in all areas of academic and disability-specific core curricula based on individualized assessment of needs.
2. Developed an agreement between the Clinical Psychology Training Program, University of North Dakota and the NDVS/SB to provide for research, psychological assessments, diagnostic interviewing, and psychotherapy, including distance therapy via telephone.
3. Increased services to adults in orientation and mobility, independent living skills, career education, use of assistive technology, and low vision.
4. Strengthened collaboration with related entities (i.e., vocational rehabilitation counselors, vision rehabilitation specialists, local school personnel, and family members).

Executive Budget Recommendation

- Provides $135,600 for extraordinary repairs, including carpet replacements, window replacements, sidewalk repairs, driveway improvements, and the replacement of ceiling tiles in the gymnasium.
- Includes $81,662 to maintain teacher salaries on the HRMS composite schedule.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

253 ND VISION SERVICES **Bill#: SB 2013**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OUTREACH EDUCATION	2,900,078	3,371,056	21,310	.6%	3,392,366	265,817	7.9%	3,636,873
TOTAL MAJOR PROGRAMS	2,900,078	3,371,056	21,310	.6%	3,392,366	265,817	7.9%	3,636,873
BY LINE ITEM								
SALARIES AND WAGES	2,384,433	2,696,280	43,228	1.6%	2,739,508	177,735	6.6%	2,874,015
OPERATING EXPENSES	499,045	607,306	13,452	2.2%	620,758	13,452	2.2%	620,758
CAPITAL ASSETS	16,600	67,470	-35,370	-52.4%	32,100	74,630	110.6%	142,100
TOTAL LINE ITEMS	2,900,078	3,371,056	21,310	.6%	3,392,366	265,817	7.9%	3,636,873
BY FUNDING SOURCE								
GENERAL FUND	2,089,056	2,524,609	54,727	2.2%	2,579,336	268,147	10.6%	2,792,756
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	811,022	846,447	-33,417	-3.9%	813,030	-2,330	-.3%	844,117
TOTAL FUNDING SOURCE	2,900,078	3,371,056	21,310	.6%	3,392,366	265,817	7.9%	3,636,873
TOTAL FTE	27.00	26.95	.05	.2%	27.00	.05	.2%	27.00

Statutory Authority
North Dakota Century Code Section 15-20.1-3.

Agency Description
The Department of Career and Technical Education provides leadership, technical assistance and fiscal support in career and technical education to public school districts, state colleges and universities, state institutions and tribal colleges. Career & Technical Education is responsible for administering federal and state legislation and funding. The Department supports the establishment of quality instructional programs that derive standards from industry and use industry certifications to validate both program instruction and student performance. The Department also establishes standards for teacher certification, curriculum development, access for special populations, and focuses on equity in programs, activities, and services at all levels of education. The board recognizes that a qualified, skilled workforce is essential to the economic well being of North Dakota's business, industry and public sector.

Major Accomplishments
1. Undertook an ambitious training project to in-service information technology teachers across the state. The goal was to increase the number of IT programs that are offered in schools across the state of North Dakota and to provide the latest training on current technology. The original grant provided for the training of about 120 teachers and over 200 have signed up for summer classes. New IT training programs have been introduced that were not present in the state, including Geographic Information Systems (GIS) and Oracle programming. Oracle has donated approximately $1.1 million in software, support, and training to the state as a result of this project.
2. Implemented a student data collection system that relies on a unique student identifier and measures student performance in accordance with requirements for the federal Carl Perkins Act. This ability to use a unique identifier enables both the department and local secondary schools and post-secondary institutions to develop and implement improvement strategies not only at the school-wide level but also down to the local program level.
3. Exceeded performance measures that were established with the U.S. Office of Adult and Vocational Education. This has enabled the state to be a recipient of a $644,150 incentive grant which in turn was used to fund innovative activities within the department. North Dakota was one of only 23 states that met all measures.
4. Developed the Transition to Teaching program that has enabled Career and Technical Education to bring an industry person into the classroom as a fully licensed teacher. The program has crossed over to academic areas and has enabled emergency licensed teachers to become fully licensed. The Transition to Teaching program has been accepted by post-secondary teacher preparation colleges as part of an individual's professional program of study in preparation to becoming a teacher. In effect, it has offered opportunities for school districts and communities to grow their own teachers in very hard to fill areas. The program can service about 18 teachers a year. The Department of Career and Technical Education designed a similar program for college instructors and the post-secondary institutions have just endorsed that program.

Executive Budget Recommendation
- Provides a $2.0 million increase in grants to develop cooperative programs, expand course offerings, and establish new CTE centers, pursuant to the recommendation of the Commission on Education Improvement.
- Continues the workforce training grant program at $1.35 million.
- Allows the use of 2.00 FTE for the career resource network, a program previously funded through Job Service ND to provide professional development, information, and training to career guidance counselors employed by school districts throughout the state.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

270 CAREER AND TECHNICAL EDUCATION **Bill#: HB 1019**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,810,333	2,831,453	-138,621	-4.9%	2,692,832	159,411	5.6%	2,990,864
TECHNICAL ASSISTANCE	21,928,929	25,300,530	5,582,998	22.1%	30,883,528	2,029,414	8.0%	27,329,944
TOTAL MAJOR PROGRAMS	24,739,262	28,131,983	5,444,377	19.4%	33,576,360	2,188,825	7.8%	30,320,808
BY LINE ITEM								
SALARIES AND WAGES	2,660,872	3,173,797	-41,413	-1.3%	3,132,384	403,035	12.7%	3,576,832
OPERATING EXPENSES	1,232,591	1,024,858	-38,252	-3.7%	986,606	-38,252	-3.7%	986,606
GRANTS	18,712,142	21,500,116	3,050,000	14.2%	24,550,116	2,000,000	9.3%	23,500,116
POSTSECONDARY GRANTS	357,452	357,452	0	.0%	357,452	0	.0%	357,452
ADULT FARM MANAGEMENT	426,205	725,760	-175,958	-24.2%	549,802	-175,958	-24.2%	549,802
WORKFORCE TRAINING	1,350,000	1,350,000	2,650,000	196.3%	4,000,000	0	.0%	1,350,000
TOTAL LINE ITEMS	24,739,262	28,131,983	5,444,377	19.4%	33,576,360	2,188,825	7.8%	30,320,808
BY FUNDING SOURCE								
GENERAL FUND	14,673,361	16,840,786	5,717,507	34.0%	22,558,293	2,444,307	14.5%	19,285,093
FEDERAL FUNDS	9,939,935	10,910,265	-97,172	-.9%	10,813,093	-79,524	-.7%	10,830,741
SPECIAL FUNDS	125,966	380,932	-175,958	-46.2%	204,974	-175,958	-46.2%	204,974
TOTAL FUNDING SOURCE	24,739,262	28,131,983	5,444,377	19.4%	33,576,360	2,188,825	7.8%	30,320,808
TOTAL FTE	27.50	27.50	-2.00	-7.3%	25.50	.00	.0%	27.50

Statutory Authority
North Dakota Century Code Titles 19, 23, 25 and 61.

Agency Description
The Department of Health performs several major functions for the state. The department:

- Works closely with the U.S. Environmental Protection Agency (EPA) to safeguard the quality of North Dakota's air, land and water resources through permitting, inspecting, sampling, analytical services and monitoring activities.
- Enables communities to promote healthy behaviors that prevent injury, illness and disease through various state and federal programs.
- Manages programs leading to the detection, diagnosis, analysis, reporting, intervention/referral and follow-up of diseases.
- Provides leadership and oversight for public health and medical emergency preparedness and response efforts in the state.
- Regulates and supports food and lodging establishments, emergency medical services and healthcare facilities including hospitals, clinics, home health agencies, nursing facilities, basic care facilities and intermediate care facilities for the mentally retarded.
- Supports county coroners, law enforcement agencies and states attorneys through the state forensic examiner.

Major Accomplishments
1. Received Gold Certification of the North Dakota Cancer Registry from the North American Association of Central Cancer Registries in 2005 and 2006 for data accuracy, completeness and timeliness of reporting.
2. Transferred approximately $27.0 million to local entities for public health services per year.
3. Allocated $3.7 million from the tobacco master settlement to local public health units for school and community tobacco prevention programs and $1.2 million for city/county and state employee cessation programs and a statewide quitline. The North Dakota Tobacco Quitline had a 27 percent 12-month quit rate. The percent of youth who are current smokers declined significantly from 41 percent in 1999 to 22 percent in 2005.
4. Responded promptly and effectively to West Nile virus, meningococcal, anthrax, tuberculosis and other disease outbreaks throughout North Dakota.
5. Participated in interagency state Avian Influenza Working Group and held a pandemic flu summit.
6. Coordinated influenza vaccine supply in the public sector during influenza season.
7. Developed public health and medical all-hazards emergency operations plans in eight public health regions and four hospital regions.
8. Recognized as one of only 11 states in the nation that meets all National Ambient Air Quality Standards.
9. Provided $89.0 million in loans to municipalities for drinking water and wastewater infrastructure improvements; provided $5.3 million to local jurisdictions to improve or restore water quality of state lakes and streams.
10. Maintained a 90 percent or higher rate of compliance with permit requirements in the air, waste, water discharge and public water supply programs.
11. Implemented web-based electronic birth registration to all 21 birthing hospitals in the state.
12. Received a planning grant to develop infrastructure and to establish an Office of Minority Health in North Dakota.
13. Regulated the emergency medical services industry that responds to 50,000 emergencies per year statewide.
14. Maintained a statewide trauma system, ranked 1st in the nation.
15. Developed a worksite wellness curriculum as a resource to help businesses and communities provide wellness programming.

Executive Budget Recommendation
- Provides $2.3 million from the general fund for a pandemic flu, antiviral stockpile of drugs that can reduce the severity of the flu.
- Provides from the general fund for 2.00 FTE to manage immunization orders and reimbursements from providers for recommended vaccines for children and adolescents, resulting in reduced costs for vaccines.
- Provides $551,600 funding from the community health trust fund and 1.00 FTE for a youth tobacco program.
- Continues to fund the Tobacco Quitline with increased funding of $1,169,000 to provide nicotine replacement therapy and cessation counseling.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

301 ND DEPARTMENT OF HEALTH **Bill#: HB 1004**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATIVE SUPPORT	9,505,725	7,969,427	(1,449,816)	(18.19%)	6,519,611	-1,283,738	-16.1%	6,685,689
MEDICAL SERVICES	10,834,727	15,754,952	(957,933)	(6.08%)	14,797,019	-502,283	-3.2%	15,252,669
HEALTH RESOURCES	8,067,708	8,969,742	350,922	3.91%	9,320,664	790,173	8.8%	9,759,915
COMMUNITY HEALTH	44,980,034	51,112,975	1,896,243	3.71%	53,009,218	2,832,848	5.5%	53,945,823
ENVIRONMENTAL HEALTH	37,137,283	43,634,830	7,237,073	16.59%	50,871,903	8,505,964	19.5%	52,140,794
EMERG PREPAREDNESS AND RESPONSE	7,018,124	10,072,198	1,859,270	18.46%	11,931,468	4,158,739	41.3%	14,230,937
SPECIAL POPULATIONS	2,121,258	2,395,153	494,564	20.65%	2,889,717	584,031	24.4%	2,979,184
TOTAL MAJOR PROGRAMS	119,664,859	139,909,277	9,430,323	6.74%	149,339,600	15,085,734	10.8%	154,995,011
BY LINE ITEM								
SALARIES AND WAGES	29,693,341	33,384,027	1,499,988	4.49%	34,884,015	4,331,597	13.0%	37,715,624
OPERATING EXPENSES	24,360,897	32,861,090	(1,699,716)	(5.17%)	31,161,374	474,584	1.4%	33,335,674
CAPITAL ASSETS	3,715,637	1,514,469	302,914	20.0%	1,817,383	302,914	20.0%	1,817,383
CAPITAL CONSTRUCTION CARRYOVER	2,692,027	475,000	(475,000)	(100.0%)	0	-475,000	-100.0%	0
GRANTS	36,224,328	47,238,696	7,894,080	16.71%	55,132,776	7,864,080	16.6%	55,102,776
TOBACCO PREVENTION & CONTROL	7,567,088	8,685,995	108,057	1.24%	8,794,052	787,559	9.1%	9,473,554
WIC FOOD PAYMENTS	15,411,541	15,750,000	1,800,000	11.43%	17,550,000	1,800,000	11.4%	17,550,000
TOTAL LINE ITEMS	119,664,859	139,909,277	9,430,323	6.74%	149,339,600	15,085,734	10.8%	154,995,011
BY FUNDING SOURCE								
GENERAL FUND	13,589,742	14,439,038	202,440	1.40%	14,641,478	3,615,790	25.0%	18,054,828
FEDERAL FUNDS	91,730,394	104,781,715	8,434,014	8.04%	113,215,729	10,445,820	10.0%	115,227,535
SPECIAL FUNDS	14,344,723	20,688,524	793,869	3.84%	21,482,393	1,024,124	5.0%	21,712,648
TOTAL FUNDING SOURCE	119,664,859	139,909,277	9,430,323	6.74%	149,339,600	15,085,734	10.8%	154,995,011
TOTAL FTE	320.50	319.50	.00	.0%	328.50	12.00	3.8%	331.50

Statutory Authority
North Dakota Century Code Chapter 37-15.

Agency Description
Located on 90 acres of land in the picturesque Sheyenne River Valley in Lisbon, ND, the North Dakota Veterans Home stands as a tribute to North Dakota citizens who answered their country's call to duty. Since 1893, the Veterans Home has been serving the veterans and their spouses in North Dakota.

The Veterans Home has a 38 bed skilled unit and 111 bed basic care unit. The skilled unit provides round the clock nursing care for residents who need ongoing nursing supervision and/or assistance with activities of daily living. The basic care unit provides care to veterans as long as they are ambulatory and able to care for their own personal needs. The basic care unit does have a nurse available for emergency care 24 hours a day.

Major Accomplishments
1. Provided a home for veterans when they had no other place to go.
2. Moved veterans from basic care to skilled care when they needed additional care without having to move them to a different facility.
3. Completed a Request for Proposals for medical services and a medical director which resulted in a substantial savings to the Home as well as tapping into a vast wealth of knowledgeable specialists.
4. Organized strategic planning teams that meet weekly to work on the goals and objectives of the strategic plan for the Home.
5. Completed an energy audit recommendation involving the retrofit of the lighting systems in the building.
6. Opened a pharmacy to provide pharmaceuticals for the veterans residing at the Veterans Home.

Executive Budget Recommendation
- Approves a budget with a 11 percent reduction in general fund appropriation before compensation.
- Provides funding for replacement of obsolete beds and replacement of dressers and nightstands to more efficiently utilize the limited space in residents' rooms.
- Approves replacement of the 1947 elevator in the Veterans Home with $120,000 from the general fund. Due to the age, maintenance and replacement parts are no longer available.
- Provides funding for replacement of a utility vehicle used daily by grounds crew and night watchmen.
- Provides video conferencing equipment and online training programs. This method of conducting in-service training will reduce travel and registration expenses, enabling staff to remain more current on training in their professional fields.
- Provides $50,000 funding from the general fund to market the Veterans' Home as a residence in an attempt to maximize occupancy.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

313 VETERANS HOME **Bill#: HB 1007**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	1,387,289	1,273,422	48,631	3.8%	1,322,053	157,824	12.4%	1,431,246
PLANT OPERATIONS	1,280,141	1,257,649	909	.1%	1,258,558	165,064	13.1%	1,422,713
DIETARY	1,423,695	1,656,026	58,836	3.6%	1,714,862	149,418	9.0%	1,805,444
NURSING SERVICES	4,156,056	4,511,639	299,303	6.6%	4,810,942	630,362	14.0%	5,142,001
RESIDENT SERVICES	299,751	330,253	2,439	.7%	332,692	26,714	8.1%	356,967
SOCIAL SERVICES	459,936	623,803	-42,741	-6.9%	581,062	-4,746	-.8%	619,057
HOUSEKEEPING	609,648	681,210	6,246	.9%	687,456	248,036	36.4%	929,246
LAUNDRY	164,158	176,079	-7,077	-4.0%	169,002	-1,119	-.6%	174,960
PHARMACY	259,704	957,044	17,216	1.8%	974,260	32,586	3.4%	989,630
TOTAL MAJOR PROGRAMS	10,040,378	11,467,125	383,762	3.3%	11,850,887	1,404,139	12.2%	12,871,264
BY LINE ITEM								
SALARIES AND WAGES	6,909,902	7,778,541	339,349	4.4%	8,117,890	960,376	12.3%	8,738,917
OPERATING EXPENSES	2,736,411	3,290,778	128,372	3.9%	3,419,150	391,222	11.9%	3,682,000
CAPITAL ASSETS	394,065	397,806	-83,959	-21.1%	313,847	52,541	13.2%	450,347
TOTAL LINE ITEMS	10,040,378	11,467,125	383,762	3.3%	11,850,887	1,404,139	12.2%	12,871,264
BY FUNDING SOURCE								
GENERAL FUND	2,198,320	4,329,092	-863,761	-20.0%	3,465,331	-278,918	-6.4%	4,050,174
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	7,842,058	7,138,033	1,247,523	17.5%	8,385,556	1,683,057	23.6%	8,821,090
TOTAL FUNDING SOURCE	10,040,378	11,467,125	383,762	3.3%	11,850,887	1,404,139	12.2%	12,871,264
TOTAL FTE	89.41	90.97	90.67	.0%	90.97	90.97	.0%	90.97

INDIAN AFFAIRS COMMISSION

Agency 316

Statutory Authority

North Dakota Century Code Sections 54-36-03 to 54-36-09.

Agency Description

The ND Indian Affairs Commission is the liaison between the executive branch and the tribes in North Dakota. Duties include mediation service with the Tribes and State and working with other state agencies regarding proper protocol in working with Indian people and Tribal governments.

Major Accomplishments

1. Completed a two-year study on the needs of American Indian Elders and Disabled through a grant from the ND Department of Human Services.
2. Served as a primary organizer for the implementation of the First Nations Day Celebration, legislation passed by the 58th ND Legislative Assembly authorizing a new section to Chapter 1-03 of the N.D. C.C. creating First Nations Day to honor the indigenous peoples of the State of North Dakota.
3. Developed in-conjunction with the ND Department of Tourism the completion of 3 television spots featuring the ND Native peoples as a part of the 2004 and 2006 Lewis and Clark Bicentennial Signature Events in North Dakota.
4. Facilitated in the implementation of legislation passed in the 2005-2007 Legislative Assembly creating an Indian Business Development Office in the North Dakota Department of Commerce.
5. Served as reviewer to the ND Division of Independent Study on the North Dakota 8th Grade History Textbook, *North Dakota: A Living Legacy* Textbook.
6. Worked with the ND Department of Health in health disparities to secure funds to create an Office of Special Populations currently funded by the U.S. Department of Health and Human Services, Centers for Medicaid and Medicare Services.

Executive Budget Recommendation

- Funds a new position in the Commission, an Indian Education Coordinator, to provide focused coordination among agencies and school districts in the identification of deficiencies and development of strategies to make improvements in the education of American Indian students.
- Provides an additional $12,000 for increased costs for data processing and communications.
- Increases salary by $8,000 for internships to assist with special projects.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

316 INDIAN AFFAIRS COMMISSION **Bill#: HB 1005**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
INDIAN AFFAIRS ADMINISTRATION	413,837	407,297	-9,220	-2.3%	398,077	164,457	40.4%	571,754
TOTAL MAJOR PROGRAMS	413,837	407,297	-9,220	-2.3%	398,077	164,457	40.4%	571,754
BY LINE ITEM								
SALARIES AND WAGES	313,729	343,402	5,780	1.7%	349,182	142,457	41.5%	485,859
OPERATING EXPENSES	100,108	63,895	-15,000	-23.5%	48,895	22,000	34.4%	85,895
TOTAL LINE ITEMS	413,837	407,297	-9,220	-2.3%	398,077	164,457	40.4%	571,754
BY FUNDING SOURCE								
GENERAL FUND	351,071	387,297	5,780	1.5%	393,077	179,457	46.3%	566,754
FEDERAL FUNDS	62,766	20,000	-15,000	-75.0%	5,000	-15,000	-75.0%	5,000
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	413,837	407,297	-9,220	-2.3%	398,077	164,457	40.4%	571,754
TOTAL FTE	3.00	3.00	.00	.0%	3.00	1.00	33.3%	4.00

DEPARTMENT OF VETERANS AFFAIRS

Agency 321

Statutory Authority

North Dakota Century Code Chapters 37-14 and 37-18.

Agency Description

The department has the responsibility of ensuring the state's nearly 61,365 veterans and their dependents not only know about the veterans' benefits to which they are entitled for having served their country, but also assist them in obtaining such.

The department is responsible for assisting counties with training of 50 county veterans service officers (CVSOs) who serve 53 counties and are appointed by their respective county commission. The department also assists in the training of tribal service officers from three Tribes. The department provides training through a minimum of two training seminars each year to keep the CVSOs as current as possible on issues, topics and programs available to and affecting veterans.

The department accepts and carries through to completion claims for entitlement from the US Department of Veterans Affaiars (VA); counsels veterans on employment, educational programs, disability benefits, medical care entitlement, nursing home assistance, death benefits, and other related veterans activities. The department is responsible for enforcing the state's veterans' preference law.

A Veterans' Aid Loan Program, Transportation Program, and Hardship Medical Grant Program are all administered by the department.

The department is responsible for distributing information relating to veterans, veterans' programs and veterans' issues to the state veterans population, interested parties and the general public through the use of email, news media, CVSOs, veterans organizations and US mail.

The department, working under the supervision of the Administrative Committee on Veterans' Affairs, also monitors legislation and assists others in acquiring information.

Major Accomplishments

1. Worked with the Administrative Committee on Veterans Affairs on implementation of recommendations made by State Auditor's Office in the performance audit. Made major improvements in veterans' aid loan and hardship grant programs.

Executive Budget Recommendation

- Provides funding for an IT project that allows the agency to receive and store Veterans' discharge papers electronically.
- Provides funding to securely store Veterans' documents such as benefits claims, loan files and hardship grant information.
- Provides general fund dollars for a loan program maintenance agreement and computer replacements.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

321 DEPARTMENT OF VETERANS AFFAIRS **Bill#: HB 1007**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
VETERANS AFFAIRS ADMINISTRATION	539,872	653,668	8,325	1.3%	661,993	122,714	18.8%	776,382
TOTAL MAJOR PROGRAMS	539,872	653,668	8,325	1.3%	661,993	122,714	18.8%	776,382
BY LINE ITEM								
VETERANS' AFFAIRS ADMINISTRATION	539,872	653,668	8,325	1.3%	661,993	122,714	18.8%	776,382
TOTAL LINE ITEMS	539,872	653,668	8,325	1.3%	661,993	122,714	18.8%	776,382
BY FUNDING SOURCE								
GENERAL FUND	500,959	653,668	8,325	1.3%	661,993	122,714	18.8%	776,382
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	38,913	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	539,872	653,668	8,325	1.3%	661,993	122,714	18.8%	776,382
TOTAL FTE	5.00	6.00	.00	.0%	6.00	.00	.0%	6.00

Statutory Authority

North Dakota Century Code Chapters 6-09.16, 6-09.6, 12.1-01, 14-08.1, 14-09, 14-10, 14-12.2, 14-13, 14-15, 14-15.1, 14-17, 14-19, 19-03.1, 23-02.1, 23-17.1, 25-01, 25-01.1, 25-01.2, 25-02, 25-03.1, 25-03.2, 25-03.3, 25-04, 25-10, 25-11, 25-16, 25-16.1, 25-17, 26.1-36, 26.1-45, 27-20, 27-21, 28-21, 34-15, 50-01, 50-01.1, 50-01.2, 50-03, 50-06, 50-06.1, 50-06.2, 50-06.3, 50-06.4, 50-06.5, 50-08.1, 50-09, 50-10, 50-10.1, 50-10.2, 50-11, 50-11.1, 50-11.2, 50-11.3,50-12, 50-19, 50-24.1, 50-24.3, 50-24.4, 50-24.5, 50-25.1, 50-25.2, 50-27, 50-28, 50-29, 50-30, 54-38, 54-44.8, 57-15.

Agency Description

The Department of Human Services is an umbrella agency headed by an executive director appointed by the Governor. The executive director utilizes a management team known as the Cabinet, which includes a representative of the following areas: the eight regional human services centers, the institutions, Program and Policy programs, Economic Assistance programs, Medical Services, and Administrative Support Services. The appropriation bill itself consists of three major areas consisting of Managerial Support, Program/Policy Management and Field Services.

Managerial Support includes Fiscal Administration, Human Resources, Information Technology Services, Legal Advisory Unit, Public Information, and Tribal Liaison.

Program/Policy Management is comprised of 7 major programs: Economic Assistance Policy (including TANF, Food Stamps, Low Income Heating Assistance Program, Child Care Assistance), Medical Services (including Nursing Homes, all Medicaid waiver services along with Home and Community Based Services), Child Support Enforcement, Aging Services (Older Americans Act programs), Children and Family Services, Mental Health/Substance Abuse (including the Applied Research function for the agency) and Disability Services (including Disability Determination Services, Disability Services policy and Vocational Rehabilitation.) North Dakota's assistance programs are supervised by the state but are directed and administered by the 53 county social service boards. Additionally, many aging and children's services are provided through county social service boards.

Field Services is comprised of eight human service centers located in each of the Governor's designated planning regions providing direct delivery of services to individuals and families, the State Hospital located in Jamestown and the Developmental Center at Westwood Park located in Grafton. The human service centers provide a comprehensive array of outpatient clinical and community services including vocational rehabilitation, mental health services, developmental disabilities services, social services, addiction counseling, and emergency and outreach services. The centers provide supervision and direction to county agencies delivering social services. The State Hospital is a component of the treatment continuum providing treatment for mental illness and substance abuse. The Developmental Center is an educational and training facility for persons with developmental disabilities.

Major Accomplishments

1. As directed by Governor Hoeven, the Department stepped in to assure that Medicaid clients impacted by the transition of their prescription drug coverage to Medicare Part D received their needed medications. (This assistance continued through February 15, 2006.)
2. Held employee and stakeholder meetings across North Dakota as part of the Department's strategic planning process in order to gain insight into community and staff concerns about service capacity, consumer issues and organization and delivery of service.
3. Expanded the successful Parental Employment Pilot Project that seeks to increase child support by addressing the unemployment and underemployment of non-custodial parents. Started in the Dickinson region, it was expanded to the Grand Forks region.
4. Fulfilled all of the recommendations resulting from the federal Children and Family Services review. North Dakota raised its score on the 23 performance items from 83 percent in 2001 to 98.3 percent in 2005.
5. Introduced the evidenced-based Matrix Model for substance abuse treatment to state treatment providers and started training the Department's licensed addiction treatment staff. The Matrix Model was added to the substance abuse treatment tools available at the regional human service centers.
6. Ranked sixth best in Food Stamp Program accuracy and received a $460,933 high performance bonus from the United States Department of Agriculture (USDA). The ranking is based on 2005 federal fiscal year overpayments and underpayments. North Dakota achieved a 96.41 percent accuracy rate. Placed in the top 10 among states for the second year in a row. In 2005, received a $213,251 performance bonus for having the eighth most accurate Food Stamp program in the country. (Ranking based on 2004 federal fiscal year data.)
7. Ranked second in the nation on federal child support enforcement performance measures, which compare states on factors including paternity establishment, the number of cases with child support orders established, the amount of child support that is due and is actually paid in the month in which it is due, the cases with collections toward past due support, and efficient program operations. In

2005, earned a $1.5 million Child Support Enforcement Program incentive/performance award from the federal government. The program continued to be ranked third in the nation.

8. Received approval from the Centers for Medicare & Medicaid Services to implement an Independence Plus self-directed supports waivers for children and adults with developmental disabilities (effective April 1, 2006). This gives individuals and their families more choice and control in making decisions and obtaining support, and allows them to direct a fixed amount of public dollars through an individual budget.
9. Developed a TANF Diversion Program to ensure that North Dakota will be in compliance with the increased federal TANF work participation rates required under the Deficit Reduction Act of 2005.
10. Signed a three-year $37 million contract with Affiliated Computer Services Inc. (ACS) to complete phase one of the design, development and implementation of a new Medicaid Management Information System (MMIS) and a Pharmacy Point of Sales System – as authorized by the legislature.
11. Received approval from the Centers for Medicare and Medicaid Services for an amendment to a Medicaid waiver that will allow three ventilator-dependent Medicaid recipients to receive care in their homes as opposed to a skilled nursing facility.
12. Received a federal Administration for Children and Families' Office Section 1115 Program Development grant that, when matched with other federal funds, will allow the Department to develop a multi-year $670,000 project strengthening the coordination between child support and child welfare services.
13. Received a $372,315 grant from the U.S. Department of Justice to help implement a prescription drug-monitoring program in compliance with SB 1459. The Board of Pharmacy will implement the program.
14. Received a federal Administration on Aging grant to expand the state's existing legal services to low-income seniors by implementing and marketing a legal assistance hotline. North Dakota was one of six states to receive funding.
15. Initiated a pilot program at SEHSC using the integrated dual disorder treatment model. An evidence-based model for those with chronic substance abuse and serious and persistent mental illness. This model is designed to decrease hospitalizations, crisis response, increase employment, and increase client satisfaction with services. If positive results are achieved in this pilot, the model will be considered for additional sites.
16. Received a $1.3 million federal Temporary Assistance for Needy Families (TANF) program high performance bonus. The state ranked tenth in job entry rates and 6th among states for increasing the number of former TANF families participating in Medicaid and the Healthy Steps State Children's Health Insurance Program.
17. Established a new Cabinet management structure (effective January 1, 2006) to reduce the span of direct control for the executive director and to strengthen collaboration and communication.
18. North Dakota Developmental Center received accreditation from The Council on Quality and Leadership in Supports for People with Disabilities. Accreditation is based upon meeting performance standards for health, safety, client progress toward individual goals, and community participation.

Executive Budget Recommendation

- Provides $700,000 for an additional meth residential treatment facility, similar to the Robinson Recovery House.
- Provides $150,000 to recruit and retain family foster homes across the state.
- Provides $1,189,873 and 6.00 FTE to assist with capacity issues in the regional human service centers.
- Provides $543,998 to rebase nursing facility building limits using RS Means Construction index instead of CPI.
- Provides $38,275,187 for provider inflation increases of three percent for each year of the biennium.
- Provides $300,257 for a certified nurse aid registry and background checks.
- Provides $377,507 to enhance the drug court efforts at the human service centers.
- Provides $4,138,088 and 18.00 FTE for sex offender program growth. Includes phasing in 140 individuals to the Sex Offender Community Treatment program and the addition of a 4th unit consisting of 40 additional beds at the State Hospital.
- Provides $10,689,403 to be used for a 60 cent per hour salary increase to developmental disability providers.
- Provides funding of $31,072,641 for the Medicaid Management Information System (MMIS) rewrite, of which $3.6 million is from the general fund.
- Provides $9.3 million for capital projects, extraordinary repairs and equipment at the Developmental Center and State Hospital, including an addition to the GM building at the State Hospital for sex offenders needing the highest level of security.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

325 DEPARTMENT OF HUMAN SERVICES **Bill#: SB 2012**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
MANAGEMENT	41,121,374	71,618,407	-28,343,099	-39.6%	43,275,308	3,552,424	5.0%	75,170,831
PROGRAM AND POLICY	1,265,572,267	1,400,939,865	76,640,123	5.5%	1,477,579,988	131,025,919	9.4%	1,531,965,784
HUMAN SERVICE CENTERS	104,561,518	115,075,502	3,816,288	3.3%	118,891,790	12,843,150	11.2%	127,918,652
STATE HOSPITAL-TRADITIONAL	40,208,078	42,807,951	2,101,619	4.9%	44,909,570	9,563,787	22.3%	52,371,738
STATE HOSPITAL-SECURE SERVICES	3,036,569	5,459,220	2,240,275	41.0%	7,699,495	7,128,164	130.6%	12,587,384
DEVELOPMENTAL CENTER	41,016,565	42,425,282	1,285,489	3.0%	43,710,771	6,031,330	14.2%	48,456,612
TOTAL MAJOR PROGRAMS	1,495,516,371	1,678,326,227	57,740,695	3.4%	1,736,066,922	170,144,774	10.1%	1,848,471,001
BY LINE ITEM								
SALARIES AND WAGES	29,586,155	33,043,914	1,615,570	4.9%	34,659,484	4,273,534	12.9%	37,317,448
OPERATING EXPENSES	62,187,815	120,738,767	-26,448,976	-21.9%	94,289,791	8,269,002	6.8%	129,007,769
CAPITAL ASSETS	5,230	6,620	-5,936	-89.7%	684	-5,936	-89.7%	684
CAPITAL CONSTRUCTION CARRYOVER	0	350,000	-350,000	-100.0%	0	-350,000	-100.0%	0
GRANTS	278,045,976	329,884,503	6,627,341	2.0%	336,511,844	9,550,759	2.9%	339,435,262
HUMAN SERVICE CENTERS / INSTITUTIONS	188,822,730	205,417,955	9,793,671	4.8%	215,211,626	35,916,431	17.5%	241,334,386
LOAN FUND - DD	2,791,500	0	0	.0%	0	0	.0%	0
GRANTS-MEDICAL ASSISTANCE	934,076,965	988,884,468	66,509,025	6.7%	1,055,393,493	112,490,984	11.4%	1,101,375,452
TOTAL LINE ITEMS	1,495,516,371	1,678,326,227	57,740,695	3.4%	1,736,066,922	170,144,774	10.1%	1,848,471,001
BY FUNDING SOURCE								
GENERAL FUND	401,550,377	483,805,731	51,251,659	10.6%	535,057,390	98,355,168	20.3%	582,160,899
FEDERAL FUNDS	1,011,713,667	1,097,951,106	5,409,193	.5%	1,103,360,299	70,159,399	6.4%	1,168,110,505
SPECIAL FUNDS	82,252,327	96,569,390	1,079,843	1.1%	97,649,233	1,630,207	1.7%	98,199,597
TOTAL FUNDING SOURCE	1,495,516,371	1,678,326,227	57,740,695	3.4%	1,736,066,922	170,144,774	10.1%	1,848,471,001
TOTAL FTE	2,045.42	2,039.43	18.25	.9%	2,057.68	46.25	2.3%	2,085.68

Statutory Authority

North Dakota Century Code Chapter 25-01.3.

Agency Description

The Protection and Advocacy Project (P&A) is governed by a seven-member board appointed by the Governor, Legislative Council, and three advocacy services for individuals of all ages with all types of disabilities. P&A currently receives federal funding for seven different advocacy programs: 1) Developmental Disabilities Advocacy Program; 2) Mental Health Advocacy Program; 3) Protection and Advocacy of Individual Rights; 4) Assistive Technology Advocacy Program; 5) Protection and Advocacy for Beneficiaries of Social Security; 6) Traumatic Brain Injury Advocacy Program; 7) the Help American Vote Act (HAVA). Individual advocacy representation is provided through fifteen disabilities advocates located throughout the state.

P&A investigates allegations of abuse, neglect and exploitation of individuals with disabilities. When appropriate, P&A partners with Aging Services, Child Protective Services or Department of Human Services licensing agents to conduct investigations. P&A engages in proactive activities such as education and training, self advocacy support, and representation on various state and local committees and task forces.

Major Accomplishments

1. Monitored licensed developmental disability community provider organizations; as well as provided training for licensed DD providers.
2. Established a successful partnership with the Secretary of State's Office and the North Dakota Association of Counties, working closely to ensure that people with disabilities have equal access to a voting system.
3. Received a federal on-site monitoring of the Mental Health Advocacy Program with many positive comments about the program, its services, and staff.
4. Continued to collaborate with the N.D. Center for Persons with Disabilities & the State Developmental Disabilities Council to provide training for law enforcement agencies, rural hospital employees, self advocates, Vocational Rehabilitation personnel, N.D. Association for the Disabled employees, Community Action employees and human service center staff.
5. Initiated and participated in a major complaint investigation resulting in identifying deficiencies in significant areas of patient treatment and services of a major private psychiatric treatment facility.
6. Developed an updated version of the Individual Justice Planning (IJP) process. The IJP process can be used by support people to identify potential at-risk behaviors and to assist support networks with pro-active services to prevent involvement in the criminal justice system.
7. Assisted the Louisiana P&A system main office and staff in addressing post-hurricane, disability-related concerns of people with disabilities residing in shelters.
8. Hired a new disabilities advocate to work full-time on the Turtle Mountain Indian Reservation.

Executive Budget Recommendation

- Approves one federal funded FTE Disabilities Advocate to assist with increased caseload, education and training.
- Approves one additional FTE, funded with general and federal funds, to assist with the HAVA (Help America Vote Act) program.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

360 PROTECTION AND ADVOCACY **Bill#: SB 2014**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
PROTECTION AND ADVOCACY - B	4,280,733	3,720,979	22,901	.6%	3,743,880	335,709	9.0%	4,056,688
TOTAL MAJOR PROGRAMS	4,280,733	3,720,979	22,901	.6%	3,743,880	335,709	9.0%	4,056,688
BY LINE ITEM								
PROTECTION AND ADVOCACY SERVICES	4,280,733	3,720,979	22,901	.6%	3,743,880	335,709	9.0%	4,056,688
TOTAL LINE ITEMS	4,280,733	3,720,979	22,901	.6%	3,743,880	335,709	9.0%	4,056,688
BY FUNDING SOURCE								
GENERAL FUND	782,604	812,093	9,931	1.2%	822,024	101,817	12.5%	913,910
FEDERAL FUNDS	3,498,129	2,908,886	12,970	.4%	2,921,856	233,892	8.0%	3,142,778
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	4,280,733	3,720,979	22,901	.6%	3,743,880	335,709	9.0%	4,056,688
TOTAL FTE	24.50	25.50	1.00	3.9%	26.50	2.00	7.8%	27.50

JOB SERVICE NORTH DAKOTA

Agency 380

Statutory Authority

North Dakota Century Code Chapters 52-01 through 52-11.

Agency Description

Job Service North Dakota is responsible for administering many state and federal employment programs including the state and federal unemployment insurance program; provides labor market information; delivers workforce training and reemployment programs and provides specific services to targeted workforce sectors.

Major Accomplishments

1. Received Outstanding Public Service Awards for outstanding effort by representatives of the Williston, Minot, Dickinson, and Bismarck offices on the oil industry Workforce Recruitment Initiative.
2. Received a Workforce Investment Act Incentive Grant for the fifth consecutive year. The grant provides approximately $750,000 per year to support innovative workforce development and education activities,. To qualify for the grant, North Dakota exceeded performance levels for outcomes under the Workforce Investment Act and the Perkins Act.
3. Launched the national SHARE (Sharing How Access to Resources Empowers) Network based largely upon the North Dakota SHARE Network. JSND created the SHARE Network, a web-based resource directory of faith-based and community organizations (FBCO) service providers throughout the state. Seven other states have already begun participation in SHARE Network, while three more states have committed to participate.
4. Co-launched a pilot project initiated by North Dakota's Child Support Enforcement Division and the Southwest District Court to increase child support collections by addressing the unemployment and underemployment of noncustodial parents in the state's Dickinson area. As of June 2006, both employment and child support compliance increased after participating noncustodial parents received employment services, such as job-search, training, and job-placement follow-up. The average child support payment by the 32 participants increased from $63.80 per month at the time of referral to $202.94 per month just six months later. The nonpayment rate dropped to 13 percent.
5. Posted North Dakota's quarterly workforce Indicators on the Local Employment Dynamics website.
6. Implemented common measures for performance reporting for Workforce Investment Act and Labor Exchange programs.
7. Implemented claim filing web services (UI ICE) in May of 2005. For the months of July 2006 and August 2006, 50 percent of unemployment insurance claims were taken via UI ICE and approximately 10 percent of employers reported unemployment insurance wages using UI EASY, the web services for employer tax reporting, which is about 20 percent of total wages reported.
8. Established an Unemployment Insurance Advisory Council to advise JSND regarding issues relating to the operations, effectiveness, fairness, and efficiency of the Unemployment Insurance program.

