

APPROPRIATIONS

CHAPTER 1

HOUSE BILL NO. 1001

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the office of the governor; to amend and reenact sections 54-07-04 and 54-08-03 of the North Dakota Century Code, relating to the salaries of the governor and lieutenant governor; to repeal section 3 of chapter 26 of the 2019 Session Laws, relating to the appropriation of additional income to the office of the governor; to provide an exemption; to provide for a report; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the office of the governor for the purpose of defraying the expenses of the office of the governor, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$3,623,946	\$237,088	\$3,861,034
Operating expenses	368,440	53,195	421,635
Contingencies	10,000	0	10,000
Rough rider awards	10,800	0	10,800
Governor's salary	<u>274,112</u>	<u>10,363</u>	<u>284,475</u>
Total general fund	\$4,287,298	\$300,646	\$4,587,944
Full-time equivalent positions	18.00	(1.00)	17.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Transition costs	\$65,000	\$0
Boards and commission database project	139,808	0
Total general fund	\$204,808	\$0

SECTION 3. ADDITIONAL INCOME - APPROPRIATION - GOVERNOR'S OFFICE - BUDGET SECTION REPORT. Subject to the limitations of this section, in addition to the amounts appropriated in section 1 of this Act, there is appropriated to the governor's office, any additional income from other funds, excluding federal funds, which may become available to the governor's office, for the period beginning with the effective date of this Act, and ending June 30, 2023. Any other funds received under this section must be used for the specific purpose intended for the funds or transferred to the appropriate state agency or institution. Upon the receipt of other funds under this section, the governor's office shall provide a report to the budget

section regarding the source, amount, and purpose of the funds received. The governor's office may not expend other funds under this section if the amount of funds received from a source exceeds \$150,000, but may seek emergency commission and budget section authorization under chapter 54-16. Federal funds which may become available to the governor's office may be accepted by the governor's office. Federal funds accepted by the governor's office may not be spent until authorization is received from the legislative assembly or from the emergency commission and budget section under chapter 54-16.

SECTION 4. GOVERNOR'S SALARY - EXEMPTION. The governor's salary line item in section 1 of this Act includes the sum of \$284,475 for the salary of the governor for the biennium beginning July 1, 2021, and ending June 30, 2023. If the governor chooses not to accept the salary or any portion of the salary pursuant to section 54-07-04, section 54-07-04 does not apply to the portion of the salary not accepted. Notwithstanding section 54-16-04, the office of management and budget may transfer appropriation authority from the governor's salary line item to other line items in section 1 of this Act.

SECTION 5. AMENDMENT. Section 54-07-04 of the North Dakota Century Code is amended and reenacted as follows:

54-07-04. Salary of governor.

The annual salary of the governor is one hundred ~~thirty-five~~thirty-five thousand ~~three~~three hundred ~~sixty-four~~sixty-four ~~twenty-nine~~twenty-nine dollars through June 30, ~~2020~~2022, and one hundred ~~thirty-eight~~thirty-eight thousand ~~sevensix~~sevensix hundred ~~forty-eight~~forty-eight ~~forty-six~~forty-six dollars thereafter.

SECTION 6. AMENDMENT. Section 54-08-03 of the North Dakota Century Code is amended and reenacted as follows:

54-08-03. Salary of lieutenant governor.

The annual salary of the lieutenant governor is one hundred ~~two~~five hundred ~~eighty-five~~eighty-five ~~thirty-six~~thirty-six dollars through June 30, ~~2020~~2022, and one hundred ~~seventeen~~seventeen thousand ~~nine~~nine hundred ~~seventeen~~seventeen ~~twenty-seven~~twenty-seven dollars thereafter.

SECTION 7. REPEAL. Section 3 of chapter 26 of the 2019 session laws is repealed.

SECTION 8. EXEMPTION - LINE ITEM TRANSFERS - 2019-21 BIENNIUM. Notwithstanding section 54-16-04, the office of management and budget may transfer up to \$64,242 of appropriation authority from the operating expenses line item to the salaries and wages line item in section 1 of chapter 26 of the 2019 session laws as requested by the governor.

SECTION 9. EXEMPTION. The funding appropriated in the rough rider awards line item in section 1 of chapter 26 of the 2019 session laws is not subject to the provisions of section 54-44.1-11 and may be continued into the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 10. EMERGENCY. Sections 3, 7, and 8 of this Act are declared to be an emergency measure.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 2

HOUSE BILL NO. 1002

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the office of the secretary of state and public printing; to amend and reenact section 54-09-05 of the North Dakota Century Code, relating to the salary of the secretary of state; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the secretary of state for the purpose of defraying the expenses of the secretary of state and public printing, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

SECRETARY OF STATE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,978,126	\$549,956	\$5,528,082
Operating expenses	3,009,553	298,871	3,308,424
Grants	0	25,000	25,000
Petition review	8,000	0	8,000
Election reform	1,601,747	3,097,942	4,699,689
Total all funds	\$9,597,426	\$3,971,769	\$13,569,195
Less estimated income	4,231,641	4,073,933	8,305,574
Total general fund	\$5,365,785	(\$102,164)	\$5,263,621
Full-time equivalent positions	32.00	1.00	33.00

Subdivision 2.

SECRETARY OF STATE - PUBLIC PRINTING

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Public printing	\$257,278	\$653	\$257,931
Total general fund	\$257,278	\$653	\$257,931

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$5,623,063	(\$101,511)	\$5,521,552
Grand total special funds	4,231,641	4,073,933	8,305,574
Grand total all funds	\$9,854,704	\$3,972,422	\$13,827,126

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Voting system and e-poll books	\$11,200,000	\$0
Total special funds	\$11,200,000	\$0

SECTION 3. EXEMPTION - TECHNOLOGY PROJECT. Any unexpended funds from the \$3,050,000 general fund appropriation for a technology project in the operating expenses line item in subdivision 1 of section 1 of chapter 36 of the 2015 Session Laws and continued into the 2017-19 and 2019-21 bienniums are not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be expended during the biennium beginning July 1, 2021, and ending June 30, 2023.

¹ **SECTION 4. AMENDMENT.** Section 54-09-05 of the North Dakota Century Code is amended and reenacted as follows:

54-09-05. Salary of secretary of state.

The annual salary of the secretary of state is one hundred ~~seventwelve~~ thousand ~~eighttwo~~ hundred ~~eighty-five~~forty-one dollars through June 30, ~~2020~~2021, and one hundred ~~ten~~fourteen thousand ~~five~~four hundred ~~eighty-two~~eighty-six dollars thereafter.

SECTION 5. TRIBAL GOVERNMENT ADMINISTRATIVE COSTS. Of the funds appropriated in the grants line item in subdivision 1 of section 1 of this Act, \$25,000 is from the general fund for the purpose of providing grants to each federally recognized tribal government located within the state for the biennium beginning July 1, 2021, and ending June 30, 2023. The secretary of state may provide grants in an amount up to \$5,000 to each tribal government to reimburse administrative costs incurred by each tribal government to issue addresses and identifications for voting purposes.

Approved April 8, 2021

Filed April 9, 2021

¹ Section 54-09-05 was also amended by section 28 of House Bill No. 1015, chapter 15.

CHAPTER 3

HOUSE BILL NO. 1003

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the attorney general; to provide an appropriation to the department of human services; to amend and reenact the new section to chapter 53-06.1, as created by section 1 of House Bill No. 1212, as approved by the sixty-seventh legislative assembly, and section 54-12-11 of the North Dakota Century Code, relating to the salary of the attorney general and charitable gaming tax revenue distributions; to provide for a transfer; to provide an exemption; to provide for a statement of legislative intent; to provide for a report; to provide for a legislative management study; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the attorney general for the purpose of defraying the expenses of the attorney general, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$45,954,981	\$4,340,368	\$50,295,349
Operating expenses	15,588,646	844,392	16,433,038
Capital assets	804,380	934,841	1,739,221
Grants	4,418,440	(515,000)	3,903,440
Human trafficking victims grants	1,400,000	(298,121)	1,101,879
Forensic nurse examiners grants	250,000	691	250,691
Statewide litigation funding pool	0	4,650,000	4,650,000
Litigation fees	150,000	(22,500)	127,500
Intellectual property attorney	442,085	(442,085)	0
Medical examinations	660,000	0	660,000
North Dakota lottery	5,191,454	63,390	5,254,844
Arrest and return of fugitives	10,000	(1,500)	8,500
Gaming commission	7,489	0	7,489
Criminal justice information sharing	3,631,121	443,847	4,074,968
Law enforcement	<u>2,982,284</u>	<u>66,643</u>	<u>3,048,927</u>
Total all funds	\$81,490,880	\$10,064,966	\$91,555,846
Less estimated income	<u>35,886,284</u>	<u>13,022,844</u>	<u>48,909,128</u>
Total general fund	\$45,604,596	(\$2,957,878)	\$42,646,718
Full-time equivalent positions	245.00	8.00	253.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Criminal history improvement system	\$400,000	\$400,000
Capital assets	1,851,956	1,111,706
Undercover vehicles	200,000	0
Automated biometric identification system	316,000	300,000
Charitable gaming technology system	400,000	475,000
Statewide litigation funding pool	0	4,650,000
Additional income	250,000	0
Total all funds	\$3,417,956	\$6,936,706
Total other funds	<u>3,217,956</u>	<u>6,936,706</u>
Total general fund	\$200,000	\$0

SECTION 3. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2021, and ending June 30, 2023. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 4. APPROPRIATION - 2019-21 BIENNIUM - SEXUAL ASSAULT EVIDENCE COLLECTION KIT TRACKING SYSTEM - DRUG ANALYZERS - EXEMPTION - ONE-TIME FUNDING. There is appropriated from federal funds, not otherwise appropriated, the sum of \$355,000, or so much as the sum as may be necessary, to the attorney general, of which \$255,000 is for the development and implementation of a sexual assault evidence collection kit tracking system and \$100,000 is for drug analyzers with federal funding received from the department of transportation, for the period beginning with the effective date of this Act, and ending June 30, 2021. The funding provided under this section is not subject to section 54-44.1-11 and any unexpended funds may be continued and are available for the program during the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is considered a one-time funding item.