Executive Budget Recommendation

- Approves the agency budget as requested including a reduction of 47.80 FTE and more than $4.6 million in salaries and operating expenses.
- Provides general fund money for 25 percent of a current FTE for the State Social Security Administrator function required by NDCC Section 52-10-05.
- Funds Workforce 20/20 at $1,482,620 from the general fund, a slight increase from 2005-2007.
- Approves a special line appropriation of $7,300,000 special funds for modernization of the unemployment insurance tax and benefit systems.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

380 JOB SERVICE NORTH DAKOTA **Bill#: HB 1016**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATIVE SUPPORT	12,288,859	15,478,903	5,280,183	34.1%	20,759,086	5,650,169	36.5%	21,129,072
PROGRAM SERVICES	40,788,453	43,828,097	-3,828,115	-8.7%	39,999,982	-1,828,111	-4.2%	41,999,986
ND CAREER RESOURCE NETWORK	428,968	464,271	-464,271	-100.0%	0	-464,271	-100.0%	0
TOTAL MAJOR PROGRAMS	53,506,280	59,771,271	987,797	1.7%	60,759,068	3,357,787	5.6%	63,129,058
BY LINE ITEM								
SALARIES AND WAGES	30,965,596	34,959,256	-4,293,509	-12.3%	30,665,747	-1,930,781	-5.5%	33,028,475
OPERATING EXPENSES	12,786,257	13,278,913	-426,432	-3.2%	12,852,481	-426,432	-3.2%	12,852,481
CAPITAL ASSETS	364,099	225,000	-205,000	-91.1%	20,000	-205,000	-91.1%	20,000
GRANTS BENEFITS AND CLAIMS	8,209,298	9,047,165	-608,945	-6.7%	8,438,220	-608,945	-6.7%	8,438,220
WORK FORCE 20/20	1,181,030	1,481,012	1,608	.1%	1,482,620	8,870	.6%	1,489,882
REED ACT - WORK FIRST	0	254,925	-254,925	-100.0%	0	-254,925	-100.0%	0
REED ACT -UNEMP. INS. MODERNIZATION	0	525,000	6,775,000	1,290.5%	7,300,000	6,775,000	1,290.5%	7,300,000
TOTAL LINE ITEMS	53,506,280	59,771,271	987,797	1.7%	60,759,068	3,357,787	5.6%	63,129,058
BY FUNDING SOURCE								
GENERAL FUND	1,182,509	1,501,012	-18,392	-1.2%	1,482,620	35,955	2.4%	1,536,967
FEDERAL FUNDS	51,780,383	57,660,513	1,151,271	2.0%	58,811,784	3,448,970	6.0%	61,109,483
SPECIAL FUNDS	543,388	609,746	-145,082	-23.8%	464,664	-127,138	-20.9%	482,608
TOTAL FUNDING SOURCE	53,506,280	59,771,271	987,797	1.7%	60,759,068	3,357,787	5.6%	63,129,058
TOTAL FTE	367.17	355.80	-47.80	-13.4%	308.00	-47.80	-13.4%	308.00

OFFICE OF THE INSURANCE COMMISSIONER

Agency 401

Statutory Authority

North Dakota Century Code Title 26.1.

Agency Description

The Office of the Insurance Commissioner is a state regulatory agency headed by the Insurance Commissioner. The office includes a Legal and Enforcement Division, Consumer Protection, Examinations and Company Licensing Division, Agent Licensing & Investigation Division, Administration and Special Funds Division. About 45 full-time staff members serve the public. Thirty-four employees are devoted to insurance regulation. The other 11 employees perform the separately funded functions assigned to the office by the Legislative Assembly. All fees and fines paid by companies or agents are deposited into the insurance regulatory trust fund, from which the money to operate the office is appropriated by the legislature.

Major Accomplishments

1. Completed a successful first enrollment period for the new Medicare Part D program and became the central point of contact for citizens needing assistance with the program.
2. Continued to implement the Prescription Connection program for citizens unable to afford prescriptions.
3. Closed out 677 consumer complaints resulting in $1,436,376.60 financial relief to North Dakota consumers.
4. Implemented an imaging system in Premium Tax collections and in Fire and Tornado Fund claims management; and ceased storing non-resident license applications on paper.
5. Established a simple, electronic process to allow all agents, consumers and industry to view agent licensing information via the department web site.
6. Upgraded the Oracle database to reflect the new agent continuing education law changes.
7. Automated sending closed complaint data to the National Association of Insurance Commissioners (NAIC).
8. Relocated the south office and closed the Fargo location to maximize space and resources.
9. Completed and published the Tourism Liability report as requested by the legislature (SB2032).
10. Issued four Cease and Desist Orders on Health Discount Plans violating advertising requirements in the new law.
11. Ceased printing new license cards to non-resident producers after address changes saving postage, paper and time.
12. Re-designed many agency publications and have posted them to our department web site.
13. Implemented electronic initiative to process non-resident license renewals and electronic appointment renewals.
14. Entered into three Consent Orders with title companies that used the services of an abstract company that did not hold a Certificate of Authority when issuing a title insurance policy.
15. Collected and deposited into the general fund, $56.3 million of premium tax; transferred $3.6 million from the Insurance Regulatory Trust Fund and $2.8 million from the State Bonding Fund to the General Fund.
16. Provided low-cost insurance through the Fire and Tornado Fund to approximately 1,079 state entities and political subdivisions.

Executive Budget Recommendation

- Recommends the budget as requested by the agency.
- Provides $6.3 million for grants to 389 city and rural fire departments and rural fire protection districts.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

401 OFFICE OF THE INSURANCE COMMISSIONER **Bill#: SB 2010**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
GRANTS TO LOCAL FIRE DEPARTMENTS	5,304,000	6,420,000	-100,000	-1.6%	6,320,000	-100,000	-1.6%	6,320,000
CONSUMER PROTECTION	5,935,468	7,274,655	120,056	1.7%	7,626,947	756,324	10.4%	8,030,979
TOTAL MAJOR PROGRAMS	11,239,468	13,694,655	20,056	.1%	13,946,947	656,324	4.8%	14,350,979
BY LINE ITEM								
SALARIES AND WAGES	4,179,759	5,096,278	120,056	2.4%	5,388,570	696,324	13.7%	5,792,602
OPERATING EXPENSES	1,755,709	2,178,377	0	.0%	2,178,377	0	.0%	2,178,377
GRANTS TO FIRE DISTRICTS	5,304,000	6,420,000	-100,000	-1.6%	6,320,000	-100,000	-1.6%	6,320,000
NAT.CONF.OF STATE INS. LEGISLATORS	0	0	0	.0%	60,000	60,000	100.0%	60,000
TOTAL LINE ITEMS	11,239,468	13,694,655	20,056	.1%	13,946,947	656,324	4.8%	14,350,979
BY FUNDING SOURCE								
GENERAL FUND	100,000	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	416,460	385,928	55,532	14.4%	441,460	70,709	18.3%	456,637
SPECIAL FUNDS	10,723,008	13,308,727	196,760	1.5%	13,505,487	585,615	4.4%	13,894,342
TOTAL FUNDING SOURCE	11,239,468	13,694,655	252,292	1.8%	13,946,947	656,324	4.8%	14,350,979
TOTAL FTE	45.50	46.50	.00	.0%	46.50	46.50	100.0%	46.50

INDUSTRIAL COMMISSION Agency 405

Statutory Authority

North Dakota Century Code Chapters 4-36, 6-09.4, 38-08, 38-08.1, 38-12, 38-14.1, 38-15, 38-19, 49-24, 54-17, 54-17.3, and 54-17.6; Sections 23-29-07.6, 54-17-34, and 57-61-01.5.

Agency Description

The Industrial Commission budget is comprised of three agencies including the Administrative Office, the Public Finance Authority, and the Department of Mineral Resources which includes the Oil and Gas Division and the Geological Survey.

The Administrative Office coordinates the activities of the divisions and agencies overseen by the North Dakota Industrial Commission and prepares information and recommendations for the Industrial Commission. The office serves several different functions: the contracting office for the Lignite Research, Development and Marketing Program and the Oil and Gas Research Program; the Authorized Officer for the North Dakota Student Loan Trust; and the primary contact for all activities of the North Dakota Building Authority. The 2005 Legislative Assembly named the Industrial Commission as the North Dakota Transmission Authority (NDTA) and this office coordinates the activities of the NDTA.

The Department of Mineral Resources (DMR) consists of the North Dakota Geological Survey and the Oil and Gas Division. The DMR is the primary source of information regarding the geology of North Dakota and is responsible for regulating all facets of petroleum production through enforcement of statutes, rules and regulations of the Commission. The DMR maintains the state's core and sample library in Grand Forks, coordinates the State Fossil Collection, and disseminates geologic information via the internet, maps, publications, presentations, tours and field trips. The DMR has statutory regulatory responsibilities for subsurface minerals, underground injection, oil well cores and samples, coal exploration drilling, geothermal drilling and paleontological resources.

The Public Finance Authority (formerly known as the Municipal Bond Bank) provides market and below market loans to political subdivisions through the purchase and holding of eligible municipal securities. PFA also provides financial services in connection with the administration and management of the State Revolving Fund Program as the financial agent for the State Health Department. The PFA is also authorized to provide services to state agencies that have the authority to issue debt through an administrative agreement between those agencies and the Authority.

Major Accomplishments

1. Provided the financing on a timely basis for the capital projects authorized by the 2005 Legislative Assembly. In addition the ND Bonding Authority refunded two outstanding series of bonds and lowered the interest costs for the State.
2. Developed the guidelines and prepared the bond documents for the newly authorized Industrial Development Bonds economic development program and completed the financing of these projects.
3. Coordinated the activities of the newly created Transmission Authority and provided input to the Department of Energy and the Federal Energy Regulatory Commission on federal legislation and rules impacting transmission development.
4. Developed and assisted with the passage of resolutions by the Midwestern and Western Governors' Associations encouraging passage of legislation and the coordination of laws to assist with resolving transmission constraints.
5. Completed a study and publication detailing North Dakota's primary oil reserves to promote activity within the state.
6. Authored 55 maps and reports and gave 50 presentations on various aspects of North Dakota geology.
7. Managed three public fossil digs with a major fossil exhibit at the North Dakota Heritage Center.

Executive Budget Recommendation

- Approves agency budget at a level sufficient to support the significantly increased energy activity within the state.
- Changes the funding source to the general fund for two FTE contingently funded through the Land and Minerals Trust fund during 2005-2007.
- Provides $269,021 from the general fund and two FTE for an energy technician and paleontologist.
- Authorizes $210,000 from the general fund for a one-time project to replace the Core Library roof and repair damages in the office building.
- Approves $8,000 from the general fund to replace the dust collection system at the Heritage Center lab.
- Approves $16,000 from the general fund for a one-time project to quantify and map shallow natural gas throughout the state.
- Transfers $250,000 from the general fund (one-time) to the Fossil Restoration Fund for the Corridor of Time and other projects.
- Funds the purchase of two map printers for $18,500 from the general fund.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

405 INDUSTRIAL COMMISSION **Bill#: HB 1014**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	26,399,485	42,830,453	6,401,697	14.9%	49,232,150	6,419,686	15.0%	49,250,139
OFFICE OF MINERAL RESOURCES	7,154,649	7,394,424	-185,210	-2.5%	7,209,214	1,622,042	21.9%	9,016,466
PUBLIC FINANCE AUTHORITY	293,179	556,919	619	.1%	557,538	27,398	4.9%	584,317
TOTAL MAJOR PROGRAMS	33,847,313	50,781,796	6,217,106	12.2%	56,998,902	8,069,126	15.9%	58,850,922
BY LINE ITEM								
SALARIES AND WAGES	6,008,742	6,231,034	23,561	.4%	6,254,595	984,082	15.8%	7,215,116
OPERATING EXPENSES	1,656,499	1,929,850	-79,159	-4.1%	1,850,691	325,840	16.9%	2,255,690
CAPITAL ASSETS	55,770	45,500	-37,500	-82.4%	8,000	199,000	437.4%	244,500
GRANTS	7,386,210	15,200,000	4,210,600	27.7%	19,410,600	4,460,600	29.3%	19,660,600
GAS AND OIL DIV. CONTINGENCY	0	83,000	-83,000	-100.0%	0	-83,000	-100.0%	0
BOND PAYMENTS	18,740,092	27,292,412	2,182,604	8.0%	29,475,016	2,182,604	8.0%	29,475,016
TOTAL LINE ITEMS	33,847,313	50,781,796	6,217,106	12.2%	56,998,902	8,069,126	15.9%	58,850,922
BY FUNDING SOURCE								
GENERAL FUND	6,852,879	6,878,658	62,342	.9%	6,941,000	1,864,132	27.1%	8,762,790
FEDERAL FUNDS	264,030	290,766	-22,552	-7.8%	268,214	-17,090	-5.9%	273,676
SPECIAL FUNDS	26,730,404	43,612,372	6,177,316	14.2%	49,789,688	6,222,084	14.3%	49,834,456
TOTAL FUNDING SOURCE	33,847,313	50,781,796	6,217,106	12.2%	56,998,902	8,069,126	15.9%	58,870,922
TOTAL FTE	58.37	51.37	.00	.0%	51.37	4.00	7.8%	55.37

OFFICE OF THE LABOR COMMISSIONER

Agency 406

Statutory Authority

North Dakota Century Code Chapters 14-02.4, and 14-02.5; Sections 34-01-20, 34-05-01.4, 34-06-15, 34-07, and 34-13.

Agency Description

The Department of Labor is responsible to administer statutory provisions relating to labor standards, wages and hours, child labor, labor-management relations, and human rights issues.

The department is responsible for improving working and living conditions of employees and advance the opportunities for employment; foster, promote, and develop the welfare of wage earners and industries in the state; promote cooperative relations between employers and employees; cooperate with other governmental agencies to encourage the development of new and existing industries; represent the state in dealings with the U.S. Department of Labor, with the Federal Mediation and Conciliation Service, and the U.S. Veteran's Administration with regard to job training programs; acquire and provide information on subjects connected with labor, relations between employers and employees, hours of labor, and working conditions; encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance.

The Department of Labor is also responsible to receive and investigate complaints of discrimination; adopt rules necessary to implement the law; foster prevention of discrimination through education; emphasize conciliation to resolve complaints; publish, in even-numbered years, a written report recommending legislative or other action to carry out the purposes of the law; and conduct studies relating to the nature and extent of discriminatory practices in the state.

Major Accomplishments

1. Realized significant reduction in backlog in pending complaint caseloads.
2. Provided human rights related training for agency staff.
3. Attended training and policy conferences sponsored by the Equal Opportunity Commission and the Department of Housing and Urban Development each year.
4. Attended training at the newly established National Fair Housing Training Academy.
5. Attended training provided by the National Association of Human Rights Workers; two staff members have qualified for certification as Professional Human Rights Workers.
6. Provided mediation training for agency staff.
7. Developed and aired a televised public service announcement regarding housing discrimination to help educate the public and to create awareness of the Human Rights Division.
8. Represented the agency and the State of North Dakota at the opening ceremonies of the National Fair Housing Training Academy.
9. Updated all agency brochures to reflect statutory changes.
10. Implemented procedures for tracking judgments obtained for the benefit of claimants.
11. Cooperated with the North Dakota Chamber of Commerce and other state agencies in providing education on employment issues in multiple cities across the state.

Executive Budget Recommendation

- Restores funding for necessary operating costs that were removed to meet base budget guidelines and account for declining federal revenue.
- Provides $53,000 for outside legal counsel in cases where there is a conflict of interest with the Attorney General's Office.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

406 OFFICE OF THE LABOR COMMISSIONER **Bill#: SB 2007**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OFFICE OF LABOR COMMISSIONER	1,328,425	1,460,204	-109,235	-7.5%	1,350,969	91,637	6.3%	1,551,841
TOTAL MAJOR PROGRAMS	1,328,425	1,460,204	-109,235	-7.5%	1,350,969	91,637	6.3%	1,551,841
BY LINE ITEM								
SALARIES AND WAGES	1,036,231	1,135,861	14,126	1.2%	1,149,987	106,750	9.4%	1,242,611
OPERATING EXPENSES	292,194	324,343	-123,361	-38.0%	200,982	-15,113	-4.7%	309,230
TOTAL LINE ITEMS	1,328,425	1,460,204	-109,235	-7.5%	1,350,969	91,637	6.3%	1,551,841
BY FUNDING SOURCE								
GENERAL FUND	874,919	961,239	14,460	1.5%	975,699	188,904	19.7%	1,150,143
FEDERAL FUNDS	453,506	498,965	-123,695	-24.8%	375,270	-97,267	-19.5%	401,698
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	1,328,425	1,460,204	-109,235	-7.5%	1,350,969	91,637	6.3%	1,551,841
TOTAL FTE	10.00	11.00	.00	.0%	.00	11.00	.0%	11.00

Statutory Authority

North Dakota Constitution, Article V, Sections 2 and 5, Article XII, Section 13, Title 49 (except chapter 49-16), Title 60 (except Chapter 60-01) and Title 64; North Dakota Century Code Chapters 19-01, 24-01, 24-09, 36-05, 38-14.1, 38-14.2, 38-18, 40-05, 40-33, 40-34, 51-05, 54-06, 54-44.8, and 57-61.

Agency Description

The Public Service Commission is a constitutional agency with varying degrees of statutory authority over electric and gas utilities, telecommunication companies, energy plant and transmission line sites, railroads, grain elevators, auctioneers and auction clerks, weighing and measuring devices, pipeline safety and coal mine reclamation.

The Commission is comprised of three commissioners who are elected on a state-wide basis to staggered six year terms.

Major Accomplishments

1. Processed 1,467 cases, approximately two-thirds of which were closed within 30 days.
2. Decided three natural gas rate applications during the 2003-2005 biennium.
3. A new rate design for residential customers of one company that combined two customer bill charges (a customer charge of $5.50 per month and a distribution charge of $1.248 per dekatherm) into one bill charge (a flat monthly charge of $15.69 per month).
4. Permitted an additional 23,718 acres for surface coal mining and reclamation operations. Thirteen final bond release applications were granted that totaled 3,241 acres.
5. Filled dangerous sink holes from pre-reclamation law mines under roads near Dickinson, under parking lots in Beulah and various locations within the city limits of Garrison.
6. Tested 28,549 weighing and measuring devices.
7. Completed 275 grain elevator and grain buyer examinations.
8. Collected indemnity fund collections for the 2003-2005 biennium totaling approximately $2 million.
9. Received authorization to expend up to $945,000 to pursue a rail rate complaint proceeding before the Surface Transportation Board during the 2005-2007 biennium.
10. Administered Qwest's Performance Assurance Plan fund for collecting funds from the Qwest Corp. when it fails to meet certain performance standards. The funds are then used to conduct audits of the reported results.
11. Continued participation in a new regional regulatory organization known as the Organization of Midwest States Independent System Operator States.

Executive Budget Recommendation

- Supports the Commission's budget request to discontinue services of the State Metrology Laboratory and to have the PSC Testing, Licensing and Certification division utilize the Minnesota Metrology Lab for calibration services for an estimated cost of $15,000 annually. The State will avoid the cost of relocation and construction of a new lab and the purchase of lab equipment necessary to meet national standards.
- Provides the restoration of 1.00 FTE for providing inspection services of weights and measures.
- Increases the budget by $195,000 and 1.00 FTE to support the GIS initiative in the agency.
- Provides a contingency special line item, Rail Rate and Service Fund, and $900,000 of special fund authority to address legal issues on rates and services. The $900,000 is comprised of $800,000 of unexpended funds in 2005-07 from the Beginning Farmer Loan program and $100,000 of other revenue.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

408 PUBLIC SERVICE COMMISSION **Bill#: SB 2008**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	1,869,836	2,007,846	59,502	3.0%	2,067,348	393,910	19.6%	2,401,756
TESTING, LICENSING AND CERTIFICATION	1,679,355	2,478,436	-1,036,218	-41.8%	1,442,218	120,733	4.9%	2,599,169
PUBLIC UTILITIES	850,583	1,006,372	-24,504	-2.4%	981,868	34,478	3.4%	1,040,850
RECLAMATION PROGRAMS	3,966,050	5,747,335	958,034	16.7%	6,705,369	1,119,455	19.5%	6,866,790
TOTAL MAJOR PROGRAMS	8,365,824	11,239,989	-43,186	-.4%	11,196,803	1,668,576	14.8%	12,908,565
BY LINE ITEM								
SALARIES AND WAGES	4,708,530	5,122,831	11,507	.2%	5,134,338	642,033	12.5%	5,764,864
OPERATING EXPENSES	1,355,624	1,408,155	97,810	6.9%	1,505,965	220,046	15.6%	1,628,201
CAPITAL ASSETS	33,098	88,511	-40,011	-45.2%	48,500	18,989	21.5%	107,500
GRANTS	106,407	7,000	1,000	14.3%	8,000	1,000	14.3%	8,000
AML CONTRACTUAL SERVICES	1,931,723	3,668,492	831,508	22.7%	4,500,000	831,508	22.7%	4,500,000
RAIL RATE AND SERVICE LEGAL FUND	230,442	945,000	-945,000	-100.0%	0	-45,000	-4.8%	900,000
TOTAL LINE ITEMS	8,365,824	11,239,989	-43,186	-.4%	11,196,803	1,668,576	14.8%	12,908,565
BY FUNDING SOURCE								
GENERAL FUND	3,946,104	4,302,838	-42,466	-1.0%	4,260,372	600,345	14.0%	4,903,183
FEDERAL FUNDS	4,088,944	5,867,151	944,280	16.1%	6,811,431	1,113,231	19.0%	6,980,382
SPECIAL FUNDS	330,776	1,070,000	-945,000	-88.3%	125,000	-45,000	-4.2%	1,025,000
TOTAL FUNDING SOURCE	8,365,824	11,239,989	-43,186	-.4%	11,196,803	1,668,576	14.8%	12,908,565
TOTAL FTE	41.00	41.00	-1.00	-2.4%	40.00	1.00	2.4%	42.00

AERONAUTICS COMMISSION

Agency 412

Statutory Authority

North Dakota Century Code Chapters 2-05, 2-06, 54-40.5, and 57-43.3.

Agency Description

The Aeronautics Commission encourages the establishment and maintenance of airports and navigational facilities; cooperates with federal and local governments in the development and coordination of all aeronautical activities; and represents the state and industry in all matters relating to aeronautical activities.

Major Accomplishments

1. Provided technical and financial assistance to the 90 public owned airports across the state.
2. Coordinated financial assistance to 54 airports in the National Plan of Integrated Systems.
3. Provided for funding of 89 grants for FY2005 and FY2006 totaling $39,457,174 from the Airport Improvement Program provided by the Federal Aviation Administration's airport and airway trust fund.
4. Provided a total of 16 grants to eight communities with $1,228,248 from the Air Carrier Grant program and 100 grants equaling $991,218 from the General Aviation Grant programs.
5. Provided runway/taxiway and pavement improvements, and grants that gave the community airport the opportunity to purchase the much needed snow removal equipment and buildings to shelter the snow removal equipment and other grounds repair and grooming equipment.
6. Developed and implemented the North Dakota General Aviation Airport Crisis Communications Plan that received the "Most Innovative State Program Award" for 2005.
7. Completed the state wide "Pavement Condition Index Study".
8. Finalized the "ND Aviation Economic Impact Study".
9. Developed the Flight Instructor Assistance Program to offer to rural public-use airports not served by an active flight instructor.
10. Created and initiated an Air Carrier Intern Program for the eight communities that have airline service. This program provided $3,000 of cost share to each airport that wanted to create an internship for airport management.
11. Created an "Imagine Being A Pilot" brochure that is focused on the sixth grade age group.
12. Provided, in partnership with the air carrier airport management, information on many air service expansion programs in all eight airline serviced communities.
13. Created the National Essential Air Service Domestic Market Report which was disseminated to the states and was used to prepare national policy related to air service to isolated rural areas across the United States.

Executive Budget Recommendation

- Provides $550,000 of general fund dollars to leverage federal grants that will be made to local airports.
- Increases the grant line item by $528,000 from the state aeronautics commission fund for financial awards to general aviation airports and air carrier airports for maintenance and expansion projects.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

412 AERONAUTICS COMMISSION **Bill#: HB 1006**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
REGULATORY AND ADMINISTRATION	727,187	1,072,697	123,792	11.5%	1,196,489	168,260	15.7%	1,240,957
AIRPORT DEVELOPMENT AND MAINTENANCE	3,038,290	5,317,608	504,597	9.5%	5,822,205	514,279	9.7%	5,831,887
TOTAL MAJOR PROGRAMS	3,765,477	6,390,305	628,389	9.8%	7,018,694	682,539	10.7%	7,072,844
BY LINE ITEM								
SALARIES AND WAGES	570,223	716,099	33,291	4.6%	749,390	87,441	12.2%	803,540
OPERATING EXPENSES	801,416	1,892,706	67,598	3.6%	1,960,304	67,598	3.6%	1,960,304
CAPITAL ASSETS	3,229	734,000	0	.0%	734,000	0	.0%	734,000
GRANTS	2,390,609	3,047,500	527,500	17.3%	3,575,000	527,500	17.3%	3,575,000
TOTAL LINE ITEMS	3,765,477	6,390,305	628,389	9.8%	7,018,694	682,539	10.7%	7,072,844
BY FUNDING SOURCE								
GENERAL FUND	522,500	550,187	0	.0%	550,187	-187	-.0%	550,000
FEDERAL FUNDS	321,068	1,906,305	0	.0%	1,906,305	0	.0%	1,906,305
SPECIAL FUNDS	2,921,909	3,933,813	628,389	16.0%	4,562,202	682,726	17.4%	4,616,539
TOTAL FUNDING SOURCE	3,765,477	6,390,305	628,389	9.8%	7,018,694	682,539	10.7%	7,072,844
TOTAL FTE	6.00	6.00	.00	.0%	6.00	.00	.0%	6.00

Statutory Authority
North Dakota Century Code Titles 6, 7, 13 and 51.

Agency Description
The Department of Financial Institutions is a self-funded regulatory agency responsible for the oversight of state banks, trust companies, building and loan associations, mutual investment corporations, mutual savings corporations, banking institutions, credit unions and other financial corporations doing business under the laws of the State of North Dakota. The department conducts examinations to determine the soundness of the financial institutions and monitor compliance with applicable rules and regulations.

Major Accomplishments
1. Retained national accreditation for the bank and credit union divisions.
2. Maintained bank and credit union examination frequency within the requirements set by statute and federal regulations.
3. Issued administrative orders to problem institutions and closely supervised these institutions to ensure corrective programs were implemented.
4. Issued an increasing number of licenses to money brokers, collection agencies, and consumer finance agencies, deferred presentment service providers (payday lenders), and money transmitters.
5. Revised procedures to issue licenses in a more efficient manner

Executive Budget Recommendation
- Establishes a field office in Grand Forks by utilizing existing staff members and increasing operating expenses by $29,860 special funds.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

413 DEPT OF FINANCIAL INST **Bill#: HB 1008**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
DEPT OF FINANCIAL INST	3,615,846	4,445,503	424,297	9.5%	4,869,800	736,357	16.6%	5,181,860
TOTAL MAJOR PROGRAMS	3,615,846	4,445,503	424,297	9.5%	4,869,800	736,357	16.6%	5,181,860
BY LINE ITEM								
SALARIES AND WAGES	2,870,051	3,412,279	436,367	12.8%	3,848,646	718,567	21.1%	4,130,846
OPERATING EXPENSES	745,795	811,982	189,172	23.3%	1,001,154	219,032	27.0%	1,031,014
CAPITAL ASSETS	0	7,500	-7,500	-100.0%	0	-7,500	-100.0%	0
CONTINGENCY	0	20,000	0	.0%	20,000	0	.0%	20,000
MONEY TRANSMITTERS	0	193,742	-193,742	-100.0%	0	-193,742	-100.0%	0
TOTAL LINE ITEMS	3,615,846	4,445,503	424,297	9.5%	4,869,800	736,357	16.6%	5,181,860
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	3,615,846	4,445,503	424,297	9.5%	4,869,800	736,357	16.6%	5,181,860
TOTAL FUNDING SOURCE	3,615,846	4,445,503	424,297	9.5%	4,869,800	736,357	16.6%	5,181,860
TOTAL FTE	25.00	27.00	.00	.0%	27.00	.00	.0%	27.00

SECURITIES DEPARTMENT

Agency 414

Statutory Authority

North Dakota Century Code Chapters 10-04, 51-19, 51-23 and 43-10.1

Agency Description

Investor protection begins with registration of investment securities, sales firms and agents, franchise offerings and pre-need funeral plan sales. Fees collected are a small but significant revenue source for the State of North Dakota. The agency fosters the formation of capital by legitimate North Dakota businesses.

Investigation of fraud and misrepresentation result in money returned to North Dakota investors through rescission, recovery and restitution. Enforcement actions generate state revenues through statutory civil penalties, consent orders, and agreements. Education programs help investors make wise investment decisions and avoid fraud and abuse.

Major Accomplishments

1. Assisted 27 North Dakota companies to raise $70,879,000 in capital through securities offerings.
2. Opened 66 investigations of fraud and misconduct perpetrated against North Dakota investors.
3. Returned $407,337 to victimized North Dakota investors through restitution, rescission and disgorgement.
4. Delivered financial education to an estimated 45,000 North Dakota students.
5. Established an office and FTE in Fargo to facilitate an increase in the number of compliance exams conducted in the eastern region of the state.

Executive Budget Recommendation

- Provides necessary funding for ongoing operations of the department.
- Authorizes $13,330 from the general fund for a document solutions initiative to increase efficiency of document storage and retrieval.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

414 SECURITIES DEPARTMENT **Bill#: SB 2011**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
INVESTOR PROTECTION	1,323,914	1,676,443	19,226	1.1%	1,695,669	103,558	6.2%	1,780,001
TOTAL MAJOR PROGRAMS	1,323,914	1,676,443	19,226	1.1%	1,695,669	103,558	6.2%	1,780,001
BY LINE ITEM								
SALARIES AND WAGES	924,630	1,105,588	14,770	1.3%	1,120,358	99,102	9.0%	1,204,690
OPERATING EXPENSES	399,284	570,855	4,456	.8%	575,311	4,456	.8%	575,311
TOTAL LINE ITEMS	1,323,914	1,676,443	19,226	1.1%	1,695,669	103,558	6.2%	1,780,001
BY FUNDING SOURCE								
GENERAL FUND	1,070,726	1,459,244	19,226	1.3%	1,478,470	103,558	7.1%	1,562,802
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	253,188	217,199	0	.0%	217,199	0	.0%	217,199
TOTAL FUNDING SOURCE	1,323,914	1,676,443	19,226	1.1%	1,695,669	103,558	6.2%	1,780,001
TOTAL FTE	8.00	9.00	.00	.0%	9.00	.00	.0%	9.00

BANK OF NORTH DAKOTA

Agency 471

Statutory Authority

North Dakota Century Code Chapter 6-09.

Agency Description

The Bank of North Dakota (BND) serves as the development bank for agriculture, commerce, and industry in North Dakota. The strategic objectives of the Bank include the finance, expansion and diversification of the state's economy and jobs; maintaining the capital strength and financial integrity of the Bank; generating a consistent financial return to the state of North Dakota; and delivering first class customer service.

Major Accomplishments

1. Developed partnerships that deliver quality programs and services to expand the economy of North Dakota through innovative programs that add value to the state and help build a variety of areas including agriculture, small business, economic development and education.
2. Worked with private financial institutions and business owners to create programs that, in 2005, funded 190 businesses and industrial projects.
3. Managed a loan portfolio that grew by approximately $11.0 million in 2005 to $1.47 billion. BND has a diverse and stable loan portfolio with commercial loans accounting for 30 percent, student loans 31 percent, residential loans 23 percent and agriculture making up the remaining 16 percent.
4. Maintained the strength and financial integrity of the bank as demonstrated on December 31, 2005 financial statements. BND was well-capitalized with a tier one leverage ratio of 8.34 percent and primary capital (capital plus loan loss reserve) of 9.26 percent.
5. Generated a consistent return to the state of North Dakota for the 2005 year ending with a stable performance and net income of $36.4 million. A return on average assets of 1.84 percent was earned and the return on average equity of 22.9 percent, compared to 1.77 percent and 22.1 percent in 2004.
6. Provided a culture that develops people and is a model of efficient business and government.

Executive Budget Recommendation

- Funds the Agriculture PACE program at $1,400,000 and changes the program's funding source from the Beginning Farmer Loan Fund to the State's general fund.
- Approves $4,500,000 from the general fund for the PACE loan program.
- Establishes a new bio-fuels PACE program. Total general fund dollars available will be $5.0 million, including anticipated turnback from the 2005-2007 bio-diesel PACE program.
- Maintains the $950,000 special fund appropriation for the Beginning Farmer loan program.
- Authorizes carryover of unexpended 2005-2007 special funds appropriated for construction of the new bank building.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

471 BANK OF NORTH DAKOTA **Bill#: HB 1014**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
BANK OF NORTH DAKOTA OPERATIONS	38,301,808	51,475,075	-7,815,872	-15.2%	43,659,203	-3,232,716	-6.3%	48,242,359
TOTAL MAJOR PROGRAMS	38,301,808	51,475,075	-7,815,872	-15.2%	43,659,203	-3,232,716	-6.3%	48,242,359
BY LINE ITEM								
SALARIES AND WAGES	16,076,541	17,802,410	1,109,793	6.2%	18,912,203	2,492,949	14.0%	20,295,359
OPERATING EXPENSES	10,882,986	11,425,665	1,871,335	16.4%	13,297,000	1,871,335	16.4%	13,297,000
CAPITAL ASSETS	821,067	11,272,000	-9,372,000	-83.1%	1,900,000	-9,372,000	-83.1%	1,900,000
CONTINGENCY	2,446,214	1,700,000	0	.0%	1,700,000	0	.0%	1,700,000
PACE FUND	5,700,000	5,700,000	0	.0%	5,700,000	-1,200,000	-21.1%	4,500,000
AGRICULTURE PACE PROG.	1,425,000	1,425,000	-1,425,000	-100.0%	0	-25,000	-1.8%	1,400,000
BEGINNING FARMER PROG.	950,000	950,000	0	.0%	950,000	0	.0%	950,000
BIO-DIESEL PACE PROG.	0	1,200,000	0	.0%	1,200,000	-1,200,000	-100.0%	0
BIOFUELS PACE FUND	0	0	0	.0%	0	4,200,000	100.0%	4,200,000
TOTAL LINE ITEMS	38,301,808	51,475,075	-7,815,872	-15.2%	43,659,203	-3,232,716	-6.3%	48,242,359
BY FUNDING SOURCE								
GENERAL FUND	8,075,000	6,900,000	0	.0%	6,900,000	3,200,000	46.4%	10,100,000
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	30,226,808	44,575,075	-7,815,872	-17.5%	36,759,203	-6,432,716	-14.4%	38,142,359
TOTAL FUNDING SOURCE	38,301,808	51,475,075	-7,815,872	-15.2%	43,659,203	-3,232,716	-6.3%	48,242,359
TOTAL FTE	178.50	178.50	-2.00	-1.1%	176.50	-2.00	-1.1%	176.50

ND HOUSING FINANCE AGENCY

Agency 473

Statutory Authority
North Dakota Century Code Chapter 54-17.

Agency Description
The North Dakota Housing Finance Agency is a public financial institution established to develop and administer affordable housing finance and assistance programs for eligible parties.

Major Accomplishments
1. Funded 28,700 home loans at a value of more than $1.46 billion.
2. Administered rental assistance for 3,774 affordable apartment units.
3. Assisted in the development of 4,962 Low Income Housing Tax Credit rental units.

Executive Budget Recommendation
- Funds the agency's budget request as submitted.
- Approves special funds for the Community Housing Development Assistance and Housing Rehabilitation & Revitalization loan programs.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

473 ND HOUSING FINANCE AGENCY **Bill#: HB 1014**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ND HOUSING FINANCE AGENCY	33,043,204	33,910,014	7,300,448	21.5%	41,210,462	7,624,088	22.5%	41,534,102
TOTAL MAJOR PROGRAMS	33,043,204	33,910,014	7,300,448	21.5%	41,210,462	7,624,088	22.5%	41,534,102
BY LINE ITEM								
SALARIES AND WAGES	3,622,666	4,413,156	-35,272	-.8%	4,377,884	288,368	6.5%	4,701,524
OPERATING EXPENSES	2,762,437	2,805,578	6,607,200	235.5%	9,412,778	6,607,200	235.5%	9,412,778
GRANTS	26,658,101	26,591,280	728,520	2.7%	27,319,800	728,520	2.7%	27,319,800
HFA CONTINGENCY	0	100,000	0	.0%	100,000	0	.0%	100,000
TOTAL LINE ITEMS	33,043,204	33,910,014	7,300,448	21.5%	41,210,462	7,624,088	22.5%	41,534,102
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	25,756,651	25,421,280	-411,480	-1.6%	25,009,800	-411,480	-1.6%	25,009,800
SPECIAL FUNDS	7,286,553	8,488,734	7,711,928	90.8%	16,200,662	8,035,568	94.7%	16,524,302
TOTAL FUNDING SOURCE	33,043,204	33,910,014	7,300,448	21.5%	41,210,462	7,624,088	22.5%	41,534,102
TOTAL FTE	43.00	43.00	.00	.0%	43.00	.00	.0%	43.00

ND MILL AND ELEVATOR ASSOCIATION

Agency 475

Statutory Authority
North Dakota Century Code Chapter 54-18.

Agency Description
The North Dakota State Mill & Elevator Association which started operations in 1922 and serves as a foundation for value-added economic development in the state, promotes the export of North Dakota wheat and returns most of its annual profits to the State's general fund. The Mill is located in Grand Forks.

Major Accomplishments
1. Achieved record sales of 9,346,000 cwts. of flour in fiscal year 2006.
2. Achieved record profits of $6,226,000 for fiscal year 2006.
3. Purchased and ground over 19,600,000 bushels of wheat in fiscal year 2006.

Executive Budget Recommendation
- Approves as submitted the $36.4 million budget funded 100 percent by mill profits.
- Authorizes 2.00 FTE for one packer and one utility worker to assist with the planned increases in volume.
- Continues funding of agriculture promotion expenses through a special line item.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

475 ND MILL AND ELEVATOR ASSOCIATION **Bill#: HB 1014**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
FLOUR MILL AND GRAIN TERMINAL OPERATIONS	26,011,989	32,841,404	3,596,903	11.0%	36,438,307	3,939,433	12.0%	36,780,837
TOTAL MAJOR PROGRAMS	26,011,989	32,841,404	3,596,903	11.0%	36,438,307	3,939,433	12.0%	36,780,837
BY LINE ITEM								
SALARIES AND WAGES	15,087,063	17,332,391	2,393,344	13.8%	19,725,735	2,735,874	15.8%	20,068,265
OPERATING EXPENSES	10,860,931	14,959,013	1,303,559	8.7%	16,262,572	1,303,559	8.7%	16,262,572
AGRICULTURE PROMOTION	50,000	250,000	-100,000	-40.0%	150,000	-100,000	-40.0%	150,000
CONTINGENCY	13,995	300,000	0	.0%	300,000	0	.0%	300,000
TOTAL LINE ITEMS	26,011,989	32,841,404	3,596,903	11.0%	36,438,307	3,939,433	12.0%	36,780,837
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	26,011,989	32,841,404	3,596,903	11.0%	36,438,307	3,939,433	12.0%	36,780,837
TOTAL FUNDING SOURCE	26,011,989	32,841,404	3,596,903	11.0%	36,438,307	3,939,433	12.0%	36,780,837
TOTAL FTE	125.00	127.00	4.00	3.1%	131.00	4.00	3.1%	131.00

WORKFORCE SAFETY AND INSURANCE

Agency 485

Statutory Authority

North Dakota Century Code Title 65.

Agency Description

Workforce Safety and Insurance works to provide the best possible service to the employees and employers of North Dakota, to provide an economical form of no-fault insurance for North Dakota employers, and to provide a fair reimbursement to medical providers for service to injured workers.

Major Accomplishments

1. Continued a strong and stable workers' compensation fund, surplus was $469.0 million at June 2005.
2. Continued premium rates in North Dakota that are the lowest in the nation according to an Oregon study.
3. Ranked in the top half nationally, according to a National Association of State Insurers (NASI) study, on the amount of North Dakota injured worker benefits paid.
4. Implemented the pharmacy benefit manager (PBM) program to control prescription drug costs
5. Established loss control department to assist policyholders in controlling cost of claims.
6. Dedicated $35.0 million for policyholder safety programs.
7. Dedicated $15.0 million for injured worker student loans.
8. Declared a 40 percent premium dividend to policyholders for the second consecutive year.

Executive Budget Recommendation

- Approves the request for $14.0 million to begin the replacement of the claims and policy system and other IT projects and restores $315,000 the agency removed in the operating line item.
- Provides $435,000 to continue in 2007-09 the 4 and 4 percent employee salary increases authorized for 2005-07.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

485 WORKFORCE SAFETY AND INSURANCE **Bill#: SB 2021**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
EXECUTIVE AND OTHER SERVICES	5,743,085	6,680,248	759,599	11.4%	7,439,847	1,009,737	15.1%	7,689,985
SUPPORT SERVICES	9,508,077	10,129,287	14,014,924	138.4%	24,144,211	13,790,284	136.1%	23,919,571
INJURY SERVICES	9,805,145	11,291,839	2,464,854	21.8%	13,756,693	903,466	8.0%	12,195,305
EMPLOYER SERVICES	5,612,649	5,421,628	2,527,535	46.6%	7,949,163	794,500	14.7%	6,216,128
TOTAL MAJOR PROGRAMS	30,668,956	33,523,002	19,766,912	59.0%	53,289,914	16,497,987	49.2%	50,020,989
BY LINE ITEM								
WORKERS COMP OPERATIONS	30,668,956	33,523,002	19,766,912	59.0%	53,289,914	16,497,987	49.2%	50,020,989
TOTAL LINE ITEMS	30,668,956	33,523,002	19,766,912	59.0%	53,289,914	16,497,987	49.2%	50,020,989
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	30,668,956	33,523,002	19,766,912	59.0%	53,289,914	16,497,987	49.2%	50,020,989
TOTAL FUNDING SOURCE	30,668,956	33,523,002	19,766,912	59.0%	53,289,914	16,497,987	49.2%	50,020,989
TOTAL FTE	227.00	223.14	15.00	6.7%	238.14	223.14	106.7%	223.14

Statutory Authority
North Dakota Century Code Chapter 39-03.

Agency Description
The state Highway Patrol is responsible for law enforcement relating to safety and protection of the motoring public; the operation of vehicles; implementation of public education programs to reduce crashes and encourage safe driving practices; enforcement of laws to protect the highways, including size and weight requirements; inspection of vehicles for safety equipment, including school buses; security and protection of the Governor, the Governor's immediate family, and other officials; operation of the state Law Enforcement Training Academy (LETA) and coordination of basic and advanced peace officer training; security of the Supreme Court and the Legislative Assembly while in session; and general law enforcement authority on state property, including the capitol grounds and elsewhere upon request.

Major Accomplishments
1. Held community forums in various parts of the state to assist in development of a new strategic plan.
2. Continued the agency's core mission of providing a safe environment for the motoring public. Education and enforcement activities are paramount in this effort. Driving under the influence arrests continue to rise, increasing 60 percent from 2002 to 2005. The Highway Patrol received the International Association of Chiefs of Police (IACP) Chiefs Challenge Award recognizing the department's enforcement and education efforts.
3. Continued to be the lead law enforcement agency in the state in the generation and submission of electronic crash reports. This provides efficiencies in submitting timely, accurate crash reports to the public.
4. Developed a public safety response plan for northern border homeland security related issues. A homeland security related component implemented in 2005 is the Border Inspection Program (BIP). BIP includes two vehicles designed specifically for commercial motor vehicle inspections that operate remotely. The North Dakota Fusion Center provides a central location for the collection, fusion, analysis, production, and dissemination of homeland security information. When the Fusion Center was created a federally funded NDHP staff officer was assigned.
5. Increased from six canine teams in 2003 to eight canine teams in 2006. Troopers have received additional training in criminal interdiction with tremendous results. From 2003 to 2005 drug arrests increased by 38 percent. The Highway Patrol assigned a trooper to the Post Seizure Analysis Team (PSAT). The PSAT is a multi-jurisdictional intelligence and case support task force that was organized for the collection, analysis, storage, and dissemination of criminal and narcotic intelligence for the state of North Dakota.
6. Completed the replacement of all patrol vehicle mobile voice radios and emergency light bar systems.
7. The Highway Patrol has been notified by the Commission on Accreditation for Law Enforcement Agencies (CALEA) that the Patrol has been reaccredited for another three year cycle. The Highway Patrol has also been selected as a "Flagship Agency" by CALEA for outstanding previous performance.

Executive Budget Recommendation
- Provides for the conversion of 3.00 temporary capitol security positions to permanent FTE status.
- Provides 2.00 FTE trooper positions for enhanced Capitol security.
- Provides $50,000 for the integration of the Capitol building security and mechanical automation systems.
- Provides 4.00 FTE trooper positions for the Northern Border Security Initiative or enhanced coverage hours in the Fargo area.
- Provides $642,000 to complete the replacement of out-dated in-car video systems with digital recorders.
- Authorizes 2.00 FTE with no related funding to allow the agency to increase the number of recruits hired for each LETA class, in order to allow for normal agency turnover during the six-month training period.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

504 HIGHWAY PATROL **Bill#: HB 1011**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,159,494	2,361,511	52,119	2.2%	2,413,630	206,505	8.7%	2,568,016
FIELD OPERATIONS	27,376,973	30,998,822	-151,787	-.5%	30,847,035	4,378,001	14.1%	35,376,823
LAW ENFORCEMENT TRAINING ACADEMY	1,004,674	1,459,275	46,343	3.2%	1,505,618	92,014	6.3%	1,551,289
TOTAL MAJOR PROGRAMS	30,541,141	34,819,608	-53,325	-.2%	34,766,283	4,676,520	13.4%	39,496,128
BY LINE ITEM								
ADMINISTRATION	2,159,494	2,361,511	52,119	2.2%	2,413,630	206,505	8.7%	2,568,016
FIELD OPERATIONS	27,376,973	30,998,822	-151,787	-.5%	30,847,035	4,378,001	14.1%	35,376,823
LAW ENFORCEMENT TRAINING ACADEMY	1,004,674	1,459,275	46,343	3.2%	1,505,618	92,014	6.3%	1,551,289
TOTAL LINE ITEMS	30,541,141	34,819,608	-53,325	-.2%	34,766,283	4,676,520	13.4%	39,496,128
BY FUNDING SOURCE								
GENERAL FUND	17,938,546	20,080,862	227,203	1.1%	20,308,065	3,750,251	18.7%	23,831,113
FEDERAL FUNDS	5,164,020	7,222,571	-371,778	-5.1%	6,850,793	-202,151	-2.8%	7,020,420
SPECIAL FUNDS	7,438,575	7,516,175	91,250	1.2%	7,607,425	1,128,420	15.0%	8,644,595
TOTAL FUNDING SOURCE	30,541,141	34,819,608	-53,325	-.2%	34,766,283	4,676,520	13.4%	39,496,128
TOTAL FTE	192.00	186.00	-6.00	-3.2%	180.00	11.00	5.9%	197.00

Executive Budget Recommendation

- Consolidates the Department of Emergency Services within the Office of the Adjutant General, department number 540.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

512 DEPT OF EMERGENCY SERVICES **Bill#: SB 2016**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	36,696,003	27,188,789	-15,257,276	-56.1%	11,931,513	-27,188,789	-100.0%	0
DIVISION OF HOMELAND SECURITY	31,637,391	53,571,551	-18,273,048	-34.1%	35,298,503	-53,571,551	-100.0%	0
DIVISION OF STATE RADIO	0	4,986,113	733,037	14.7%	5,719,150	-4,986,113	-100.0%	0
TOTAL MAJOR PROGRAMS	68,333,394	85,746,453	-32,797,287	-38.2%	52,949,166	-85,746,453	-100.0%	0
BY LINE ITEM								
SALARIES AND WAGES	3,221,078	7,244,956	-421,172	-5.8%	6,823,784	-7,244,956	-100.0%	0
OPERATING EXPENSES	8,373,083	4,630,732	-825,332	-17.8%	3,805,400	-4,630,732	-100.0%	0
CAPITAL ASSETS	33,848	5,857,923	-4,332,576	-74.0%	1,525,347	-5,857,923	-100.0%	0
GRANTS	56,705,385	68,012,842	-27,218,207	-40.0%	40,794,635	-68,012,842	-100.0%	0
RADIO COMMUNICATIONS	0	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	68,333,394	85,746,453	-32,797,287	-38.2%	52,949,166	-85,746,453	-100.0%	0
BY FUNDING SOURCE								
GENERAL FUND	8,510,764	5,391,910	-224,312	-4.2%	5,167,598	-5,391,910	-100.0%	0
FEDERAL FUNDS	56,410,395	74,006,728	-30,388,912	-41.1%	43,617,816	-74,006,728	-100.0%	0
SPECIAL FUNDS	3,412,235	6,347,815	-2,184,063	-34.4%	4,163,752	-6,347,815	-100.0%	0
TOTAL FUNDING SOURCE	68,333,394	85,746,453	-32,797,287	-38.2%	52,949,166	-85,746,453	-100.0%	0
TOTAL FTE	49.00	54.00	.00	.0%	54.00	-54.00	-100.0%	0.00

Statutory Authority

North Dakota Century Code Chapters 12-21, 12-44.1, 12-46, 12-47, 12-48, 12-48.1, 12-51, 12-52, 12-55, 12-59, 54-23.3, and 54-23.4

Agency Description

The Department of Corrections and Rehabilitation (DOCR) is responsible for the care and custody of adult and juvenile offenders sentenced to the department by the district courts in the state. The DOCR is structured into two major program areas, the division of adult services and the division of juvenile services.

The Division of Juvenile Services (DJS) consists of the Youth Correctional Center (YCC) and Juvenile Community Services. Juvenile Community Services operates from eight regional offices across the state. It coordinates the placement and treatment services for all adjudicated youth placed in the care and custody of DJS. Community services staff work collaboratively with juvenile courts, YCC, county social services, law enforcement, public and private human service agencies and schools to provide individual rehabilitative programming to juveniles.

The YCC is the division's secure juvenile correctional institution for both male and female delinquent youth. The YCC provides appropriate educational and treatment programming to address the specific issues of each juvenile placed in its care and custody.

The Division of Adult Services consists of the Prisons Division and the Field Services Division. The Prisons Division manages the North Dakota State Penitentiary (NDSP), the Missouri River Correctional Center (MRCC), the James River Correctional Center (JRCC), and Rough Rider Industries (RRI). The NDSP, located in Bismarck, is the state's main prison complex and houses primarily close and maximum-security inmates. The MRCC, located along the Missouri River southwest of Bismarck, houses minimum security inmates. The JRCC, located in Jamestown on the grounds of the North Dakota State Hospital, houses primarily medium security inmates. Female inmates under the care and custody of the DOCR are housed on a contract basis at the Dakota Women's Correctional and Rehabilitation Center (DWCRC) located in New England. RRI is a self-sufficient industrial program operated by the prisons division to provide inmate jobs.

The field services division (FSD) has 12 offices located across the state through which parole and probation officers supervise offenders sentenced to probation by the district courts or who are released on parole by the parole board. The FSD also manages community-based programs that help divert offenders from prison and assist offenders after release from incarceration. The FSD is also responsible for the management of the victim compensation program and for providing administrative support to the Parole Board and the Pardon Advisory Board.

Major Accomplishments

Field Services Division

1. Continued to work closely with the Parole Board to insure the release of offenders who have the necessary skills to succeed. The current revocation rate for parolees is among the lowest in the nation at 19 percent.
2. Increased the supervision of sex offenders dramatically by utilizing local sex-offender containment task forces (made up of local law enforcement officials), GPS electronic monitoring, specialized sex offender specialist parole officers, state of the art risk assessment tools, and resources available through the Department of Human Services.
3. Initiated an assessment driven sorting system that has allowed the department to sort out lower risk offenders from the high cost delivery system managed by parole officers. Research indicates that correctional supervision is most effectively allocated to moderate and high risk offender populations. This use of assessment tools has allowed the department to deliver available programming and supervision to high and moderate risk offenders.
4. Initiated a pilot faith-based mentoring program.
5. Utilized a residential assessment center program to assist in decision making regarding offenders who are at risk of probation revocation.

Prisons Division

1. Experienced no escapes from prisons division facilities, and no unnatural inmate deaths to date during the 2005- 2007 biennium.
2. Filled prescriptions for the DWCRC from the NDSP pharmacy in fiscal year 2006 to achieve cost savings.
3. Expanded the administrative segregation unit by 20 beds.
4. Added 20 additional JRCC dormitory beds through renovations made to the old pantries.
5. Implemented the transition from prison to community initiative.
6. Managed increases in inmate population efficiently and cost effectively.

Juvenile Community Services (JCS)

1. Maintained one of the lowest recidivism rates in the nation.
2. Continued participation in the statewide implementation of the recommendations of the nationally recognized Mental Health and Substance Abuse Policy Academy.
3. Fully implemented a comprehensive risk/needs and treatment planning process.
4. Participated in the Sex Offender Risk Assignment Committee with the goal of assuring public safety while ensuring appropriate level of treatment for juveniles.

Youth Correctional Center (YCC)

1. Implemented a Grief and Loss group as well as Victim Impact programming.
2. Continued implementation of performance-based standards for the 8th year.
3. Entered the second 5-year cycle of NCA-CASI transition endorsement for Marmot School.
4. Maintained credentialing of "highly qualified" teachers as defined by the No Child Left Behind Act.
5. Improved mental health services through the addition of a full time mental health professional.
6. Formalized the sex offender pre-treatment program.

Executive Budget Recommendation

- Provides $750,000 for salary adjustments relating to pending reclassifications.
- Provides authorization for 12.00 new FTE positions to convert long-term temporary positions to permanent status.
- Provides authorization for 3.00 FTE and related operating expenses to expand the Drug Court program by adding a drug court in Fargo and establishing new programs in Minot and Grand Forks.
- Provides authorization for an additional 14.50 new FTE positions: 5.00 FTE new correctional officer III's at the JRCC, 1.00 FTE for a business manager at the JRCC, 1.00 FTE treatment director to coordinate treatment programs in the various divisions of the department, 7.00 FTE for new parole officer positions to address growing caseloads, and 0.50 FTE to convert a current 0.50 FTE account technician to a 1.00 FTE position.
- Provides $2.3 million for extraordinary repairs.
- Provides $1.3 million for equipment replacements.
- Provides $42.0 million for the prison expansion project, to include a replacement for the East Cell House, a new administrative segregation unit, a new infirmary, and a new orientation unit at the State Penitentiary.
- Provides $170,000 for security lighting along the south entrance road at the YCC.
- Provides $8.0 million for the continuation of the contract to house women inmates at the Dakota Women's Correctional and Rehabilitation Center.
- Provides $1.6 million for contract inmate housing at county jails.
- Provides $300,000 for faith-based programming.
- Provides $1.5 million for halfway house programming.
- Provides $328,000 for quarter house programming.
- Provides $1.5 million for new transition programming.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

530 DEPT OF CORRECTIONS AND REHAB **Bill#: HB 1015**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
JUVENILE SERVICES	20,103,822	21,102,453	242,117	1.1%	21,344,570	2,400,871	11.4%	23,503,324
ADULT SERVICES	90,440,159	108,086,679	8,448,853	7.8%	116,535,532	67,959,685	62.9%	176,046,364
TOTAL MAJOR PROGRAMS	110,543,981	129,189,132	8,690,970	6.7%	137,880,102	70,360,556	54.5%	199,549,688
BY LINE ITEM								
JUVENILE COMMUNITY SERVICES	8,566,203	7,996,803	425,620	5.3%	8,422,423	898,337	11.2%	8,895,140
FIELD SERVICES	20,824,946	27,078,693	3,063,118	11.3%	30,141,811	8,874,393	32.8%	35,953,086
PRISONS DIVISION	69,615,213	81,007,986	5,385,735	6.6%	86,393,721	59,085,292	72.9%	140,093,278
YOUTH CORRECTIONAL CENTER	11,537,619	13,105,650	-183,503	-1.4%	12,922,147	1,502,534	11.5%	14,608,184
TOTAL LINE ITEMS	110,543,981	129,189,132	8,690,970	6.7%	137,880,102	70,360,556	54.5%	199,549,688
BY FUNDING SOURCE								
GENERAL FUND	83,970,687	101,157,618	10,138,929	10.0%	111,296,547	71,538,581	70.7%	172,696,199
FEDERAL FUNDS	12,631,740	9,089,764	-1,643,405	-18.1%	7,446,359	-1,638,729	-18.0%	7,451,035
SPECIAL FUNDS	13,941,554	18,941,750	195,446	1.0%	19,137,196	460,704	2.4%	19,402,454
TOTAL FUNDING SOURCE	110,543,981	129,189,132	8,690,970	6.7%	137,880,102	70,360,556	54.5%	199,549,688
TOTAL FTE	644.18	677.28	.00	.0%	677.28	29.51	4.4%	706.79

Statutory Authority

North Dakota National Guard
North Dakota Century Code Title 37.

Department of Emergency Services
North Dakota Century Code Chapters 37-17.1 and 54-23.2.

Agency Description

The Office of the Adjutant General consists of two departments, the North Dakota National Guard and the Department of Emergency Services. The North Dakota National Guard is a community-based defense force made up of quality North Dakota citizens, trained and available to protect the vital interests of our state and nation. The Department of Emergency Services (DES) is comprised of the Divisions of Homeland Security and State Radio. DES provides the organizational base for emergency response operations for the state including 53 local and four tribal emergency management organizations.

The Homeland Security Division manages response, prevention, recovery and mitigation efforts for federally declared disasters or emergencies in the state including terrorist and weapons of mass destruction events. Another responsibility involves coordination of the statewide hazardous chemicals preparedness and response program.

The State Radio Division has more than 4,000 public safety first responder users representing 271 local, state and federal agencies. State Radio provides a voice radio system controlled from a single communications dispatch center connected to thirty-six remote towers, a mobile data communications system and a nationwide law enforcement teletype system. The division also serves as the primary public service answering point (PSAP) for 22 counties, serves as a statewide warning point for dissemination of emergency and disaster notification and information to the public and initiates Amber Alert messages, and, provides backup 9-1-1 service for all 22 PSAPs located within the state if systems fail or are overloaded.

Major Accomplishments

North Dakota National Guard

1. Constructed a Medical Detachment facility at the Raymond J Bohn Armory, additions to the Army Aviation Support Facility and the Readiness Center, and a new ammunition Supply Point at Camp Grafton.
2. Mobilized the following units for Operation Iraqi Freedom: 141st Engineer Combat Battalion; Battery F, 1-188th Air Defense Artillery; Company A, 164 Engineer Battalion; 1-129th Mobile Public Affairs Detachment-Bismarck.
3. Mobilized the 1-188th Air Defense Artillery unit for Operation Enduring Freedom.
4. Mobilized the 112th Aviation Battalion for Enduring Mission (NATO).
5. Provided soldiers from various units for individual rotations as medical personnel, chaplains, JAGs, and soldiers to other army assets in the global war on terrorism.
6. Hosted a nationwide Lewis and Clark Youth Rendezvous event where over 300 students from across the nation were treated to the military history of Lewis and Clark.
7. Streamlined the State's emergency management and homeland security efforts by reorganizing into a Department of Emergency Services (DES) with two divisions and centralized services based on the state's key homeland security priorities.
8. Initiated the 191st Military Police (MP) Company which is headquartered in Fargo, with detachments in Mayville and Bismarck.
9. Responded to community emergencies resulting from freezing rain, snow and heavy winds in November 2005 and floods in April 2006.
10. Supported visits by President Bush (3 Feb 2005) and Vice President Cheney (25 Oct 2004) with security, communications, logistical support, and facilities provided by the 119th Fighter Wing.
11. Conducted the largest-ever deployment for training (554 airmen and officers) to the Air National Guard Combat Readiness Training Center, Volk Field, Wisconsin.
12. Deployed 68 engineer, food services, chaplain and multimedia personnel to the greater Gulfport – Biloxi area of Mississippi in Sept. 2005 for Hurricane Katrina relief efforts.
13. Awarded exciting new missions in Predator remotely piloted surveillance aircraft and identified to become the first Air National Guard wing equipped with the Joint Cargo Aircraft, a collaborative US Army – US Air Force program, in 2010-2011.
14. Received the 2005 Air National Guard Supply Effectiveness Award (second time) and the 2005 American Petroleum Institute Award for best Air National Guard fuels management flight (third award).

Department of Emergency Services

1. Completed a detailed strategic planning process to improve departmental effectiveness and efficiency.
2. Organized an advisory group consisting of 11 individuals representing key local and state level stakeholder groups. The committee has been fully functioning since September 2005.
3. Coordinated response and recovery support for numerous emergency incidents including fires, floods, Amber Alerts, severe summer storms, severe winter storms, and ice storms.
4. Initiated an upgrade, in excess of eight million dollars, to replace the aging analog system with a very basic digital emergency communications infrastructure.

Executive Budget Recommendation

North Dakota National Guard

- Provides $580,000 from the general fund for increased utility costs and $625,000 of deferred maintenance at state-supported facilities.
- Approves 2.00 FTE and $300,588 from the general fund for family program counselors to serve National Guard members and their families.
- Provides $400,000 from the general fund for recruiting and retention bonuses.
- Includes $470,000 from the general fund for payment of special assessments charged against facilities in Fargo.
- Maintains the tuition assistance program at the current $2.0 million level.
- Authorizes carryover of unexpended general fund Veteran's Bonus grant funds for similar bonuses in the 2007-2009 biennium.
- Approves the continuation of 28.00 federally funded FTE authorized by the Emergency Commission.
- Includes 7.00 new 100 percent federally funded FTE for additional security guards.
- Funds construction of a "Total Army School System" facility at Camp Grafton with federal funds.

Department of Emergency Services

- Provides $1,084,970 from the general fund for communication equipment.
- Authorizes 2.00 new FTE for a grants officer and a public information officer with $253,206 general fund dollars.
- Provides $980,000 from the general fund for the computer aided dispatch project.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

540 ADJUTANT GENERAL **Bill#: SB 2016**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
NATIONAL GUARD	39,548,927	66,939,027	18,325,503	27.4%	85,264,530	21,843,707	32.6%	88,782,734
DEPT OF EMERGENCY SERVICES	0	0	0	.0%	0	-31,122,949	.0%	54,623,504
TOTAL MAJOR PROGRAMS	39,548,927	66,939,027	18,325,503	27.4%	85,264,530	-9,279,242	-13.9%	143,406,238
BY LINE ITEM								
SALARIES AND WAGES	3,100,443	3,859,417	98,795	2.6%	3,958,212	856,295	22.2%	11,960,668
OPERATING EXPENSES	2,649,615	3,213,528	55,300	1.7%	3,268,828	-116,032	-3.6%	7,728,228
CAPITAL ASSETS	141,883	870,000	-714,333	-82.1%	155,667	-3,951,909	-454.2%	2,776,014
CAPITAL CONSTRUCTION CARRYOVER	184,816	0	0	.0%	0	0	.0%	0
GRANTS	329,514	5,329,514	-5,000,000	-93.8%	329,514	-32,218,207	-604.5%	41,124,149
CIVIL AIR PATROL	190,974	156,258	0	.0%	156,258	3,905	2.5%	160,163
TUITION FEES	898,832	2,007,500	0	.0%	2,007,500	400,000	19.9%	2,407,500
AIR GUARD CONTRACT	6,480,676	8,030,777	1,042,605	13.0%	9,073,382	1,449,954	18.1%	9,480,731
ARMY GUARD CONTRACT	25,352,590	43,181,462	22,801,675	52.8%	65,983,137	23,252,401	53.8%	66,433,863
ND VETERANS CEMETARY	219,584	290,571	41,461	14.3%	332,032	64,351	22.1%	354,922
RADIO COMMUNICATIONS	0	0	0	.0%	0	980,000	100.0%	980,000
TOTAL LINE ITEMS	39,548,927	66,939,027	18,325,503	27.4%	85,264,530	-9,279,242	-13.9%	143,406,238
BY FUNDING SOURCE								
GENERAL FUND	9,141,724	16,445,229	-5,149,031	-31.3%	11,296,198	-125,293	-.8%	21,711,846
FEDERAL FUNDS	30,149,998	50,043,798	23,424,532	46.8%	73,468,330	-7,087,322	-14.2%	116,963,204
SPECIAL FUNDS	257,205	450,000	50,002	11.1%	500,002	-2,066,627	-459.3%	4,731,188
TOTAL FUNDING SOURCE	39,548,927	66,939,027	18,325,503	27.4%	85,264,530	-9,279,242	-13.9%	143,406,238
TOTAL FTE	139.00	139.00	35.00	25.2%	174.00	39.00	28.1%	232.00

Statutory Authority
North Dakota Century Code Chapters 54-60, 54-44.5, 54-34.3, 54-34.4, and 10-30.5.

Agency Description
The North Dakota Department of Commerce was created to combine four agencies including Community Services, Economic Development & Finance, Tourism, and Workforce Development into a cohesive force to expand the economy of North Dakota. By leveraging both human and financial capital, the Department of Commerce is able to provide more coordination to programs, along with world-class customer service to clients.

The Department of Commerce challenge is to make North Dakota a better place to live, work, do business, and play, for all of the people that choose to make North Dakota their home.

Major Accomplishments
1. Provided approximately $39.0 million for activities that benefit low and moderate income individuals, families and households.
2. Assisted, in partnership with local communities, in the recruitment and expansion of 15 companies.
3. Brought $88.0 million new dollars from visitor expenditures into North Dakota in 2005 through the Division of Tourism's media advertising at a cost $1.08 million, resulting in a 81:1 return on investment.
4. Trained a total of 1,971 nurses comprised of 1,425 CNA's, 154 CMA's, 214 LPN's, and 178 RN's through the Division of Workforce Development.

Executive Budget Recommendation
- Provides for an additional Business Development Specialist to meet increased economic activity; particularly, projects in energy, value-added agriculture, and cluster-based activity at colleges.
- Transfers $3.0 million of general fund dollars to the North Dakota Development Fund for investments in the economic future of the State.
- Increases by $211,000, for a total of $950,000, the State's investment in the Manufacturing Extension Partnership program.
- Invests $1.4 million general fund dollars to expand activities in the North Dakota Trade Office.
- Appropriates $250,000, of which $100,000 is from the general fund, for the Governor's initiative to Innovate ND.
- Provides $1.2 million for a statewide workforce development initiative connecting businesses to students and their parents to encourage students to pursue jobs in target industries in North Dakota so they will remain in the State.
- Invests $400,000 in an internship program initiative to expand internships for post secondary students to make connections with North Dakota businesses as an incentive to remain in North Dakota.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

601 DEPT OF COMMERCE **Bill#: HB 1018**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COMMERCE ADMINISTRATION	4,436,785	5,279,457	-397,000	-7.5%	4,882,457	-279,247	-5.3%	5,000,210
NORTH DAKOTA TOURISM	7,394,378	8,027,878	33,028	.4%	8,060,906	128,134	1.6%	8,156,012
ND WORKFORCE DEVELOPMENT	1,878,317	2,892,206	-772,864	-26.7%	2,119,342	881,953	30.5%	3,774,159
ECONOMIC DEVELOPMENT AND FINANCE	7,661,717	10,091,132	-2,486,271	-24.6%	7,604,861	1,670,723	16.6%	11,761,855
DIVISION OF COMMUNITY SERVICES	44,239,076	52,068,996	-289,735	-.6%	51,779,261	-114,546	-.2%	51,954,450
INNOVATION AND TECHNOLOGY	19,664	0	606,803	.0%	606,803	884,343	.0%	884,343
TOTAL MAJOR PROGRAMS	65,629,937	78,359,669	-3,306,039	-4.2%	75,053,630	3,171,360	4.0%	81,531,029
BY LINE ITEM								
SALARIES AND WAGES	6,464,284	7,761,428	142,744	1.8%	7,904,172	855,807	11.0%	8,617,235
OPERATING EXPENSES	8,180,915	8,831,968	4,349,769	49.3%	13,181,737	4,810,668	54.5%	13,642,636
CAPITAL ASSETS	0	25,000	0	.0%	25,000	0	.0%	25,000
GRANTS	41,876,689	50,102,870	-1,728,122	-3.4%	48,374,748	-1,728,122	-3.4%	48,374,748
ND DEVELOPMENT FUND	1,550,000	0	0	.0%	0	3,000,000	100.0%	3,000,000
DISCRETIONARY FUNDS	1,645,025	2,102,229	-652,102	-31.0%	1,450,127	-652,102	-31.0%	1,450,127
ECONOMIC DEVELOP INITIATIVES	0	644,568	-107,722	-16.7%	536,846	1,518,522	235.6%	2,163,090
AGRIC. PRODUCTS UTIL. COMM. (APUC)	2,537,173	4,108,503	-1,317,503	-32.1%	2,791,000	-1,300,310	-31.6%	2,808,193
LEWIS & CLARK BICENTENNIAL	3,375,851	3,933,103	-3,933,103	-100.0%	0	-3,933,103	-100.0%	0
ECONOMIC DEVELOPMENT GRANTS	0	150,000	-100,000	-66.7%	50,000	-100,000	-66.7%	50,000
ND TRADE OFFICE	0	700,000	40,000	5.7%	740,000	700,000	100.0%	1,400,000
TOTAL LINE ITEMS	65,629,937	78,359,669	-3,306,039	-4.2%	75,053,630	3,171,360	4.0%	81,531,029
BY FUNDING SOURCE								
GENERAL FUND	18,749,599	20,206,900	-937,902	-4.6%	19,268,998	5,962,836	29.5%	26,169,736
FEDERAL FUNDS	40,405,276	47,687,580	-2,344,697	-4.9%	45,342,883	-2,221,545	-4.7%	45,466,035
SPECIAL FUNDS	6,475,062	10,465,189	-23,440	-.2%	10,441,749	-569,931	-5.4%	9,895,258
TOTAL FUNDING SOURCE	65,629,937	78,359,669	-3,306,039	-4.2%	75,053,630	3,171,360	4.0%	81,531,029
TOTAL FTE	57.00	62.00	.00	.0%	62.00	11.00	17.7%	73.00

Statutory Authority

North Dakota Century Code Chapters 4-01, 4-05.1, 4-09, 4-10.1, 4-10.2, 4-10.3, 4-10.4, 4-10.5, 4-10.6, 4-10.7, 4-12.1, 4-12.2, 4-13.1, 4-13.2, 4-14, 4-14.1, 4-14.2, 4-21.1, 4-27, 4-28, 4-30, 4-32, 4-33, 4-35, 4-35.1, 4-37, 4-38, 4-40, 4-41, 19-13.1, 19-14, 19-18, 19-20.1, 19-20.2, 36-01, 36-04, 36-05, 36-05.1, 36-07, 36-14, 36-14.1, 36-15, 36-21.1, 36-24, and 63-01.1.

Agency Description

The commissioner is statutorily responsible to enforce agriculture related regulations, collect and publish agricultural and labor statistics, and serve as commissioner of immigration. The responsibilities have expanded to include a leadership role in the formulation of policies affecting the state's agricultural industries, the advocacy of the needs and concerns of farmers and ranchers on the state and national levels, the administration of fair and timely mediation services to farmers and ranchers, the promotion and marketing of North Dakota products, and the distribution of information concerning agricultural issues to the governor, legislature and the general public.

Major Accomplishments

1. Conducted 32 Project Safe Send collections to dispose of unusable pesticides and other hazardous waste. More than 150,000 tons of waste pesticides were collected and destroyed during 2004 and 2005.
2. Expanded the state meat inspection program to 13 processing plants with the approval of nine official state slaughter and processing plants grants of inspection and met federal requirements to inspect poultry products.
3. Worked with county and city weed control officers and with youth groups to implement a program for home gardeners to exchange their lythrum, a noxious weed, for liatrous, a native plant.
4. Cooperated with the North Dakota Geological Survey and Natural Resource Conservation Service to convert the state's soil maps into the geographic information system (GIS) format.
5. Signed an agreement to join the Multi-State Partnership for Security in Agriculture, a 12-state cooperative effort to deal with naturally occurring and artificially induced biological threats to agriculture.
6. Concluded a major investigation into illegal use of sodium cyanide in the state. Nine North Dakota Department of Agriculture employees were honored by the U.S. Environmental Protection Agency for their efforts in the investigation.
7. Established the 12-member Organic Advisory Board.
8. Commissioner Johnson was elected chairman of the 36-state Interstate Pest Control Compact (IPCC).
9. Led a trade delegation to the 23rd Havana International Trade Fair. The Cuban government agreed to buy a record-high $20 million worth of North Dakota agricultural commodities.
10. Led the development of National Association of State Departments of Agriculture farm bill recommendations.
11. Sponsored successful renewable energy summits in Mandan in October 2004 and Fargo in December 2005.
12. Distributed federal grant money to organic producers to assist with certification costs.
13. Held Pride of Dakota Wholesale Gift Shows in Bismarck and conducted annual Pride of Dakota school lunch day programs.
14. Contracted the Ag in the Classroom activities in response to legislative directive.
15. Coordinated successful Pride of Dakota Holiday Showcase events in Bismarck, Minot, Fargo and Grand Forks.
16. Increased sales through shopnd.com, a Pride of Dakota e-commerce marketing site for Pride of Dakota members.
17. Assisted counties in developing a successful biocontrol program for leafy spurge and for Canada thistle.
18. Testified in Washington, D.C. on the Pesticide Harmonization Act.
19. Conducted courses to help North Dakota meat processors better understand mandatory sanitation procedures and to improve their production strategies.
20. Cooperated with federal and state agencies in the development of a new website, the “Invasive Species Web-Based Manual” which is hosted on the department’s website.
21. Assisted dairy producers with waste management and water quality issues through the federal EPA 319 program.
22. Provided negotiation, mediation, and beginning farmer assistance to 535 producers in fiscal years 2004 and 2005.
23. Conducted a series of four crop insurance forums across the state.
24. Conducted annual Commissioner’s Weed Forums for city and county weed officials.
25. Worked with farm organizations to coordinate the celebration of Ag Day and Ag Earth Week.
26. Co-sponsored with the North Dakota Stockmen’s Association a feedlot tour for livestock producers.
27. Conducted a tour for Mexican cattle producers interested in buying North Dakota feed products.

Executive Budget Recommendation

- Increases the Meat Inspection program by 5.00 FTE to meet the significant increase in demand from industry to provide state inspection services.
- Provides $56,601 to meet projected increase in Agriculture Mediation assistance.
- Allows an additional $235,000, $93,000 from the general fund, in travel and IT operating to cover inflation and rate increases.
- Adds a veterinarian position to the Board of Animal Health to assist in carrying out increased workload related to animal health standards.
- Moves $100,000 of unexpended 2005-07 Game and Fish funds appropriated to Wildlife Services Contingency line item to the regular Wildlife Services program.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

602 DEPARTMENT OF AGRICULTURE **Bill#: SB 2009**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
EXECUTIVE SERVICES	2,633,096	3,313,338	99,660	3.0%	3,412,998	443,238	13.4%	3,756,576
PLANT SERVICES	5,211,341	5,306,153	70,823	1.3%	5,376,976	342,308	6.5%	5,648,461
LIVESTOCK SERVICES	4,548,393	5,390,153	396,512	7.4%	5,786,665	1,514,472	28.1%	6,904,625
TOTAL MAJOR PROGRAMS	12,392,830	14,009,644	566,995	4.0%	14,576,639	2,300,018	16.4%	16,309,662
BY LINE ITEM								
SALARIES AND WAGES	4,934,941	5,783,517	17,957	.3%	5,801,474	878,785	15.2%	6,662,302
OPERATING EXPENSES	4,060,986	4,255,875	514,471	12.1%	4,770,346	1,262,558	29.7%	5,518,433
CAPITAL ASSETS	6,315	5,000	0	.0%	5,000	0	.0%	5,000
GRANTS	1,694,865	1,774,225	0	.0%	1,774,225	0	.0%	1,774,225
BOARD OF ANIMAL HEALTH	1,680,652	2,036,027	9,567	.5%	2,045,594	263,675	13.0%	2,299,702
WILDLIFE SERVICES	0	130,000	0	.0%	130,000	-130,000	-100.0%	0
CROP HARMONIZATION BOARD	15,071	25,000	25,000	100.0%	50,000	25,000	100.0%	50,000
TOTAL LINE ITEMS	12,392,830	14,009,644	566,995	4.0%	14,576,639	2,300,018	16.4%	16,309,662
BY FUNDING SOURCE								
GENERAL FUND	4,238,036	4,523,112	60,937	1.3%	4,584,049	907,605	20.1%	5,430,717
FEDERAL FUNDS	4,393,916	4,978,896	629,110	12.6%	5,608,006	1,238,806	24.9%	6,217,702
SPECIAL FUNDS	3,760,878	4,507,636	-123,052	-2.7%	4,384,584	153,607	3.4%	4,661,243
TOTAL FUNDING SOURCE	12,392,830	14,009,644	566,995	4.0%	14,576,639	2,300,018	16.4%	16,309,662
TOTAL FTE	57.00	61.00	.00	.0%	61.00	6.00	9.8%	67.00

STATE SEED DEPARTMENT

Agency 616

Statutory Authority

North Dakota Century Code Chapters 4-09, 4-10, 4-11, 4-25, 4-26 and 4-42.

Agency Description

The North Dakota State Seed Department (NDSSD) provides services to the North Dakota agricultural industry and concentrates its activities in enforcement of seed laws, certification, promotion and marketing of field seeds and potatoes. A nine-member Seed Commission, who represents the agricultural industries using the department's services, serves as the board of directors. This board establishes policy, approves major program changes recommended by administration, appoints a manager and approves budgets. The department employs 30 full-time and 40-50 temporary and part-time staff in Fargo, at its regional office in Grafton, and throughout the state on a seasonal basis. The Seed Department is a self-funded agency of the State with revenues generated by service fees. All funding for the department's programs is derived from the services it performs.