SECTION 5. TRANSFER - LAWSUIT SETTLEMENT PROCEEDS - OPIOID ADDICTION PREVENTION AND TREATMENT PROGRAM - APPROPRIATION - DEPARTMENT OF HUMAN SERVICES - ONE-TIME FUNDING - REPORT. The office of management and budget shall transfer up to \$2,000,000 from opioid-related lawsuit settlement proceeds deposited in the attorney general refund fund to the department of human services which is appropriated to the department of human services for the purpose of defraying the expenses of an opioid addiction prevention and treatment program during the biennium beginning July 1, 2021, and ending June 30, 2023. The department of human services shall consult with the attorney general on the use of funding for the program. The attorney general shall notify the legislative council and office of management and budget of any lawsuit settlement proceeds that become available for transfer to the department of human services for this program. This funding is considered a one-time funding item.

SECTION 6. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - TRANSFER - LITIGATION POOL TO STATE AGENCIES - ONE-TIME FUNDING. The statewide litigation funding pool line item in section 1 of this Act includes \$3,000,000 from the strategic investment and improvements fund, which the attorney general shall transfer to eligible state agencies for litigation expenses during the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is considered a one-time funding item. The attorney general may not use funding from the litigation pool to pay judgments under section 32-12-04.

SECTION 7. ESTIMATED INCOME - EXEMPTION - USE OF GAMING TAX ALLOCATION FUND - TRANSFER - LITIGATION POOL TO STATE AGENCIES - ONE-TIME FUNDING. The statewide litigation funding pool line item in section 1 of this Act includes \$1,650,000 from the gaming tax allocation fund. Notwithstanding section 53-06.1-12, the attorney general shall transfer this funding to eligible state agencies for litigation expenses during the biennium beginning July 1, 2021, and ending June 30, 2023, after the distribution of gaming tax revenue grants provided for in section 17 of this Act. The attorney general may not use funding from the litigation pool to pay judgments under section 32-12-04. This funding is considered a one-time funding item.

SECTION 8. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - CHARITABLE GAMING OPERATING FUND. The estimated income line item in section 1 of this Act includes \$475,000 from the charitable gaming operating fund for defraying expenses related to the continued development and implementation of the charitable gaming technology system.

SECTION 9. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,101,879 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims and related administrative costs for the biennium beginning July 1, 2021, and ending June 30, 2023. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-eighth legislative assembly on the use of the funds received and the outcomes of its program. The attorney general shall report to the legislative management during the 2021-22 interim on the status and results of the grant program.

SECTION 10. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,691 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs and related administrative costs, for the biennium beginning July 1, 2021, and ending June 30, 2023. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-eighth legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the appropriations committees of the sixty-eighth legislative assembly on the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

SECTION 11. ESTIMATED INCOME - SALARY EQUITY INCREASES - ATTORNEY GENERAL REFUND FUND - REDUCED CIGARETTE IGNITION PROPENSITY AND FIREFIGHTER PROTECTION ACT ENFORCEMENT FUND. The estimated income line item in section 1 of this Act includes \$1,374,989 for the purpose of providing salary equity increases to employees in the attorney general's office, of which \$1,249,083 is from the attorney general refund fund for bureau of criminal investigation positions and Medicaid fraud control unit positions and \$125,906 is from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund for fire marshal office positions, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 12. LEGISLATIVE INTENT - ATTORNEY GENERAL - SALARY EQUITY INCREASES - INVESTMENT OF LAWSUIT SETTLEMENT PROCEEDS - STATE INVESTMENT BOARD. The attorney general may invest up to \$2,577,624 of funding in the attorney general refund fund, of which \$1,160,896 is derived from January 2021 lawsuit settlement proceeds and \$1,416,728 is derived from March 2021 lawsuit settlement proceeds, and \$251,812 of funding in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, under the supervision of the state investment board for the period beginning July 1, 2021, and ending June 30, 2025. It is the intent of the sixty-seventh legislative assembly that \$2,577,624 in the attorney general refund fund and any investment earnings on the funding be retained in the attorney general refund fund and \$251,812 in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund and any investment earnings on the funding be retained in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, for the purpose of providing salary equity increases as provided for in section 11 of this Act and for the cost to continue the salary equity increases during the 2023-25 biennium, subject to legislative appropriations.

² **SECTION 13. AMENDMENT.** The new section to chapter 53-06.1 of the North Dakota Century Code, as created by section 1 of House Bill No. 1212, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

Charitable gaming operating fund - Attorney general - State treasurer - Continuing appropriation - Allocations - Transfer to the general fund.

1. There is created in the state treasury the charitable gaming operating fund. The fund consists of all gaming taxes, monetary fines, and interest and penalties collected under this chapter.
2. Excluding moneys in the charitable gaming operating fund appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming, ~~all other the attorney general shall allocate remaining moneys in the charitable gaming operating fund are appropriated to the attorney general on a continuing basis for quarterly allocations~~^{basis} as follows:
 - a. Ten thousand dollars to the gambling disorder prevention and treatment fund.
 - b. ~~Five~~^{Subject to legislative appropriations, five} percent of the total moneys deposited in the charitable gaming operating fund to cities and counties in proportion to the taxes collected under section 53-06.1-12 from licensed organizations conducting games within each city, for sites within city limits, or within each county, for sites outside city limits. If a city or county allocation is less than two hundred dollars, that city or county is not entitled to receive a payment for the quarter and the undistributed amount must be included in the total amount to be distributed to other cities and counties for the quarter.
3. On or before June thirtieth of each odd-numbered year, the attorney general shall certify to the state treasurer the amount of accumulated funds in the charitable gaming operating fund which exceed the amount appropriated by the legislative assembly for administrative and operating costs associated with

² Section 53-06.1-11.2 was created by section 1 of House Bill No. 1212, chapter 389.

charitable gaming for the subsequent biennium. The state treasurer shall transfer the certified amount from the charitable gaming operating fund to the general fund prior to the end of each biennium.

SECTION 14. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general.

The annual salary of the attorney general is one hundred ~~fifty-nine~~sixty-five thousand ~~four~~eight hundred ~~ninety-five~~one dollars through June 30, ~~2020~~2022, and one hundred ~~sixty-three~~sixty-nine thousand ~~three~~one hundred ~~ninety-four~~sixty-two dollars thereafter.

SECTION 15. CRIMINAL HISTORY RECORD CHECKS - FEES. Any individual or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the ~~sixty-seventh~~ legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 16. EXEMPTION - CONTINGENT FEE ARRANGEMENT. Notwithstanding section 54-12-08.1, the attorney general may contract for legal services compensated by a contingent fee arrangement for ongoing multistate technology litigation during the period beginning with the effective date of this Act and ending June 30, 2023.

SECTION 17. EXEMPTION - GAMING TAX REVENUE GRANTS. Notwithstanding section 53-06.1-12, the attorney general may distribute gaming tax revenue grants to cities and counties relating to the seventh and eighth quarters of the 2019-21 biennium through October 31, 2021.

SECTION 18. EXEMPTION - ATTORNEY GENERAL REFUND FUND. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund which would otherwise be transferred to the general fund on June 30, 2021.

SECTION 19. EXEMPTION - REDUCED CIGARETTE IGNITION PROPENSITY AND FIREFIGHTER PROTECTION ACT ENFORCEMENT FUND. Notwithstanding subsection 6 of section 18-13-03, the attorney general may invest \$125,906 from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, for the purpose of providing salary equity increases to fire marshal office positions during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 20. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount appropriated to the attorney general from the general fund for a concealed weapon rewrite project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the 2017-19 and 2019-21 bienniums, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the concealed weapon rewrite project, during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 21. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM. The amount appropriated to the attorney general from other funds for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws and continued into the 2019-21 biennium, is not subject to the provisions of

section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the legal case management system during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 22. EXEMPTION - INFORMATION TECHNOLOGY EQUIPMENT. The amount appropriated to the attorney general from the general fund for the purchase of information technology equipment as contained in section 1 of chapter 28 of the 2019 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the purchase of information technology equipment, during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 23. LEGISLATIVE INTENT - GAMING DIVISION. It is the intent of the sixty-seventh legislative assembly that the expenses of the attorney general's gaming division be paid from gaming tax revenues.