The department operates four primary programs as part of its role in North Dakota agriculture. Managers in each program area lead teams of trained staff who perform the administrative, inspection, testing and regulatory functions of the Department. The four major programs include:

- Seed Regulatory Program - Fulfills the state's obligation for enforcement of state and federal seed laws. This program is responsible to ensure that seed is properly labeled for the purchaser. It involves sampling and testing seed lots, performing field grow outs for varietal identification, investigating complaints, administering a seed permit system, and educating the industry on state and federal seed laws. This program area also enforces the Plant Variety Protection Act, and acts in cooperation with public institutions and private companies to ensure integrity of protected varieties and adherence to intellectual property rights law.
- Potato Program - Provides service to the potato industry with the inspection of seed fields, and provides Federal/State shipping point inspection at potato warehouses and processing plants.
- Field Seeds Program - Provides field inspection and certification services on over 300,000 acres and 7.0 million bushels of northern grown seed crops each year.
- Laboratory Services Program - Incorporates recent technology in traditional and newly developed testing practices.

Major Accomplishments

1. Completed, and annually reviewed, a strategic planning process that will guide agency program development over the next 5-10 year period.
2. Introduced web-based information systems in a secure on-line form designed to provide inspection results to producers and seed companies quickly and reliably. An on-line application for services is being integrated.
3. Expanded laboratory test services in response to industry demands, including those related to specific GM events and crop diseases common to this region.
4. Experienced expansion in production and sale of nuclear seed stocks developed in our tissue culture and greenhouse facilities.
5. Developed and received USDA-APHIS accreditation for a Ring Rot testing laboratory enterprise situated in the Grafton office. Received accreditation and licensing to issue phytosanitary certificates in potato program, in cooperation with NDDA who is the state's designated authority for APHIS phyto issues.
6. Initiated the integration of key components of International Standards Organization (ISO) quality programs in the Field Seed, Regulatory and Laboratory Services programs.
7. Improved and expanded research fee collection programs in collaboration with public universities and private companies to help entities maintain funding streams associated with variety development.

Executive Budget Recommendation

- Recommends the $5.9 million, 100 percent special fund budget as requested by the agency.
- Supports the future initiatives of the department and updates laboratory equipment to current industry standards.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

616 STATE SEED DEPARTMENT **Bill#: HB 1022**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	122,389	631,258	0	.0%	631,258	0	.0%	631,258
SEED REGULATORY PROGRAM	356,766	605,198	0	.0%	605,198	28,354	4.7%	633,552
POTATO PROGRAM	1,404,498	1,874,524	0	.0%	1,874,524	87,731	4.7%	1,962,255
FIELD SEEDS	1,098,444	1,671,924	0	.0%	1,671,924	54,070	3.2%	1,725,994
LAB SERVICES	937,705	1,150,487	0	.0%	1,150,487	65,956	5.7%	1,216,443
TOTAL MAJOR PROGRAMS	3,919,802	5,933,391	0	.0%	5,933,391	236,111	4.0%	6,169,502
BY LINE ITEM								
SEED OPERATIONS	3,919,802	5,933,391	0	.0%	5,933,391	236,111	4.0%	6,169,502
TOTAL LINE ITEMS	3,919,802	5,933,391	0	.0%	5,933,391	236,111	4.0%	6,169,502
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	3,919,802	5,933,391	0	.0%	5,933,391	236,111	4.0%	6,169,502
TOTAL FUNDING SOURCE	3,919,802	5,933,391	0	.0%	5,933,391	236,111	4.0%	6,169,502
TOTAL FTE	32.00	30.00	.00	.0%	30.00	.00	.0%	30.00

Statutory Authority
North Dakota Century Code Chapter 54-53.

Agency Description
The Upper Great Plains Transportation Institute was created by the North Dakota legislature in 1967 as part of North Dakota State University to foster a better understanding of the role of transportation in the economy. This allows North Dakota firms to more effectively compete by providing businesses, private sector organizations, and government agencies with the knowledge, information, and the intellectual capital necessary to make better business decisions and develop sound public policy. The Institute's vision is to excel as one of the premier university transportation centers in the United States.

Major Accomplishments
1. Sponsored a successful conference on Regional Truck Size and Weight Issues that has spurred the interest of surrounding states and provinces.
2. Completed an Intermodal Freight Feasibility study for MetroCog which provided a springboard for a combined statewide effort to bring more intermodal freight terminal options for North Dakota shippers.
3. Completed a comprehensive study of the effects of transportation infrastructure improvements on economic development in North Dakota and presented the results to the North Dakota Legislative Council.
4. Initiated the establishment of a Rural Transportation Safety and Security Center in the upper north central part of the United States.
5. Conducted a study and provided a report on transportation technical training needs including recommendations for development of future training programs and training delivery mechanisms. This study and report was conducted for the transportation departments in Montana, South Dakota, Wyoming, and North Dakota.
6. Implemented the Highway Economic Requirements System and REMI Regional Economic models for the North Dakota Department of Transportation (DOT) and a performed statewide analysis of the benefits and costs of making future highway improvements.
7. Won the Region 8 competition for the University Transportation Centers Program for 2006-2009.
8. Initiated freight corridor research and outreach program for the Pacific Northern Plains Region in cooperation with the University of Washington and Washington State University and state Departments of Transportation.
9. Conducted an analysis of runway roughness for all ND surfaced airports for the ND Aeronautics Commission.
10. Conducted a performance analysis of 3,200 miles of projects completed over the last 9 years that served as the basis for developing a ride quality specification for asphalt pavements newly constructed.
11. Established the North Dakota Traffic Operations Roundtable to boost support to traffic engineers across state and the region. Currently, the roundtable consists of 23 members from nine cities, Federal Highway Administration, and the DOT.
12. Developed and implemented new masters program in Military Logistics.
13. Developed high-quality software in use by federal and state commercial safety specialists nationwide.
14. Continued to assist Federal Motor Carrier Safety Assistance Programs and state personnel in their partnership with the U.S. Customs and Border Protection to give inspectors the ability to identify and contain unsafe commercial motor vehicles and drivers before they reach our nation's roads. The work is also supported by the North Dakota Highway Patrol.
15. Completed a project to develop and analyze the integration of a new carrier-driver-conviction indicator into the roadside Inspection Selection System algorithm.
16. Initiated a project to improve the quality of driver identification data collected for commercial vehicle roadside inspection and crash reports.

Executive Budget Recommendation
- Recommends the agency's budget request, including the net reduction of 5.10 FTE.
- Authorizes the construction of the Center for Transportation Study funded entirely through special and/or federal funds.
- Includes $551,775 special funds and 2.00 FTE for the establishment of the ND Agricultural & Rural Business Logistics Center.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

627 UPPER GREAT PLAINS TRANS INST **Bill#: HB 1020**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
CORE PROGRAM	6,435,422	16,502,637	9,912,850	60.1%	26,415,487	10,976,910	66.5%	27,479,547
TOTAL MAJOR PROGRAMS	6,435,422	16,502,637	9,912,850	60.1%	26,415,487	10,976,910	66.5%	27,479,547
BY LINE ITEM								
CAPITAL ASSETS	0	0	5,500,000	100.0%	5,500,000	5,500,000	100.0%	5,500,000
GRANTS	2,000,000	2,000,000	2,225,000	111.3%	4,225,000	2,225,000	111.3%	4,225,000
TRANSPORTATION INSTITUTE	4,435,422	14,452,937	2,237,550	15.5%	16,690,487	3,301,610	22.8%	17,754,547
BIENNIUM CARRYOVER	0	49,700	-49,700	-100.0%	0	-49,700	-100.0%	0
TOTAL LINE ITEMS	6,435,422	16,502,637	9,912,850	60.1%	26,415,487	10,976,910	66.5%	27,479,547
BY FUNDING SOURCE								
GENERAL FUND	476,896	1,212,604	-43,778	-3.6%	1,168,826	11,280	.9%	1,223,884
FEDERAL FUNDS	5,679,123	12,381,889	8,916,740	72.0%	21,298,629	9,334,384	75.4%	21,716,273
SPECIAL FUNDS	279,403	2,908,144	1,039,888	35.8%	3,948,032	1,631,246	56.1%	4,539,390
TOTAL FUNDING SOURCE	6,435,422	16,502,637	9,912,850	60.1%	26,415,487	10,976,910	66.5%	27,479,547
TOTAL FTE	31.50	48.50	-7.10	-14.6%	41.40	-5.10	-10.5%	43.40

Statutory Authority

North Dakota Century Code Chapter 4-05.1.

Agency Description

Dickinson Research Extension Center (DREC)

Located on the prairie biome, the Dickinson Research Extension Center has created a relationship of harmony and trust with the people in the 13-county region south and west of the Missouri River. In the first century of service (1905-2005), the DREC assisted agricultural producers in solving production problems with agronomy, animal science and range science while implementing changes in technology.

The DREC has pioneered work in eight major areas: agronomy, beef management, bio-security, cropping systems, horticulture, range management, sustainable agricultural practices, and waste management. The uniqueness of each research discipline has been evident. Faculty and staff have committed to engaging people of the region in a self-empowerment process, which identifies current economic opportunities and preserves the natural resources for future generations. Research data and producer ideas are continually compared so the DREC can leverage the latest knowledge to benefit the people of North Dakota.

The DREC operates 4,916 acres of owned land within the region as well as annual land leases needed to accommodate ongoing projects. The land base provides opportunities for a broad perspective in evaluating various agricultural systems that can serve as engines for economic development. This is a continuation of what has taken place for 100 years.

Central Grasslands Research Extension Center (CGREC)

The CGREC conducts research for the Coteau region of North Dakota, an area bounded by the Missouri River on the west and the James River on the east and extends from Divide and Burke counties in northwestern North Dakota in a southeasterly direction through Dickey County.

Research objectives must increase the range-carrying capacity of native range emphasizing conservation and preservation, stabilize grass production to compensate for the vagaries of the weather and precipitation as it influences forage production in the dryland agriculture, identify the impact of different management systems upon beef production in the central region and explore the increased use of crop residues and byproducts for the maintenance of the cow herd. CGREC's primary focus is management of grassland acreage which occupies about one-third of the agricultural land in the state and aims to improve production and increase returns to cattle producers.

The CGREC is surrounded by numerous small towns and communities many of which are thriving and prosperous. In addition the CGREC is located between two counties which rank in the top 10 counties for the production of livestock and forages. This area served by CGREC contains 5 million acres (44 percent) of the state's rangeland where 42 percent of the state's livestock is raised on 38 percent of the state's farms.

Hettinger Research Extension Center (HREC)

The HREC is a semi-arid site located in southwest North Dakota, providing the most southerly NDSU location in the non-glaciated portion of North Dakota as a site for its agronomy research program. The HREC also is appropriately located at the center of the North Dakota sheep industry, which is the focus of one of its animal research programs and in an area of rapidly growing livestock feeding ventures, another focus of animal research at the HREC. Additionally, the HREC is located in a region where much of the land base is in the Conservation Reserve Program, which has resulted in additional research evaluating potential changes in the CRP program and how these changes may affect upland game bird populations. Research at HREC involves the disciplines of animal science, range science, agronomy, and agri-business and applied economics. Collaboration is with Main Station scientists, Branch Station scientists, and USDA research entities in these research disciplines to improve productivity of livestock and cropping systems and economic development of the region.

Langdon Research Extension Center (LREC)

The 100 year old (2007) Langdon Research Extension Center (LREC) is located one mile east of Langdon, ND on US highway five. The agricultural land base at the station consists of 389 owned acres and an additional 320 acres under lease agreement. The LREC serves a nine county region located in northeast North Dakota and has ND's highest precipitation rates, coolest temperatures and richest productive soils. The environment creates high levels of diverse crop production and recurring disease problems.

The LREC has a strong tradition of assisting the region's producers meet agricultural production challenges throughout the course of its existence. In 1993, the LREC redirected much of its research programming to focus on the significant increase of disease and insect pressure associated with its climate. This redirected applied research programming has provided producers with proven cultural practices and advances in chemical applications that minimize disease and insect pressures in all regions of ND.

Some very positive changes have occurred with the start of the 21st century. Since 2001, the LREC has significantly enhanced its overall agricultural research programming with the addition of a crop protection scientist, a director that also serves the region with an emphasis in rural economic/community development, increased foundation seed stocks program and a farm business management instructor. The farm business management instructor is employed through a partnership with Lake Region State College and currently serves over 40 farm families. In addition, a full service agricultural based learning center was constructed in 2004 that greatly enhances outreach and extension efforts delivered to the region's agricultural industry. Finally, additional programming has been created that is working to employ LREC resources as an engine for rural community and economic development in partnership with the regions economic developers.

North Central Research Extension Center (NCREC)

The NCREC was established in 1945 and is located one mile south of Minot on Highway 83. The 1200-acre center specializes in crop research and extension education activities and foundation seed production. Approximately 1,500 owned, rented, and contracted acres are planted for foundation seed production each year. The NCREC evaluates conventional and new crops for production in the region and explores weed management and cropping systems to improve the economic potential of crop production in the north central region. The NCREC is a leader in North Dakota on production and disease research of canola, pea, lentil, and chickpea, in addition to the conventional crops of HRS and durum wheat, barley, flax, sunflower, and oat. The NCREC works closely with business and economic development leaders in the region to improve the economic vitality of north central North Dakota.

Williston Research Extension Center (WREC)

The Williston Research Extension Center, established in 1907 and relocated to the present site in 1954, is an 800-acre rainfed farm located in northwest North Dakota near the city of Williston. In 2001, an additional 157 acres were purchased in Nesson Valley to develop an irrigated research and development project. Studies at the WREC are conducted on crop variety evaluation, herbicide performance and other cultural management research, cropping systems and soil and water conservation practices. The main dryland crops are spring wheat and durum. Barley, oats, safflower, annual pulse crops, canola, flax, alfalfa and other alternative crops are also grown as cash crops or for livestock feed. WREC research is intended to increase the producer's net profit, support crop diversification, and encourage more intensive cropping. Soil and crop management systems for sprinkler irrigation and alternative irrigated high value and value-added crop research studies, including the Western Malting Barley program, are also conducted in the MonDak Region, in cooperation with the Montana State University (MSU) Eastern Agricultural Research Center (EARC), Sidney. The Center also conducts safflower, winter wheat, and durum breeding research and variety evaluations, in cooperation with MSU and NDSU Main Station scientists. WREC produces and supplies area farmer's foundation seed of cultivars adapted to the region. Formal cooperation between the NDSU WREC and the MSU EARC was established in January 1994, with a single director responsible to coordinate, broaden, and enhance research programs, and educational delivery systems for the MonDak Region.

Carrington Research Extension Center (CREC)

The Carrington Research Extension Center was established in 1960. The initial focus of the program was an irrigation research effort to support the Garrison Diversion Project plan to divert Missouri River water for irrigation. The Center's scope expanded significantly in the mid 1960's with responsibilities for dryland crop production research for central and south-central North Dakota and again in 1972 to include livestock research. The central location of the Carrington Center is important in that the research program can address crops and issues that represent a significant part of agriculture in North Dakota.

The research effort at the Carrington Center focuses on these general program areas: traditional crop variety evaluation, crop production and management, alternative crop development, cropping systems, irrigation, integration of crop and livestock production, intensive cow/calf production, beef cattle feeding, feedlot management, bison nutrition, aquaculture, foundation seedstocks production, and development of new agricultural enterprises.

The Carrington Center maintains a strong Extension program as three area extension specialists base their educational programming from the Center. The extension program emphasis areas addressed by these specialists include Agronomy (Crop Production and Crop Pest Management), Livestock (Livestock Systems), and Livestock (Waste Management).

The Carrington Center operates on a land base of around 1,450 acres. Of this total, about 700 acres are leased or rented to supplement the research, seed and forage production needs of the Center. The Carrington Center has infrastructure to irrigate about 260 acres with center-pivot systems and 120 acres by surface methods. The balance of the acreage is managed as traditional dryland and is utilized primarily for dryland field crop research activities.

Major Accomplishments

Dickinson Research Extension Center (DREC)

1. Conducted annual and perennial plant growth research which lead to a cropping systems view incorporating plant and animal growth that harmoniously impact each other. This view allows producers and researchers to review management options that optimize resource usage and preserve environmental quality for future economic opportunity and quality of life for citizens of the region.
2. Conducted research in the following eight major areas: agronomy, beef management, bioseurity, cropping systems, horticulture, range management, sustainable agriculture and waste management.

Central Grasslands Research Extension Center (CGREC)

1. Awarded a grant to coordinate and develop a biomass for ethanol study at six sites across North Dakota. All sites were seeded Spring 2006.
2. Developed a Whole Ranch Management System and Range Monitoring Program.
3. Completed a 2-year investigation (funded in part by *Sweetpro*) on the use of ethanol by-products in first-calf heifer and steer finishing rations.
4. Initiated a new cooperative research study with Main Station Scientists evaluating swath grazing of three forage species on beef cow performance.
5. Cooperated on a research study on Vaccine Interference with Main Station Scientists and Pfizer Co.
6. Renewed the memorandum of understanding with the Chinese Academy of Science, Institute of Botany, for a scholar exchange program.

Hettinger Research Extension Center (HREC)

1. Initiated a new research project, Evaluating Environmental and Economic Consequences of Multiple-Use Management of Agricultural Lands in the Northern Great Plains.
2. Handled and distributed 1,100 bushels of foundation seed produced at NDSU research centers, making new varieties available to southwest North Dakota producers.
3. Conducted 41 crop variety trials, 7 weed control trials, and 3 fertilizer trials.
4. Continued support of the HREC Video Conference Facility, computer desktop support in SW North Dakota, and 21st Century Learning Centers.

Langdon Research Extension Center (LREC)

1. Provided successful results researching plant diseases that negatively impact the region's producers. Producers have used this research to identify the most effective fungicides, proper timing, and spray technologies that provide the best plant coverage.
2. Formed strong partnerships with chemical, seed and machinery companies that provide the regions producers with their inputs.
3. Added $275,000 in grant research projects in 2005 alone to address unexpected production problems.
4. Continued evolving into a full service educational outreach center for agricultural as well as non-agricultural outreach.
5. Developed new partnerships with regional economic development groups.
6. Conducted approximately 200 educational sessions serving 3,560 citizens during 2005.

North Central Research Extension Center (NCREC)

1. Produced, conditioned and distributed foundation seed of several new NDSU varieties including Glenn hard red spring wheat, Howard hard red spring wheat, Divide durum, Grenora durum and Sierra chickpea.
2. Continued research of straight combining of canola using a desiccant and potentially reduce green seed count.
3. Researched new crop protection products for minor crops such as sunflower, dry pea, lentil, chickpea, canola and flax.
4. Conducted residue trials with the USDA IR-4 that will lead to registration of new herbicides for controlling weeds and insects in ND crops such as canola, sunflower, flax, dry bean, dry pea, lentil, wheat, barley and millet.

Williston Research Extension Center (WREC)

1. Evaluated the performance and adaptation of new and established crop cultivars and crop cultural practices to improve productivity of agricultural products and reduce inputs in partnership with the MSU Eastern Agricultural Research Center (EARC) Sidney, MT.
2. Conducted research and demonstration projects on potatoes for the french fry industry, on malting barley in partnership with Anheuser Busch, on identity preserved wheat, and on value added safflower and durum.

3. Initiated a new research project on barley for ethanol that has the potential to promote and utilize rejected malt barley (feed barley, estimated 5-6 million bushels) for ethanol at an estimated 50-60 cents per bushel higher than feed barley prices.
4. Began new bioenergy crop research in 2006 to assess the production of biomass from switchgrass and other perennial herbaceous crops.
5. Planned for utilization of a 160-acre irrigated site in the Nesson Valley Irrigation District for research and development in 2006-2007 on sustainable irrigated cropping systems to increase irrigation profitability and support food processing industries in North Dakota.

Carrington Research Extension Center (CREC)

1. Continued as the only site across the nation where sclerotinia disease control is investigated on all crops (sunflower, canola, dry bean, soybean, and dry peas).
2. Conducted over 30 different field trials in recent years that have focused specifically on plant disease management and another 30 trials that have collected data on crop variety reaction to diseases.
3. Established a series of research projects designed to investigate the effectiveness of non-traditional crop inputs and provide growers with an unbiased assessment of impact on crop performance.
4. Completed 19 beef feedlot studies in the past three years using 2,438 head.

Executive Budget Recommendation

- Approves the ongoing funding for the seven branch research centers.
- Establishes equipment and operating expense pools of $384,900 from the general fund.
- Authorizes an additional 7.00 FTE and $462,800 from the general fund for research center support staff.
- Recommends $75,000 from the general fund for Scab / NDAWN research
- Recommends $190,000 from the general fund for additional pulse improvement projects.
- Approves a one-time payment of $400,000 from the general fund to complete the Agronomy Lab and Greenhouse construction project at the North Central Research Station.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

628 BRANCH RESEARCH CENTERS **Bill#: HB 1020**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
DICKINSON RESEARCH CENTER	4,173,872	5,575,870	217,614	3.9%	5,793,484	501,359	9.0%	6,077,229
CENTRAL GRASSLANDS RESEARCH	1,734,399	2,347,297	-269,967	-11.5%	2,077,330	-79,791	-3.4%	2,267,506
CENTER	1,708,667	1,821,657	417,393	22.9%	2,239,050	619,555	34.0%	2,441,212
HETTINGER RESEARCH CENTER	1,649,584	1,348,094	136,216	10.1%	1,484,310	349,199	25.9%	1,697,293
LANGDON RESEARCH CENTER	2,315,929	3,942,540	-1,336,923	-33.9%	2,605,617	-417,724	-10.6%	3,524,816
NORTH CENTRAL RESEARCH CENTER	2,138,645	2,283,878	429,164	18.8%	2,713,042	600,491	26.3%	2,884,369
WILLISTON RESEARCH CENTER	3,901,197	4,270,340	920,952	21.6%	5,191,292	1,211,750	28.4%	5,482,090
CARRINGTON RESEARCH CENTER								
TOTAL MAJOR PROGRAMS	17,622,293	21,589,676	514,449	2.4%	22,104,125	2,784,839	12.9%	24,374,515
BY LINE ITEM								
DICKINSON RESEARCH CENTER	4,173,872	5,575,870	217,614	3.9%	5,793,484	501,359	9.0%	6,077,229
CENTRAL GRASSLANDS RESEARCH	1,734,399	2,347,297	-269,967	-11.5%	2,077,330	-79,791	-3.4%	2,267,506
CENTER	1,708,667	1,821,657	417,393	22.9%	2,239,050	619,555	34.0%	2,441,212
HETTINGER RESEARCH CENTER	1,649,584	1,348,094	136,216	10.1%	1,484,310	349,199	25.9%	1,697,293
LANGDON RESEARCH CENTER	2,315,929	3,942,540	-1,336,923	-33.9%	2,605,617	-417,724	-10.6%	3,524,816
NORTH CENTRAL RESEARCH CENTER	2,138,645	2,283,878	429,164	18.8%	2,713,042	600,491	26.3%	2,884,369
WILLISTON RESEARCH CENTER	3,901,197	4,270,340	920,952	21.6%	5,191,292	1,211,750	28.4%	5,482,090
CARRINGTON RESEARCH CENTER								
TOTAL LINE ITEMS	17,622,293	21,589,676	514,449	2.4%	22,104,125	2,784,839	12.9%	24,374,515
BY FUNDING SOURCE								
GENERAL FUND	7,705,087	8,470,309	116,793	1.4%	8,587,102	2,187,775	25.8%	10,658,084
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	9,917,206	13,119,367	397,656	3.0%	13,517,023	597,064	4.6%	13,716,431
TOTAL FUNDING SOURCE	17,622,293	21,589,676	514,449	2.4%	22,104,125	2,784,839	12.9%	24,374,515
TOTAL FTE	73.65	87.26	.00	.0%	87.26	8.00	9.2%	95.26

NDSU EXTENSION SERVICE

Agency 630

Statutory Authority

North Dakota Century Code Chapter 4-08.

Agency Description

The North Dakota State University (NDSU) Extension Service is part of a nationwide, university-based educational system that provides research-based educational programs to citizens in all 53 counties and four American Indian reservations in North Dakota. Programs focus on selected needs and issues affecting the state's agriculture, youth, families, communities and natural resources. The staff is located at state, area and local/county offices. The NDSU Extension Service combines funding from federal, state, county and grant sources to specifically address local concerns.

Major Accomplishments

1. Enhanced community, economic development and leadership skills of North Dakotans through the Horizons and Rural Leadership North Dakota (RLND) programs. Twenty ND communities participated in a moderate-income housing program having a $11.2 million impact on the economy. Other impacts included improved cell phone service, youth engagement in communities, strengthening tourism and economic development.
2. Addressed nutrition, food safety and health through a multitude of programs including community-based nutrition education for diabetics; consumer education on the health benefits of North Dakota crops; calcium education for over 1,000 children; a walking program that reached nearly 2,000 people logging over 342,000 miles in two years; a healthy lifestyles program designed to increase physical activity and consumption of fruits and vegetables that reached 74 percent of N.D.'s population; and serving food safely training that reached more than 4,000 teens.
3. Held in-depth training sessions on cattle feeding and production. Provided technical assistance on business planning, nutrient management and livestock rations to beef backgrounders and finishers.
4. Conducted wheat disease educational program on proper selection and timing of fungicide application. Results showed an average wheat yield increase of 10-12 bushels/acre and an economic return of $30-36/acre. Total economic return in 2005 was estimated at $30-36 million.
5. Addressed pulse crop and soybean expansion interest through Extension education.
6. Supported crop marketing clubs with videoconference educational programs, a facilitators conference, and on-line Commodity Challenge marketing exercises. The number of clubs has increased to 53.
7. Developed programs such as "Financial Security in Later Life" and "High School Financial Planning" to address the issue of declining Americans' savings and increasing use of credit and home equity loans.
8. Reached over 42,000 youth in 2005 through 4-H programs. This included 5,898 in organized community clubs and 1,341 in 4-H after-school clubs. Over 20 schools were provided curriculum and training on the "Archery in the Schools" program.
9. Addressed workforce readiness skills through 4-H programs. In 2005, 341 youth enhanced public speaking and communication skills in communication arts events; nearly 2,000 youth demonstrated the ability to carry through on a project by exhibiting at the State Fair; and 612 youth practiced decision-making skills in state judging contests.
10. Utilized participatory learning through on-farm manure utilization plots.
11. Provided educational support for parents who are separated or divorced. The program focused on the experience of children when divorce occurs, stress and co-parenting. Evaluations showed ex-spouses working more cooperatively together to reduce stress on children.
12. Provided education and resources through parenting resource centers. Studies show the centers and Extension ranked first as the main contact for parenting information. The Dakota Fatherhood Initiative is also having a positive impact to strengthen father involvement in families.

Executive Budget Recommendation

- Authorizes 1.00 FTE and $300,000 general fund dollars to focus on bioproducts.
- Approves $100,000 for a general fund equipment and operating pool.
- Includes $50,000 from the general fund for student salaries to monitor scab throughout the state.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

630 NDSU EXTENSION SERVICE **Bill#: HB 1020**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COOP EXTENSION SERVICE	34,512,317	38,474,196	-47,310	-.1%	38,426,886	2,848,259	7.4%	41,322,455
TOTAL MAJOR PROGRAMS	34,512,317	38,474,196	-47,310	-.1%	38,426,886	2,848,259	7.4%	41,322,455
BY LINE ITEM								
NDSU-EXTENSION SERVICE	33,762,098	37,608,499	188,387	.5%	37,796,886	3,083,956	8.2%	40,692,455
SOIL CONSERVATION COMMITTEE	750,219	865,697	-235,697	-27.2%	630,000	-235,697	-27.2%	630,000
TOTAL LINE ITEMS	34,512,317	38,474,196	-47,310	-.1%	38,426,886	2,848,259	7.4%	41,322,455
BY FUNDING SOURCE								
GENERAL FUND	14,085,986	15,452,605	161,931	1.0%	15,614,536	2,004,226	13.0%	17,456,831
FEDERAL FUNDS	6,677,210	6,857,327	-256,437	-3.7%	6,600,890	-121,674	-1.8%	6,735,653
SPECIAL FUNDS	13,749,121	16,164,264	47,196	.3%	16,211,460	965,707	6.0%	17,129,971
TOTAL FUNDING SOURCE	34,512,317	38,474,196	-47,310	-.1%	38,426,886	2,848,259	7.4%	41,322,455
TOTAL FTE	270.57	256.86	.00	.0%	256.86	1.00	.4%	257.86

Statutory Authority
North Dakota Century Code Chapter 4-14.2.

Agency Description
The Northern Crops Institute (NCI) is a cooperative effort between North Dakota, Minnesota, Montana and South Dakota to support the promotion and market development of crops grown in this four-state region. The NCI is an international meeting and learning center that brings together customers, commodity traders, technical experts, agricultural producers, and food and industrial processors for education, discussion and technical services. The NCI provides technical and marketing assistance through specialized training courses and technical services that facilitate domestic and international market development and expanded sales of northern grown crops. Representatives from more than 125 countries have visited the NCI since its inception. It is located on the campus of North Dakota State University.

Major Accomplishments
1. Contributed to state's economy through marketing activities for agricultural crops (increase and maintain crop sales) and by bringing many course participants and processors to North Dakota (hotels, meals, shopping, etc).
2. Hosted and promoted regional agriculture to over 1,500 visitors, short course participants and lecturers from over 50 countries.
3. Educated over 500 participants in NCI short courses and numerous trade teams.
4. Offered courses in partnership with U.S. Wheat Associates, American Soybean Association, U.S. Grains Council, USA Dry Pea and Lentil Association, American Society for Brewing Chemists, Association of Operative Millers, American Association of Cereal Chemists, Association of Oil Chemists Society, USDA/FAS Cochran Program, USDA Grain Inspection, Packers Stockyards Administration /FGIS, Minneapolis Grain Exchange, NDSU Extension Service, ND Grain Dealers, Midwest Shippers Association, and many commodity check-off organizations.
5. Provided customized grain procurement courses in soybeans, wheat and corn for regional companies and international buyers.
6. Conducted advanced procurement strategies course for U.S. feed corn importers from China.
7. Taught wheat and flour quality basics to U.S. wheat breeders, international and domestic buyers and processors of wheat.
8. Taught two barley malt quality programs to U.S. and Latin American barley buyers and processors.
9. Conducted lentil grading and inspection seminar for Algerian grain inspectors.
10. Conducted feed safety educational program for domestic and international feed manufacturers.
11. Conducted several grain grading workshops for regional grain elevator personnel with ND Grain Dealers Association.
12. Offered regional Specialty Soybean seminars for soybean producers that provided information on new market opportunities.
13. Conducted wheat quality and milling training for ND milling company.
14. Offered international business protocol seminars for commodity groups and regional business.
15. Hosted and provided educational segments for international trade teams regularly.
16. Produced complete feeds, concentrates, supplements and custom premixes for use in animal research. Since becoming operational in 1991, the NCI feed production center has manufactured in excess of 28,000 tons of feed. Average yearly feed production is 2,000-2,500 tons, mostly for NDSU Experiment Station and Research and Extension Centers. Feed for main station experimental livestock research is manufactured at NCI feed production center.
17. Provided technical expertise in wheat quality and end-uses through crop quality tours in Asia, European Union, and North Africa.

Executive Budget Recommendation
- Provides 1.00 new FTE and $100,000 general fund dollars for a technical support specialist.
- Provides $38,346 general fund dollars for staff development.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

638 NORTHERN CROPS INSTITUTE **Bill#: HB 1020**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
FARM PRODUCT DEVELOPMENT, MKTG. AND UTIL	1,524,114	1,902,683	454,200	23.9%	2,356,883	695,428	36.5%	2,598,111
TOTAL MAJOR PROGRAMS	1,524,114	1,902,683	454,200	23.9%	2,356,883	695,428	36.5%	2,598,111
BY LINE ITEM								
NORTHERN CROPS INSTITUTE	1,524,114	1,902,683	454,200	23.9%	2,356,883	695,428	36.5%	2,598,111
TOTAL LINE ITEMS	1,524,114	1,902,683	454,200	23.9%	2,356,883	695,428	36.5%	2,598,111
BY FUNDING SOURCE								
GENERAL FUND	746,002	910,761	11,545	1.3%	922,306	207,631	22.8%	1,118,392
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	778,112	991,922	442,655	44.6%	1,434,577	487,797	49.2%	1,479,719
TOTAL FUNDING SOURCE	1,524,114	1,902,683	454,200	23.9%	2,356,883	695,428	36.5%	2,598,111
TOTAL FTE	8.17	8.70	.00	.0%	10.20	2.50	28.7%	11.20

Statutory Authority

North Dakota Constitution, Article XIX; North Dakota Century Code Chapter 4-05.1

Agency Description

The North Dakota State University Main Research Station is located on the campus of the North Dakota State University of Agriculture and Applied Science. The station is the administrative location of the Agricultural Experiment Station. The station conducts research and coordinates all research activities of the Agricultural Experiment Station. The research has, as a purpose, the development and dissemination of technology important to the production and utilization of food, feed, fiber, and fuel from crop and livestock enterprises. The research provides for an enhancement of economic development, quality of life, sustainability of production, and protection of the environment. The Main Research Station keeps detailed records of all activities and publishes the information that will be of value to the residents of this state.

Major Accomplishments

1. Continued breeding, disease and insect tests, fertility tests, responses to weed pressure, determination of desirable agronomic processing and products, and economic impacts for 14 major crops and several new crops.
2. Developed and released new, improved cultivars of wheat (Glenn and Howard Hard Red Spring wheats), one malting barley cultivar (Stellar), three durum wheats (Divide, Grenora, and Alkibo), one potato (Dakota Crisp) and six Round-Up Ready soybean varieties.
3. Evaluated the effects of nutrition on fetal development in cattle.
4. Continued efforts by Main Station and REC scientists to reduce damage caused by wheat and barley scab.
5. Conducted fungicide and biological control trials to minimize damage, and plant breeders continued their efforts to develop resistant germplasm.
6. Continued long-term efforts to develop root rot resistant soybean and soybean resistant to soybean cyst nematode.
7. Determined through research that releases of Aphthona leafy spurge flea beetles continue to be successful in controlling leafy spurge in the majority of the sites tested.
8. Found that the majority of 185 commercial and public soybean varieties were too susceptible to iron deficiency chlorosis for planting on calcareous soils in North Dakota.
9. Continued research on groundwater quality as affected by precision farming. Determined that plant-root development and soil development is enhanced with managed grazing. Managed grazing enhances several soil properties, most notably soil infiltration.
10. Assessed the impact of alternative Farm Bills and presented results in U.S. House and Senate hearings.
11. Continued using economic models and made revisions to monitor land values, flood damage, impacts of value added activities in the state.
12. Continued studies of flax seed as a human food because of associations with reduced forms of certain cancers.
13. Studied the risk of illness due to antibiotic resistance brought about by contamination of food by food-borne pathogens.
14. Analyzed nutritional studies of different grass varieties, allowing forage growers, livestock producers, and wildlife managers to select one or more grasses that fit their needs and goals.

Executive Budget Recommendation

- Establishes an equipment and operating expense pool of $555,100 from the general fund.
- Approves $400,000 from the general fund and 2.00 FTE for bioproducts research.
- Authorizes $550,000 from the general fund for Scab/NDAWN research.
- Approves $280,000 and 1.00 FTE for Pulse Improvement research.
- Provides a one-time $100,000 general fund expenditure for a deferred maintenance pool for the branch research centers and the main research center.
- Authorizes $9.0 million for the construction of a research greenhouse facility.
- Funds office building addition and renovation projects for the headquarters buildings at the Carrington, Hettinger and North Central Research Extension Centers.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

640 NDSU MAIN RESEARCH CENTER **Bill#: HB 1020**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
AGRICULTURAL RESEARCH	61,971,543	76,106,713	6,228,357	8.2%	82,335,070	10,592,066	13.9%	86,698,779
TOTAL MAJOR PROGRAMS	61,971,543	76,106,713	6,228,357	8.2%	82,335,070	10,592,066	13.9%	86,698,779
BY LINE ITEM								
CAPITAL ASSETS	0	7,000,000	4,057,750	58.0%	11,057,750	3,210,595	45.9%	10,210,595
OPERATIONS	61,971,543	69,106,713	2,170,607	3.1%	71,277,320	7,381,471	10.7%	76,488,184
TOTAL LINE ITEMS	61,971,543	76,106,713	6,228,357	8.2%	82,335,070	10,592,066	13.9%	86,698,779
BY FUNDING SOURCE								
GENERAL FUND	27,718,332	30,644,067	458,313	1.5%	31,102,380	14,793,555	48.3%	45,437,622
FEDERAL FUNDS	4,777,677	4,749,242	0	.0%	4,749,242	76,222	1.6%	4,825,464
SPECIAL FUNDS	29,475,534	40,713,404	5,770,044	14.2%	46,483,448	-4,277,711	-10.5%	36,435,693
TOTAL FUNDING SOURCE	61,971,543	76,106,713	6,228,357	8.2%	82,335,070	10,592,066	13.9%	86,698,779
TOTAL FTE	349.19	345.08	.00	.0%	345.08	3.00	.9%	348.08

AGRONOMY SEED FARM

Agency 649

Statutory Authority
North Dakota Century Code Chapter 4-05.1.

Agency Description
The Agronomy Seed Farm (ASF) is a 590 acre farm located near Casselton, ND which has been a part of the North Dakota Agriculture Experiment Station (NDAES) since it was gifted to the state in 1950. It was the result of a fund drive conducted by the North Dakota Crop Improvement Association who solicited farmers, seed companies and many others throughout the state to help establish a farm whose main purpose would be to increase seed of new varieties as they were developed by the plant breeding and supporting departments of the NDAES. The ASF also propagates seed of older but still desirable varieties for the seedsmen of the area.

Major Accomplishments
1. Produced and conditioned 40,000 to 50,000 bushels of seed for availability to the seed industry annually.

Executive Budget Recommendation
- Approves the agency budget request of $1,202,748 special funds as submitted.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

649 AGRONOMY SEED FARM **Bill#: HB 1020**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
AGRICULTURAL RESEARCH	712,725	1,201,008	1,740	.1%	1,202,748	29,338	2.4%	1,230,346
TOTAL MAJOR PROGRAMS	712,725	1,201,008	1,740	.1%	1,202,748	29,338	2.4%	1,230,346
BY LINE ITEM								
AGRONOMY SEED FARM	712,725	1,201,008	1,740	.1%	1,202,748	29,338	2.4%	1,230,346
TOTAL LINE ITEMS	712,725	1,201,008	1,740	.1%	1,202,748	29,338	2.4%	1,230,346
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	712,725	1,201,008	1,740	.1%	1,202,748	29,338	2.4%	1,230,346
TOTAL FUNDING SOURCE	712,725	1,201,008	1,740	.1%	1,202,748	29,338	2.4%	1,230,346
TOTAL FTE	3.00	3.00	.00	.0%	3.00	.00	.0%	3.00

ND STATE FAIR

Agency 665

Statutory Authority
North Dakota Century Code Chapter 4-02.1.

Agency Description
The North Dakota State Fair Association produces the State Fair for North Dakota. This nine day event includes the production of horse shows, 4H State Championship competitions, FFA State Championship competitions, several Junior Stock Shows, and open class competitions for hundreds of categories. The annual budget for the State Fair and All Seasons Arena complex exceeds $5.0 million.

State Fair provides the facilities, administration, staffing judges, equipment, prizes and recognition for those who bring nearly 50,000 entries from every community in North Dakota.

The Association provides educational and entertaining exhibits along with special attractions that bring North Dakotans together to celebrate their heritage and lifestyle each year.

Major Accomplishments
1. Generated revenues to operate facilities through admissions, rents and gifts from friends.
2. Solicited $18,329,147 in capital construction from non-state revenues for capital improvements.
3. Generated revenue of $8,178,469 for capital improvements from admissions and rents.
4. Generated $6.76 for every dollar the state has provided for capital improvements.
5. Received international awards for excellence in the fair agricultural program.
6. Hosted 46,893 competitive entries from 4H, FFA, and open class in 2005. Eighty percent of these Fair entries came from North Dakotans under the age of 21.
7. Received entries from nearly every community in North Dakota.
8. Recognized statewide, regionally and nationally as a great attraction and The Show Place of North Dakota.

Executive Budget Recommendation
- Increases general fund appropriation for premiums by $12,150.
- Approves $5.0 million from the general fund (one-time) and $5.0 million special funds to construct a new grandstand.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

665 ND STATE FAIR **Bill#: HB 1009**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
STATE SUPPORT	601,750	615,000	0	.0%	615,000	10,012,150	1,628.0%	10,627,150
TOTAL MAJOR PROGRAMS	601,750	615,000	0	.0%	615,000	10,012,150	1,628.0%	10,627,150
BY LINE ITEM								
CAPITAL ASSETS	210,000	210,000	0	.0%	210,000	10,000,000	4,761.9%	10,210,000
PREMIUMS	391,750	405,000	0	.0%	405,000	12,150	3.0%	417,150
TOTAL LINE ITEMS	601,750	615,000	0	.0%	615,000	10,012,150	1,628.0%	10,627,150
BY FUNDING SOURCE								
GENERAL FUND	581,750	615,000	0	.0%	615,000	5,012,150	815.0%	5,627,150
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	20,000	0	0	.0%	0	5,000,000	100.0%	5,000,000
TOTAL FUNDING SOURCE	601,750	615,000	0	.0%	615,000	10,012,150	1,628.0%	10,627,150
TOTAL FTE	.00	.00	.00	.0%	.00	.00	.0%	.00

ND HORSE RACING COMMISSION

Agency 670

Statutory Authority
North Dakota Century Code Sections 53-06.2-01 to 53-06.2-16.

Agency Description
The North Dakota Racing Commission is the regulatory body in charge of regulating live and simulcast racing in North Dakota and administers three special funds for the benefit of the horse racing industry in North Dakota. The Commission is made up of five members appointed by the Governor and has an office staff of a Director and an Administrative Staff Officer.

Major Accomplishments
1. Regulated the live and simulcast racing industry in North Dakota.
2. Promoted horse racing.
3. Assisted in the opening of the North Dakota Horse Park in Fargo. This new facility will gain national exposure for North Dakota as well as promote the breeders and owners of North Dakota bred horses, thus contributing to the overall health of the horse industry in North Dakota.

Executive Budget Recommendation
- Provides a budget of over $390,000 for the Horse Racing Commission and 2.00 FTE.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

670 ND HORSE RACING COMMISSION **Bill#: HB 1024**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
HORSE RACING ADMINISTRATION	301,049	367,145	22,192	6.0%	389,337	40,419	11.0%	407,564
TOTAL MAJOR PROGRAMS	301,049	367,145	22,192	6.0%	389,337	40,419	11.0%	407,564
BY LINE ITEM								
RACING COMMISSION	301,049	367,145	22,192	6.0%	389,337	40,419	11.0%	407,564
TOTAL LINE ITEMS	301,049	367,145	22,192	6.0%	389,337	40,419	11.0%	407,564
BY FUNDING SOURCE								
GENERAL FUND	173,073	117,479	0	.0%	117,479	3,161	2.7%	120,640
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	127,976	249,666	22,192	8.9%	271,858	37,258	14.9%	286,924
TOTAL FUNDING SOURCE	301,049	367,145	22,192	6.0%	389,337	40,419	11.0%	407,564
TOTAL FTE	2.00	2.00	.00	.0%	2.00	.00	.0%	2.00

Statutory Authority

North Dakota Century Code Chapters 55-01, 55-02, 55-03, 55-05, 55-06, 55-09, 55-10, 55-11, and 55-12.

Agency Description

The State Historical Society of North Dakota is the state agency charged with the responsibility to preserve artifacts and documents of historical significance. The agency was founded in 1895 and is currently structured around four divisions, as follows:

- Support services division provides support and coordination for all functions of the agency through budgeting, accounting, purchasing, human resource management, inventory control, concession sales, communications services, building and site security, and general supervision.
- Museum and education division presents the history of North Dakota through planning, fabrication and installation of exhibits, including those in the Heritage Center in Bismarck, branch museums and traveling exhibits.
- State archives and historical research library preserves and makes accessible records of North Dakota government; makes available the collections of books, microfilm, newspapers, maps, photographs, manuscripts, and other two-dimensional historical materials to both staff and public through reference services and programs of preservation.
- Historic preservation division provides for the management, maintenance, repair and operation of all Historical Society land and buildings other than the North Dakota Heritage Center.

Major Accomplishments

1. Developed a strategic long range plan to better define the mission of the State Historical Society and the State Historical Board.
2. Continued to generate exhibits, programs and provide services for the citizens of North Dakota and the visiting public.
3. Continued to improve the state's historic site infrastructure.
4. Expanded and enhanced the agency's web site.
5. Developed preliminary plans for the expansion of the North Dakota Heritage Center Museum for consideration by the legislature.
6. Installed compact storage in the collections area of the North Dakota Heritage Center.
7. Expanded the cultural heritage grant program to help support county and local historical society programs.

Executive Budget Recommendation

- Increases temporary seasonal salaries by $.50 per hour, per year.
- Authorizes 3.00 new FTE positions: historian/exhibit planner, assistant collections curator, and GIS technician.
- Provides $900,000, of which $700,000 is from the general fund, for the completion of the Ft. Abercrombie Visitors Center, a project started during the 2005-07 biennium.
- Provides $220,000 for the development of new exhibits in the Heritage Center.
- Provides $1,058,819 for extraordinary repairs.
- Provides $50,000 for the state's participation in the Lincoln Bicentennial Commemoration.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

701 HISTORICAL SOCIETY **Bill#: SB 2018**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
SUPPORT SERVICES	2,015,302	2,557,347	13,214	.5%	2,570,561	213,919	8.4%	2,771,266
MUSEUM AND EDUCATION	1,106,479	1,193,846	103,787	8.7%	1,297,633	533,700	44.7%	1,727,546
SA AND HRL	1,119,575	1,089,938	54,353	5.0%	1,144,291	133,506	12.2%	1,223,444
HISTORIC SITES	2,961,230	9,940,318	-7,546,739	-75.9%	2,393,579	-5,669,907	-57.0%	4,270,411
HISTORIC PRESERVATION DIVISION	1,758,691	3,030,779	-185,905	-6.1%	2,844,874	1,817	.1%	3,032,596
LEWIS AND CLARK BICENTENNIAL	1,099,269	932,420	-932,420	-100.0%	0	-932,420	-100.0%	0
TOTAL MAJOR PROGRAMS	10,060,546	18,744,648	-8,493,710	-45.3%	10,250,938	-5,719,385	-30.5%	13,025,263
BY LINE ITEM								
SALARIES AND WAGES	5,134,377	5,663,286	749,023	13.2%	6,412,309	1,486,993	26.3%	7,150,279
OPERATING EXPENSES	1,257,643	1,522,131	322,925	21.2%	1,845,056	431,780	28.4%	1,953,911
CAPITAL ASSETS	1,791,844	8,542,319	-7,878,238	-92.2%	664,081	-5,950,738	-69.7%	2,591,581
CAPITAL CONSTRUCTION CARRYOVER	38,536	170,000	-170,000	-100.0%	0	-170,000	-100.0%	0
GRANTS	592,576	1,550,000	-550,000	-35.5%	1,000,000	-550,000	-35.5%	1,000,000
CULTURAL HERITAGE GRANTS	75,000	325,000	0	.0%	325,000	0	.0%	325,000
YELLOWSTONE-MISSOURI-FT UNION COMM	4,492	4,492	0	.0%	4,492	0	.0%	4,492
LEWIS & CLARK BICENTENNIAL	1,085,315	932,420	-932,420	-100.0%	0	-932,420	-100.0%	0
VETERANS' ORAL HISTORY PROJECT	80,763	0	0	.0%	0	0	.0%	0
MEDAL OF HONOR MONUMENT	0	35,000	-35,000	-100.0%	0	-35,000	-100.0%	0
TOTAL LINE ITEMS	10,060,546	18,744,648	-8,493,710	-45.3%	10,250,938	-5,719,385	-30.5%	13,025,263
BY FUNDING SOURCE								
GENERAL FUND	7,379,908	8,264,057	-451,452	-5.5%	7,812,605	1,641,744	19.9%	9,905,801
FEDERAL FUNDS	2,680,638	3,880,591	-1,475,591	-38.0%	2,405,000	-794,462	-20.5%	3,086,129
SPECIAL FUNDS	0	6,600,000	-6,566,667	-99.5%	33,333	-6,566,667	-99.5%	33,333
TOTAL FUNDING SOURCE	10,060,546	18,744,648	-8,493,710	-45.3%	10,250,938	-5,719,385	-30.5%	13,025,263
TOTAL FTE	57.00	57.00	.00	.0%	57.00	3.00	5.3%	60.00

COUNCIL ON THE ARTS

Agency 709

Statutory Authority

North Dakota Century Code Chapter 54-54.

Agency Description

The North Dakota Council on the Arts was established by state statute in 1967. Its board is comprised of nine citizens appointed by the Governor to serve five-year terms. The First Lady is an ex-officio member of the board. The purpose of the Council is to establish policies, programs, and partnerships to encourage the study and presentation of the performing and fine arts and to encourage public interest in the cultural heritage of our state. The Council functions as a community partner and a catalyst for artists and organizations. The Council grants National Endowment for the Arts funds and state appropriated funds to North Dakota communities, schools, individuals, and organizations through its various grant programs. It offers educational opportunities and technical advice, collects and disseminates arts information, and acts as the state's foremost arts advocate.

Major Accomplishments

1. Developed an online grants application process that will allow all grantees to complete and submit grant applications online.
2. Produced a series of four 30 second public service announcements for the arts with Nashville artist and North Dakota native Celeste Krenz narrating.
3. Received notice that the Smithsonian Museum in Washington, DC selected the NDCA's enhanced CD project "Spirit Woods: Traditional Stories of Forests and Trees" at their annual Folklife Festival on the Mall in July of 2005.
4. Worked with the Library of Congress-American Folklife Center and the John F. Kennedy Center for the Performing Arts in their "Homegrown Concert Series," an annual concert series featuring traditional artists/musicians from around the country.
5. Produced a new enhanced CD featuring artist Keith Bear titled "Morning Star Whispered: Traditional Stories and Flute Music by Keith Bear" in 2006.
6. Completed a statewide arts economic impact study.

Executive Budget Recommendation

- Provides $10,000 to fund arts and cultural initiatives relating to the Lincoln Bicentennial Commemoration.
- Provides a salary equity adjustment for the agency director and staff. Staff were recently classified and were not equitably paid within their classification pay ranges.
- Provides $10,000 to increase professional development opportunities for the agency's specialized staff.
- Provides $20,000 for grants to assist in the establishment of regional websites to promote cultural events and artists.
- Provides $30,000 for a grant program to provide equipment and facility improvement grants to local arts organizations.
- Provides $10,000 to increase Arts in Education grant programs.
- Provides $20,000 to establish an Arts in Healthcare grant program.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

709 COUNCIL ON THE ARTS **Bill#: HB 1010**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COUNCIL ON THE ARTS	2,165,378	2,268,009	-20,717	-.9%	2,247,292	216,616	9.6%	2,484,625
TOTAL MAJOR PROGRAMS	2,165,378	2,268,009	-20,717	-.9%	2,247,292	216,616	9.6%	2,484,625
BY LINE ITEM								
SALARIES AND WAGES	425,331	455,466	7,686	1.7%	463,152	137,019	30.1%	592,485
OPERATING EXPENSES	208,256	227,986	8,876	3.9%	236,862	18,876	8.3%	246,862
GRANTS	1,368,127	1,476,257	71,021	4.8%	1,547,278	169,021	11.4%	1,645,278
LEWIS & CLARK BICENTENNIAL	163,664	108,300	-108,300	-100.0%	0	-108,300	-100.0%	0
TOTAL LINE ITEMS	2,165,378	2,268,009	-20,717	-.9%	2,247,292	216,616	9.6%	2,484,625
BY FUNDING SOURCE								
GENERAL FUND	1,000,283	999,691	-40,717	-4.1%	958,974	196,616	19.7%	1,196,307
FEDERAL FUNDS	1,141,429	1,214,803	20,000	1.6%	1,234,803	20,000	1.6%	1,234,803
SPECIAL FUNDS	23,666	53,515	0	.0%	53,515	0	.0%	53,515
TOTAL FUNDING SOURCE	2,165,378	2,268,009	-20,717	-.9%	2,247,292	216,616	9.6%	2,484,625
TOTAL FTE	5.00	5.00	.00	.0%	5.00	.00	.0%	5.00

GAME AND FISH DEPARTMENT

Agency 720

Statutory Authority

North Dakota Century Code Title 20.1.

Agency Description

The North Dakota Game and Fish Department manages publicly owned wildlife resources for the state of North Dakota. The Game and Fish Department consists of five major divisions, as follows:

- Administrative services, which provides policy, planning, and support services and is responsible for all game and fish licensing.
- Fisheries, which manages the state's fisheries.
- Enforcement, which provides enforcement of the laws and regulations governing the use of the state's wildlife resources and recreational waters.
- Conservation and communication, which informs the public of rules, regulations, and guidelines for safe, lawful hunting, fishing, trapping, and boating.
- Wildlife, which provides for the management of wildlife resources in the state.

Major Accomplishments

1. Expanded the private land initiative (PLI) to include a conservation reserve program (CRP) cost share and hunting access program.
2. Emphasized biological control of leafy spurge and other noxious weeds.
3. Continued the special spring snow goose hunting season and expanded Canada goose hunting opportunities.
4. Developed a state management plan for the black-tailed prairie dog.
5. Developed a department web site that includes a large variety of game and fish information, on-line game and fish license sales and lottery applications.
6. Provided hunter safety education to 6,000 youth in 200 communities.
7. Expanded the department's shooting range grants program to fund larger shooting range projects throughout the state.
8. Increased the number of recreational fishing lakes in North Dakota to over 300 in the past ten years.
9. Instituted the Aquatic Habitat-Save Our Lakes Program to restore deteriorating aquatic habitat.
10. Improved boating access throughout the state.

Executive Budget Recommendation

- Provides $680,000 for federal Wildlife Services through the Dept. of Agriculture.
- Provides $209,684 for Board of Animal Health services through the Dept. of Agriculture, an increase of $59,684.
- Continues a $122,000 grant for the maintenance and repair of state park boat ramps, providing needed access to state fisheries. In addition, provides a one-time payment of $259,750 to the Parks and Recreation Department for critical boat ramp improvements on Lake Sakakawea and Devils Lake.
- Authorizes 3.00 new FTE positions: a game warden investigator, a fisheries technician, and a bighorn sheep biologist.
- Provides for a $2.0 million increase in the department's private lands initiatives. This funding will allow the department to meet its goal of one million public access acres by 2008.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

720 GAME AND FISH DEPARTMENT **Bill#: SB 2017**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATIVE SERVICES	9,714,544	12,748,430	-3,263,436	-25.6%	9,484,994	-3,036,110	-23.8%	9,712,320
FISHERIES	6,876,896	7,976,060	120,614	1.5%	8,096,674	572,544	7.2%	8,548,604
ENFORCEMENT	4,918,751	5,020,906	1,256,194	25.0%	6,277,100	1,589,567	31.7%	6,610,473
COMMUNICATIONS AND CONSERVATION	4,089,307	6,046,610	331,546	5.5%	6,378,156	522,628	8.6%	6,569,238
WILDLIFE	17,238,100	19,998,296	2,860,667	14.3%	22,858,963	3,452,180	17.3%	23,450,476
TOTAL MAJOR PROGRAMS	42,837,598	51,790,302	1,305,585	2.5%	53,095,887	3,100,809	6.0%	54,891,111
BY LINE ITEM								
SALARIES AND WAGES	15,000,181	16,933,000	853,330	5.0%	17,786,330	2,100,535	12.4%	19,033,535
OPERATING EXPENSES	9,149,525	9,736,435	1,953,652	20.1%	11,690,087	1,953,652	20.1%	11,690,087
CAPITAL ASSETS	1,694,363	2,961,116	323,125	10.9%	3,284,241	323,125	10.9%	3,284,241
CAPITAL CONSTRUCTION CARRYOVER	482,000	900,000	-900,000	-100.0%	0	-900,000	-100.0%	0
GRANTS-GAME AND FISH	4,282,306	6,164,122	-1,231,372	-20.0%	4,932,750	-911,938	-14.8%	5,252,184
LAND HABITAT & DEER DEPREDATION	9,607,383	11,227,979	1,000,000	8.9%	12,227,979	1,058,372	9.4%	12,286,351
NOXIOUS WEED CONTROL	295,784	350,000	100,000	28.6%	450,000	100,000	28.6%	450,000
GRANT-GIFT-DONATION	121,502	700,000	-200,000	-28.6%	500,000	-200,000	-28.6%	500,000
NONGAME WILDLIFE CONSERVATION	63,475	120,000	0	.0%	120,000	0	.0%	120,000
LONETREE RESERVOIR	1,280,322	1,528,407	26,093	1.7%	1,554,500	66,306	4.3%	1,594,713
WILDLIFE SERVICES	550,000	680,000	-130,000	-19.1%	550,000	0	.0%	680,000
RAMP AND MARINA IMPROVEMENTS	310,757	489,243	-489,243	-100.0%	0	-489,243	-100.0%	0
TOTAL LINE ITEMS	42,837,598	51,790,302	1,305,585	2.5%	53,095,887	3,100,809	6.0%	54,891,111
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	15,977,556	16,151,484	3,338,544	20.7%	19,490,028	3,836,365	23.8%	19,987,849
SPECIAL FUNDS	26,860,042	35,638,818	-2,032,959	-5.7%	33,605,859	-735,556	-2.1%	34,903,262
TOTAL FUNDING SOURCE	42,837,598	51,790,302	1,305,585	2.5%	53,095,887	3,100,809	6.0%	54,891,111
TOTAL FTE	147.00	152.00	3.00	2.0%	155.00	3.00	2.0%	155.00

Statutory Authority
North Dakota Century Code Chapters 39-24, 39-29, 55-08, and 55-11.

Agency Description
The North Dakota Park Service was created in 1965. In 1977, it was renamed the North Dakota Parks & Recreation Department when it merged with the State Outdoor Recreation Agency. The Department currently operates within three major program areas, as follows:

- Administration, which provides support services, such as accounting, human resource management, information technology, media relations, risk management, ADA coordination, and budget functions.
- Recreation, which consists of recreation grants coordination, snowmobile and all-terrain vehicle trail and safety programs, statewide comprehensive outdoor recreation and trail planning and Prairie Rose State Games coordination.
- Natural resources, which encompasses state park operations. This program coordinates state park system planning, park improvements and enhancements, state nature preserve oversight, and state park natural resource management.

Major Accomplishments
1. Provided enhanced outdoor recreation opportunities through a diverse system of state parks and program offerings.
2. Hosted, on average, one million annual visitors to state parks and recreation areas.
3. Assisted 23 communities with outdoor recreation facility grants and 25 communities with recreational trail grant funding for local and regional recreation enhancement.
4. Maintained strategic focus on natural resources through aggressive noxious weed control, natural resource planning, and forestry risk assessments.
5. Assisted and supported state byway organizations and two national byway groups.
6. Initiated a partnership with ND Department of Health collaboratively promoting values of health and fitness.
7. Presented over 50 ATV and snowmobile safety classes primarily addressed toward youth education in local and regional settings.
8. Completed comprehensive, multi-use trails plan for Pembina Gorge - Turtle Mountains.
9. Engaged in a focused, collaborative effort to ensure visitors' water access on Lake Sakakawea during record low lake levels.

Executive Budget Recommendation
- Provides $120,000 from the general fund to increase temporary seasonal salaries by $.50 per hour, per year.
- Provides $1.2 million, $950,000 from the general fund, for equipment purchases. This funding will help the agency make better use of staff resources and maintenance and repair budgets by allowing for the replacement of out-dated equipment.
- Provides $2.8 million, $1.6 million from the general fund, for state parks capital projects.
- Provides $2.4 million from the general fund for capital projects and infrastructure improvements at the International Peace Garden.
- Provides $1.3 million from the general fund for extraordinary repairs. This funding will allow the agency to maintain buildings and infrastructure at various state parks, as well as address deferred maintenance issues.
- Provides $142,000 from the general fund for noxious weed control ($112,000) and forest management and tree planting initiatives ($30,000).
- Provides $57,000 from the trail tax transfer fund and the snowmobile fund for operating costs associated with an FTE, also funded from special fund sources, to manage a year-round trail system in the Pembina Gorge.
- Provides $160,000 from the general fund for an on-line parks reservation system.
- Provides $384,000 to increase the operating grants provided to the International Peace Garden.
- Authorizes 4.00 new specially funded FTE's: 3.00 FTE maintenance supervisors, 1.00 FTE park manager for the Pembina Gorge trail system.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

750 PARKS AND RECREATION DEPT **Bill#: SB 2019**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,128,476	1,804,723	79,210	4.4%	1,883,933	305,376	16.9%	2,110,099
RECREATION	3,534,283	8,874,581	-259,839	-2.9%	8,614,742	-237,707	-2.7%	8,636,874
NATURAL RESOURCES	8,623,855	9,887,859	-542,802	-5.5%	9,345,057	3,465,120	35.0%	13,352,979
LEWIS AND CLARK BICENTENNIAL	374,517	617,335	-617,335	-100.0%	0	-617,335	-100.0%	0
PEACE GARDEN	352,854	602,854	-250,000	-41.5%	352,854	2,567,000	425.8%	3,169,854
TOTAL MAJOR PROGRAMS	15,013,985	21,787,352	-1,590,766	-7.3%	20,196,586	5,482,454	25.2%	27,269,806
BY LINE ITEM								
ADMINISTRATION	2,128,476	1,804,723	79,210	4.4%	1,883,933	305,376	16.9%	2,110,099
RECREATION	3,534,283	8,874,581	-259,839	-2.9%	8,614,742	-237,707	-2.7%	8,636,874
NATURAL RESOURCES	8,623,855	9,887,859	-542,802	-5.5%	9,345,057	3,465,120	35.0%	13,352,979
PEACE GARDEN	352,854	602,854	-250,000	-41.5%	352,854	2,567,000	425.8%	3,169,854
LEWIS & CLARK BICENTENNIAL	374,517	617,335	-617,335	-100.0%	0	-617,335	-100.0%	0
TOTAL LINE ITEMS	15,013,985	21,787,352	-1,590,766	-7.3%	20,196,586	5,482,454	25.2%	27,269,806
BY FUNDING SOURCE								
GENERAL FUND	7,003,598	8,359,769	-1,039,682	-12.4%	7,320,087	5,781,648	69.2%	14,141,417
FEDERAL FUNDS	3,690,527	8,866,707	-630,939	-7.1%	8,235,768	-890,976	-10.0%	7,975,731
SPECIAL FUNDS	4,319,860	4,560,876	79,855	1.8%	4,640,731	591,782	13.0%	5,152,658
TOTAL FUNDING SOURCE	15,013,985	21,787,352	-1,590,766	-7.3%	20,196,586	5,482,454	25.2%	27,269,806
TOTAL FTE	44.25	46.50	4.00	8.6%	50.50	4.00	8.6%	50.50

WATER COMMISSION

Agency 770

Statutory Authority

North Dakota Century Code Chapters 61-01 through 61-32.

Agency Description

The State Water Commission consists of the Governor as chairman, the Commissioner of Agriculture as an ex-officio member, and seven members appointed by the Governor. The Commission appoints a Secretary/State Engineer, to employ staff to carry out the goals of the Commission. The agency budget is comprised of two major program areas: administrative and support services and water and atmospheric resources.

The Commission has three primary functions: regulation, development, and education. Regulatory functions include water rights, drainage, floodplain management, and dam safety. Water development functions include large state projects, such as the Southwest Pipeline Project, the Northwest Area Water Supply, and Devils Lake flood control; and several types of medium and small projects, including dams and drains. The Commission promotes water development by providing cost share assistance for many local projects such as dams, dikes, drains, and water supply and by conducting studies of potential projects. The third primary function of the Commission involves educating the public regarding the nature and occurrence of the State's water resources.

Major Accomplishments

1. Completed construction on the State's emergency Devils Lake Outlet.
2. Continued construction of the Northwest Area Water Supply project's main transmission pipeline between the Minot Water Treatment Plant and the Missouri River.
3. Began construction on the Medora-Beach phase of the original Southwest Pipeline Project.
4. Completed a biennial update of the State Water Management Plan.
5. Began development of North Dakota's first Sovereign Land Management Plan.
6. Continued to provide assistance toward the completion of the Red River Valley Water Supply Needs Assessment and Environmental Impact Statement.
7. Contributed technical support in North Dakota's lawsuits related to protecting the State's interests in management of the Missouri River system.
8. Provided Municipal, Rural and Industrial program funds for 16 design and/or construction projects, and two studies.
9. Continued to promote economic development through industrial and agricultural incentives and water supply initiatives.
10. Contributed to numerous rural flood control projects in the Red River basin.
11. Operated weather modification programs in six counties in western North Dakota with great success.
12. Completed a water supply study for Traill Country Rural Water Users.

Executive Budget Recommendation

- Changes the funding source for $10.0 million of the Water Commission administrative expenses to the general fund from the water development fund.
- Increases funding for water projects by the $8,965,858 special funds no longer utilized for administrative costs.
- Provides $3.0 million from the general fund and dedicates another $3.0 million special funds for the Red River Valley Water Supply Project.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

770 WATER COMMISSION **Bill#: SB 2020**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATIVE AND SUPPORT SERVICES	1,984,884	2,180,445	226,061	10.4%	2,406,506	275,850	12.7%	2,456,295
WATER AND ATMOSPHERIC RESOURCES	93,922,277	123,890,493	47,158,719	38.1%	171,049,212	48,263,767	39.0%	172,154,260
TOTAL MAJOR PROGRAMS	95,907,161	126,070,938	47,384,780	37.6%	173,455,718	48,539,617	38.5%	174,610,555
BY LINE ITEM								
ADMINISTRATIVE AND SUPPORT SERVICES	1,984,884	2,180,445	226,061	10.4%	2,406,506	275,850	12.7%	2,456,295
WATER AND ATMOSPHERIC RESOURCES	93,922,277	123,890,493	47,158,719	38.1%	171,049,212	48,263,767	39.0%	172,154,260
TOTAL LINE ITEMS	95,907,161	126,070,938	47,384,780	37.6%	173,455,718	48,539,617	38.5%	174,610,555
BY FUNDING SOURCE								
GENERAL FUND	9,158,591	1,011,220	22,922	2.3%	1,034,142	12,676,286	1,253.6%	13,687,506
FEDERAL FUNDS	13,297,623	17,682,166	9,810,461	55.5%	27,492,627	9,822,033	55.5%	27,504,199
SPECIAL FUNDS	73,450,947	107,377,552	37,551,397	35.0%	144,928,949	26,041,298	24.3%	133,418,850
TOTAL FUNDING SOURCE	95,907,161	126,070,938	47,384,780	37.6%	173,455,718	48,539,617	38.5%	174,610,555
TOTAL FTE	82.00	84.00	.00	.0%	84.00	.00	.0%	84.00

Statutory Authority
North Dakota Century Code Chapters 24-01 through 24-15, 39-02, and 49-17.1.

Agency Description
The North Dakota State Highway Department was created in 1917. In 1990, the name was changed to the North Dakota Department of Transportation (NDDOT). NDDOT oversees the development of surface transportation, including highways, rail service, and transit services in North Dakota. NDDOT also serves as a liaison organization to the North Dakota Aeronautics Commission, which is responsible for all aspects of state air transportation. NDDOT's central office is in Bismarck, with eight district offices located strategically across the state.

NDDOT is headed by a director appointed by the Governor. The director is assisted by a deputy director, a deputy director for engineering, and a deputy director of vehicle services. In addition the central office staff provides planning, programming, design, construction, maintenance, and general administrative support services.

Major Accomplishments
1. Coordinated the completion of projects valued at $467.0 million.
2. Completed: the Four Bears Bridge, which was the largest project ever undertaken by the NDDOT; construction of 45 miles of the four-laning of US 2 from Minot to Williston; $50.0 million worth of projects to reconstruct the roadway and replace structures on I-94 through Fargo and west of Fargo; the reconstruction of Main Avenue in Fargo from 45th street to 25th street including the I-29 interchange structure; and the relocation of US 281 and extension of ND 19 to tie into US 281.

Executive Budget Recommendation
- Provides the required match for over $480.0 million in federal highway funds without any increase in motor vehicle registration fees or gas taxes.
- Provides a one-time general fund appropriation of $20.0 million to allow the department to address road maintenance and repair issues deferred due to abnormally high road materials inflation rates incurred during the 2005-07 biennium. The general fund appropriation also provides equipment purchases and various IT projects, including the rewrite of the mainframe drivers license application.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

801 DEPT OF TRANSPORTATION **HB 1012**

Biennium: 2007-2009

Description	Expenditures Prev Biennium 2003-2005	Present Budget 2005-2007	2007-2009 Requested		Requested Budget 2007-2009	2007-2009 Recommended		Executive Recommendation 2007-2009
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	20,395,510	27,258,829	-624,109	-2.3%	26,634,720	7,955,064	29.2%	35,213,893
DRIVERS AND VEHICLE SERVICES	19,049,058	20,102,818	1,280,385	6.4%	21,383,203	2,077,943	10.3%	22,180,761
HIGHWAYS	653,107,116	873,593,399	-88,326,595	-10.1%	785,266,804	-77,850,816	-8.9%	795,742,583
FLEET SERVICES	39,673,310	45,383,450	8,580,044	18.9%	53,963,494	8,774,379	19.3%	54,157,829
TOTAL MAJOR PROGRAMS	732,224,994	966,338,496	-79,090,275	-8.2%	887,248,221	-59,043,430	-6.1%	907,295,066
BY LINE ITEM								
SALARIES AND WAGES	104,163,062	112,320,573	6,708,050	6.0%	119,028,623	15,123,622	13.5%	127,444,195
OPERATING EXPENSES	121,941,041	143,537,016	6,709,904	4.7%	150,246,920	36,180,257	25.2%	179,717,273
CAPITAL ASSETS	456,529,958	656,868,519	-90,308,341	-13.7%	566,560,178	-108,147,421	-16.5%	548,721,098
CAPITAL IMPROVEMENTS-CARRYOVER	6,928,997	11,253,888	-11,253,888	-100.0%	0	-11,253,888	-100.0%	0
GRANTS	42,661,936	42,358,500	9,054,000	21.4%	51,412,500	9,054,000	21.4%	51,412,500
TOTAL LINE ITEMS	732,224,994	966,338,496	-79,090,275	-8.2%	887,248,221	-59,043,430	-6.1%	907,295,066
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	20,000,000	100.0%	20,000,000
FEDERAL FUNDS	436,545,334	540,251,853	-60,140,015	-11.1%	480,111,838	-58,659,651	-10.9%	481,592,202
SPECIAL FUNDS	295,679,660	426,086,643	-18,950,260	-4.4%	407,136,383	-20,383,779	-4.8%	405,702,864
TOTAL FUNDING SOURCE	732,224,994	966,338,496	-79,090,275	-8.2%	887,248,221	-59,043,430	-6.1%	907,295,066
TOTAL FTE	1,044.50	1,044.50	7.00	.7%	1,051.50	8.00	.8%	1,052.50

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
101 OFFICE OF THE GOVERNOR			
OLMSTEAD - GRANT	60,000	0	0
TEACHER QUALITY GRANT	2,500,000	2,500,000	2,500,000
TOTAL	**2,560,000**	**2,500,000**	**2,500,000**
108 SECRETARY OF STATE			
HHS-HAVA	5,000	5,000	5,000
TITLE I FED ELECTION FUND	948,797	948,797	948,797
TITLE II FED ELECTION FUNDS	8,550,243	4,527,360	4,535,433
TOTAL	**9,504,040**	**5,481,157**	**5,489,230**
110 OFFICE OF MANAGEMENT AND BUDGET			
HOMELAND SECURITY GRANT	100,000	75,000	75,000
RISK MGT HOMELAND SECURITY - II	105,450	0	0
RISK MGT HOMELAND SECURITY-FY2003	1,750	0	0
TOTAL	**207,200**	**75,000**	**75,000**
112 INFORMATION TECHNOLOGY			
CJIS GRANT	500,000	300,000	300,000
TOTAL	**500,000**	**300,000**	**300,000**
117 OFFICE OF THE STATE AUDITOR			
ROYALTY AUDIT PROGRAM	993,171	872,259	922,982
TOTAL	**993,171**	**872,259**	**922,982**
125 OFFICE OF THE ATTORNEY GENERAL			
EDWARD BYRNE FORMULA GRANT	5,009,185	2,519,714	2,538,025
LOCAL LAW ENFORCEMENT BLOCK GR	283,466	0	0
2003 ANTI-TERRORISM (US ATTY)	52,773	0	0
AG'S OFFICE NEW FEDERAL GRANT	0	800,000	800,000
COUNTERACT	60,000	65,000	65,000
COVERDELL - NATL FORENSIC IMPROVE F	190,000	101,578	101,578
CRIME LAB FORENSIC CASEWORK DN	65,000	133,640	133,640
CRIME LAB IMPROVEMENT PROJECT	200,000	0	0
CRIME LABE DNA CAPACITY ENHANCE.	300,504	422,232	422,232

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
DOT HWY. SAFETY PLAN	200,000	357,457	357,457
FM/WEAPONS OF MASS DESTRUCTION	45,500	0	0
FY 04 HOMELAND SECURITY	40,000	0	0
HAZARDOUS MATERIAL EMERGENCY PRE. 2	185,500	185,500	185,500
HURRICANE KATRINA	3,998	0	0
JAG GRANT	300,300	566,341	566,341
MARIJUANA ERADICATION	100,000	70,000	70,000
MIDWEST HIDTA	1,727,613	1,404,577	1,419,379
NO SUSPECT DNA CASEWORK	152,000	0	0
NORTH DAKOTA CRIMINAL HISTORY IMPRO	1,752,256	1,017,964	1,020,524
PROJECT SAFE NEIGHBORHOOD	641,828	385,000	385,000
RESIDENTIAL SUBSTANCE ABUSE TR	450,000	400,000	400,000
STATE DOMESTIC PREPAREDNESS GRANT	485,675	275,534	284,902
STOP VIOLENCE AGAINST WOMEN	50,000	50,000	50,000
TOTAL	**12,295,598**	**8,754,537**	**8,799,578**
127 OFFICE OF STATE TAX COMMISSIONER			
MOTOR FUEL TAX GRANT	120,000	0	0
TOTAL	**120,000**	**0**	**0**
180 JUDICIAL BRANCH			
CHILD SUPPORT	944,861	1,047,991	1,114,478
COURT IMPROVEMENT PROJECT-FOSTER	104,000	587,118	587,118
JUVENILE DRUG CRT-UNDERAGE DRINKING	132,437	200,082	200,082
OJP-JUVENILE DRUG CRT. IMPLEMENT.	38,659	0	0
TOTAL	**1,219,957**	**1,835,191**	**1,901,678**
201 DEPT OF PUBLIC INSTRUCTION			
21ST CENTURY/AFTER SCHOOL LEARNING	7,851,736	7,835,785	7,838,904
ADULT EDUCATION	2,832,940	2,853,970	2,867,409
BILINGUAL EDUCATION	10,739	10,739	10,739
CHILD CARE FOOD PROGRAM	18,490,200	18,359,403	18,359,727
CHILD NUTR/DISTRIB-CNP SCHOOL BREAK	166,366	165,500	165,500
CHILD NUTR/DISTRIB-CNP TEAM NUTR	421,086	275,000	275,000
COMMODITY ASSISTANCE PRGM	1,558,305	1,892,778	1,897,282
COMMODITY ASSISTANCE PRGM	304,001	827,626	828,633

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
COMMUNITY SERVICE FOR EXPELLED/SUSP	173,000	173,000	173,000
CONSOLIDATED SCHOOL HEALTH PROGRAMS	2,028,185	2,353,889	2,404,495
DEAF-BLIND CHILDREN & YOUTH	174,614	174,614	174,614
DRUG-FREE SCHOOLS	3,692,883	3,537,767	3,540,316
EESA TITLE II/EISENHOWER	13,406	13,406	13,406
EISENHOWER/UNIV SYSTEM	15,844	6,921	6,921
ENG LANG ACQ/STATE FORMULA GRNT PRO	874,737	944,812	962,629
ENHANCING EDUCATION THRU TECHNOLOGY	6,515,921	6,523,088	6,532,406
ESEA TITLE V	3,988,872	3,995,036	4,017,525
EVEN START FAMILY LITERACY	2,176,907	2,164,879	2,165,562
HOMELESS CHILDREN	354,466	300,000	300,000
IDC CARRYOVER	25,000	25,000	25,000
IDEA B	34,068,459	55,700,702	55,803,969
IDEA GENERAL SUPERVISION ENHANCEMEN	283,572	283,572	283,572
IMPROVING TEACHER QUALITY	26,790,680	26,685,510	26,690,014
INCENTIVE AWARD GRANS	134,780	149,770	151,322
INDIRECT COST POOL	1,965,706	2,360,912	2,474,578
INDIV W/DISABIL EDUC ACT/PRESCHOOL	1,714,365	1,691,573	1,696,626
LEARN & SERVE AMERICA STATE EDUC AG	33,781	31,606	31,606
NAEP STATE COORDINATOR	60,719	13,330	13,330
NCES	14,717	1,118,372	1,127,369
PARTNERSHIPS IN CHARACTER EDUCATION	21,231	1,584	1,584
PROVISION	15,764	15,764	15,764
READING FIRST	5,201,406	5,068,571	5,068,571
REFUGEE CHILDREN SCHOOL IMPACT	433,317	386,792	387,188
ROBERT BYRD HONORS SCHOLARSHIP	208,375	208,375	208,375
SAE SCHOOL FOOD AND NUTRITION	1,331,722	1,662,837	1,726,391
SCHOOL FOOD PROG GNT	28,701,872	28,701,872	28,701,872
STATE PROGRAM IMPROVEMENT	1,218,954	1,411,246	1,420,243
SUMMER FOOD SERVICE PROGRAM	1,371,970	1,385,422	1,388,433
TEMP EMERG FOOD ASST PROGRAM	263,010	369,200	369,715
TITLE I GRANTS TO LEA'S	32,584,047	32,584,047	32,584,047
TITLE I MIGRANT EDUCATION	642,982	603,516	603,516
TITLE I NEG/DELNQ	577,688	577,688	577,688
TITLE I PART E	1,461,543	1,407,818	1,407,818
TITLE I STATE ADMINISTRATION	26,359,457	26,889,293	26,989,753