SECTION 24. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT ATTORNEYS. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of consolidating attorney and legal-related positions in state government. The study must include an analysis of the number of attorney and legal-related positions in state government, the agency to which the positions are assigned, the type of work performed by the positions, and any efficiencies that may be gained through the consolidation of these positions into the attorney general's office. The study must include consultation with the attorney general and any agency with attorney and legal-related positions in state government for the 2021-23 biennium. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 25. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT LITIGATION FUNDING. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of consolidating litigation-related funding in state government. The study must include an analysis of litigation-related funding in state government agency budgets, including the purpose and source of funding for the litigation and any efficiencies that may be gained through the consolidation of the litigation funding into the attorney general's office. The study must include consultation with the attorney general and any agency with litigation-related funding appropriated for the 2021-23 biennium. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 26. LEGISLATIVE MANAGEMENT STUDY - CHARITABLE GAMING LAWS. During the 2021-22 interim, the legislative management shall consider studying laws regarding the state's charitable gaming taxation and use of net proceeds for eligible organizations. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 27. LEGISLATIVE MANAGEMENT STUDY - GAMING ADDICTION AND SUPPORT. During the 2021-22 interim, the legislative management shall consider studying the economic and societal impacts of gambling addiction in the state. The study must include a review of the trend of gambling addiction since the expansion of electronic pull tab gambling in the state, state funding provided for gambling addiction and disorder prevention and treatment, and support programs for individuals and families affected by gambling addiction. The legislative management

shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 28. EMERGENCY. Sections 4 and 16 of this Act are declared to be an emergency measure.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 4

HOUSE BILL NO. 1004

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the state auditor; to amend and reenact sections 54-10-10, 54-10-14, and 54-10-27 of the North Dakota Century Code, relating to the salary of the state auditor, political subdivision audits, and occupational and professional board audits; to provide for a prescription drug coverage performance audit; and to provide for legislative management reports.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state auditor for the purpose of defraying the expenses of the state auditor, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$12,668,218	\$455,341	\$13,123,559
Operating expenses	1,161,820	209,883	1,371,703
Information technology consultants	<u>450,000</u>	<u>0</u>	<u>450,000</u>
Total all funds	\$14,280,038	\$665,224	\$14,945,262
Less estimated income	<u>4,173,178</u>	<u>1,652,974</u>	<u>5,826,152</u>
Total general fund	\$10,106,860	(\$987,750)	\$9,119,110
Full-time equivalent positions	58.00	3.00	61.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Copier replacement	<u>\$16,000</u>	<u>\$0</u>
Total general fund	\$16,000	\$0

SECTION 3. AMENDMENT. Section 54-10-10 of the North Dakota Century Code is amended and reenacted as follows:

54-10-10. Salary of state auditor.

The annual salary of the state auditor is one hundred ~~seventy-two~~ eighty-two thousand ~~eighty-five~~ eighty-five hundred ~~forty-one~~ forty-one dollars through June 30, ~~2020~~ 2022, and one hundred ~~ten~~ fourteen thousand ~~five~~ four hundred ~~eighty-two~~ eighty-six dollars thereafter.

SECTION 4. AMENDMENT. Section 54-10-14 of the North Dakota Century Code is amended and reenacted as follows:

54-10-14. Political subdivisions - Audits - Fees - Alternative audits and reports.

1. The state auditor shall audit the following political subdivisions once every two years, except as provided in this section or otherwise by law:
 - a. Counties.
 - b. Cities, and when a city is audited, to include any political subdivision that was created by the city and has bonding authority.
 - c. Park districts.
 - d. School districts.
 - e. Firefighters relief associations.
 - f. Airport authorities.
 - g. Public libraries.
 - h. Water resource districts.
 - i. Garrison Diversion Conservancy District.
 - j. Rural fire protection districts.
 - k. Special education districts.
 - l. Area career and technology centers.
 - m. Correction centers.
 - n. Recreation service districts.
 - o. Weed boards.
 - p. Irrigation districts.
 - q. Rural ambulance service districts.
 - r. Southwest water authority.
 - s. Regional planning councils.
 - t. Soil conservation districts.
 - u. Western area water supply authority industrial water sales on an annual basis.
2. The state auditor shall charge the political subdivision an amount equal to the fair value of the audit and any other services rendered. The fees must be deposited in the state auditor operating account. The state treasurer shall credit the state auditor operating account with the amount of interest earnings attributable to the deposits in that account. Expenses relating to political subdivision audits must be paid from the state auditor operating account, within the limits of legislative appropriation.

3. In lieu of conducting an audit every two years, the state auditor may require annual reports from ~~school districts with less than one hundred enrolled students; cities with less than five hundred population; and other political subdivisions subject to this section, or otherwise provided by law, with less than three hundred~~seven hundred fifty thousand dollars of annual receipts, excluding any federal funds passed through the political subdivision to another entity. If any federal agency performs or requires an audit of a political subdivision that receives federal funds to pass through to another entity, the political subdivision shall provide a copy to the state auditor upon request by the state auditor. The reports must contain the financial information required by the state auditor. The state auditor also may make any additional examination or audit determined necessary in addition to the annual report. When a report is not filed, the state auditor may charge the political subdivision an amount equal to the fair value of the additional examination or audit and any other services rendered. The state auditor may charge a political subdivision a fee not to exceed ~~eighty-eighty-six~~ eighty-eighty-six dollars an hour for the costs of reviewing the annual report.
4. A political subdivision, at the option of its governing body, may be audited by a certified public accountant or licensed public accountant rather than by the state auditor. The public accountant shall comply with generally accepted government auditing standards for audits of political subdivisions. The report must be in the form and content required by the state auditor. The number of copies of the audit report requested by the state auditor must be filed with the state auditor when the public accountant delivers the audit report to the political subdivision. The state auditor shall review the audit report to determine if the report is in the required form and has the required content, and if the audit meets generally accepted government auditing standards. The state auditor also may periodically review the public accountant's workpapers to determine if the audit meets generally accepted government auditing standards. If the report is in the required form and has the required content, and the report and workpapers comply with generally accepted government auditing standards, the state auditor shall accept the audit report. The state auditor may charge the political subdivision a fee of up to ~~eighty-eighty-six~~ eighty-eighty-six dollars an hour, but not to exceed ~~five-seven~~ five-seven hundred fifty dollars per review, for the related costs of reviewing the audit report and workpapers.
5. A political subdivision may not pay a public accountant for an audit until the state auditor has accepted the audit. However, a political subdivision may make progress payments to the public accountant. A political subdivision shall retain twenty percent of any progress payment until the audit report is accepted by the state auditor.
6. The state auditor may require the correction of any irregularities, objectionable accounting procedures, or illegal actions on the part of the governing board, officers, or employees of the political subdivision disclosed by the audit report or workpapers, and failure to make the corrections must result in audits being resumed by the state auditor until the irregularities, objectionable accounting procedures, or illegal actions are corrected.

SECTION 5. AMENDMENT. Section 54-10-27 of the North Dakota Century Code is amended and reenacted as follows:

54-10-27. Occupational and professional boards - Audits and reports.

The governing board of any occupational or professional board shall provide for an audit once every two years by a certified public accountant or licensed public accountant. The accountant conducting the audit shall submit the audit report to the state auditor's office. If the report is in the form and style prescribed by the state auditor, the state auditor may not audit that board. An occupational or professional board may request the state auditor to conduct its audit, and if the state auditor agrees to conduct the audit, the state auditor shall deposit the fees charged to the occupational or professional board into the state auditor operating account. Instead of providing for an audit every two years, an occupational or professional board that has less than two hundred thousand dollars of annual receipts may submit an annual report to the state auditor. The report must contain the information required by the state auditor. The state auditor also may make any additional examination or audit determined necessary in addition to the annual report. When a report is not filed, the state auditor may charge the occupational or professional board an amount equal to the fair value of the additional examination or audit and any other services rendered. The state auditor may charge an occupational or professional board a fee not to exceed ~~forty~~eighty-six dollars an hour for the costs of reviewing the annual report.

SECTION 6. PUBLIC EMPLOYEES RETIREMENT SYSTEM - STATE AUDITOR - PRESCRIPTION DRUG COVERAGE PERFORMANCE AUDIT - REPORTS TO LEGISLATIVE MANAGEMENT. In lieu of the requirement under section 54-52.1-04.16 that the public employees retirement system contract to conduct a prescription drug coverage performance audit of the main public employees retirement system health benefit plan for calendar year 2021, the state auditor shall contract in accordance with chapter 54-10 to conduct a prescription drug coverage performance audit of the main public employees retirement system health benefit plan during the 2021-22 interim, in the same manner as provided for under section 54-52.1-04.16, for calendar years 2019, 2020, and 2021. Audit fees, not to exceed \$375,000, for audits performed under this section must be on a flat fee or hourly basis and be paid by the public employees retirement system board. The state auditor shall provide reports to the legislative management regarding contracts to conduct prescription drug coverage performance audits, performance audit results, and audit reports issued.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 5

HOUSE BILL NO. 1005

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the state treasurer; and to amend and reenact section 54-11-13 of the North Dakota Century Code, relating to the salary of the state treasurer.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the expenses of the state treasurer, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,383,141	\$47,354	\$1,430,495
Operating expenses	192,229	(34,806)	157,423
Coal severance payments	<u>171,000</u>	<u>(53,000)</u>	<u>118,000</u>
Total general fund	\$1,746,370	(\$40,452)	\$1,705,918
Full-time equivalent positions	7.00	0.00	7.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Information technology costs	<u>\$35,000</u>	<u>\$0</u>
Total special funds	\$35,000	\$0

SECTION 3. AMENDMENT. Section 54-11-13 of the North Dakota Century Code is amended and reenacted as follows:

54-11-13. Salary of state treasurer.

The annual salary of the state treasurer is one hundred ~~seventwelve~~ eighttwo thousand ~~eighty-five~~ eighty-five ~~forty-one~~ forty-one dollars through June 30, ~~2020~~ 2022, and one hundred ~~ten~~ fourteen thousand ~~five~~ four hundred ~~eighty-two~~ eighty-two ~~eighty-six~~ eighty-six dollars thereafter.