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
TITLE II/NO CHILD LEFT/MATH & SCIEN	50,266	63,281	65,924
TITLE II/STNDRDS	234,258	234,258	234,258
TITLE VI-RURAL & LOW-INCOME SCHOOLS	176,596	176,596	176,596
TITLE VI/STATE ASSESSMNTS/RELATED A	4,593,935	5,774,974	5,805,201
TOTAL	**222,184,380**	**247,991,694**	**248,564,391**
215 ND UNIVERSITY SYSTEM			
STATE APPROVING AGENCY	189,926	231,000	231,000
STUDENT FIN. ASSIST. GRANTS	172,000	164,000	164,000
TITLE II	695,600	695,600	695,600
TOTAL	**1,057,526**	**1,090,600**	**1,090,600**
250 STATE LIBRARY			
GRANTS TO LIBRARIES	315,000	315,000	315,000
PUBLIC LIBRARY SERVICES	1,252,420	1,450,266	1,474,748
TOTAL	**1,567,420**	**1,765,266**	**1,789,748**
252 SCHOOL FOR THE DEAF			
DEAF/BLIND IDEA-B	40,000	40,000	40,000
DEAF/BLIND SERVICES PROJECT	138,143	130,000	140,668
IDEA-B	60,218	57,252	60,911
SCHOOL BREAKFAST	13,240	10,975	10,975
SCHOOL LUNCH	23,185	19,015	19,015
TOTAL	**274,786**	**257,242**	**271,569**
253 ND VISION SERVICES			
270 CAREER AND TECHNICAL EDUCATION			
CARL PERKINS FUNDS	9,178,330	9,178,627	9,195,775
MINE SAFETY	111,696	111,696	111,696
TECH PREP	660,719	673,860	674,360
TRANSITION TO TEACHING	94,150	20,000	20,000
WORKFORCE INVESTMENT ACT (WIA)	828,995	792,535	792,535
WORKFORCE SAFETY & INS	36,375	36,375	36,375
TOTAL	**10,910,265**	**10,813,093**	**10,830,741**

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
301 ND DEPARTMENT OF HEALTH			
ADMINISTRATIVE SERVICES FEDERAL FUN	4,541,405	2,843,393	3,227,292
COMMUNITY HEALTH FEDERAL FUNDS	43,597,105	45,474,247	45,773,119
EMERGENCY PREP & RESPONSE FED FD	10,072,198	11,931,468	11,967,937
ENVIRONMENTAL HEALTH FEDERAL FUNDS	32,431,324	39,245,316	39,974,253
HEALTH RESOURCES FEDERAL FUNDS	5,497,592	5,646,716	5,963,781
MEDICAL SERVICES FEDERAL FUNDS	7,217,072	6,167,394	6,349,068
SPECIAL POPULATIONS FEDERAL FUNDS	1,425,019	1,907,195	1,972,085
TOTAL	**104,781,715**	**113,215,729**	**115,227,535**
316 INDIAN AFFAIRS COMMISSION			
REAL CHOICES OLMSTEAD C.OVER	20,000	5,000	5,000
TOTAL	**20,000**	**5,000**	**5,000**
325 DEPARTMENT OF HUMAN SERVICES			
AGING SERVICES	12,575,667	13,081,964	13,147,035
CHILD CARE	19,490,826	18,359,567	18,383,304
CHILD SUPPORT	9,354,310	9,801,474	10,008,476
CHILD WELFARE	36,097,738	34,687,640	36,709,174
DISABILITY SERVICES	33,967,571	33,695,115	33,962,328
FOOD AND NUTRITION SERVICES	113,453,097	115,704,358	115,792,534
LOW INCOME HEATING & ENERGY ASST	37,502,110	41,402,003	41,414,850
MEDICAID	747,006,076	743,461,061	805,101,325
MENTAL HEALTH AND SUBSTANCE ABUSE	16,223,818	14,126,291	14,291,623
REFUGEE	4,172,382	4,550,062	4,553,808
SOCIAL SERVICE BLOCK GRANT	7,434,705	7,142,466	7,230,345
STATE CHILDRENS HEALTH INSUR PROG	9,376,317	15,033,294	15,038,578
TEMPORARY ASST FOR NEEDY FAMILIES	51,296,489	52,315,004	52,477,125
TOTAL	**1,097,951,106**	**1,103,360,299**	**1,168,110,505**
360 PROTECTION AND ADVOCACY			
ASSISTIVE TECHNOLOGY	109,159	166,882	172,716
DD COUNCIL GRANT	16,025	0	0
DD PROGRAM	821,513	864,304	923,737

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
HAVA PROGRAM	143,940	118,332	171,114
MI PROGRAM	986,333	992,430	1,051,567
PABSS PROGRAM	223,090	251,135	263,756
PAIR PROGRAM	490,568	406,114	430,005
TBI PROGRAM	118,258	122,659	129,883
TOTAL	**2,908,886**	**2,921,856**	**3,142,778**
380 JOB SERVICE NORTH DAKOTA			
ALIEN LABOR CERTIFICATION	224,890	135,120	142,925
ATAA	500	100,500	100,500
BUREAU OF LABOR STATISTICS	199,536	0	0
BUREAU OF LABOR STATISTICS - MLS	65,564	38,809	41,279
BUREAU OF LABOR STATS CES	261,830	328,218	349,325
BUREAU OF LABOR STATS LAUS	194,089	170,286	181,027
BUREAU OF LABOR STATS OES	257,666	233,947	248,602
BUREAU OF LABOR STATS QCEW	321,911	326,743	347,048
CASS COUNTY RE-ENTRY GRANT	5,322	0	0
DVOP	253,093	293,249	308,213
ESCRG-WOTC	112,531	114,780	122,330
FOOD STAMP BEST	260,621	256,879	274,486
JOBS	6,119,149	6,480,669	6,829,252
LVER	729,728	748,891	793,742
NDCRN	312,918	2	2
NEG-BRAC	228,553	111,650	111,650
PARENTAL EMPLOYMENT PILOT PROJ	176,184	100,450	100,450
REED ACT DISTRIBUTION	779,925	7,300,000	7,300,000
RREMPLOYMENT ELIGIBILITY ASSMT.	661,974	181,720	181,720
SCSEP	907,640	0	0
TAA	615,598	556,256	557,675
TAP	42,445	41,034	43,326
TRA BENEFITS	1,002,148	1,002,148	1,002,148
UI ADMINISTRATION	17,604,018	15,348,060	15,995,404
WAGNER-PEYSER	11,632,297	11,557,100	12,239,724
WIA ADULT	4,042,719	3,632,091	3,740,423
WIA INCENTIVE GRANT	1,290,898	847,316	847,316
WIA YOUTH	4,210,942	3,885,048	4,002,611

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
WORKFORCE INFORMATION	857,930	929,761	968,272
WORKFORCE INV ACT DW	1,854,671	1,689,858	1,751,157
WORKFORCE INVESTMENT ACT	1,938,242	2,401,199	2,528,876
WP REEMPLOYMENT	494,981	0	0
TOTAL	**57,660,513**	**58,811,784**	**61,109,483**
401 OFFICE OF THE INSURANCE COMMISSIONER			
HCFA	385,928	441,460	456,637
TOTAL	**385,928**	**441,460**	**456,637**
405 INDUSTRIAL COMMISSION			
B/RECLAMATION PALEO	6,961	8,680	8,816
CORP/ENG: PALEO SURVEYS	497	0	0
GEOCHEMICAL MAP/BASELINE SAMPLE	1,596	0	0
NCRDS-COAL	10,000	10,028	10,190
PSC COAL	7,389	8,178	8,314
STATEMAP	50,628	48,136	49,166
UIC OIL & GAS	213,695	193,192	197,190
TOTAL	**290,766**	**268,214**	**273,676**
406 OFFICE OF THE LABOR COMMISSIONER			
EQUAL EMPLOY OPP. COMM.	139,710	115,969	124,801
FAIR HOUSING	359,255	259,301	276,897
TOTAL	**498,965**	**375,270**	**401,698**
408 PUBLIC SERVICE COMMISSION			
AML ADMINISTRATIVE	180,000	190,558	240,646
AML CONSTRUCTION	4,107,374	4,938,542	4,967,435
GAS PIPELINE SAFETY PROGRAM	116,249	120,630	124,550
INDIRECT COST RECOVERY	423,955	428,614	461,077
ND PERMANENT PROGRAM	1,039,573	1,133,087	1,186,674
TOTAL	**5,867,151**	**6,811,431**	**6,980,382**
412 AERONAUTICS COMMISSION			
5010 AIRPORT INSPECTIONS	70,000	70,000	70,000
AUTOMATED WEATHER SYSTEM	350,050	350,050	350,050

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
INTERNATIONAL PEACE GARDEN 03	600,000	0	0
INTERNATIONAL PEACE GARDEN PROGRAM	52,236	652,236	652,236
MASTER PLAN STUDY UPDATE-SG	17,194	17,194	17,194
PAVEMENT CONDITION INDEX STUDY	394,825	394,825	394,825
STATE GA SECURITY PLAN	100,000	100,000	100,000
UPDATE AIR SERVICE SYSTEM PLAN-SH	200,000	200,000	200,000
UPDATE ST. AVIATION ECON. IMPACT	122,000	122,000	122,000
TOTAL	**1,906,305**	**1,906,305**	**1,906,305**
473 ND HOUSING FINANCE AGENCY			
HOME INVESTMENTS PARTNERSHIP PROG	650,000	570,000	570,000
LOWER INC HOUSING ASSIST PROG SEC 8	2,438,620	2,143,600	2,143,600
RENT SUPPLEMENTS CONTRACT ADMIN	22,332,660	22,296,200	22,296,200
TOTAL	**25,421,280**	**25,009,800**	**25,009,800**
504 HIGHWAY PATROL			
ALCOHOL SATURATION OT	100,000	100,824	100,824
BORDER INSPECTION PROGRAM	770,000	768,790	799,267
CONSTRUCTION ZONE OT	160,000	160,998	160,998
DRUG ENFORCEMENT OT	24,000	38,202	38,202
FUSION CENTER PROGRAM	172,000	172,174	183,808
HOMELAND SECURITY EQUIP	76,000	76,000	76,000
HOMELAND SECURITY EQUIP 2	293,000	0	0
HOMELAND SECURITY INFRA 1	1,000	0	0
HOMELAND SECURITY INFRA 2	96,000	18,000	18,000
MTR CARRIER SAFETY ASSISTANCE PROGR	2,428,571	2,402,871	2,506,719
NEW ENTRANT PROGRAM	372,000	383,774	407,442
PREVENTION SERVICES PROGRAM	80,000	80,000	80,000
QUERY CENTRAL DEVELOPMENT	1,772,000	1,772,000	1,772,000
SEAT BELT OT	104,000	100,910	100,910
SOBRIETY CHECKPOINT OT	22,000	22,180	22,180
UNDERAGE DRINKING OT	752,000	754,070	754,070
TOTAL	**7,222,571**	**6,850,793**	**7,020,420**

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
512 DEPT OF EMERGENCY SERVICES			
1002 HAZARD MITIGATION ADMIN.	11,894,761	14,254,156	0
1279 PUBLIC ASSISTANCE GRANTS	16,540,173	4,806,289	0
1431 FLOOD RECOVERY ADMIN.	727,918	579,829	0
97 FLOOD HAZ-MITIGATION GRANTS	202,175	202,175	0
C.E.R.C.L.A.	4,164	4,164	0
D.O.J. DOMESTIC PREP. EQUIP. PROG.	1,089,087	1,059,087	0
DOJ DOMESTIC PREP / EXERCISING	20,000	0	0
DOJ DOMESTIC PREP / TRAINING	70,582	70,582	0
EMERGENCY MANAGEMENT PERFORMANCE GR	1,610,521	1,345,331	0
EMPG LOCAL PAYMENTS.....	2,272,291	2,272,291	0
HAZ MAT EMERGENCY PREPARDNESS	400,000	400,000	0
HAZ. MIT. NOV. 2000 ICE STORM	1,383	1,383	0
HOMELAND SECURITY ADMIN / EQUIP	27,060,080	9,091,317	0
HOMELAND SECURITY EXERCISING	240,911	181,543	0
HOMELAND SECURITY TRAINING	369,001	432,369	0
LAW ENFORCEMENT TERRORISM PREVENTIO	4,320,126	4,320,126	0
PA (REC'S) ADMINISTRATION	1,353	353	0
PA (REC'S) GRANTS	3,191,713	3,187,713	0
PA (REC'S) TRAVEL	2,112	1,612	0
PRE-DISASTER MIT. ADMIN.	3,257,894	1,081,482	0
PUBLIC ASSISTANCE KATRINA RESPONSE	688,983	326,014	0
TRAVEL----F.R.A.	41,500	0	0
TOTAL	**74,006,728**	**43,617,816**	**0**
530 DEPT OF CORRECTIONS AND REHAB			
(WIA) YOUTH SERVICES - YCC	14,000	14,001	14,239
1/4 HOUSE PROGRAM (D02-507)	57,422	0	0
ADULT EDUC/PEN	119,510	0	0
ADULT EDUCATION - YCC	52,000	52,023	53,004
BYRNE GRANT	34,214	0	0
BYRNE GRANT	62,654	0	1,316
COG. TRAINING - BCI	3,974	0	0
CRIME VICTIMS ADVOCACY-DJS	47,000	47,000	47,000
DETENTION SERVICES - FED	20,000	60,000	60,000
DRUG COURT TREATMENT	34,480	0	0

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
FY 01 FED VOCA GRANT	2,679,087	2,513,634	2,514,680
FY 2000 FEDERAL CVC GRANT	186,000	168,000	168,000
INSTITUTIONAL CARE (FEDERAL) - YCC	784,620	642,283	642,283
IV E-REFINANCING (YCC)	89,018	0	0
IV-E/IV-A REIMBURSEMENTS	216,660	694,658	694,658
JAIBG (PSYCH. NURSE) - YCC	16,901	0	0
JAIBG - DJS	602,727	655,664	655,664
MEDICAID REIMB-TITLE XIX	628,099	699,100	699,100
OJJDP - CHALLENGE FUNDS	27,025	26,000	26,000
OJJDP - FORMULA FUNDS	1,200,000	1,210,000	1,210,000
OJJDP - TITLE V FUNDS	100,000	200,000	200,000
OJP SERIOUS & VIOLENT OFFENDER RE-E	302,755	0	0
REENTRY GRANT	1,229	0	0
REENTRY GRANT	23,208	0	0
REENTRY GRANT	740,462	0	0
RESIDENTIAL SUBSTANCE ABUSE TRMT	402,735	0	0
SCAAP-BJA	26,026	0	0
SCHOOL LUNCH - YCC	242,112	264,000	264,000
TITLE I - YCC	97,642	125,996	126,381
VOC ED (CARL PERKINS) - YCC	34,766	34,000	34,000
VOC ED (INCARCERATED) - YCC	40,000	40,000	40,710
VOCATIONAL/TECH EDUCATION	66,298	0	0
WIA JOB SERVICE-ADULT	93,783	0	0
YOUTH TRAINING-US DEPT EDUC	43,357	0	0
TOTAL	**9,089,764**	**7,446,359**	**7,451,035**
540 ADJUTANT GENERAL			
AIR GUARD CONTRACTS	7,310,777	8,246,057	8,629,144
ARMY GUARD CONTRACTS	42,733,021	65,222,273	65,646,833
C.E.R.C.L.A.	0	0	4,164
DEPT. OF JUSTICE GRANTS	0	0	1,129,669
EMERGENCY MGMT. PERFORMANCE GRANTS	0	0	3,707,706
HAZARD MITIGATION GRANTS	0	0	14,457,698
HAZARDOUS MATERIALS EMERGENCY PREP	0	0	400,000
HOMELAND SECURITY GRANTS	0	0	13,004,694
PRE-DISASTER MITIGATION ADMIN	0	0	1,081,486

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
PUBLIC ASSISTANCE GRANTS	0	0	8,901,810
TOTAL	**50,043,798**	**73,468,330**	**116,963,204**
601 DEPT OF COMMERCE			
ANIMAL ID Program	150,000	0	0
CDBG 1994	12,472,308	11,481,531	11,501,464
CF&N	30,000	30,000	30,000
CSBG 2001	6,976,593	6,969,359	6,978,438
DOE 2000	5,719,423	5,822,866	5,832,106
ESGP 2000	587,699	567,255	567,433
HOME 1994	7,353,909	7,365,118	7,382,915
HOMELESS MIS SUPPORTIVE HOUSING PRO	0	157,960	157,960
IC 1999	508,449	473,907	501,479
LHP 2000	4,239,151	5,844,504	5,855,322
LHP EF 2003	4,535,600	2,844,162	2,844,162
NDHRTST	700,000	0	0
SEP ADMIN 2001	976,261	1,023,429	1,035,886
SHELTER PLUS CARE	950,000	500,000	500,000
SHOPP HEATING & OIL PROG.	5,604	6,338	6,696
STATE LOAN	69,252	59,802	59,802
STATE RURAL DEVELOPMENT COUNCIL	234,854	0	0
USDA PSCA 2002	500,000	500,000	500,000
WFD NDCNCS	1,462,972	1,489,224	1,499,244
WORKFORCE DEVELOPMENT	215,505	207,428	213,128
TOTAL	**47,687,580**	**45,342,883**	**45,466,035**
602 DEPARTMENT OF AGRICULTURE			
AG MEDIATION SERVICES	654,850	607,597	674,042
ANIMAL ID	865,926	875,084	891,249
BIOSECURITY GRANT/HEALTH DEPT	200,000	167,839	177,689
CAPS PROGRAM	265,552	348,493	363,534
COOPERATIVE WEED MGMT	70,000	70,000	70,000
CWD (BOAH)	5,000	5,000	5,000
FOREIGN ANIMAL DISEASE(BSE/NAHEMS)	123,765	184,518	192,668
FSMIP	0	10,000	10,000
GROUNDWATER SENSITIVITY MAPPING/HEA	6,000	5,000	5,000

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
INTERNATIONAL INTERN (MIATCO)	20,000	20,000	20,000
INVASIVE PLANT	5,000	5,000	5,000
JOHNE'S DEMO 06	45,000	45,000	45,000
LEAFY SPURGE	225,830	310,458	310,458
MARKET NEWS	40,000	40,000	40,000
MEAT INSPECTION	446,502	488,522	861,311
MEDICATED FEED/BSE INSPECTIONS	18,000	50,782	54,645
ND DAIRY POLLUTION PREVENTION PROGR	600,363	902,049	910,060
ORGANIC CERTIFICATION	65,100	60,100	60,100
PESTICIDE ENFORCEMENT	1,070,908	1,026,974	1,135,436
SWINE HEALTH PROTECT(BOAH)	85,000	68,392	68,392
TISSUE RESIDUE	1,100	100	100
USDA DAIRY PLANT INSPECTIONS	15,000	17,098	18,018
USDA JOHNE'S	90,000	40,000	40,000
USDA PROMOTION & SPECIALTY CROPS A	0	100,000	100,000
USDA SCRAPIES	60,000	60,000	60,000
WATERBANK 319 NPS/HEALTH DEPT	0	100,000	100,000
TOTAL	**4,978,896**	**5,608,006**	**6,217,702**
627 UPPER GREAT PLAINS TRANS INST			
UNIVERSITY TRANSPORTATION CENTERS	12,381,889	21,298,629	21,716,273
TOTAL	**12,381,889**	**21,298,629**	**21,716,273**
630 NDSU EXTENSION SERVICE			
USDA/CREES SMITH LEVER	6,857,327	6,600,890	6,735,653
TOTAL	**6,857,327**	**6,600,890**	**6,735,653**
640 NDSU MAIN RESEARCH CENTER			
USDA/CREES ANIMAL HEALTH	66,654	66,654	69,204
USDA/CREES MCINTIRE STENNIS	210,696	210,696	212,895
USDA/CSREES HATCH 7 MULTI-STATE	4,471,892	4,471,892	4,543,365
TOTAL	**4,749,242**	**4,749,242**	**4,825,464**
701 HISTORICAL SOCIETY			
BUREAU OF LAND MANAGEMENT GRANT	80,000	242,000	242,000
BUREAU OF RECLAMATION	91,514	145,000	145,000

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
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Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
HISTORIC PRESERVATION 6100	2,387,300	1,978,000	2,089,129
HUMANITIES COUNCIL	40,000	40,000	40,000
NATIONAL HISTORICAL PUBLICATIONS	5,000	0	0
NHPRC 06 ADV BOARD ADMIN	777	0	0
ORAL HISTORY GRANT (GSA)	60,000	0	0
SAVE AMERICA'S TREASURES	80,000	0	450,000
TRANSPORTATION ENHANCMENT	1,136,000	0	120,000
TOTAL	**3,880,591**	**2,405,000**	**3,086,129**
709 COUNCIL ON THE ARTS			
NEA BASIC STATE PARTNERSHIP	1,138,739	1,138,739	1,138,739
NEA POETRY OUTLOUD	0	20,000	20,000
NEA TRADE ARTS APPRENTICESHIP	76,064	76,064	76,064
TOTAL	**1,214,803**	**1,234,803**	**1,234,803**
720 GAME AND FISH DEPARTMENT			
DOI - BUREAU OF RECLAMATION	1,642,105	1,937,200	1,977,413
DOI - FISHERIES RESTORATION	5,732,358	7,562,153	7,720,218
DOI - WILDLIFE RESTORATION	5,718,656	7,203,809	7,453,222
MISC FEDERAL GRANTS	754,115	641,299	641,299
STATE WILDLIFE GRANTS	1,607,628	1,307,572	1,318,766
USCG - BOATING SAFETY	696,622	837,995	876,931
TOTAL	**16,151,484**	**19,490,028**	**19,987,849**
750 PARKS AND RECREATION DEPT			
2002LWCF	2,205,000	2,199,000	1,999,000
COAST GUARD	200,000	0	0
CORPS	200,000	0	0
CORPS BOAT RAMP	350,000	0	0
ENERGY GRANT	25,000	50,000	50,000
EPA	10,000	0	0
FEMA/DEM	100,000	0	0
G&F COOPERATIVE AGREEMENT	123,572	84,400	84,400
ISTEA	0	300,000	0
LWCF 1992 PROJECTS	1,132,700	885,708	885,708
PLANT CONSERVATION PROGRAM	119,236	132,030	82,030

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
RTP	4,351,199	4,391,888	4,680,046
SCENIC BYWAYS	50,000	192,742	194,547
TOTAL	**8,866,707**	**8,235,768**	**7,975,731**
770 WATER COMMISSION			
2002 ND WEATHER DAMAGE MODIFICATIO	1,500,000	1,500,000	1,500,000
CAP PROGRAM	196,902	200,051	203,985
FED FUND TRANSFER FROM ANOTHER AGEN	134,500	14,500	14,500
FEMA MAP MODERNIZATION MGMT	1,240,000	3,259,512	3,262,156
FLOOD ASSISTANCE PROGRAM FY 00	260,080	324,363	324,363
MR&I ADMINISTRATION	182,148	201,717	205,137
NORTHWEST AREA WATER SUPPLY (NAWS)	13,750,000	16,525,000	16,525,000
SOUTHWEST PIPELINE	70,000	5,178,142	5,178,142
STATE DAM SAFETY GRANT PROGRAM	123,473	129,342	129,332
WET NON-POINT SOURCE PROGRAM	150,063	160,000	161,584
WETLANDS PROTECTION PROGRAM	75,000	0	0
TOTAL	**17,682,166**	**27,492,627**	**27,504,199**
801 DEPT OF TRANSPORTATION			
FED HWY ADMIN PLANNING & CONSTRUC	515,017,088	445,493,664	446,938,090
FED TRANSIT ADMIN CAP ASST PROGRAM	500,000	500,000	500,000
FED TRANSIT ADMIN CAP INVEST GRANTS	800,000	800,000	800,000
FED TRANSIT ADMIN FORMULA GRANTS NO	2,200,000	2,200,000	2,200,000
FED TRANSIT ADMIN METRO PLANNING G	3,512,200	7,001,200	7,001,200
FEDERAL EMERGENCY MANAGEMENT ADMIN	1,600,000	1,600,000	1,600,000
FEDERAL RAIL	3,600,000	8,200,000	8,200,000
STATE & COMMUNITY HIGHWAY SAFETY	13,022,565	14,316,974	14,352,912
TOTAL	**540,251,853**	**480,111,838**	**481,592,202**
TOTAL ALL AGENCIES	**4,732,304,714**	**4,697,632,398**	**4,845,872,030**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
101 OFFICE OF THE GOVERNOR				
GOVERNOR'S SPECIAL FUND 405	304	5,000	0	0
TOTAL		**5,000**	**0**	**0**
108 SECRETARY OF STATE				
SEC. OF STATE GENERAL SERVICES FUND	263	465,000	464,743	464,743
TOTAL		**465,000**	**464,743**	**464,743**
110 OFFICE OF MANAGEMENT AND BUDGET				
STATE FIRE AND TORNADO FUND	211	126,000	170,000	170,000
CAPITAL GROUNDS PLANNING FUND 110F	251	25,000	25,000	25,000
RISK MANAGEMENT WORKERS'S COMP FUND	275	201,310	240,162	250,587
STATE RISK MANAGEMENT FUND 110F	288	741,084	883,523	919,331
OMB DEBT FINANCING FUND	298	21,155,000	0	0
PERMANENT OIL TAX TRUST FUND	432	18,000,000	5,300,000	5,300,000
OMB UNEMP/PAYROLL CL FUND 110CF	461	1,500,000	1,500,000	1,500,000
CENTRAL DUP SERV FUND 118F	790	4,799,725	4,860,827	4,910,442
CAPITOL RENOVATION FUND 110F	902	0	750,000	750,000
SPECIAL FUNDS FOR EQUITY	SPEC2	0	0	5,000,000
TOTAL		**46,548,119**	**13,729,512**	**18,825,360**
112 INFORMATION TECHNOLOGY				
INDEPENDENT STUDY OPERATING FD 274	274	5,009,484	5,276,621	5,534,459
ISD SERVICE FUND 780	780	93,924,906	84,830,681	108,015,666
TOTAL		**98,934,390**	**90,107,302**	**113,550,125**
117 OFFICE OF THE STATE AUDITOR				
STATE AUDITORS OPERATING FUND 246	246	1,441,970	1,564,692	1,665,125
TOTAL		**1,441,970**	**1,564,692**	**1,665,125**
125 OFFICE OF THE ATTORNEY GENERAL				
ATTY GEN ASSET FORFEITURE FUND 204	204	45,401	45,401	45,401
ATTORNEY GENERAL REFUND FUND 250 F	250	896,224	925,456	949,827
LOTTERY FUND 292	292	3,899,191	3,953,206	4,048,402
ATTORNEY GENERAL FUND 322	322	6,731,987	3,755,710	3,834,315

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
GAMING and EXCISE TAX ALLOC 446	446	617,000	617,000	617,000
TOTAL		**12,189,803**	**9,296,773**	**9,494,945**
127 OFFICE OF STATE TAX COMMISSIONER				
INTEGRATED TAX SYSTEM FUND 287	287	14,000,000	0	1,700,000
TOTAL		**14,000,000**	**0**	**1,700,000**
140 OFFICE OF ADMINISTRATIVE HEARINGS				
ADMINISTRATIVE HEARINGS FUND 266	266	1,409,844	1,436,741	1,694,091
TOTAL		**1,409,844**	**1,436,741**	**1,694,091**
150 LEGISLATIVE ASSEMBLY				
WATER DEVELOPMENT TRUST FUND	267	20,000	0	0
TOTAL		**20,000**	**0**	**0**
180 JUDICIAL BRANCH				
JUDICIAL CONDUCT COMM. FUND 328	328	287,521	294,750	299,356
TOTAL		**287,521**	**294,750**	**299,356**
188 COMMISSION ON LEGAL COUNSEL FOR INDIGENTS				
INDIGENT DEFENSE ADMIN. FUND	282	1,220,000	1,700,705	1,700,705
TOTAL		**1,220,000**	**1,700,705**	**1,700,705**
190 RETIREMENT AND INVESTMENT OFFICE				
RETIREMENT AND INVESTMENT FUND 207	207	3,488,729	3,128,362	3,350,304
TOTAL		**3,488,729**	**3,128,362**	**3,350,304**
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM				
GROUP INSURANCE PLAN PERS 470	470	1,335,072	1,379,888	4,276,475
FLEXCOMP PLAN 472	472	445,024	493,223	1,461,764
DEFERRED COMPENSATION PLAN 481	481	890,047	924,642	3,006,457
PUBLIC EMPLOYEE RETIREMENT SYS 483	483	2,030,094	1,950,404	5,805,168
TOTAL		**4,700,237**	**4,748,157**	**14,549,864**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
201 DEPT OF PUBLIC INSTRUCTION				
DISPLACED HOMEMAKERS FUND 201F	235	253,646	253,942	254,441
PUBLIC INSTRUCTION FUND 201F	391	73,461,615	72,661,615	77,261,615
TOTAL		**73,715,261**	**72,915,557**	**77,516,056**
215 ND UNIVERSITY SYSTEM				
HIGHER ED SPECIAL REV FUND 215F	340	1,654,556	1,347,210	1,347,210
TOTAL		**1,654,556**	**1,347,210**	**1,347,210**
226 STATE LAND DEPARTMENT				
LAND DEPARTMENT MAINT. FUND	206	2,826,022	2,954,572	3,126,688
ENERGY DEVELOPMENT IMPACT FUND 226F	238	5,000,000	6,000,000	6,000,000
TOTAL		**7,826,022**	**8,954,572**	**9,126,688**
227 BISMARCK STATE COLLEGE				
SPECIAL FUND BUDGET	003	502,800	0	0
BISMARCK STATE COLLEGE FUND 227C	387	5,027,500	27,805	27,805
TOTAL		**5,530,300**	**27,805**	**27,805**
228 LAKE REGION STATE COLLEGE				
STATE CAPITAL BONDING FUND	011	0	1,673,000	0
UND - LAKE REGION FUND 228C	388	0	0	3,007,600
TOTAL		**0**	**1,673,000**	**3,007,600**
229 WILLISTON STATE COLLEGE				
UND - WILLISTON CENTER FUND 229C	389	7,960,000	1,400,000	1,400,000
TOTAL		**7,960,000**	**1,400,000**	**1,400,000**
230 UNIVERSITY OF NORTH DAKOTA				
STATE CAPITAL BONDING FUND	011	2,331,554	2,200,000	0
UND FUND 230C	341	140,404,839	57,800,000	78,200,000
TOTAL		**142,736,393**	**60,000,000**	**78,200,000**
235 NORTH DAKOTA STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	3,500,000	5,000,000	0

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
NDSU FUND 235C	344	34,000,000	15,500,000	20,500,000
TOTAL		**37,500,000**	**20,500,000**	**20,500,000**
238 ND STATE COLLEGE OF SCIENCE				
STATE CAPITAL BONDING FUND	011	736,000	1,670,420	0
SCIENCE SCHOOL FUND-NDSCS 238C	347	2,068,920	6,714,000	8,414,000
TOTAL		**2,804,920**	**8,384,420**	**8,414,000**
239 DICKINSON STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	4,100,557	0	0
DICKINSON STATE UNIV. FUND 239C	348	5,000,000	8,000,000	8,000,000
TOTAL		**9,100,557**	**8,000,000**	**8,000,000**
240 MAYVILLE STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	0	3,957,000	0
MAYVILLE STATE UNIV. FUND 240C	349	1,500,000	0	900,000
TOTAL		**1,500,000**	**3,957,000**	**900,000**
241 MINOT STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	0	7,036,150	0
MINOT STATE UNIV. FUND 241C	350	8,535,000	879,815	5,575,550
TOTAL		**8,535,000**	**7,915,965**	**5,575,550**
242 VALLEY CITY STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	0	2,200,000	0
TOTAL		**0**	**2,200,000**	**0**
243 MINOT STATE UNIVERSITY - BOTTINEAU				
STATE CAPITAL BONDING FUND	011	2,500,000	0	0
NDSU - BOTTINEAU FUND 243C	345	3,500,000	12,905	12,905
TOTAL		**6,000,000**	**12,905**	**12,905**
244 NORTH DAKOTA FOREST SERVICE				
STATE CAPITAL BONDING FUND	011	0	120,000	0
FOREST SERVICE FUND 244C	326	974,631	997,116	997,116

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
CENT. TREE PROG. TRUST FUND-244C	451	370	370	370
TOTAL		**975,001**	**1,117,486**	**997,486**
250 STATE LIBRARY				
LIBRARY COMMISSION FUND - 390	390	91,852	91,852	91,852
TOTAL		**91,852**	**91,852**	**91,852**
252 SCHOOL FOR THE DEAF				
SCHOOL FOR THE DEAF FUND - 353	353	1,052,479	692,593	692,593
TOTAL		**1,052,479**	**692,593**	**692,593**
253 ND VISION SERVICES				
SCHOOL FOR THE BLIND FUND - 354	354	846,447	813,030	844,117
TOTAL		**846,447**	**813,030**	**844,117**
270 CAREER AND TECHNICAL EDUCATION				
VOCATIONAL EDUCATION FUND - 393	393	380,932	204,974	204,974
TOTAL		**380,932**	**204,974**	**204,974**
301 ND DEPARTMENT OF HEALTH				
ABANDONED VEHICLE FUND 202	202	250,000	250,000	250,000
EHPL ADMINISTRATORS FUND 313	313	1,000	3,000	3,000
ND HEALTH CARE TRUST FUND 315	315	125,000	125,000	125,000
COMMUNITY HEALTH TRUST FUND 316	316	6,610,000	7,145,000	7,280,283
HEALTH & CONSOLIDATED LAB FUND 370	370	13,088,502	13,333,029	13,413,048
WASTEWATER OPERATORS CERT. FUND 371	371	21,214	33,556	35,198
ENVIRONMENT & RANGELAND PROT 376	376	252,808	252,808	266,119
DOMESTIC VIOLENCE PREV FUND 462	462	340,000	340,000	340,000
TOTAL		**20,688,524**	**21,482,393**	**21,712,648**
313 VETERANS HOME				
SOLDIERS HOME FUND 380	380	7,138,033	8,385,556	8,821,090
TOTAL		**7,138,033**	**8,385,556**	**8,821,090**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
325 DEPARTMENT OF HUMAN SERVICES				
COMPULS GAMBLING & PREVENTION 285	285	400,000	400,000	400,000
ND HEALTH CARE TRUST FUND 315	315	3,200,000	0	0
COMMUNITY HEALTH TRUST FUND 316	316	254,356	213,904	213,904
PROVIDER ASSESSMENT FUND 355	355	7,085,400	7,734,456	7,734,456
HUMAN SERVICES DEPARTMENT FUND 360	360	81,661,814	88,888,409	89,438,773
CHILDRENS TRUST FUND 419	419	300,000	412,464	412,464
PERMANENT OIL TAX TRUST FUND	432	3,667,820	0	0
TOTAL		**96,569,390**	**97,649,233**	**98,199,597**
380 JOB SERVICE NORTH DAKOTA				
OASIS TRUST FUND	303	4,186	4,204	0
JOB SERVICE NORTH DAKOTA FUND	362	605,560	460,460	482,608
TOTAL		**609,746**	**464,664**	**482,608**
401 OFFICE OF THE INSURANCE COMMISSIONER				
UNSATISFIED JUDGEMENT FUND 209	209	35,000	16,546	16,911
STATE BONDING FUND 210	210	35,000	44,131	46,774
STATE FIRE & TORNADO FUND 211	211	1,138,576	1,153,804	1,216,417
PETROLEUM REL. COMP. FUND 233	233	120,000	108,674	113,102
INSURANCE REG. TRUST FUND 239	239	5,560,151	5,862,332	6,181,138
INSURANCE TAX DISTRIB. FUND 240	240	6,420,000	6,320,000	6,320,000
TOTAL		**13,308,727**	**13,505,487**	**13,894,342**
405 INDUSTRIAL COMMISSION				
INDUSTRIAL COMMISSION FUND 305	305	27,630,453	29,821,550	29,839,539
LIGNITE RESEARCH FUND 314	314	15,200,000	19,410,600	19,410,600
LANDS AND MINERALS TRUST FUND	493	225,000	0	0
MUNICIPAL BOND BANK	900	556,919	557,538	584,317
TOTAL		**43,612,372**	**49,789,688**	**49,834,456**
408 PUBLIC SERVICE COMMISSION				
PSC VALUATION REVOLVING FUND 248	248	125,000	125,000	125,000
STATE RAIL FUND 277	277	945,000	0	900,000
TOTAL		**1,070,000**	**125,000**	**1,025,000**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
412 AERONAUTICS COMMISSION				
AERONAUTICS COMM. SPEC FUND 324	324	3,933,813	4,562,202	4,616,539
TOTAL		**3,933,813**	**4,562,202**	**4,616,539**
413 DEPT OF FINANCIAL INST				
FINANCIAL INSTIT. REGULATORY FUND	242	4,445,503	4,869,800	5,181,860
TOTAL		**4,445,503**	**4,869,800**	**5,181,860**
414 SECURITIES DEPARTMENT				
INVESTOR EDUCATION & TECHNOLOGY	244	217,199	217,199	217,199
TOTAL		**217,199**	**217,199**	**217,199**
471 BANK OF NORTH DAKOTA				
BEG FARMER REVOLVING LOAN FUND	973	2,375,000	950,000	950,000
BANK OF NORTH DAKOTA	998	42,200,075	35,809,203	37,192,359
TOTAL		**44,575,075**	**36,759,203**	**38,142,359**
473 ND HOUSING FINANCE AGENCY				
HOUSING FINANCE AGENCY-FEES	473	8,488,734	16,200,662	16,524,302
TOTAL		**8,488,734**	**16,200,662**	**16,524,302**
475 ND MILL AND ELEVATOR ASSOCIATION				
MILL AND ELEVATOR	475	32,841,404	36,438,307	36,780,837
TOTAL		**32,841,404**	**36,438,307**	**36,780,837**
485 WORKFORCE SAFETY AND INSURANCE				
WORKMENS COMPENSATION FUND 213	213	33,523,002	53,289,914	50,020,989
TOTAL		**33,523,002**	**53,289,914**	**50,020,989**
504 HIGHWAY PATROL				
HIGHWAY TAX DISTRIBUTION FUND - 400	400	7,516,175	7,607,425	8,644,595
TOTAL		**7,516,175**	**7,607,425**	**8,644,595**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
512 DEPT OF EMERGENCY SERVICES				
RADIO COMMUNICATIONS FUND	373	661,070	755,010	0
EMERGENCY MANAGEMENT FUND 375	375	5,446,745	3,149,888	0
STATE HAZARDOUS CHEMICAL FUND	378	240,000	258,854	0
TOTAL		**6,347,815**	**4,163,752**	**0**
530 DEPT OF CORRECTIONS AND REHAB				
PROBATION VIOLATION TRANSP - 321	321	165,000	172,762	172,762
PENITENTIARY INDUSTRIES - 365	365	11,565,920	14,341,564	14,578,814
PEN.- LAND REPLACEMENT - 366	366	135,000	0	0
CRIME VICTIMS GIFT FUND - 372	372	44,000	44,000	44,000
DEPT OF CORRECTIONS OPER - 379	379	7,031,830	4,578,870	4,606,878
TOTAL		**18,941,750**	**19,137,196**	**19,402,454**
540 ADJUTANT GENERAL				
RADIO COMMUNICATIONS FUND 373	373	0	0	785,915
EMERGENCY MANAGEMENT FUND 375	375	0	0	3,149,888
STATE HAZARDOUS CHEMICAL FUND 378	378	0	0	268,529
NATIONAL GUARD FUND 383	383	375,726	389,050	410,519
VETERANS CEMETERY 433	433	74,274	110,952	116,337
TOTAL		**450,000**	**500,002**	**4,731,188**
601 DEPT OF COMMERCE				
ALCOHOL MOTOR VEHICLE FUEL FUND 224	224	1,639,564	846,078	846,078
ECONOMIC DEV. FUND 330	330	1,936,957	1,840,931	1,287,932
INTERGOVERNMENTAL ASSIST. FUND 342	342	6,522,714	7,388,786	7,395,294
DEPARTMENT OF TOURISM FUND 443	443	365,954	365,954	365,954
TOTAL		**10,465,189**	**10,441,749**	**9,895,258**
602 DEPARTMENT OF AGRICULTURE				
STATE WATERBANK FUND 236	236	216,881	100,881	100,881
ANHYD AMMON STOR INSP FUND 264	264	61,410	62,736	65,912
AGRICULTURE DEPARTMENT FUND 308	308	1,374,266	1,456,332	1,531,841
ENVIRONMENT & RANGELAND PROTECTION	376	2,855,079	2,764,635	2,962,609
TOTAL		**4,507,636**	**4,384,584**	**4,661,243**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
616 STATE SEED DEPARTMENT				
SEED DEPARTMENT FUND 329	329	5,933,391	5,933,391	6,169,502
TOTAL		**5,933,391**	**5,933,391**	**6,169,502**
627 UPPER GREAT PLAINS TRANS INST				
TRANSPORTATION INSTITUTE FUND 352	352	2,908,144	3,948,032	4,539,390
TOTAL		**2,908,144**	**3,948,032**	**4,539,390**
628 BRANCH RESEARCH CENTERS				
STATE CAPITAL BONDING FUND	011	710,000	0	0
CENTRAL GRASSLANDS EXPR. STATION	323	1,167,679	1,066,231	1,079,909
HETTINGER EXPR. STATION FUND	332	867,204	1,184,165	1,211,757
LANGDON EXPR. STATION FUND	333	440,943	475,551	493,233
NORTH CENTRAL EXPR. STATION FUND	335	2,637,288	1,727,166	1,761,753
WILLISTION EXPR. STATION FUND	336	1,030,065	1,533,429	1,540,265
CARRINGTON EXPR. STATION FUND	337	2,501,907	3,486,876	3,538,315
DICKINSON EXPER. STATION FUND	359	3,764,281	4,043,605	4,091,199
TOTAL		**13,119,367**	**13,517,023**	**13,716,431**
630 NDSU EXTENSION SERVICE				
EXTENSION DIVISION FUND 357	357	16,164,264	16,211,460	17,129,971
TOTAL		**16,164,264**	**16,211,460**	**17,129,971**
638 NORTHERN CROPS INSTITUTE				
NORTHERN CROPS INSTITUTE FUND 243	243	991,922	1,434,577	1,479,719
TOTAL		**991,922**	**1,434,577**	**1,479,719**
640 NDSU MAIN RESEARCH CENTER				
STATE CAPITAL BONDING FUND	011	2,000,000	11,057,750	0
AG RESEARCH FUND	338	2,000,000	2,000,000	2,002,564
MAIN EXPERIMENT STATION FUND 358	358	36,713,404	33,425,698	34,433,129
TOTAL		**40,713,404**	**46,483,448**	**36,435,693**
649 AGRONOMY SEED FARM				
AGRONOMY SEED FARM FUND 226	226	1,201,008	1,202,748	1,230,346