Approved April 8, 2021

Filed April 9, 2021

CHAPTER 6

HOUSE BILL NO. 1006

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the office of the tax commissioner and for payment of state reimbursement under the homestead tax credit and disabled veterans' tax credit; to amend and reenact section 57-01-04 of the North Dakota Century Code, relating to the salary of the state tax commissioner; to provide an exemption; and to provide for a transfer.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the tax commissioner for the purpose of defraying the expenses of the tax commissioner and paying the state reimbursement under the homestead tax credit and disabled veterans' tax credit, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$22,867,956	(\$273,760)	\$22,594,196
Operating expenses	7,112,460	353,660	7,466,120
Capital assets	6,000	0	6,000
Homestead tax credit	15,800,000	2,200,000	18,000,000
Disabled veterans' tax credit	<u>8,410,200</u>	<u>7,889,800</u>	<u>16,300,000</u>
Total all funds	\$54,196,616	\$10,169,700	\$64,366,316
Less estimated income	<u>125,000</u>	<u>0</u>	<u>125,000</u>
Total general fund	\$54,071,616	\$10,169,700	\$64,241,316
Full-time equivalent positions	123.00	(5.00)	118.00

SECTION 2. EXEMPTION - LINE ITEM TRANSFERS. Notwithstanding section 54-16-04, the state tax commissioner may transfer funds between the homestead tax credit and disabled veterans' tax credit line items in section 1 of this Act if one line item does not have sufficient funds available for state reimbursement of eligible tax credits. The state tax commissioner shall notify the office of management and budget and the legislative council of any transfers made pursuant to this section.

SECTION 3. MOTOR VEHICLE FUEL TAX REVENUE TRANSFER. There is transferred to the general fund in the state treasury out of motor vehicle tax revenue collected pursuant to section 57-43.1-02, the sum of \$1,873,744, for the purpose of reimbursing the general fund for expenses incurred in the collection of the motor vehicle fuels and special fuels taxes and the administration of these taxes, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 4. STATEWIDE LITIGATION FUNDING POOL - PAYMENT OF TAX COMMISSIONER LITIGATION-RELATED EXPENSES. The tax commissioner may submit litigation-related expenses to the attorney general which the attorney general shall pay from the statewide litigation funding pool for litigation expenses incurred by

the tax commissioner, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. AMENDMENT. Section 57-01-04 of the North Dakota Century Code is amended and reenacted as follows:

57-01-04. Salary.

The annual salary of the state tax commissioner is one hundred ~~seventeen~~twenty-one thousand ~~eighty-seven~~eighty-eight hundred ~~fourteen~~fourteen dollars through June 30, ~~2020~~2022, and one hundred ~~twenty~~twenty-four thousand ~~fourteen~~two hundred ~~fifty~~fifty dollars thereafter.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 7

HOUSE BILL NO. 1007

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of labor and human rights; and to provide a report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of labor and human rights for the purpose of defraying the expenses of the department of labor and human rights, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$2,475,765	(\$80,786)	\$2,394,979
Operating expenses	<u>330,426</u>	<u>185,649</u>	<u>516,075</u>
Total all funds	\$2,806,191	\$104,863	\$2,911,054
Less estimated income	<u>480,681</u>	<u>36,187</u>	<u>516,868</u>
Total general fund	\$2,325,510	\$68,676	\$2,394,186
Full-time equivalent positions	14.00	(1.00)	13.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Paperless storage system	\$69,659	\$0
Case management system	<u>0</u>	<u>177,717</u>
Total all funds	\$69,659	\$177,717
Less estimated income	<u>0</u>	<u>30,000</u>
Total general fund	\$69,659	\$147,717

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The department of labor and human rights shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

Approved April 8, 2021

Filed April 9, 2021

CHAPTER 8**HOUSE BILL NO. 1008**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the public service commission; to create and enact two new sections to chapter 49-01, subsection 4 of section 49-22-22, subsection 4 of section 49-22.1-21, and a new section to chapter 64-02 of the North Dakota Century Code, relating to a public service commission program fund, a public utility assessment, siting process administrative fees, and fees for registered service companies and to license and test a registered service person; to amend and reenact sections 49-01-05, 57-43.2-19, 64-02-10, and 64-02-12 of the North Dakota Century Code, relating to the salary of the commissioners, the transfer and distribution of funds in the highway tax distribution fund, fees to test or calibrate weighing and measuring devices, and the deposit of fees; to provide a report; to provide for a transfer; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the public service commission for the purpose of defraying the expenses of the public service commission, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,495,560	\$495,928	\$9,991,488
Operating expenses	1,763,826	37,744	1,801,570
Capital assets	25,000	120,000	145,000
Grants	20,000	0	20,000
Abandoned mined lands contractual services	6,000,000	0	6,000,000
Rail rate complaint case	900,000	0	900,000
Railroad safety program	589,018	25,706	614,724
Specialized legal services	<u>94,000</u>	<u>326,000</u>	<u>420,000</u>
Total all funds	\$18,887,404	\$1,005,378	\$19,892,782
Less estimated income	<u>12,172,476</u>	<u>1,289,219</u>	<u>13,461,695</u>
Total general fund	\$6,714,928	(\$283,841)	\$6,431,087
Full-time equivalent positions	43.00	0.00	43.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Specialized legal services	\$336,000	\$0
Grain insolvency litigation	100,000	0

Real-time kinematic equipment	0	120,000
Total all funds	\$436,000	\$120,000
Less estimated income	<u>436,000</u>	<u>114,600</u>
Total general fund	\$0	\$5,400

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The public service commission shall report to the appropriation committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. TRANSFER AND REPAYMENT - BEGINNING FARMER REVOLVING LOAN FUND. The Bank of North Dakota shall transfer from the beginning farmer revolving loan fund to the public service commission the sum of \$900,000, or so much of the sum as may be necessary, included in the estimated income line item in section 1 of this Act to pay for costs associated with a rail rate complaint case. Transfers must be made during the biennium beginning July 1, 2021, and ending June 30, 2023, upon order of the commission. If any amounts are spent pursuant to this section, the public service commission shall reimburse the beginning farmer revolving loan fund using amounts available from damages or proceeds received, net of legal fees, from a successful outcome of a rail complaint case.

SECTION 4. A new section to chapter 49-01 of the North Dakota Century Code is created and enacted as follows:

Public service commission program fund - Transfer to general fund.

1. A special fund is established in the state treasury and designated as the public service commission program fund. Moneys deposited in the fund may be spent by the public service commission pursuant to legislative appropriation to defray the expenses of the commission.
2. Revenue from the following sources must be deposited in the public service commission program fund:
 - a. Any fees collected to test or calibrate weighing and measuring devices and licensing of registered service companies and persons;
 - b. All money received from the public utility assessment;
 - c. All money received from the siting administrative fee; and
 - d. All interest and investment income earned on the balance of the fund.
3. The office of management and budget shall transfer any balance in the public service commission program fund that exceeds one million one hundred thousand dollars to the general fund at the end of each biennium.

SECTION 5. A new section to chapter 49-01 of the North Dakota Century Code is created and enacted as follows:

Public utility fee.

1. The commission shall assess each electric and gas utility a fee in proportion to the utility's respective gross operating revenues from the retail sale of gas and electric service within the state during the preceding calendar year. The total of the combined assessments may not exceed three hundred thousand

dollars per biennium. The fee must be paid quarterly and deposited in the public service commission program fund.

2. In January of each year, each electric and gas public utility shall file with the public service commission the amount of gross receipts derived from the company's customers within the state during the preceding calendar year. The commission shall review the gross receipts annually and adjust the fee for each utility in proportion to the gross operating revenues.

SECTION 6. AMENDMENT. Section 49-01-05 of the North Dakota Century Code is amended and reenacted as follows:

49-01-05. Salary of commissioners.

The annual salary of a commissioner is one hundred ~~ten~~^{fifteen} thousand ~~eight~~^{thirteen} hundred ~~twenty-nine~~^{four} dollars through June 30, ~~2020~~²⁰²², and one hundred ~~thirteen~~^{seventeen} thousand six hundred ~~ten~~ dollars thereafter. All fees received or charged by any commissioner for any act or service rendered in any official capacity must be accounted for and paid over by the commissioner monthly to the state treasurer and must be credited to the general fund of the state.

³ **SECTION 7.** Subsection 4 of section 49-22-22 of the North Dakota Century Code is created and enacted as follows:

4. Every applicant under this chapter shall pay to the commission an administrative fee equal to one hundred dollars for each one million dollars of original investment, not to exceed twenty-five thousand dollars. The administrative fee must be deposited in the public service commission program fund.

SECTION 8. Subsection 4 of section 49-22.1-21 of the North Dakota Century Code is created and enacted as follows:

4. Every applicant under this chapter shall pay to the commission an administrative fee equal to one hundred dollars for each one million dollars of original investment, not to exceed twenty-five thousand dollars. The administrative fee must be deposited into the public service commission program fund.

SECTION 9. AMENDMENT. Section 57-43.2-19 of the North Dakota Century Code is amended and reenacted as follows:

57-43.2-19. Transfer, deposit, and distribution of funds. (Effective through June 30, ~~2024~~²⁰²⁵)

All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in a highway tax distribution fund, except all special fuels excise taxes collected on sales of diesel fuel to a railroad under section 57-43.2-03 of up to two hundred ~~ninety-four~~^{ninety-seven} thousand ~~five~~^{three} hundred ~~nine~~^{sixty-two} dollars per year must be transferred to the

³ Section 49-22-22 was also amended by section 4 of House Bill No. 1096, chapter 347.

⁴ Section 49-22.1-21 was also amended by section 10 of House Bill No. 1096, chapter 347.

state treasurer who shall deposit the moneys in the rail safety fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.

Transfer, deposit, and distribution of funds. (Effective after June 30, 2021-2025) All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in the highway tax distribution fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.

SECTION 10. A new section to chapter 64-02 of the North Dakota Century Code is created and enacted as follows:

Fees for registered service companies and to license and test a registered service person.

1. Annually, each registered service company shall pay a registration fee of one hundred dollars and a licensing fee of fifty dollars for each registered service person.
2. The commission may assess a registered service person testing fee not to exceed twenty-five dollars per test.

SECTION 11. AMENDMENT. Section 64-02-10 of the North Dakota Century Code is amended and reenacted as follows:

64-02-10. Fees to test or calibrate weighing and measuring devices.

The commission shall collect the following fees to:

1. Test overhead monorail, track, dormant, deck, and hanging scale of one thousand pounds [453 kilograms] or less capacity ~~53.00~~95.00
2. Test movable platform scale ~~44.00~~20.00
3. Test counter or computing scale ~~44.00~~20.00
4. Test hanging scale of fifty pound [22.68 kilogram] capacity or less ~~44.00~~20.00
5. Test a retail motor fuel device ~~44.00~~20.00
6. Test or calibrate weighing and measuring standards, per metrologist, per quarter hour or fraction thereof 17.00
7. Test mobile delivery gasoline and fuel oil meter ~~24.00~~45.00
8. Test gasoline, LPG, or fuel oil meter on common carrier pipelines, or any other meter used in loading railway cars, transports, or other conveyances ~~53.00~~95.00
9. Test propane, ag chemical, or liquid fertilizer meter ~~39.00~~70.00
10. Test or calibrate weighing and measuring devices other than the above and those set by rule, per inspector per quarter hour or fraction thereof ~~44.00~~20.00
11. Witnessing any of the above tests Fifty percent of the applicable fee

When a rejected weighing or measuring device has been reconditioned or replaced by new equipment, it must be retested and certified before being put into use except as otherwise provided by rule. The fee for retest and certification is the same as for the first test and certification.

When a test of a weighing or measuring device is required in addition to the regularly scheduled test, the commission shall charge a fee equal to the cost of operating the motor vehicle used in conducting the test. The mileage charges, as determined by the commission, must be in addition to the regular test fee and calculated to cover the costs of the additional travel. If a test has been requested and the person requesting it fails to appear or to have the weighing or measuring device ready for testing at the arranged time, there is a charge of ten dollars a quarter hour for the time between the arranged time and the time at which the test can begin.

SECTION 12. AMENDMENT. Section 64-02-12 of the North Dakota Century Code is amended and reenacted as follows:

64-02-12. Fees collected - Paid into state treasury public service commission program fund.

All fees and charges collected by the commission under ~~section 64-02-10~~this chapter must be paid into the ~~general fund of the state treasury~~public service commission program fund.

SECTION 13. EMERGENCY. Sections 4, 7, 8, and 12 of this Act are declared to be an emergency measure.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 9

HOUSE BILL NO. 1009

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the agriculture commissioner; to provide for a transfer; to amend and reenact sections 4.1-01-02, 4.1-01-17, 4.1-83-22, 4.1-83-23, 4.1-83-28, and 54-12-08 of the North Dakota Century Code and section 7 of chapter 34 of the 2019 Session Laws, relating to the salary of the agriculture commissioner, the pipeline restoration and reclamation oversight program, insolvency of livestock dealers, the ability of state agencies to employ attorney positions, and the waterbank program; to provide for a report; to provide for a legislative management study; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the agriculture commissioner for the purpose of defraying the expenses of the agriculture commissioner, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$14,232,746	\$1,484,380	\$15,717,126
Operating expenses	6,592,780	255,272	6,848,052
Capital assets	15,000	0	15,000
Grants	8,823,774	5,908,000	14,731,774
Environmental impact mitigation	5,000,000	(5,000,000)	0
Agricultural products utilization commission	1,760,417	2,700,000	4,460,417
North Dakota trade office	0	1,600,000	1,600,000
Board of animal health	865,718	0	865,718
Wildlife services	1,457,400	0	1,457,400
Pipeline restoration and reclamation oversight program	200,000	0	200,000
Crop harmonization board	<u>75,000</u>	<u>0</u>	<u>75,000</u>
Total all funds	\$39,022,835	\$6,947,652	\$45,970,487
Less estimated income	<u>28,322,406</u>	<u>4,188,369</u>	<u>32,510,775</u>
Total general fund	\$10,700,429	\$2,759,283	\$13,459,712
Full-time equivalent positions	78.00	1.00	79.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Master customer database	\$110,000	\$0

Grain insolvency litigation	100,000	0
Agricultural products utilization commission	2,000,000	2,700,000
Soil health grants	0	700,000
Grasslands grazing grants	0	5,000,000
Total all funds	\$2,210,000	\$8,400,000
Less estimated income	<u>2,000,000</u>	<u>8,400,000</u>
Total general fund	\$210,000	\$0

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The agriculture commissioner shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - TRANSFER - GENERAL FUND TO BIOSCIENCE INNOVATION GRANT FUND - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,500,000, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the bioscience innovation grant fund for the biennium beginning July 1, 2021, and ending June 30, 2023. The agriculture commissioner shall use these funds for providing bioscience innovation grants. This funding is considered a one-time funding item.

SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO FEDERAL ENVIRONMENTAL LAW IMPACT REVIEW FUND - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the federal environmental law impact review fund for the biennium beginning July 1, 2021, and ending June 30, 2023. The agriculture commissioner shall use these funds for defraying costs associated with federal environmental legislation or regulations which detrimentally impact or potentially impact the state's agricultural, energy, or oil production sectors. This funding is considered a one-time funding item.

SECTION 5. ESTIMATED INCOME - TRANSFER - BANK OF NORTH DAKOTA PROFITS - AGRICULTURAL PRODUCTS UTILIZATION COMMISSION - ONE-TIME FUNDING. The estimated income line item in section 1 of this Act includes the sum of \$2,700,000 which the Bank of North Dakota shall transfer from the Bank's current earnings and undivided profits to the agriculture commissioner for deposit in the agricultural products utilization commission fund for defraying the expenses of the agricultural products utilization commission for the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is considered a one-time funding item.

SECTION 6. ESTIMATED INCOME - TRANSFER - BANK OF NORTH DAKOTA PROFITS ADDITIONAL INCOME - SOIL HEALTH COVER CROP GRANT PROGRAM - ONE-TIME FUNDING. The estimated income line item in section 1 of this Act includes the sum of \$700,000, of which the Bank of North Dakota shall transfer \$300,000 from the Bank's current earnings and undivided profits to the agriculture commissioner for deposit in the agriculture commissioner's operating fund and \$400,000 is from federal or other funds available to the agriculture commissioner for defraying the expenses of the soil health cover crop grant program for the biennium beginning July 1, 2021, and ending June 30, 2023. During the 2021-23 biennium, the agriculture commissioner shall submit an application to the North Dakota outdoor heritage advisory board for funding from the outdoor heritage fund for the soil health cover crop grant program, which the North Dakota outdoor heritage advisory board shall consider pursuant to section 54-17.8-03. The agriculture

commissioner shall establish guidelines for the use of grant funding provided for this program. This funding is considered a one-time funding item.

SECTION 7. ESTIMATED INCOME - TRANSFER - STATE WATER COMMISSION. The estimated income line item in section 1 of this Act includes the sum of \$125,000, which the state water commission shall transfer to the agriculture commissioner for the purpose of defraying the expenses of the wildlife services program.

SECTION 8. TRANSFER - ENVIRONMENT AND RANGELAND PROTECTION FUND - MINOR USE PESTICIDE FUND. The agriculture commissioner shall transfer \$325,000 from the environment and rangeland protection fund to the minor use pesticide fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 9. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - GRASSLANDS GRAZING GRANT PROGRAM - ONE-TIME FUNDING - MATCHING FUNDS. The estimated income line item in section 1 of this Act includes the sum of \$5,000,000 from the strategic investment and improvements fund for the purpose of providing grassland grazing grants to an organization representing cooperative grazing associations in the state. To be eligible for a grant under this program, an organization must provide one dollar of matching funds from nonstate sources for every four dollars of grant funding. An organization that receives a grant under this program may distribute the funding to cooperative grazing associations for eligible infrastructure projects, which must be located on national grasslands within the state. Eligible infrastructure projects include water development; fencing; conservation initiatives; compliance with federal permitting requirements, including fees for professional services; and other projects to enhance wildlife habitat, capture carbon, or increase the health of grasslands. Program participants shall develop and implement a grazing land plan in compliance with local soil conservation district guidance and the plan must be approved by the local soil conservation district. The agriculture commissioner shall establish additional guidelines for the program.

SECTION 10. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION FUND. The estimated income line item in section 1 of this Act includes the sum of \$6,899,395 from the environment and rangeland protection fund for the purpose of defraying the expenses of various agriculture commissioner programs.

SECTION 11. ESTIMATED INCOME - GAME AND FISH FUND. The estimated income line item in section 1 of this Act includes the sum of \$619,329 from the game and fish department operating fund for the purpose of defraying the expenses of various agriculture commissioner programs.

SECTION 12. TRADE OFFICE - MATCHING FUND REQUIREMENT. The North Dakota trade office line item and the general fund appropriation in section 1 of this Act include \$1,600,000 of funding related to the North Dakota trade office. The agriculture commissioner may spend sixty percent of this amount without requiring any matching funds from the trade office. Any additional amounts may be spent only to the extent the North Dakota trade office provides one dollar of matching funds from private or other public sources for each one dollar provided by the agriculture commissioner. Matching funds may include money spent by businesses or organizations to pay salaries to export assistants, providing training to export assistants, or to purchase computer equipment as part of the North Dakota trade office's export assistant program.

SECTION 13. AMENDMENT. Section 4.1-01-02 of the North Dakota Century Code is amended and reenacted as follows:

4.1-01-02. Salary of agriculture commissioner.