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
TOTAL		**1,201,008**	**1,202,748**	**1,230,346**
665 ND STATE FAIR				
STATE FAIR ENTERPRISE FUND 601	601	0	0	5,000,000
TOTAL		**0**	**0**	**5,000,000**
670 ND HORSE RACING COMMISSION				
RACING BREEDERS FUND 278	278	73,222	80,397	85,415
RACING PURSE FUND 290	290	73,222	80,391	85,390
HORSE RACING OPERATING FUNDS 334	334	30,000	30,000	30,000
HORSE PROMOTION FUND 339	339	73,222	81,070	86,119
TOTAL		**249,666**	**271,858**	**286,924**
701 HISTORICAL SOCIETY				
STATE HIST. REVOLVING FUND - 327	327	6,600,000	33,333	33,333
TOTAL		**6,600,000**	**33,333**	**33,333**
709 COUNCIL ON THE ARTS				
ARTS & HUMANITIES FUND - 399	399	53,515	53,515	53,515
TOTAL		**53,515**	**53,515**	**53,515**
720 GAME AND FISH DEPARTMENT				
NON-GAME WILDLIFE FUND 216	216	40,000	30,000	30,000
GAME & FISH DEPARTMENT FUND 222	222	30,150,688	28,443,112	29,682,143
HABITAT AND DEPREDATION FUND 488	488	5,448,130	5,132,747	5,191,119
TOTAL		**35,638,818**	**33,605,859**	**34,903,262**
750 PARKS AND RECREATION DEPT				
STATE CAPITAL BONDING FUND	011	350,000	350,000	0
SPECIAL ROAD FUND - 230	230	0	0	283,999
SNOWMOBILE FUND - 261	261	904,630	966,240	996,301
STATE PARKS GIFT FUND - 265	265	189,691	289,691	289,691
PARKS & RECREATION FUND - 398	398	2,642,643	2,859,838	2,678,208
PERMANENT OIL TAX TRUST - 432	432	350,000	0	0
TRAIL TAX TRANSFER FUND - 441	441	123,912	174,962	204,459

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2007-2009

Agency / Fund Source	Fund No	2005-2007 Appropriation	2007-2009 Request	2007-2009 Recommendation
TOTAL		**4,560,876**	**4,640,731**	**5,152,658**
770 WATER COMMISSION				
WATER DEVELOPMENT TRUST FUND 267	267	30,027,283	37,455,991	40,055,999
WATER COMMISSION FUND 397	397	77,350,269	107,322,958	93,212,851
NAWS PROJECT RESERVE FUND 413	413	0	150,000	150,000
TOTAL		**107,377,552**	**144,928,949**	**133,418,850**
801 DEPT OF TRANSPORTATION				
HIGHWAY FUND - 200	200	366,785,927	339,101,223	337,176,608
MOTOR VEHICLE OPERATING - 201	201	8,154,899	8,236,662	8,513,761
MOTORCYCLE SAFETY FUND - 205	205	245,920	245,920	245,920
MOTOR VEHICLE REGISTRATION - 217	217	276,447	499,084	518,746
SPECIAL ROAD FUND – 230	230	500,000	350,000	350,000
PUBLIC TRANSPORTATION FUND – 232	232	4,700,000	4,700,000	4,700,000
STATE RAIL FUND – 277	277	40,000	40,000	40,000
FLEET SERVICES FUND – 700	700	45,383,450	53,963,494	54,157,829
TOTAL		**426,086,643**	**407,136,383**	**405,702,864**
TOTAL ALL AGENCIES		**3,027,537,980**	**2,792,110,858**	**2,884,388,952**

Account - A subdivision of a fund. An account is a classification by which information on particular financial transactions and financial resources is recorded and arranged.

Account Code - A four-digit code used for accounting and budgeting purposes, in lieu of a written description, to describe the specific items anticipated to be purchased in the budget, or purchased within various expenditure categories. Codes are assigned by OMB.

Accounting Cost Center - Provides a means for entering and tracking accounting data. It is the lowest level of detail for accumulating costs.

Addition - Extension, enlargement, or expansion made to an existing asset.

Agency Budget Number - The three-digit number assigned to each department by OMB.

Aid to Political Subdivisions - A category of appropriations and expenditures used to identify payments to local governments, school districts and other local entities.

Allotment - A procedure under which appropriated funds are restricted when resources appear insufficient to cover appropriations. Allotment, authorized by North Dakota Century Code 54-44.1-12, is intended to assure that expenditures do not exceed available resources during a biennium.

Appropriation - A legislative authorization to expend resources. An appropriation specifies an amount of money to be used for a particular purpose during a period of time, usually one biennium.

Appropriation Authority - Authorization in an Appropriations Act for an agency to expend funds.

Appropriation Bill - A bill through which appropriations are given legal effect.

BARS – Budget Analysis and Reporting System.

Balanced Budget - A budget in which estimated expenditures for the fiscal year are equal to or less than projected revenues for the same period. In certain situations, a balanced budget may include the beginning balance in projected revenues.

Biennium - The period of two state fiscal years for which the budget is written. For example, the 2007-09 budget covers state fiscal years 2008 and 2009.

Budget - The complete financial plan for the state for the fiscal period, as proposed in the executive recommendation and modified and adopted by the legislature in appropriation and revenue acts.

Budget Document - The instrument used by OMB and the governor to present a comprehensive financial program to the legislature. The budget document consists of three parts. The first contains a summary of proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. The third part is composed of the appropriation, revenue and borrowing measures necessary to put the budget into effect.

Budget Level - Consists of one or more accounting cost centers and represents a major program or subprogram.

Budget Message - A general discussion of the proposed budget as presented in writing by the governor to the legislature. The budget message contains an explanation of the principal budget items, an outline of the government's experience during the past period, its financial status at the time of the message and recommendations regarding the financial policy for the coming biennium.

Budget Request - The statement with accompanying explanations where a state agency sets forth its financial requirements and plans for a biennium.

Budget Stabilization Fund (Rainy Day Fund) - A special fund with reserve dollars to be used only in time of great need.

Budget Version - Includes several components used to identify the various stages of the budget from request to appropriation. The components include the request biennium, department, a one-character code used to identify version type, and a two-digit number used to distinguish the multiple scenarios within a version type. The different version types are used to distinguish among accounting downloads, agency work, OMB analyst work, governor's recommendation, and the legislative process.

Capital Assets Budget - The portion of the budget devoted to proposed additions to and repair of capital assets and the means of financing those assets. The Capital Assets Budget includes money for building new state facilities and making improvements to existing facilities, as well as major equipment purchases exceeding $5,000.

Capital Projects - Expenditures for new construction, additions, renovations, restorations and demolitions of buildings and infrastructure.

Carryover - The unexpended balance of an appropriation remaining at the end of the biennium that is approved for expenditure by the carryover committee.

Comprehensive Annual Financial Report (CAFR) - The official annual report of a government. It includes (a) the government-wide financial statements and the major fund financial statements in the basic statements and their related notes, and (b) combining statements for non-major funds by fund type and individual fund financial statements prepared in conformity with GAAP and organized into a financial report.

Debt Limitation - Constitutionally or statutorily imposed limits on state obligations.

Debt Service - A category of appropriations and expenditures used for the payment of principal and interest on debt.

Dedicated Fund - A fund that receives and expends revenue collected by the state for a specific purpose.

Dedicated Tax - A tax levied to support a specific government program or purpose.

Deficiency Appropriation - An appropriation used to meet obligations not foreseen when the biennial budget was enacted and for which the costs would exceed available spending authorizations. It might add to a previously authorized appropriation anticipated to be inadequate, or provide a new appropriation to finance an existing or anticipated liability for which no appropriation exists. A deficiency appropriation usually applies to the biennium during which it is made. A deficiency appropriation is also termed a supplemental appropriation.

Deficit - The amount by which spending exceeds income within a given fiscal period.

Demolition - All expenditures associated with tearing down an existing building or structure.

Department - A principal, functional, and administrative entity created by statute within state government.

Direct Costs - Costs specifically traceable to specific goods, services, units, programs, activities or functions. Direct costs differ from indirect costs in that the latter cannot be specifically traced and so must be allocated on some systematic and rational basis.

Executive Recommendation - The governor's constitutionally mandated plan of appropriations, expenditures and cash disbursements, along with estimates of revenues and cash receipts expected to be available to support those expenditures.

Expenditure - Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues. An expenditure occurs when the liability is incurred for goods and services received regardless of when the money is disbursed.

Extraordinary Repair - Repairs involving dollar amounts in excess of $5,000 that are non-recurring in nature and increase the value or the service life of the asset beyond what it was before the repair. It is the category in the Capital Assets Budget for extraordinary repairs, replacements, improvement of buildings and infrastructure, and capital projects that do not meet the minimum dollar requirements of a capital project.

Federal Funds - Funds received or requested directly from the federal government, or federal funds passed through from another state entity.

Fiscal Note - The statement of fiscal impact (revenue and/or expenditure) that a proposed bill will have on the state, its political subdivisions or the citizens of the state.

Fiscal Year - The state fiscal year runs from July 1 through June 30. The federal fiscal year runs from October 1 through September 30. The fiscal year for counties and cities is the calendar year.

Fringe Benefits - Payments made by the state for retirement, social security, health insurance, workers compensation, and unemployment insurance.

Full-time Equivalent (FTE) Position - A full-time position approved by the legislature. A full-time work year is 40 hours per week, 52 weeks per year.

Fund - A fiscal entity segregating the financial resources of the state. Monies in a fund may be used for a specific purpose as provided by law. Each fund is a self-balancing set of accounts recording resources, obligations, reserves, and equities in accordance with GAAP.

Fund Number - A three-digit code assigned to each fund for accounting purposes by OMB.

Funding - The source of operating revenue for a department. The three categories for funding are general, federal, and special.

General Fund - The major operating fund of the state which receives all state income not earmarked for a particular program or activity and not specified by law to be deposited into another fund.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting.

Governmental Accounting Standards Board (GASB) - An independent, professional body which establishes standards for accounting and financial reporting applicable to state and local governmental entities.

Improvement (or betterment) - The removal of a major part or component of an asset and the substitution of a different part or component having significantly improved and superior performance capabilities.

Indirect Costs - The elements of cost necessary in the production of a good or service not directly traceable to the product or service. The costs usually relate to objects of expenditure that do not become an integral part of the finished product or service.

Information Technology (IT) Plan - The Information Technology Plan refers to the information technology strategic plan required by chapter 54-44.2 of North Dakota Century Code. This plan is to be used to identify projects and chart the course of information technology within the agency for the upcoming biennium. Planned expenditures for hardware, software, communications, applications development, training and operating expenses related to information technology should be reported in the technology plan. The Information Technology Plan must be submitted to ITD and Legislative Council in July of each even-numbered year. Agencies should submit interim updates to their plan if major changes occur.

Intermediate Account Code - A four-digit code used for accounting and budgeting purposes, in lieu of a written description, to describe the specific items anticipated to be purchased in the budget, or purchased within various expenditure categories. Codes are assigned by OMB.

Internal Controls - Methods and measures adopted within an organization to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency and encourage adherence to prescribed managerial policies. Internal controls encompass both internal administrative controls and internal accounting controls.

Line Item - A subdivision of an appropriation such as salaries, operating, or grants.

Matching Funds - A type of grant requiring the government or agency receiving the grant to commit a certain amount of funding to a program before a similar amount of funding to that program will be made available by the granting entity.

Navigation Path - The menu options a user must select to access a particular screen.

Non-recurring Revenues - Revenues available during a fiscal period that will not be available during subsequent fiscal periods.

Operating Budget - Plans of current expenditures and the proposed means of financing them. For the State of North Dakota, this is the proposed plan of funds necessary to run a program, excluding the cost of capital construction.

Operating Maintenance - Expenditures for maintenance and ordinary repairs to keep assets in usable condition. Operating maintenance is either recurring or incurred on a continuous basis, not capitalized, and involves dollar amounts less than $1,500. Examples include paint, floor wax, lubrication, cleaning supplies, and air filters.

Other Funds - Non-general fund amounts appropriated by the legislature. Amounts include all federal and special funds.

Pay Plan - The schedule of employees' salaries and benefits used in developing the salaries and wages line item.

Program - A functional unit activity representing the basic budget unit used to describe, organize and account for services provided by state government. Programs have an identifiable manager and an objective, which should be evaluated for performance.

Receipts - A general term for cash received which may either satisfy a receivable, or be a conversion of another asset or a refund of a prior expenditure.

Receivable - An anticipated sum of money treated as revenue even though it is not in hand. Such sums are available for expenditure by state agencies when properly authorized. The establishment of a receivable results in an increase in an asset balance.

Renovation - Substantial changes to an asset bringing it to a condition better than it was when originally built.

Replacement - Involves the removal of a major part or component of an asset and the substitution of a new part or component of essentially the same type and performance capabilities.

Reporting Level - A 16-digit number grouped into seven different "layers" by hyphens used to identify the agency, major program level, and cost center. By using the seven different layers, reports can be generated at any level from accounting cost center to statewide categorization.

Restoration - An expenditure to bring an asset back to its original condition or state.

Revenue Estimates - Projections of anticipated state revenue for the current and future biennia.

Revolving Fund - A fund established to finance (1) state activities of a business or commercial nature or (2) the operation of an intra governmental service agency or enterprise, which generates receipts (income) from the sale of commodities or services. Such receipts are available for the continuing operation of the activity or enterprise.

Security Level - A code used by BARS to control data access.

Special Funds - Monies derived from sources such as local governmental units, special funds, departmental collections, and private contributors.

Surplus - The amount income exceeds spending within a given fiscal period.

Transfers - The movement of cash or other resources between funds, as legally authorized.

Trust Funds - Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, or other funds.

Unexpended Appropriated Balance - The appropriated authority minus actual expenditures. That portion of an appropriation not yet expended.

User Taxes and Fees - Charges associated with using a particular service or facility (e.g., park entrance fees, highway tolls).

Veto - The constitutional authority of the governor to disapprove bills passed by the legislature. The *line item veto* is the authority of the governor to disapprove any item or items of appropriation while approving the rest of the appropriation bill. The legislature may override a veto or line item veto with a vote of at least two-thirds of the members of each house.

Budget Process

The budget process in North Dakota covers a two-year period.

At the beginning of each even-numbered year (2006), the Office of Management and Budget's Fiscal Management Division releases instructions and guidelines for state agencies preparing the budget request for the upcoming biennium (July 1, 2007- June 30, 2009.

After the instructions are provided to the agencies, the budget staff visits their assigned agencies. This provides an opportunity to the budget staff to learn about the agency's programs, functions, and budgetary needs. It is also an opportunity for agencies to ask questions or clarify how budget requests should be presented.

In April, preliminary information on buildings and infrastructure is due from agencies. This information is entered into the building and infrastructure formulas, then recalculated and returned to the agencies to use in budget preparation.

In July, the preliminary revenue forecast for the upcoming biennium is completed.

July 15 is the statutory deadline for agencies to submit the budget request. Extensions may be available upon written request to the Office of Management and Budget.

From July to October, budget hearings are held on agency budget requests.
After the budget hearing, the budget analyst will complete the recommendation for each budget. This is done in discussion with the director of the Office of Management and Budget and the governor and his policy advisor.

In early November, the executive revenue forecast is completed and recommendations are finalized. Documentation and publications are prepared and printed.

During the first week of December, the governor presents his budget recommendations to the legislature. Following the governor, Fiscal Management staff present budget details for each agency and review with legislators how to use the budget publications and budget computer system.

In January of each odd-numbered year (2007), the legislature convenes for a maximum of 80 days. During this time, hearings are held on all appropriation requests by the Appropriations Committee of the House of Representatives and the Senate. Prior to adjourning, the legislature passes, and the governor signs, the appropriation measures for the state of North Dakota.

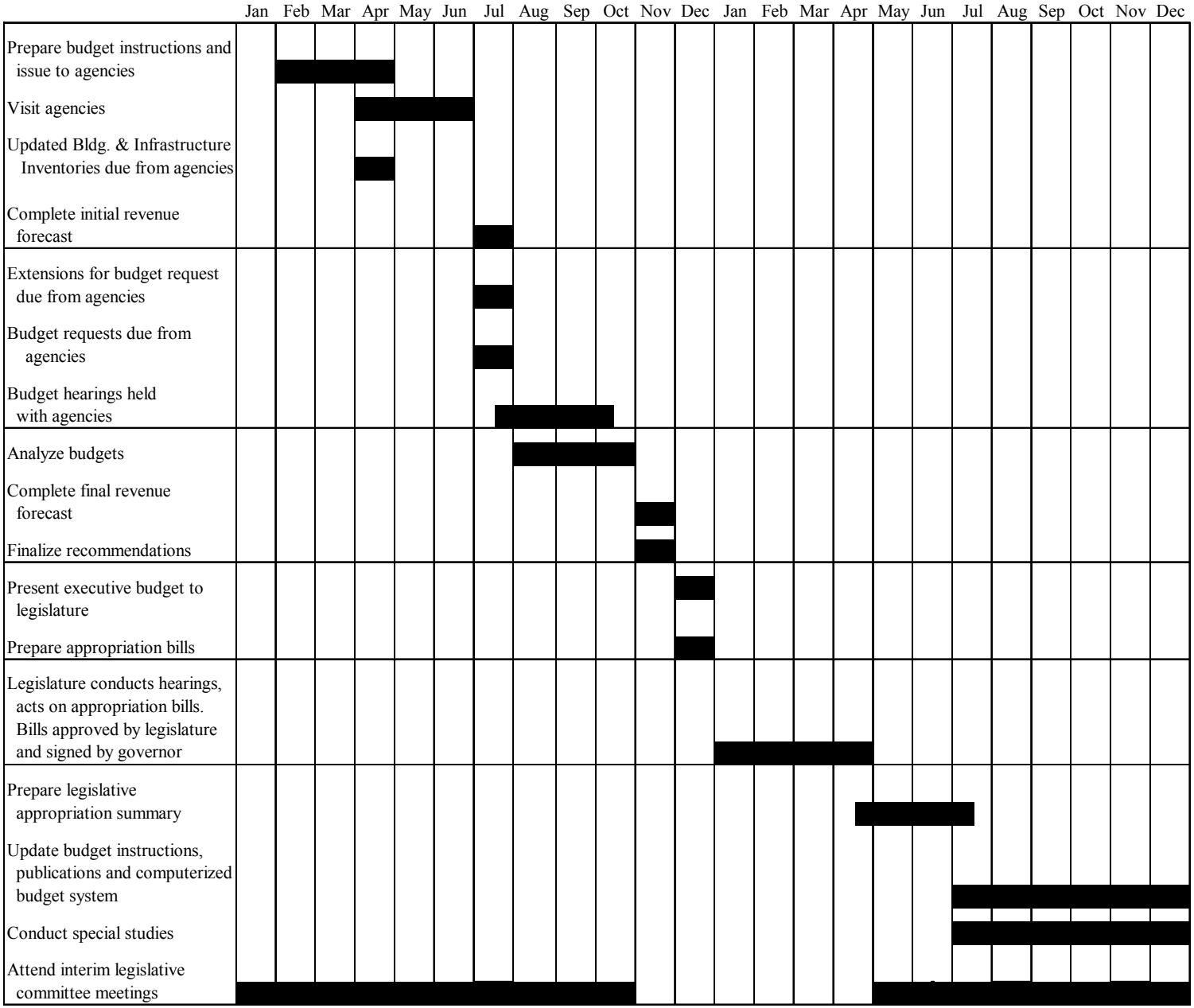
Following the legislative session, the Fiscal Management staff prepares and distributes a publication summarizing the state budget for the upcoming biennium.

Amending the Budget

Once passed, the budget can be amended in one of four ways:

1. The legislature can be called into special session to adopt amendments to the budget.
2. If estimated revenues in a specific fund are insufficient to meet all legislative appropriations from the fund, the governor can cut budgets of the departments that receive monies from that fund on a uniform percentage basis.
3. The Emergency Commission is authorized by statute to allow agencies to accept additional federal and special funds not anticipated during the budget process, and transfer funds between line items within an agency budget.
4. The legislature can include provisions in statute to modify appropriations should certain circumstances exist.

BUDGET PROCESS TIMELINE



OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
101 OFFICE OF THE GOVERNOR					
Base Budget Request	18.00	2,701,941	2,500,000	0	5,201,941
Change is not Used	.00	0	0	0	0
01 IT, Communication, and Travel Increases	.00	25,300	0	0	25,300
02 Intern, Temp. Assist. and Salary Chg.	.00	68,648	0	0	68,648
03 Health Insurance Addition	.00	13,295	0	0	13,295
04 Faith Based Committee Expenses	.00	11,000	0	0	11,000
SUBTOTAL	**18.00**	**2,820,184**	**2,500,000**	**0**	**5,320,184**
108 SECRETARY OF STATE					
Base Budget Request	27.00	4,301,648	5,481,157	464,743	10,247,548
01 SOSKB Migration Project	.00	824,153	0	0	824,153
SUBTOTAL	**27.00**	**5,125,801**	**5,481,157**	**464,743**	**11,071,701**
110 OFFICE OF MANAGEMENT AND BUDGET					
Base Budget Request	131.50	40,591,088	75,000	13,729,512	54,395,600
01 Additional FTE for State Procurement	1.00	67,674	0	0	67,674
02 Funding source change for Procurement FTE	.00	106,808	0	-96,822	9,986
03 Emergency Power to the Governor's Residence	.00	35,000	0	0	35,000
04 Capitol Grounds Improvement Target Hardening	.00	3,000,000	0	0	3,000,000
05 Redesign of HRMS Website	.00	37,630	0	0	37,630
06 FileNet Document Management	.00	48,435	0	0	48,435
07 Salary Adjustments	.00	96,000	0	0	96,000
08 Heat pump replacement at Heritage Center	.00	600,000	0	0	600,000
09 Replace carpeting in areas of the Heritage Center	.00	200,000	0	0	200,000
10 Remodel the plaza of the Heritage Center entrance	.00	200,000	0	0	200,000
11 Prairie Public Broadcasting Matching Funds	.00	686,000	0	0	686,000
12 Additional FTE for Fiscal Management	1.00	125,728	0	0	125,728
20 Deferred Maintenance	.00	2,000,000	0	0	2,000,000
SUBTOTAL	**133.50**	**47,794,363**	**75,000**	**13,632,690**	**61,502,053**
112 INFORMATION TECHNOLOGY					
Base Budget Request	264.20	9,880,510	300,000	90,107,302	100,287,812
01 MMIS Replacement Optional Package	15.00	0	0	13,452,235	13,452,235
02 BND Position Transfer	4.00	0	0	650,910	650,910
03 K-12 Data Warehouse Optional Package	.00	0	0	83,515	83,515
04 EduTech Optional Package	.00	70,000	0	0	70,000
05 ConnectND/Powerschool Optional Package	1.00	0	0	175,436	175,436

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
06	CJIS Optional	.00	1,236,212	0	0	1,236,212
07	Expanded Hosting Services Optional Package	1.00	0	0	167,030	167,030
08	Security Optional Package	1.00	0	0	155,818	155,818
09	EDMS Optional Package	2.00	0	0	334,060	334,060
10	GIS Optional	.00	251,020	0	0	251,020
11	VoIP Implementation	1.00	0	0	175,436	175,436
12	Quality Assurance Optional Package	3.00	0	0	509,496	509,496
13	ETC Optional Package	.00	610,000	0	0	610,000
14	HE Patch Management Optional Package	1.00	0	0	175,436	175,436
15	Business Intelligence Optional Package	3.00	350,872	0	1,283,515	1,634,387
16	K-12 Video Optional Package	3.00	242,030	0	269,600	511,630
17	Northern Tier Optional Package	1.00	0	0	1,067,030	1,067,030
18	GIS County Support Optional Package	.00	163,276	0	0	163,276
19	Administrative Support Optional Package	1.00	0	0	108,566	108,566
20	Desktop Support Optional Package	3.00	0	0	475,866	475,866
21	Cell Phone Administration Optional Package	1.00	0	0	2,127,794	2,127,794
22	ADA Tools	.00	60,000	0	0	60,000
98	Higher Ed Firewall Administration Optional Package	.00	0	0	0	0
99	Temp-All New Positions	.00	0	0	0	0
SUBTOTAL		**305.20**	**12,863,920**	**300,000**	**111,319,045**	**124,482,965**
117	**OFFICE OF THE STATE AUDITOR**					
	Base Budget Request	54.80	5,202,920	872,259	1,564,692	7,639,871
01	Additional salary dollars for equity adjustments	.00	115,500	0	0	115,500
02	Two Information Systems Auditors	2.00	190,560	0	0	190,560
SUBTOTAL		**56.80**	**5,508,980**	**872,259**	**1,564,692**	**7,945,931**
120	**OFFICE OF THE STATE TREASURER**					
	Base Budget Request	6.00	2,220,315	0	0	2,220,315
10	Additional FTE	1.00	111,714	0	0	111,714
20	Rewrite Mainframe Sofware Programs	.00	768,228	0	0	768,228
SUBTOTAL		**7.00**	**3,100,257**	**0**	**0**	**3,100,257**
125	**OFFICE OF THE ATTORNEY GENERAL**					
	Base Budget Request	181.30	19,277,082	8,754,537	9,296,773	37,328,392
01	Crime Lab Addition and Remodel - Additional Costs	.00	1,242,840	0	0	1,242,840
02	Crime Lab Building - North Site	.00	1,210,662	0	0	1,210,662
03	Crime Lab Building - Operating Costs	.00	304,599	0	0	304,599

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
04	Staff Equity Adjustments	.00	1,129,043	0	18,682	1,147,725
05	Salary Funding Source Changes	4.00	253,942	0	107,986	361,928
06	Inflationary Increase Adjustments	.00	550,067	0	43,200	593,267
07	Telecommunications Rate Increases	.00	40,898	0	0	40,898
08	Staff Retirements	.00	54,540	0	0	54,540
10	Crime Lab Preventive Maintenance Agreements	.00	85,200	0	0	85,200
SUBTOTAL		**185.30**	**24,148,873**	**8,754,537**	**9,466,641**	**42,370,051**
127	**OFFICE OF STATE TAX COMMISSIONER**					
	Base Budget Request	133.00	22,707,047	0	0	22,707,047
03	Integrated Tax System - First Payments	.00	5,356,702	0	0	5,356,702
05	Loan payoff	.00	9,916,295	0	0	9,916,295
SUBTOTAL		**133.00**	**37,980,044**	**0**	**0**	**37,980,044**
140	**OFFICE OF ADMINISTRATIVE HEARINGS**					
	Base Budget Request	8.00	0	0	1,436,741	1,436,741
03	Optional Increase - Salaries & Benefits	.00	0	0	120,528	120,528
05	Optional Increase - Professional Services	.00	0	0	50,000	50,000
06	Optional Increase - Digital Recording Project	.00	0	0	7,500	7,500
SUBTOTAL		**8.00**	**0**	**0**	**1,614,769**	**1,614,769**
150	**LEGISLATIVE ASSEMBLY**					
	Base Budget Request	.00	13,918,501	0	0	13,918,501
SUBTOTAL		**.00**	**13,918,501**	**0**	**0**	**13,918,501**
160	**LEGISLATIVE COUNCIL**					
	Base Budget Request	33.00	7,967,232	0	0	7,967,232
SUBTOTAL		**33.00**	**7,967,232**	**0**	**0**	**7,967,232**
180	**JUDICIAL BRANCH**					
	Base Budget Request	343.00	64,582,060	1,835,191	294,750	66,712,001
SUBTOTAL		**343.00**	**64,582,060**	**1,835,191**	**294,750**	**66,712,001**
188	**COMMISSION ON LEGAL COUNSEL FOR INDIGENTS**					
	Base Budget Request	19.00	8,329,053	0	1,700,705	10,029,758
01	Optional Change Package	10.00	1,678,794	0	0	1,678,794

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
SUBTOTAL	**29.00**	**10,007,847**	**0**	**1,700,705**	**11,708,552**
190 RETIREMENT AND INVESTMENT OFFICE					
Base Budget Request	17.00	0	0	3,128,362	3,128,362
01 Optional Salary Adjustments	.00	0	0	65,301	65,301
SUBTOTAL	**17.00**	**0**	**0**	**3,193,663**	**3,193,663**
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM					
Base Budget Request	29.00	2,500	0	4,748,157	4,750,657
02 Salary Equity Adjustment	.00	0	0	202,760	202,760
03 IT - Legacy Application System Replacement	4.00	0	0	9,352,220	9,352,220
SUBTOTAL	**33.00**	**2,500**	**0**	**14,303,137**	**14,305,637**
201 DEPT OF PUBLIC INSTRUCTION					
Base Budget Request	97.25	693,519,878	247,991,694	72,915,557	1,014,427,129
01 Salary Equity Increases	.00	64,300	137,000	0	201,300
02 Increase in General Fund Operating	.00	350,000	0	0	350,000
03 New FTE for School Finance Unit	1.00	120,724	0	0	120,724
04 Computer Application Foundation Aid Re Write	.00	500,000	0	0	500,000
05 State Assessment Program	.00	1,000,000	0	0	1,000,000
06 Application Replacement DPI and ESPB	.00	1,000,000	0	0	1,000,000
07 Limited English Proficient Student Program	.00	40,000	0	0	40,000
08 North Dakota Governor's School	.00	90,000	0	0	90,000
09 North Dakota Teacher Center Network	.00	46,000	0	0	46,000
10 North Dakota LEAD Center	.00	5,000	0	0	5,000
11 Northern Plains Writing Project	.00	10,000	0	0	10,000
SUBTOTAL	**98.25**	**696,745,902**	**248,128,694**	**72,915,557**	**1,017,790,153**
215 ND UNIVERSITY SYSTEM					
Base Budget Request	21.00	71,647,862	1,090,600	1,347,210	74,085,672
10 OPT COLLAB PROJECT	.00	1,000,000	0	0	1,000,000
11 OPT CAMPUS NETWORK REFURB	.00	2,000,000	0	0	2,000,000
12 OPT NTHN TIER NETWORK	.00	2,700,000	0	0	2,700,000
SUBTOTAL	**21.00**	**77,347,862**	**1,090,600**	**1,347,210**	**79,785,672**
226 STATE LAND DEPARTMENT					
Base Budget Request	18.75	0	0	8,954,572	8,954,572

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
SUBTOTAL	**18.75**	**0**	**0**	**8,954,572**	**8,954,572**
227 BISMARCK STATE COLLEGE					
Base Budget Request	105.38	20,667,630	0	27,805	20,695,435
10 OPT DEF MNT INCR	.00	173,159	0	0	173,159
SUBTOTAL	**105.38**	**20,840,789**	**0**	**27,805**	**20,868,594**
228 LAKE REGION STATE COLLEGE					
Base Budget Request	30.49	6,625,362	0	1,673,000	8,298,362
01 OPT DEF MNT INCR	.00	46,515	0	0	46,515
SUBTOTAL	**30.49**	**6,671,877**	**0**	**1,673,000**	**8,344,877**
229 WILLISTON STATE COLLEGE					
Base Budget Request	38.80	6,587,693	0	1,400,000	7,987,693
10 OPT DEF MNT INCR	.00	14,345	0	0	14,345
SUBTOTAL	**38.80**	**6,602,038**	**0**	**1,400,000**	**8,002,038**
230 UNIVERSITY OF NORTH DAKOTA					
Base Budget Request	637.24	111,148,623	0	60,000,000	171,148,623
10 OPT DEF MNT INCR	.00	3,433,803	0	0	3,433,803
SUBTOTAL	**637.24**	**114,582,426**	**0**	**60,000,000**	**174,582,426**
232 UND MEDICAL CENTER					
Base Budget Request	155.74	33,874,938	0	0	33,874,938
SUBTOTAL	**155.74**	**33,874,938**	**0**	**0**	**33,874,938**
235 NORTH DAKOTA STATE UNIVERSITY					
Base Budget Request	498.12	92,498,142	0	20,500,000	112,998,142
10 OPT DEF MNT INCR	.00	2,548,657	0	0	2,548,657
SUBTOTAL	**498.12**	**95,046,799**	**0**	**20,500,000**	**115,546,799**
238 ND STATE COLLEGE OF SCIENCE					
Base Budget Request	156.77	28,452,427	0	8,384,420	36,836,847
10 OPT DEF MNT INCR	.00	489,852	0	0	489,852
SUBTOTAL	**156.77**	**28,942,279**	**0**	**8,384,420**	**37,326,699**

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
239	**DICKINSON STATE UNIVERSITY**					
	Base Budget Request	121.60	17,464,199	0	8,000,000	25,464,199
10	OPT DEF MNT INCR	.00	754,867	0	0	754,867
	SUBTOTAL	**121.60**	**18,219,066**	**0**	**8,000,000**	**26,219,066**
240	**MAYVILLE STATE UNIVERSITY**					
	Base Budget Request	55.89	10,280,427	0	3,957,000	14,237,427
10	OPT DEF MNT INCR	.00	927,154	0	0	927,154
	SUBTOTAL	**55.89**	**11,207,581**	**0**	**3,957,000**	**15,164,581**
241	**MINOT STATE UNIVERSITY**					
	Base Budget Request	184.83	31,213,236	0	7,915,965	39,129,201
10	OPT DEF MNT INCR	.00	949,401	0	0	949,401
	SUBTOTAL	**184.83**	**32,162,637**	**0**	**7,915,965**	**40,078,602**
242	**VALLEY CITY STATE UNIVERSITY**					
	Base Budget Request	78.15	13,422,258	0	2,200,000	15,622,258
10	OPT DEF MNT INCR	.00	595,954	0	0	595,954
	SUBTOTAL	**78.15**	**14,018,212**	**0**	**2,200,000**	**16,218,212**
243	**MINOT STATE UNIVERSITY - BOTTINEAU**					
	Base Budget Request	31.11	5,142,231	0	12,905	5,155,136
10	OPT DEF MNT INCR	.00	45,072	0	0	45,072
	SUBTOTAL	**31.11**	**5,187,303**	**0**	**12,905**	**5,200,208**
244	**NORTH DAKOTA FOREST SERVICE**					
	Base Budget Request	19.47	2,408,717	0	1,117,486	3,526,203
10	OPT DEF MNT INCR	.00	21,220	0	0	21,220
	SUBTOTAL	**19.47**	**2,429,937**	**0**	**1,117,486**	**3,547,423**
250	**STATE LIBRARY**					
	Base Budget Request	28.75	3,539,421	1,765,266	91,852	5,396,539
01	Optional Budget Training Librarian	1.00	85,340	0	0	85,340
02	Optional Budget State Aid Grant Increase	.00	200,000	0	0	200,000
	SUBTOTAL	**29.75**	**3,824,761**	**1,765,266**	**91,852**	**5,681,879**