The annual salary of the agriculture commissioner is one hundred ~~sixteen~~twenty-one thousand ~~eight~~five hundred ~~thirty-six~~fifty-three dollars through June 30, ~~2020~~2022, and one hundred ~~nineteen~~twenty-three thousand ~~seven~~nine hundred ~~fifty-seven~~eighty-four dollars after that date.

SECTION 14. AMENDMENT. Section 4.1-01-17 of the North Dakota Century Code is amended and reenacted as follows:

4.1-01-17. Pipeline restoration and reclamation oversight ~~pilot~~ program - Generally.

1. The commissioner shall establish a ~~pilot~~ program providing technical assistance and support to surface owners and surface tenants on pipeline restoration and followup support to surface owners and surface tenants on pipeline reclamation.
2. The commissioner may contract for ombudsmen to be a resource for technical assistance and followup on pipeline issues. The ombudsmen may not investigate or assist with any pipeline installed before January 1, 2006, or regulated by the public service commission under title 49, and may not assist in easement negotiations.
3. The ~~pilot~~ program may provide technical education, support, and outreach on pipeline-related matters in coordination with other entities.
4. The commissioner may contract with local individuals, deemed trustworthy by the surface owners and surface tenants, to be ombudsmen. The commissioner is not subject to the provisions of chapter 54-44.4 when contracting for the services of ombudsmen.
5. The names of surface owners and surface tenants who receive assistance under the program are closed records as defined in section 44-04-17.1.

SECTION 15. AMENDMENT. Section 4.1-83-22 of the North Dakota Century Code is amended and reenacted as follows:

4.1-83-22. Appointment of trustee.

1. Upon the insolvency of a livestock dealer, the agriculture commissioner ~~may apply to the district court of the county in which the dealer maintains its principal place of business for appointment as the trustee.~~
2. ~~Upon notice to the livestock dealer, as the court shall prescribe but not exceeding ten days, or upon a written waiver of notice by the dealer, the court shall hear and make a determination regarding the application in a summary manner.~~
3. ~~If the court determines that the livestock dealer is insolvent within the meaning of this chapter and that it would be in the best interest of persons holding claims against the dealer for the purchase price of livestock sold to the dealer or to the dealer's agent that the agriculture commissioner execute the trust,~~

~~the court shall issue an order appointing the commissioner as the trustee, without bond.~~

- ~~4. Upon being appointed as the trustee shall provide notice to the livestock dealer and may immediately suspend, close, or take control of assets held in the trust fund pursuant to section 4.1-83-21, or take any combination of these actions as the agriculture commissioner deems necessary to begin orderly liquidation of trust fund assets as set forth in this chapter.~~
2. Upon establishing the trust fund, the agriculture commissioner shall perform the duties of a trustee as set forth in this chapter.

SECTION 16. AMENDMENT. Section 4.1-83-23 of the North Dakota Century Code is amended and reenacted as follows:

4.1-83-23. Possession of records and property - Notice to file claims.

1. a. ~~Upon being appointed trustee~~establishing the trust fund, the agriculture commissioner shall take possession of all accounts and records pertaining to the livestock dealer's business. After reviewing the records, the agriculture commissioner may return to the dealer any records that are not necessary to the settlement of claims under this chapter.
- b. ~~Upon being appointed trustee~~establishing the trust fund, the agriculture commissioner shall take possession of all livestock purchased by the dealer under the dealer's license and remaining in the dealer's possession.
2. The agriculture commissioner, as trustee, shall publish a notice once each week for three consecutive weeks in the official newspaper of each county in which the livestock dealer was conducting business, directing any person having a claim against the dealer to file the claim and all supporting documentation with the commissioner no later than forty-five days from the last date of publication. Any person failing to meet the filing requirements set forth in the notice is barred from participating in any funds marshalled by the agriculture commissioner under this chapter.

SECTION 17. AMENDMENT. Section 4.1-83-28 of the North Dakota Century Code is amended and reenacted as follows:

4.1-83-28. Report of amounts payable - Distribution of trust fund.

1. Upon recovery of the trust fund, or so much of the fund as is recoverable or necessary to pay the outstanding claims, the agriculture commissioner shall file with the ~~court~~claimants a report showing the amount payable on each claim, after recognition of all proper liens, pledges, assignments, and deductions.
2. If the trust fund is insufficient to pay all claims in full, the agriculture commissioner shall prorate the fund among the claimants.
- ~~3. The court shall notify the claimants by mail regarding the proposed distribution and direct that the claimants show cause why the report and distribution should not be approved.~~
4. After holding a hearing on the matter, the ~~court~~agriculture commissioner shall:

- a. Approve or modify the report; and
- b. Issue an order directing that the trust fund be distributed; and
- c. ~~Discharge the agriculture commissioner from all duties as trustee.~~

⁵ **SECTION 18. AMENDMENT.** Section 54-12-08 of the North Dakota Century Code is amended and reenacted as follows:

54-12-08. Assistant and special assistant attorneys general - Appointment - Revocation - Compensation.

1. After consultation with the head of the state department or institution or with the state board, commission, committee, or agency affected, the attorney general may appoint assistant or special assistant attorneys general to represent the state board, commission, committee, or agency. A state officer, head of any state department, whether elected or appointed, or state department, board, commission, committee, or agency may not employ legal counsel, and no person may act as legal counsel in any matter, action, or proceeding in which the state or any state department, board, commission, committee, or agency is interested or is a party, except upon written appointment by the attorney general. Workforce safety and insurance, the department of transportation, the state tax commissioner, the public service commission, the insurance commissioner, the agriculture commissioner, and the securities commissioner may employ attorneys to represent them. These entities shall pay the salaries and expenses of the attorneys they employ within the limits of legislative appropriations. The attorneys that represent these entities must be special assistant attorneys general appointed by the attorney general pursuant to this section. Absent good cause, the attorney general shall appoint as special assistant attorneys general licensed attorneys selected by these entities. The attorney general may revoke the appointment only for good cause or upon the request of the entity. Good cause means an inadequate level of experience, competence, or ethical standards.
2. The powers conferred upon special assistant attorneys general are the same as are exercised by the regular assistant attorneys general, unless the powers are limited specifically by the terms of the appointment. Except as otherwise provided by this section, an appointment is revocable at the pleasure of the attorney general. The appointment may be made with or without compensation, and when compensation is allowed by the attorney general for services performed, the compensation must be paid out of the funds appropriated therefor.
3. The attorney general may require payment for legal services rendered by any assistant or special assistant attorney general to any state official, board, department, agency, or commission and those entities shall make the required payment to the attorney general. Moneys received by the attorney general in payment for legal services rendered must be deposited into the attorney general's operating fund. General fund moneys may not be utilized for the payment of legal services provided by the attorneys employed by the attorney general, except for those payments required of the department of human services, state department of health, department of environmental quality, and the state hospital.

⁵ Section 54-12-08 was also amended by section 485 of House Bill No. 1247, chapter 352.

4. An assistant or special assistant attorney general appointed to represent the state board of higher education or an institution under the control of the state board of higher education may access and examine any record under the control of the state board of higher education. For purposes of reviewing records under the Family Educational Rights and Privacy Act [20 U.S.C. 1232g; 34 CFR 99] or any other federal privacy law, the assistant or special assistant attorney general is considered a state educational official authorized to access student records.

SECTION 19. ESTIMATED INCOME - PIPELINE RESTORATION AND RECLAMATION. The estimated income line item in section 1 of this Act includes the sum of \$200,000 from the abandoned oil and gas well plugging and site reclamation fund for the purpose of defraying the expenses of the pipeline restoration and reclamation program.

SECTION 20. AMENDMENT. Section 7 of chapter 34 of the 2019 Session Laws is amended and reenacted as follows:

SECTION 7. WATERBANK PROGRAM - MATCHING FUNDS. The salaries and wages line item in section 1 of this Act includes up to \$50,000 from the general fund for matching funds for the North Dakota outdoor heritage fund grant provided for the waterbank program.

SECTION 21. WATERBANK PROGRAM - MATCHING FUNDS. The salaries and wages line item in section 1 of this Act includes up to \$50,000 from the general fund for matching funds for the North Dakota outdoor heritage fund grant provided for the waterbank program.

SECTION 22. LEGISLATIVE MANAGEMENT STUDY - NORTH DAKOTA BEEF COMMISSION. During the 2021-22 interim, the legislative management shall consider studying the North Dakota beef commission, including its operations and the selection of commission members. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 23. EMERGENCY. Sections 15, 16, and 17 of this Act are declared to be an emergency measure.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 10

HOUSE BILL NO. 1010

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the insurance commissioner; to provide an appropriation for the distribution of funds from the insurance tax distribution fund; to create and enact a new section to chapter 26.1-36 of the North Dakota Century Code, relating to examinations of health carriers; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance commissioner; to provide for a legislative management study; and to provide for a report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the insurance commissioner for the purpose of defraying the expenses of the insurance commissioner, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$8,149,998	(\$73,717)	\$8,076,281
Operating expenses	1,566,675	802,684	2,369,359
Capital assets	0	<u>100,000</u>	<u>100,000</u>
Total special funds	\$9,716,673	\$828,967	\$10,545,640
Full-time equivalent positions	41.00	(3.00)	38.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Office remodel	\$0	\$100,000
State flexibility to stabilize the market grant	0	662,000
Coal and fossil fuel industry insurance study	0	200,000
Health care analysis	<u>200,000</u>	<u>0</u>
Total special funds	\$200,000	\$962,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The insurance commissioner shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION. There is appropriated out of any moneys in the insurance tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$20,728,540 or so much of the sum as may be necessary, to the insurance commissioner for the purpose of providing payments, in accordance with provisions of

section 18-04-05, to North Dakota fire departments in the amount of \$19,588,470 and payments to the North Dakota firefighter's association in the amount of \$1,140,070 for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 4. UNSATISFIED JUDGMENT FUND. Section 1 of this Act includes \$26,610 from the state unsatisfied judgment fund to pay unsatisfied judgment fund administrative expenses for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - COAL AND FOSSIL FUEL INDUSTRY INSURANCE STUDY. The appropriation in section 1 of this Act includes the sum of \$200,000 from the strategic investment and improvements fund for the insurance commissioner to study the availability, cost, and risks associated with insurance coverage in the lignite coal industry.

SECTION 6. AMENDMENT. Section 26.1-01-09 of the North Dakota Century Code is amended and reenacted as follows:

26.1-01-09. Salary of commissioner.

The annual salary of the commissioner is ~~one hundred seven thousand eight hundred eighty-five dollars through June 30, 2020~~ one hundred twelve thousand two hundred forty-one dollars through June 30, 2022, and one hundred ten thousand five hundred eighty-two one hundred fourteen thousand four hundred eighty-six dollars thereafter.

SECTION 7. A new section to chapter 26.1-36 of the North Dakota Century Code is created and enacted as follows:

Examinations.

1. As used in this section, the terms "health carrier" and "health benefit plan" have the same meaning as provided under section 26.1-36.3-01.
2. Whenever the commissioner, in the commissioner's sole discretion, deems it appropriate, but at least once every five years, the commissioner or any of the commissioner's examiners shall conduct a comprehensive examination of a health carrier with a market share of twenty-five percent or more of health benefit plan covered lives in this state. The examination must be conducted in accordance with an examination conducted under chapter 26.1-03. In determining the scope of the comprehensive examination, the commissioner shall consider the criteria set forth in the market conduct handbook adopted by the national association of insurance commissioners and adopted by the commissioner which is in effect when the examination is initiated and any other matters deemed appropriate by the commissioner.

SECTION 8. LEGISLATIVE MANAGEMENT STUDY - MEDICATION OPTIMIZATION. During the 2021-22 interim, the legislative management shall consider studying medication optimization. The study must include a review of the implementation of clinical pharmacist-led medication optimization programs in individual, large group, and small group plans, including provider credentialing, billing standards and procedures, providing standards of care, patient monitoring, consistent documentation of outcomes and efforts related to de-prescribing, and structuring an outcome reporting system for medication optimization programs. The study also must include a review of changes necessary to state laws and administrative rules to implement effective medication optimization. The insurance commissioner shall assist

the legislative management with the study and identify and request the participation of stakeholders needed to complete this study. The insurance commissioner shall collect and provide to the legislative management the data needed to complete the study. The data provided by stakeholders, not otherwise publicly disclosed, must be considered confidential pursuant to section 44-04-18.4. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 9. LEGISLATIVE MANAGEMENT STUDY - FIRE-RELATED INSURANCE LINES. During the 2021-22 interim, the legislative management shall consider studying fire-related lines of insurance, including the insurance premium tax revenue generated from fire-related lines of insurance and the appropriate amounts to be distributed to fire departments and the North Dakota firefighter's association pursuant to section 18-04-05. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-eighth legislative assembly.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 11

HOUSE BILL NO. 1011

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the securities department.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from other income, to the securities department for the purpose of defraying the expenses of the securities department, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$2,163,558	\$50,323	\$2,213,881
Operating expenses	593,561	1,542	595,103
Total special funds	\$2,757,119	\$51,865	\$2,808,984
Full-time equivalent positions	10.00	0.00	10.00

Approved April 8, 2021

Filed April 9, 2021

CHAPTER 12

HOUSE BILL NO. 1012

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of human services; to provide an appropriation to the state department of health; to provide an appropriation to the legislative council; to provide an appropriation to the office of management and budget; to create and enact a new section to chapter 1-02, two new sections to chapter 50-06, and a new section to chapter 50-24.1 of the North Dakota Century Code, relating to person-first language, substance use disorder treatment voucher system grants, a behavioral health bed management system, and medical assistance coverage of interpreter services; to create and enact a new paragraph to subdivision I of subsection 1 of section 50-11.1-22 of the North Dakota Century Code as created by section 8 of House Bill No. 1416, as approved by the sixty-seventh legislative assembly, relating to the North Dakota early childhood council membership; to amend and reenact sections 50-06-42, 50-11.1-14, 50-24.1-02.7, 50-24.1-31, and 50-24.1-37 of the North Dakota Century Code, relating to the substance use disorder voucher program, early childhood workforce development fees, Medicaid coverage for workers with disability coverage and families of children with disabilities, and the Medicaid expansion program; to repeal section 50-24.1-18.1 of the North Dakota Century Code, relating to consumer-directed health maintenance services; to provide an exemption; to provide a statement of legislative intent; to provide for a report; to provide for a study; to provide for a transfer; to provide for the conveyance of land; to provide an application; to provide for retroactive application; to provide an effective date; to provide an expiration date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of human services for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

MANAGEMENT

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$20,222,500	(\$882,643)	\$19,339,857
Operating expenses	134,438,862	83,747,426	218,186,288
Capital assets	50,000	25,000	75,000
Total all funds	\$154,711,362	\$82,889,783	\$237,601,145
Less estimated income	90,021,088	49,909,553	139,930,641
Total general fund	\$64,690,274	\$32,980,230	\$97,670,504

Subdivision 2.

PROGRAM AND POLICY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$68,994,873	\$53,731,256	\$122,726,129
Operating expenses	150,961,583	20,314,902	171,276,485
Capital assets	10,000	0	10,000
Grants	452,041,904	15,404,936	467,446,840
Grants - medical assistance	<u>2,742,157,720</u>	<u>295,998,870</u>	<u>3,038,156,590</u>
Total all funds	\$3,414,166,080	\$385,449,964	\$3,799,616,044
Less estimated income	<u>2,232,568,138</u>	<u>272,982,735</u>	<u>2,505,550,873</u>
Total general fund	\$1,181,597,942	\$112,467,229	\$1,294,065,171

Subdivision 3.

FIELD SERVICES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Human service centers	\$204,701,143	(\$34,917,117)	\$169,784,026
Institutions	<u>137,476,480</u>	<u>(6,942,407)</u>	<u>130,534,073</u>
Total all funds	\$342,177,623	(\$41,859,524)	\$300,318,099
Less estimated income	<u>127,314,955</u>	<u>(13,041,660)</u>	<u>114,273,295</u>
Total general fund	\$214,862,668	(\$28,817,864)	\$186,044,804

Subdivision 4.

COUNTY SOCIAL SERVICE FINANCING

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
County social services	\$173,700,000	\$16,217,386	\$189,917,386
Total all funds	\$173,700,000	\$16,217,386	\$189,917,386
Less estimated income	<u>173,700,000</u>	<u>14,976,995</u>	<u>188,676,995</u>
Total general fund	\$0	\$1,240,391	\$1,240,391

Subdivision 5.

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$1,461,150,884	\$117,869,986	\$1,579,020,870
Grant total special funds	<u>2,623,604,181</u>	<u>324,827,623</u>	<u>2,948,431,804</u>
Grant total all funds	\$4,084,755,065	\$442,697,609	\$4,527,452,674
Full-time equivalent positions	2,230.23	19.10	2,249.33

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Technology projects	\$13,785,658	\$67,641,747
Capital projects - life skills and transition center	4,277,165	0
Capital projects - state hospital	2,493,500	0

Capital projects - southeast human service center	0	724,000
Developmental disabilities provider stabilization grants	0	125,000
Medically complex children provider funding	977,603	0
Hyperbaric oxygen therapy grant	335,000	0
State hospital study	200,000	0
Nursing facility payment methodology	0	7,200,000
Total all funds	\$22,068,926	\$75,690,747
Less estimated income	20,556,323	51,457,531
Total general fund	\$1,512,603	\$24,233,216

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The department of human services shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - 2019-21 BIENNium - DEPARTMENT OF HUMAN SERVICES - FIRE PROTECTION AGREEMENTS - EXEMPTION. There is appropriated out of any moneys in the department of human services operating fund in the state treasury, not otherwise appropriated, the sum of \$333,333, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a grant to a city located in a county of fewer than 25,000 individuals and provides prevention and extinguishment of fires at the North Dakota state hospital, for the period beginning with the effective date of this Act and ending June 30, 2021. The funding appropriated in this section is a one-time funding item. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments made under this section. The department of human services may not enter any future agreement with a political subdivision for fire protection services.

SECTION 4. APPROPRIATION - STATE DEPARTMENT OF HEALTH. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$281,715, or so much of the sum as may be necessary, and the sum of \$281,715 from special funds derived from grants, donations, and other income, to the state department of health for the purpose of providing a grant to the task force on the prevention of sexual abuse of children for staff and programming materials focused on primary prevention activities, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. APPROPRIATION - LEGISLATIVE MANAGEMENT STUDY - STATEWIDE ACUTE PSYCHIATRIC AND RESIDENTIAL CARE NEEDS.

1. During the 2021-22 interim, the legislative management shall study the acute psychiatric hospitalization and related step down residential treatment and support needs of individuals with mental illness. The legislative management shall create an acute psychiatric treatment committee consisting of eight members to conduct the study. The legislative management chairman shall designate the committee chairman and vice chairman and the legislative council shall provide staff services for the committee. The committee must complete the study by October 1, 2022.
2. As part of the study, the committee shall gather input from stakeholders and other groups, including private hospitals, the department of human services, and mental health advocates.
3. The study must review options for a long-term plan for acute psychiatric hospitalization and related step down residential treatment and support needs

in the state and short-term options during the next two bienniums to contract with private provider acute psychiatric care facilities to provide treatment services in four or more cities in the state, workforce needs of such specific locations, and options to replace the existing state hospital facility with one or more treatment facilities focused on forensic psychiatric evaluation and treatment.