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
252 SCHOOL FOR THE DEAF					
Base Budget Request	48.44	5,461,352	257,242	692,593	6,411,187
01 Capital Assets Optional Adjustment	.00	1,627,363	0	0	1,627,363
SUBTOTAL	**48.44**	**7,088,715**	**257,242**	**692,593**	**8,038,550**
253 ND VISION SERVICES					
Base Budget Request	27.00	2,579,336	0	813,030	3,392,366
01 Optional Carpet - Balance for West Wing	.00	34,000	0	0	34,000
02 Optional Windows - Balance for South Wing	.00	40,000	0	0	40,000
03 Optional Ceiling Tiles for Gym	.00	6,000	0	0	6,000
04 Optional Driveway Extension	.00	30,000	0	0	30,000
SUBTOTAL	**27.00**	**2,689,336**	**0**	**813,030**	**3,502,366**
270 CAREER AND TECHNICAL EDUCATION					
Base Budget Request	25.50	22,558,293	10,813,093	204,974	33,576,360
01 Positions and funding changes	2.00	202,564	0	0	202,564
02 Career Resource Network (Career Outlook)	.00	50,000	0	0	50,000
03 Student Assessments	.00	250,000	0	0	250,000
SUBTOTAL	**27.50**	**23,060,857**	**10,813,093**	**204,974**	**34,078,924**
301 ND DEPARTMENT OF HEALTH					
Base Budget Request	328.50	14,641,478	113,215,729	21,482,393	149,339,600
01 Salary Package State Equity	.00	568,299	509,606	0	1,077,905
02 Immunization	.00	2,000,000	0	0	2,000,000
03 Pandemic Antiviral Stockpile	.00	1,670,400	0	0	1,670,400
04 Womens Way Maintenance	.00	484,000	0	0	484,000
05 Suicide General Fund	.00	540,000	0	0	540,000
06 Adult Tobacco Survey	.00	75,000	0	0	75,000
07 Statewide School Health	1.00	5,000,000	0	0	5,000,000
08 Roughrider Follow Up	.00	50,000	0	0	50,000
09 Food and Lodging Position	1.00	110,385	0	0	110,385
10 Physician Loan Program	.00	150,000	0	0	150,000
11 Salary Package Market Equity	.00	1,954,259	0	0	1,954,259
12 Womens Way Enhancement	.00	282,200	0	0	282,200
13 Community Based Nutrition	.00	600,000	0	0	600,000
14 Youth Tobacco	1.00	551,600	0	0	551,600
15 Quitline Additional Enhancement	.00	70,000	0	0	70,000
16 Domestic Violence	.00	500,000	0	0	500,000

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
17	EMS Training Grants	.00	940,000	0	0	940,000
18	Septic Tanks	2.00	400,000	0	0	400,000
19	Local Health	.00	1,900,000	0	0	1,900,000
SUBTOTAL		**333.50**	**32,487,621**	**113,725,335**	**21,482,393**	**167,695,349**
313 VETERANS HOME						
	Base Budget Request	90.97	3,465,331	0	8,385,556	11,850,887
01	Beds	.00	75,000	0	0	75,000
02	Bedroom Furniture	.00	120,000	0	0	120,000
03	Elevator	.00	120,000	0	0	120,000
04	Bobcat 2200 Utility vehicle	.00	16,500	0	0	16,500
05	Marketing	.00	50,000	0	0	50,000
06	Video conferencing	.00	4,950	0	0	4,950
07	Computer Based Training	.00	12,900	0	0	12,900
SUBTOTAL		**90.67**	**3,864,681**	**0**	**8,385,556**	**12,250,237**
316 INDIAN AFFAIRS COMMISSION						
	Base Budget Request	3.00	393,077	5,000	0	398,077
01	IT Equipment, Telephone, Data Processing	.00	1,000	0	0	1,000
02	Cell phone / mobile communications	.00	2,500	0	0	2,500
04	IT - Software Upgrades	.00	1,000	0	0	1,000
06	Priority 1: Administrative Changes	.00	15,400	0	0	15,400
07	Priority 2: Request for FTE	1.00	99,960	0	0	99,960
08	Priority 3: Request for PTE	.00	7,920	0	0	7,920
09	Priority 4: Increase in operating budget	.00	10,000	0	0	10,000
10	Priority 5: Operating - Indian Education Coor.	.00	30,000	0	0	30,000
SUBTOTAL		**4.00**	**560,857**	**5,000**	**0**	**565,857**
321 DEPARTMENT OF VETERANS AFFAIRS						
	Base Budget Request	6.00	661,993	0	0	661,993
01	Administrative Committee Travel	.00	29,872	0	0	29,872
02	Outreach to Counties	.00	23,206	0	0	23,206
03	Discharge Project	.00	21,356	0	0	21,356
04	Agency Security	.00	38,250	0	0	38,250
05	Equity Funding	.00	67,262	0	0	67,262
06	Women Veterans' Coordinator	1.00	84,596	0	0	84,596
07	Website Upgrade	.00	2,268	0	0	2,268
08	Loan Software Contract & Computer Replacements	.00	9,600	0	0	9,600

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
SUBTOTAL	**7.00**	**938,403**	**0**	**0**	**938,403**
325 DEPARTMENT OF HUMAN SERVICES					
Base Budget Request	2,057.68	535,057,390	1,103,360,299	97,649,233	1,736,066,922
01 MMIS Replacement	.00	3,643,133	27,429,508	0	31,072,641
02 Capacity Needs	8.00	4,006,961	463,284	47,064	4,517,309
03 Provider Inflation of 3.8% / 3.8%	.00	17,821,121	29,999,429	479,856	48,300,406
04 Resident Transition	14.50	3,698,744	4,447,609	0	8,146,353
05 Expansion / Enhancement	34.00	11,682,798	5,823,488	16,969	17,523,255
06 Staff Equity	.00	650,209	749,606	23,766	1,423,581
07 Captial Needs at Institutions	.00	8,644,131	62,966	0	8,707,097
08 Provider Requests	.00	28,168,103	32,377,347	148,910	60,694,360
09 Drug Court Efforts	4.00	292,873	84,634	0	377,507
10 Sex Offender Growth	48.50	6,783,797	0	9,730	6,793,527
SUBTOTAL	**2,166.68**	**620,449,260**	**1,204,798,170**	**98,375,528**	**1,923,622,958**
360 PROTECTION AND ADVOCACY					
Base Budget Request	26.50	822,024	2,921,856	0	3,743,880
01 Administrative position	1.00	50,143	50,143	0	100,286
SUBTOTAL	**27.50**	**872,167**	**2,971,999**	**0**	**3,844,166**
380 JOB SERVICE NORTH DAKOTA					
Base Budget Request	308.00	1,482,620	58,811,784	464,664	60,759,068
SUBTOTAL	**308.00**	**1,482,620**	**58,811,784**	**464,664**	**60,759,068**
401 OFFICE OF THE INSURANCE COMMISSIONER					
Base Budget Request	46.50	0	441,460	13,505,487	13,946,947
SUBTOTAL	**46.50**	**0**	**441,460**	**13,505,487**	**13,946,947**
405 INDUSTRIAL COMMISSION					
Base Budget Request	51.37	6,941,000	268,214	49,789,688	56,998,902
01 Contingency Funding Change	2.00	271,740	0	0	271,740
02 Restoration of Base Budget Changes/Inflation	.00	325,162	0	0	325,162
03 Roof Repair Core Library and Update Offices	.00	210,000	0	0	210,000
04 Equity Adjustment	.00	272,695	0	0	272,695
05 Eng Tech Position	1.00	105,981	0	0	105,981
06 Paleontology Program FTE	1.00	163,040	0	0	163,040

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
07	Dust Collection System	.00	8,000	0	0	8,000
08	Shallow Gas Project	.00	16,000	0	0	16,000
09	National Energy Meetings	.00	11,000	0	0	11,000
10	Map Printer/Plotter-Survey	.00	8,500	0	0	8,500
11	Map Printer O/G	.00	10,000	0	0	10,000
12	Transfer to Fossil Restoration Fund	.00	250,000	0	0	250,000
SUBTOTAL		**55.37**	**8,593,118**	**268,214**	**49,789,688**	**58,651,020**
406 OFFICE OF THE LABOR COMMISSIONER						
Base Budget Request		.00	975,699	375,270	0	1,350,969
01	Toll-Free Telephone	.00	3,965	0	0	3,965
02	Westlaw Subscription	.00	7,200	0	0	7,200
03	Education/Outreach Activities	.00	9,815	0	0	9,815
04	Information Technology	.00	13,268	0	0	13,268
05	Professional Development & Association Memberships	.00	21,000	0	0	21,000
06	Discrimination Study	.00	55,600	0	0	55,600
07	Special Assistant AG Legal Fees	.00	53,000	0	0	53,000
SUBTOTAL		**.00**	**1,139,547**	**375,270**	**0**	**1,514,817**
408 PUBLIC SERVICE COMMISSION						
Base Budget Request		40.00	4,260,372	6,811,431	125,000	11,196,803
01	Restore W&M inspector, travel and equipment	1.00	172,164	0	0	172,164
02	GIS Program	1.00	205,240	0	0	205,240
03	Video Conferencing	.00	20,000	0	0	20,000
04	Metrology Program	.00	188,766	0	0	188,766
SUBTOTAL		**42.00**	**4,846,542**	**6,811,431**	**125,000**	**11,782,973**
412 AERONAUTICS COMMISSION						
Base Budget Request		6.00	550,187	1,906,305	4,562,202	7,018,694
SUBTOTAL		**6.00**	**550,187**	**1,906,305**	**4,562,202**	**7,018,694**
413 DEPT OF FINANCIAL INST						
Base Budget Request		27.00	0	0	4,869,800	4,869,800
01	Lease/Rental Building - Grand Forks Field Office	.00	0	0	21,600	21,600
02	IT Data Processing - Grand Forks Field Office	.00	0	0	5,330	5,330
03	IT Communications - Grand Forks Field Office	.00	0	0	2,380	2,380
04	Office Equipment - Grand Forks Field Office	.00	0	0	550	550

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
SUBTOTAL	**27.00**	**0**	**0**	**4,899,660**	**4,899,660**
414 SECURITIES DEPARTMENT					
Base Budget Request	9.00	1,478,470	0	217,199	1,695,669
08 Retirement	.00	12,980	0	0	12,980
SUBTOTAL	**9.00**	**1,491,450**	**0**	**217,199**	**1,708,649**
471 BANK OF NORTH DAKOTA					
Base Budget Request	176.50	6,900,000	0	36,759,203	43,659,203
01 Change in AG Pace funding source	.00	1,425,000	0	0	1,425,000
01 Increased demand for PACE and Flex PACE programs	.00	2,300,000	0	0	2,300,000
SUBTOTAL	**176.50**	**10,625,000**	**0**	**36,759,203**	**47,384,203**
473 ND HOUSING FINANCE AGENCY					
Base Budget Request	43.00	0	25,009,800	16,200,662	41,210,462
SUBTOTAL	**43.00**	**0**	**25,009,800**	**16,200,662**	**41,210,462**
475 ND MILL AND ELEVATOR ASSOCIATION					
Base Budget Request	131.00	0	0	36,438,307	36,438,307
SUBTOTAL	**131.00**	**0**	**0**	**36,438,307**	**36,438,307**
485 WORKFORCE SAFETY AND INSURANCE					
Base Budget Request	238.14	0	0	53,289,914	53,289,914
SUBTOTAL	**238.14**	**0**	**0**	**53,289,914**	**53,289,914**
504 HIGHWAY PATROL					
Base Budget Request	180.00	20,308,065	6,850,793	7,607,425	34,766,283
01 Restore 9 Unfunded FTEs	9.00	964,172	0	356,635	1,320,807
02 Equity Compensation Plan	.00	434,784	0	160,810	595,594
03 4 New Sworn Officer FTEs -- Northern border	4.00	515,340	0	191,164	706,504
04 5 New Sworn officer FTEs -- 24-hr. coverage	5.00	645,176	0	237,954	883,130
05 Capitol Security Improvements	3.00	348,422	0	129,832	478,254
06 In-car Video Equipment Replacements	.00	468,000	0	174,000	642,000
07 1 New Permit Technician FTE	1.00	49,516	0	18,314	67,830
SUBTOTAL	**202.00**	**23,733,475**	**6,850,793**	**8,876,134**	**39,460,402**

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
512	**DEPT OF EMERGENCY SERVICES**					
	Base Budget Request	54.00	5,167,598	43,617,816	4,163,752	52,949,166
01	Equity Adjustments	.00	125,000	0	0	125,000
02	Motorola Lease Purchase Agreement	.00	1,084,970	-1,084,970	0	0
03	Additional FTE staffing (2 FTE)	2.00	253,206	0	0	253,206
04	Computer Aided Dispatch (Software & Hardware)	.00	980,000	0	0	980,000
05	Statewide Interoperability Plan	.00	450,000	0	0	450,000
06	Additional Staffing (3 FTE)	3.00	328,590	0	0	328,590
07	Motorola Lease Purchase Agreement	.00	440,377	-440,377	0	0
08	Emergency Response/Relief Fund	.00	1,000,000	0	0	1,000,000
09	North Dakota Disaster Management Plan	.00	450,000	0	0	450,000
10	Additional 6 State Radio Towers	.00	4,500,000	0	0	4,500,000
11	Seamless Statewide Base Map	.00	8,000,000	0	0	8,000,000
	SUBTOTAL	**59.00**	**22,779,741**	**42,092,469**	**4,163,752**	**69,035,962**
530	**DEPT OF CORRECTIONS AND REHAB**					
	Base Budget Request	677.28	111,296,547	7,446,359	19,137,196	137,880,102
	GPS Statewide Monitoring Program	.00	0	0	0	0
01	DOCR - Salary Equity	.00	3,113,564	0	0	3,113,564
02	DOCR - Position Reclassification	.00	748,234	0	0	748,234
03	Inflationary	.00	303,278	0	0	303,278
04	Prisons Division - Capital Projects	4.00	45,908,585	0	0	45,908,585
05	JRCC - Correctional Officer III Positions	5.00	534,820	0	0	534,820
06	JRCC - COII - Housing & Recreation	8.00	766,880	0	0	766,880
07	JRCC - Business Manager	1.00	116,018	0	0	116,018
08	Adult Srvcs - Best Practices / Treatment Director	1.00	147,824	0	0	147,824
09	JCS - Expand Intensive In-Home	.00	150,000	0	0	150,000
10	FTEs to meet Field Service Community Offender	14.20	1,528,808	0	0	1,528,808
11	YCC - Juvenile Institutional Resident Specialist I	4.00	313,512	0	0	313,512
12	Inmate Medical System	.00	1,000,000	0	0	1,000,000
13	Replace LE Radios	.00	243,000	0	0	243,000
14	NDSP - CO - Temp Positions to Perm Positions	6.00	558,660	0	0	558,660
15	Institutional Offender Services Workload Increase	4.00	517,273	0	0	517,273
16	JRCC - Food Service Supervisors	4.00	284,224	0	0	284,224
17	MRCC - Registered Nurse	1.00	116,268	0	0	116,268
18	NDSP - Temp Admin Position to FTE	1.00	59,348	0	0	59,348
19	NDSP - Temp RN Position to FTE	1.00	109,420	0	0	109,420

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
20	NDSP - Temp Office Assist to FTE	1.00	68,306	0	0	68,306
21	MRCC -Office Assist .5 Temp to .5 FTE	.50	36,184	0	0	36,184
22	Adult Services - Account-Budget Specialist	1.00	106,713	0	0	106,713
23	Prisons - Temp Account Tech to Permanent FTE	1.00	68,418	0	0	68,418
24	Prisons - .5 Acct Tech to .5 Permanent FTE	.50	26,318	0	0	26,318
25	JCS - FSD - Account Tech II	1.00	86,086	0	0	86,086
26	Prisons Division - Account Tech	1.00	86,087	0	0	86,087
27	YCC - Security Officer I	1.00	68,118	0	0	68,118
28	YCC - Advanced Clinical Specialist	1.00	130,840	0	0	130,840
29	Adult Services - RN III (Out of System) 1.0 FTE	1.00	126,443	0	0	126,443
30	NDSP - Education - Instructor .25 Temp to .25 FTE	.25	22,846	0	0	22,846
31	Prisons - Chaplain - 2.0 Temp to 2.0 FTE	2.00	229,768	0	0	229,768
32	FTEs to meet Drug Court workload increase	3.00	427,788	0	0	427,788
33	24 Hour Duty CCA III	8.00	850,908	0	0	850,908
34	MRCC - Security - COII - 1.0 FTE	1.00	95,860	0	0	95,860
35	JRCC - Security - COII - 4.0 FTE	4.00	397,452	0	0	397,452
36	JRCC - SO Treatment - HR Counselors - 2.0 FTE	2.00	232,036	0	0	232,036
37	DOCR - Research Analysts	2.00	213,435	0	0	213,435
38	FTEs to meet specialized offender workload	3.00	450,984	0	0	450,984
39	NDSP - Security - COII (Front Lobby) - 2.0 FTE	2.00	191,720	0	0	191,720
40	NDSP - Treatment - SO HR Counselors - 3.0 FTE	3.00	348,054	0	0	348,054
41	NDSP - Treatment - Admin Asst .25 Temp to .25 FTE	.25	18,359	0	0	18,359
42	MRCC - Security - COII - 3.0 FTE	3.00	287,580	0	0	287,580
43	JRCC - Plant Services - Plumber III - 1.0 FTE	1.00	126,608	0	0	126,608
44	Prisons - Treatment - Psychometrist - 1.0 FTE	1.00	119,242	0	0	119,242
45	NDSP - Medical - RNII - 1.0 FTE	1.00	116,018	0	0	116,018
46	FTEs to meet TRCC workload increases and changes	2.00	214,350	0	0	214,350
47	FSD - Halfway House	.00	1,494,749	0	0	1,494,749
48	FSD - Quarter House	.00	328,073	0	0	328,073
49	JRCC - Education - GED Instructor - 1.0 FTE	1.00	106,714	0	0	106,714
50	NDSP - Education - Instructor - 1.0 FTE	1.00	106,714	0	0	106,714
51	NDSP - Plant Services - Admin Asst. - 1.0 FTE	1.00	80,202	0	0	80,202
52	JRCC - Treatment - Social Worker II - 1.0 FTE	1.00	106,711	0	0	106,711
53	NDSP - Administration - Admin Asst. - 1.0 FTE	1.00	80,202	0	0	80,202
54	NDSP - Treatment - Social Worker II - 1.0 FTE	1.00	106,714	0	0	106,714
55	NDSP - Admin - COIII (Investigations) 1.0 FTE	1.00	106,964	0	0	106,964
56	NDSP - Security COII (North Unit) 2.0 FTE	2.00	191,720	0	0	191,720
57	MRCC - Plant - Maintenance Supervisor 1.0 FTE	1.00	92,782	0	0	92,782

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
58	JRCC - Treatment - Admin Asst 1.0 FTE	1.00	80,205	0	0	80,205
59	FSD - Transition Programming	.00	1,458,473	0	0	1,458,473
60	JRCC - Medical - Office Asst III .5 FTE	.50	40,956	0	0	40,956
61	NDSP - Security - COII 1.0 FTE	1.00	74,306	0	0	74,306
62	NDSP - Treatment - Admin Asst 1.0 FTE	1.00	59,348	0	0	59,348
63	NDSP - Treatment - Social Worker II - 2.0 FTE	2.00	184,536	0	0	184,536
64	JRCC - Treatment - Psychologist 1.0 FTE	1.00	164,052	0	0	164,052
65	20 additional bed male transitional center	.00	448,950	0	0	448,950
66	Prisons - Filenet System Application	.00	206,000	0	0	206,000
67	NDSP - Electronic Signature Pads	.00	21,500	0	0	21,500
68	DOCR - Document Scanning	.00	28,216	0	0	28,216
69	DOCR - PC Replacement	.00	163,818	0	0	163,818
70	Equipment	.00	136,459	0	0	136,459
71	Funding Source	.00	216,861	0	0	216,861
72	YCC - Temporary Grounds Keeper	.00	50,336	0	0	50,336
73	YCC - Physical Education Instructor	.00	16,698	0	0	16,698
74	NDSP - Security - COII (RRI) 1.0 FTE	1.00	95,860	0	0	95,860
75	JRCC Security - COII (Visiting) 1.0 FTE	1.00	95,860	0	0	95,860
76	JRCC - Plant - Electrician II 1.0 FTE	1.00	106,964	0	0	106,964
77	NDSP - Security - COII (Control Rm) 1.0 FTE	1.00	95,860	0	0	95,860
78	NDSP - Security - COII (Property) 1.0 FTE	2.00	191,720	0	0	191,720
79	NDSP - Security - COII (Infirmary) 1.0 FTE	1.00	95,860	0	0	95,860
80	JRCC - Medical - RN II 1.0 FTE	1.00	116,018	0	0	116,018
81	MRCC - Security - COII (Day Shift) 3.0 FTE	3.00	287,580	0	0	287,580
82	JRCC - Admin - Deputy Warden 1.0 FTE	1.00	147,826	0	0	147,826
83	NDSP - Admin - Case Manager (Contract Fac)	1.00	116,268	0	0	116,268
84	NDSP - Treatment - Social Worker II 1.0 FTE	1.00	106,714	0	0	106,714
85	JRCC - Education - Librarian II 1.0 FTE	1.00	116,018	0	0	116,018
86	NDSP - Security - COII (Transport) 1.0 FTE	1.00	95,860	0	0	95,860
87	NDSP - Security - Case Worker (AS) 1.0 FTE	1.00	116,268	0	0	116,268
88	NDSP - Security - COII (AS) 5.0 FTE	5.00	479,300	0	0	479,300
89	FTE to meet Rugby Grand Forks Treatment Program	1.00	164,340	0	0	164,340
90	Prisons Division Extraordinary Repairs	.00	4,020,522	0	0	4,020,522
91	Prisons - Master Plan	.00	200,000	0	0	200,000
92	YCC - Security Lighting/Video Surveillance	.00	170,000	0	0	170,000
93	RRI - Account/Budget Specialist I	1.00	0	0	67,646	67,646
94	RRI - Industries Specialist I	1.00	0	0	76,376	76,376
95	RRI - Industries Specialist I	1.00	0	0	75,226	75,226

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
96	RRI - Industries Specialist I	1.00	0	0	75,094	75,094
97	Prisons Division - Equipment Over $5,000	.00	239,500	0	0	239,500
98	Prisons Division - Contract Housing	.00	1,572,720	0	0	1,572,720
99	Change funding source for 2 FTE Sex Offender PO	.00	0	0	0	0
99	DOCR Employee Drug Testing	.00	18,765	0	0	18,765
99	FSD - Community Service Grants	.00	380,000	0	0	380,000
99	FSD - Integrate FS Operations into ITAG	.00	3,750,000	0	0	3,750,000
99	Faith Based Correctional Programming	.00	300,000	0	0	300,000
99	Increase Victim Services Grants	.00	500,000	0	0	500,000
99	JCS - Targeted Case Management	.00	699,100	-699,100	0	0
99	NDSP - Inmate Medical	.00	360,000	0	0	360,000
99	New Rugby Field Service District Office	3.00	366,089	0	0	366,089
99	PSI Writers - Gatekeepers	3.00	407,727	0	0	407,727
99	Prison Division - Est Inmate Population Variance	.00	2,635,789	0	0	2,635,789
99	Prisons Division - DWCRC	.00	2,257,398	0	0	2,257,398
99	Prisons Division - TRCC Male Capacity	.00	1,052,640	0	0	1,052,640
99	Rent SCRAM Units	.00	121,180	0	0	121,180
99	YCC - X-O Repairs	.00	737,916	0	0	737,916
SUBTOTAL		**828.48**	**201,332,705**	**6,747,259**	**19,431,538**	**227,511,502**
540 ADJUTANT GENERAL						
	Base Budget Request	174.00	11,296,198	73,468,330	500,002	85,264,530
01	Utility increase for state supported utilities	.00	648,097	0	0	648,097
02	Maintenance and repair - state supported buildings	.00	1,064,000	0	0	1,064,000
03	City Owned Armory Rental Increase ($132,000)	.00	132,000	0	0	132,000
04	2 New FTE - Family Program Counselors	2.00	300,588	0	0	300,588
05	Special Assessments - City of Fargo	.00	470,000	0	0	470,000
05	Tuition and Enlistment Compensation Program	.00	400,000	0	0	400,000
SUBTOTAL		**176.00**	**14,310,883**	**73,468,330**	**500,002**	**88,279,215**
601 DEPT OF COMMERCE						
	Base Budget Request	62.00	19,268,998	45,342,883	10,441,749	75,053,630
01	Business Development Specialist	1.00	135,102	0	0	135,102
02	Research Analyst	1.00	103,408	0	0	103,408
03	Centers of Excellence Admin	.00	50,000	0	0	50,000
04	Development Fund	.00	5,000,000	0	0	5,000,000
05	Dakota MEP	.00	210,899	0	0	210,899
06	ND Trade Office	.00	660,000	0	0	660,000

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
07	InnovateND	.00	150,000	0	150,000	300,000
08	Tourism Development Infrastructure	.00	350,000	0	0	350,000
09	Workforce Development Division	.00	144,794	-134,794	0	10,000
10	Visitor Information Center	.00	525,000	0	0	525,000
11	Resources Trust Fund	.00	0	0	3,000,000	3,000,000
SUBTOTAL		**64.00**	**26,598,201**	**45,208,089**	**13,591,749**	**85,398,039**
602 DEPARTMENT OF AGRICULTURE						
	Base Budget Request	61.00	4,584,049	5,608,006	4,384,584	14,576,639
01	Motorpool/ITD Rate Increase Enhancement	.00	92,832	86,384	55,820	235,036
02	Pesticide .5 FTE Enhancement	.50	0	26,224	4,648	30,872
03	Meat Inspection Enhancement	6.00	412,144	380,430	0	792,574
04	Ag Mediation Enhancement	.00	30,824	46,237	0	77,061
05	Salary Market Enhancement	.00	240,354	72,396	9,009	321,759
06	Dairy Testing Enhancement	.00	5,000	0	0	5,000
07	Ag in the Classroom Enhancement	.00	0	0	100,000	100,000
09	Wildlife Services Enhancement	.00	0	0	70,000	70,000
10	Board of Animal Health Enhancement	2.00	236,210	0	0	236,210
11	Waterbank Enhancement	.00	0	0	200,000	200,000
SUBTOTAL		**69.50**	**5,601,413**	**6,219,677**	**4,824,061**	**16,645,151**
616 STATE SEED DEPARTMENT						
	Base Budget Request	30.00	0	0	5,933,391	5,933,391
SUBTOTAL		**30.00**	**0**	**0**	**5,933,391**	**5,933,391**
627 UPPER GREAT PLAINS TRANS INST						
	Base Budget Request	41.40	1,168,826	21,298,629	3,948,032	26,415,487
03	OPT 15 PCT INCR	2.00	175,324	0	376,451	551,775
SUBTOTAL		**43.40**	**1,344,150**	**21,298,629**	**4,324,483**	**26,967,262**
628 BRANCH RESEARCH CENTERS						
	Base Budget Request	87.26	8,587,102	0	13,517,023	22,104,125
10	OPT 15 PCT INCR	17.10	2,282,700	0	0	2,282,700
SUBTOTAL		**104.36**	**10,869,802**	**0**	**13,517,023**	**24,386,825**
630 NDSU EXTENSION SERVICE						
	Base Budget Request	256.86	15,614,536	6,600,890	16,211,460	38,426,886

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
10 OPT 15 PCT INCR	15.45	3,235,800	0	0	3,235,800
SUBTOTAL	**272.31**	**18,850,336**	**6,600,890**	**16,211,460**	**41,662,686**
638 NORTHERN CROPS INSTITUTE					
Base Budget Request	10.20	922,306	0	1,434,577	2,356,883
10 OPT 15 PCT INCR	1.00	138,346	0	0	138,346
SUBTOTAL	**11.20**	**1,060,652**	**0**	**1,434,577**	**2,495,229**
640 NDSU MAIN RESEARCH CENTER					
Base Budget Request	345.08	31,102,380	4,749,242	46,483,448	82,335,070
10 OPT 15 PCT INCR	9.70	2,777,100	0	0	2,777,100
SUBTOTAL	**354.78**	**33,879,480**	**4,749,242**	**46,483,448**	**85,112,170**
649 AGRONOMY SEED FARM					
Base Budget Request	3.00	0	0	1,202,748	1,202,748
SUBTOTAL	**3.00**	**0**	**0**	**1,202,748**	**1,202,748**
665 ND STATE FAIR					
Base Budget Request	.00	615,000	0	0	615,000
01 Increase Premiums for State Exhibitors	.00	60,000	0	0	60,000
02 Capital Improvements	.00	10,000,000	0	0	10,000,000
03 Extraordinary repairs	.00	560,000	0	0	560,000
SUBTOTAL	**.00**	**11,235,000**	**0**	**0**	**11,235,000**
670 ND HORSE RACING COMMISSION					
Base Budget Request	2.00	117,479	0	271,858	389,337
01 New Administrative Asst. Position	1.00	35,684	0	35,684	71,368
SUBTOTAL	**3.00**	**153,163**	**0**	**307,542**	**460,705**
701 HISTORICAL SOCIETY					
Base Budget Request	57.00	7,812,605	2,405,000	33,333	10,250,938
01 Equity - Salary and Fringe Benefits	.00	808,722	0	0	808,722
02 Equity - Temporary Staff	.00	73,928	0	0	73,928
03 Additional FTE request	9.50	836,000	62,772	0	898,772
04 Heritage Center Museum Expansion	.00	30,699,407	12,000,000	12,000,000	54,699,407
05 Chateau Interpretative Operating Expenses	1.00	227,888	0	0	227,888
06 Move materials from Storage East to the Heritage C	.00	20,000	0	0	20,000

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
07	Complete Abercrombie Interpretative Center	.00	739,870	200,000	0	939,870
08	Minute Man Cold War Site	.00	253,473	246,527	0	500,000
09	Compact Storage Shelving	.00	250,000	0	0	250,000
10	Restore OMB base budget reduction amount.	.00	118,426	0	0	118,426
11	Information Technology Increase	.00	18,183	0	0	18,183
12	Property Insurance	.00	18,985	0	0	18,985
13	Fort Totten Historic Site	.00	250,000	250,000	0	500,000
14	Storage East\Lincoln\Airport Storage	.00	57,500	0	0	57,500
15	Double Ditch Trail	.00	30,000	120,000	0	150,000
16	Pilot Study - Mandan Indian Collection	.00	50,001	50,000	0	100,001
17	Museum and Education	.00	40,000	0	0	40,000
18	Lincoln Bicentennial Commemoration	.00	50,000	0	0	50,000
19	Exhibit Development	.00	220,000	0	0	220,000
20	WEB Access Collection Project/ContentDM Software	.00	46,000	0	0	46,000
21	Microfilm Digitization Project	.00	30,000	0	0	30,000
22	Bill Boards For Historic Sites and Heritage Center	.00	60,000	0	0	60,000
SUBTOTAL		**67.50**	**42,710,988**	**15,334,299**	**12,033,333**	**70,078,620**
709 COUNCIL ON THE ARTS						
	Base Budget Request	5.00	958,974	1,234,803	53,515	2,247,292
01	Funding for Lincoln Bicentennial	.00	10,000	0	0	10,000
02	Funding for NDCA 40th Anniv. activities	.00	8,000	0	0	8,000
03	Equity Adjustment - Staff	.00	76,924	0	0	76,924
04	Equity Adjustment - Director	.00	15,391	0	0	15,391
05	Professional Development	.00	10,000	0	0	10,000
06	CulturePulse Websites	.00	20,000	0	0	20,000
07	Technical Equip. and Facility Improvement Grants	.00	30,000	0	0	30,000
08	Arts in Education Grants	.00	10,000	0	0	10,000
09	Arts in Healtcare Grants	.00	20,000	0	0	20,000
SUBTOTAL		**5.00**	**1,159,289**	**1,234,803**	**53,515**	**2,447,607**
720 GAME AND FISH DEPARTMENT						
	Base Budget Request	155.00	0	19,490,028	33,605,859	53,095,887
SUBTOTAL		**155.00**	**0**	**19,490,028**	**33,605,859**	**53,095,887**
750 PARKS AND RECREATION DEPT						
	Base Budget Request	50.50	7,320,087	8,235,768	4,640,731	20,196,586
01	FTE Equity salary adjustment	.00	450,000	0	0	450,000

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2007-2009

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
02	Increase in seasonal salaries	.00	786,500	0	0	786,500
03	Add equipment to optional package	.00	1,430,174	0	0	1,430,174
04	Add capital projects	.00	3,672,276	282,500	527,649	4,482,425
05	Optional package extraordinary repair projects	.00	1,110,500	0	0	1,110,500
06	Adjustment to Natural Resource budget	.00	207,000	0	0	207,000
07	Culture and Heritage program	.00	88,700	0	0	88,700
08	On-line campground reservation system	.00	160,000	0	0	160,000
09	Strategic plan	.00	85,000	0	0	85,000
10	Peace Garden optional request	.00	4,317,000	0	0	4,317,000
11	Change funding source for temp salaries	.00	500,000	0	0	500,000
SUBTOTAL		**50.50**	**20,127,237**	**8,518,268**	**5,168,380**	**33,813,885**
770 WATER COMMISSION						
Base Budget Request		84.00	1,034,142	27,492,627	144,928,949	173,455,718
01	Water Appropriations FTE	1.00	0	0	116,132	116,132
02	Travel Increase	.00	101,578	0	0	101,578
03	Information Technology Increase	.00	68,147	0	0	68,147
SUBTOTAL		**85.00**	**1,203,867**	**27,492,627**	**145,045,081**	**173,741,575**
801 DEPT OF TRANSPORTATION						
Base Budget Request		1,051.50	0	480,111,838	407,136,383	887,248,221
02	Emergency Commission Position	1.00	0	110,946	0	110,946
03	Market Based Salary Adjustment	.00	0	0	5,600,000	5,600,000
04	DOT Fleet Usage	.00	0	0	10,566,283	10,566,283
05	Road Materials & Contract Patching	.00	0	0	12,600,000	12,600,000
06	State Funded System Preservation	.00	0	0	10,000,000	10,000,000
07	Equipment	.00	0	0	2,021,860	2,021,860
08	IT Inflationary Increases	.00	0	0	1,388,018	1,388,018
09	Professionals Not Classified	.00	0	0	365,302	365,302
10	IT Projects	.00	0	0	1,788,558	1,788,558
11	Drivers License Rewrite	.00	0	0	5,019,610	5,019,610
SUBTOTAL		**1,052.50**	**0**	**480,222,784**	**456,486,014**	**936,708,798**
TOTAL ALL AGENCIES		**11,061.47**	**2,561,215,712**	**2,462,525,994**	**1,495,452,757**	**6,519,194,463**

OMB AND LEGISLATIVE COUNCIL ANALYST ASSIGNMENTS

Budget No.	Agency	OMB Analyst	Leg Council Analyst
101	Office of the Governor	Sandy Paulson	Allen Knudsen
108	Office of the Secretary of State	Tammy Dolan	Allen Knudsen
110	Office of Management and Budget	Lori Laschkewitsch	Becky Keller
112	Information Technology Dept	Lori Laschkewitsch	Roxanne Woeste
117	Office of the State Auditor	Tammy Dolan	Don Wolf
120	Office of the State Treasurer	Lori Laschkewitsch	Don Wolf
125	Office of the Attorney General	Sandy Paulson	Allen Knudsen
127	Office of State Tax Commissioner	Sandy Paulson	Don Wolf
140	Office of Administrative Hearings	Tammy Dolan	Don Wolf
150	Legislative Assembly	Tammy Dolan	Allen Knudsen
160	Legislative Council	Tammy Dolan	Allen Knudsen
180	Judicial Branch	Sandy Paulson	Don Wolf
188	Indigents Counsel	Sandy Paulson	Don Wolf
190	Retirement and Investment Office	Lori Laschkewitsch	Becky Keller
192	Public Employees Retirement System	Lori Laschkewitsch	Becky Keller
201	Department of Public Instruction	Joe Morrissette	Roxanne Woeste
215	North Dakota University System	Sandy Paulson	Roxanne Woeste
226	State Land Department	Joe Morrissette	Becky Keller
227	Bismarck State College	Sandy Paulson	Becky Keller
228	Lake Region State College	Sandy Paulson	Becky Keller

Budget No.	Agency	OMB Analyst	Leg Council Analyst
229	Williston State College	Sandy Paulson	Becky Keller
230	University of North Dakota	Sandy Paulson	Don Wolf
232	UND Medical Center	Sandy Paulson	Don Wolf
235	ND State University	Sandy Paulson	Don Wolf
238	ND State College of Science	Sandy Paulson	Becky Keller
239	Dickinson State University	Sandy Paulson	Roxanne Woeste
240	Mayville State University	Sandy Paulson	Roxanne Woeste
241	Minot State University	Sandy Paulson	Roxanne Woeste
242	Valley City State University	Sandy Paulson	Roxanne Woeste
243	Minot State Univ - Bottineau	Sandy Paulson	Roxanne Woeste
244	ND Forest Service	Sandy Paulson	Roxanne Woeste
250	State Library	Joe Morrissette	Roxanne Woeste
252	School for the Deaf	Joe Morrissette	Roxanne Woeste
253	ND Vision Services / School for the Blind	Joe Morrissette	Roxanne Woeste
270	Career and Tech Education	Joe Morrissette	Becky Keller
301	ND Department of Health	Lori Laschkewitsch	Don Wolf
313	Veterans Home	Lori Laschkewitsch	Don Wolf
316	Indian Affairs Commission	Sandy Paulson	Becky Keller
321	Department of Veterans Affairs	Lori Laschkewitsch	Don Wolf
325	Department of Human Services	Lori Laschkewitsch	Allen Knudsen
360	Protection and Advocacy Project	Lori Laschkewitsch	Becky Keller
380	Job Service North Dakota	Tammy Dolan	Roxanne Woeste
401	Office of Insurance Commissioner	Sandy Paulson	Roxanne Woeste

Budget No.	Agency	OMB Analyst	Leg Council Analyst
405	Industrial Commission	Tammy Dolan	Becky Keller
406	Office of the Labor Commissioner	Sandy Paulson	Roxanne Woeste
408	Public Service Commission	Sandy Paulson	Don Wolf
412	Aeronautics Commission	Sandy Paulson	Roxanne Woeste
413	Dept of Financial Institutions	Tammy Dolan	Becky Keller
414	ND Securities Department	Tammy Dolan	Don Wolf
471	Bank of North Dakota	Tammy Dolan	Becky Keller
473	North Dakota Housing Finance Agency	Tammy Dolan	Becky Keller
475	North Dakota Mill and Elevator Assn.	Tammy Dolan	Becky Keller
485	Workforce Safety and Insurance	Sandy Paulson	Roxanne Woeste
504	Highway Patrol	Joe Morrissette	Allen Knudsen
512	Dept. of Emergency Services	Tammy Dolan	Roxanne Woeste
530	Department of Corrections & Rehab	Joe Morrissette	Becky Keller
540	Adjutant General	Tammy Dolan	Roxanne Woeste
601	Department of Commerce	Sandy Paulson	Allen Knudsen
602	Department of Agriculture	Sandy Paulson	Becky Keller
616	State Seed Department	Tammy Dolan	Don Wolf
627	Upper Great Plains Trans Institute	Tammy Dolan	Don Wolf
628	Branch Research Centers	Tammy Dolan	Don Wolf
630	NDSU Extension Service	Tammy Dolan	Don Wolf
638	Northern Crops Institute	Tammy Dolan	Don Wolf
640	NDSU Main Research Center	Tammy Dolan	Don Wolf
649	Agronomy Seed Farm	Tammy Dolan	Don Wolf

Budget No.	Agency	OMB Analyst	Leg Council Analyst
665	ND State Fair	Tammy Dolan	Roxanne Woeste
670	ND Racing Commission	Sandy Paulson	Allen Knudsen
701	State Historical Society	Joe Morrissette	Becky Keller
709	Council on the Arts	Joe Morrissette	Becky Keller
720	Game and Fish Department	Joe Morrissette	Becky Keller
750	Dept of Parks and Recreation	Joe Morrissette	Becky Keller
770	State Water Commission	Tammy Dolan	Don Wolf
801	Department of Transportation	Joe Morrissette	Allen Knudsen