4. The committee, with the approval of the legislative management, may obtain consulting services to determine the total number of acute care beds needed in the state and to develop recommendations for private provider contracts, treatment requirements and outcome measures, locations in the state, including private and public facilities, the future use of facilities at the state hospital campus including the LaHaug building, and other items identified in subsection 3. The consulting services may also develop conceptual drawings for recommendations for a new state hospital.
5. The department of human services shall provide to the consultants and the committee a complete description of other outpatient and inpatient private and public behavioral health services, including substance use disorder facilities, existing in the state to prevent acute behavioral health hospitalization and to support patients following discharge from psychiatric hospitalization and related residential care.
6. The department of human services shall seek Medicaid plan amendments or Medicaid waivers to allow federal funding reimbursement for services provided in institutions for mental diseases to Medicaid beneficiaries between the ages of twenty-one and sixty-four.
7. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.
8. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the legislative council for consulting services for the study identified in this section, for the period beginning with the effective date of this section, and ending June 30, 2023. The funding appropriated in the section is considered a one-time funding item.

SECTION 6. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - CAPITOL BUILDING FUND. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$25,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of utilizing a consultant to determine the compliance of the capitol building with 2010 Americans with Disabilities Act standards, for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding appropriated in this section is considered a one-time funding item.

SECTION 7. SPENDING RESTRICTION - 2021-23 BIENNIUM - FEDERAL MEDICAL ASSISTANCE PERCENTAGE. The department of human services may not spend any general fund savings resulting from federal enhancements or adjustments that cause the federal medical assistance percentage to exceed the rates used by the sixty-seventh legislative assembly for budgeting purposes for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 8. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority between line items within subdivisions 1, 2, and 3 of section 1 of this Act for the biennium beginning July 1, 2021, and ending June 30, 2023, as requested by the department of human services. The department of human services shall notify the legislative council of any transfer made pursuant to this section. The department shall report to the budget section after June 30, 2022, any transfer made in excess of \$50,000 and to the appropriations committees of the sixty-eighth legislative assembly regarding any transfers made pursuant to this section.

SECTION 9. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority from line items within subdivisions 1, 2, and 3 of section 1 of this Act to subdivision 4 of section 1 of this Act for the biennium beginning July 1, 2021, and ending June 30, 2023, as requested by the department of human services. The department of human services shall notify the legislative council of any transfer made pursuant to this section. The department shall report to the budget section after June 30, 2022, any transfer made in excess of \$50,000 and to the appropriations committees of the sixty-eighth legislative assembly regarding any transfers made pursuant to this section.

SECTION 10. FULL-TIME EQUIVALENT POSITION - AGING SERVICES - LEGISLATIVE INTENT. Section 1 of this Act includes one full-time equivalent position for the administration of services resulting from a federal department of justice lawsuit settlement. This position is authorized only for the biennium beginning July 1, 2021, and ending June 30, 2023, and may not be included in the department's base budget for the biennium beginning July 1, 2023, and ending June 30, 2025. It is the intent of the sixty-seventh legislative assembly that future legislative assemblies retain and exercise unfettered discretion to appropriate funds as they deem appropriate without regard to the federal department of justice lawsuit settlement.

SECTION 11. TRANSFER OF APPROPRIATION AUTHORITY. Section 1 of this Act includes appropriation authority for the department of human services for the biennium beginning July 1, 2021, and ending June 30, 2023. On September 1, 2022, in accordance with provisions of House Bill No. 1247, as approved by the sixty-seventh legislative assembly, the office of management and budget shall transfer remaining appropriation authority contained in section 1 of this Act, and any remaining appropriation authority for the department of human services in other bills approved by the sixty-seventh legislative assembly, to the department of health and human services. The appropriation authority in section 1 of this Act and appropriation authority for the department of human services from any other bill that is transferred to the department of health and human services must be maintained and reported separately from other appropriation authority transferred to the department of health and human services.

SECTION 12. ESTIMATED INCOME - FEDERAL CORONAVIRUS RELIEF FUND. The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of \$2,457,638 from the federal coronavirus relief fund for senior nutrition services and the sum of \$1,750,000 from the federal coronavirus relief fund for the community behavioral health program.

SECTION 13. ESTIMATED INCOME - HUMAN SERVICE FINANCE FUND. The estimated income line item in subdivision 4 of section 1 of this Act includes the sum of \$187,223,092 from the human service finance fund for state-paid economic assistance and social and human services.

SECTION 14. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.

The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of \$31,500,000 from the community health trust fund for defraying expenses in the medical services division.

SECTION 15. ESTIMATED INCOME - HEALTH CARE TRUST FUND. The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of \$1,000,000 from the health care trust fund and \$1,150,538 from federal funds for nursing facility operating margin adjustments.

SECTION 16. CAPITAL PAYMENTS. During the biennium beginning July 1, 2021, and ending June 30, 2023, the department of human services is authorized to expend funds for the payment of special assessments at the state hospital and life skills and transition center.

SECTION 17. CAPITAL PROJECTS - EMERGENCY COMMISSION APPROVAL. During the biennium beginning July 1, 2021, and ending June 30, 2023, the department of human services is authorized to proceed with the demolition of the chapel, administrative building, and employee building and associated tunnels at the state hospital. Pursuant to section 8 of this Act, the director of the office of management and budget may transfer appropriation authority between line items within subdivisions 1, 2, and 3 of section 1 of this Act. The department may transfer funds for the demolition of the identified buildings and associated tunnels and for emergency capital projects. Notwithstanding section 54-27-12, the department of human services may spend up to \$5,000,000 for emergency projects under this section and may seek emergency commission approval to spend more than \$5,000,000 under this section.

SECTION 18. PERMANENT SUPPORTIVE HOUSING GRANTS. Subdivision 2 of section 1 of this Act includes the sum of \$4,672,536 from the general fund for permanent supportive housing grants. The department of human services shall develop a funding methodology to distribute the funding to qualified entities that utilize best practices for permanent supportive housing, provide recovery-oriented and person-centered services, submit process and outcome measures to the department, and authorize the department to conduct onsite visits to review program operations.

SECTION 19. EMERGENCY STABILIZATION GRANTS - DEVELOPMENTAL DISABILITIES WAIVER.

1. Subdivision 2 of subsection 1 of this Act includes the sum of \$125,000 from the general fund for the purpose of providing emergency stabilization grants to developmental disability in-home support providers to support the sustainability of newly licensed providers within the developmental disability provider network. To be eligible to receive an emergency stabilization grant, a licensed developmental disability in-home support provider must be in operation as of October 1, 2020, with an initial license date of October 15, 2015, or later, and comply with grant requirements established by the department of human services. The requirements of chapter 54-44.4 do not apply to the selection of a grantee, the grant award, or payments made under this section.
2. The department of human services shall include in-home support providers in future appendix K applications, to allow eligibility for retainer payments in a manner equivalent to day support services.

SECTION 20. REFUGEE RESETTLEMENT SERVICES - LEGISLATIVE MANAGEMENT REPORT. Subdivision 2 of section 1 of this Act includes the sum of \$6,069,408 of federal funds for the refugee resettlement program. The department of human services shall collaborate with applicable federal and private placement agencies to develop a plan to resettle refugees in at least five geographically diverse communities in the state outside of the existing resettlement communities with a goal of resettling twenty-five percent of new refugees outside of existing resettlement communities. During the 2021-22 interim, the department of human services shall provide a report to the legislative management regarding refugee resettlement services.

SECTION 21. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL ASSISTANCE EXPANSION PROGRAM - APPLICATION.

1. Subdivision 2 of section 1 of this Act includes the sum of \$703,317,464, of which \$80,934,488 is from the general fund, for the medical assistance expansion program for the biennium beginning July 1, 2021, and ending June 30, 2023. The expenditures for individuals eligible for the medical assistance expansion program may not exceed this amount. For purposes of this section:
 - a. Expenditures do not include those made for individuals identified as medically frail and who receive services through the traditional Medicaid program administered by the department of human services for which there is a separate appropriation of \$10,184,568 included in subdivision 2 of section 1 of this Act.
 - b. Expenditures do not include prescription drugs for the medical assistance expansion program population which is administered by the department of human services through its fee-for-service Medicaid program for which there is a separate appropriation of \$29,460,720 included in subdivision 2 of section 1 of this Act.
 - c. Expenditures do not include coverage for individuals ages nineteen and twenty for the medical assistance expansion program population which is administered by the department of human services through its fee-for-service Medicaid program for which there is a separate appropriation of \$12,705,466 included in subdivision 2 of section 1 of this Act.
2. The department of human services may exceed appropriations for increases in medical assistance expansion program caseload and for the addition of coverage consistent with the traditional Medicaid 1915(i) state plan.
3. The managed care organization under contract with the department to manage the medical assistance expansion program shall reimburse providers within the same provider type and specialty at consistent levels and with consistent methodology and may not provide incentive, quality, or supplemental payments to providers, unless part of a value-based program approved by the department. The managed care organization may consider urban and rural providers as different provider types. Critical access hospitals may not be paid less than one hundred percent of Medicare allowable costs.
4. The managed care organization and the department of human services shall ensure payments to Indian or Tribal 638 health care providers, federally qualified health centers, and rural health clinics meet the federally required minimum levels of reimbursement.

5. The department of human services shall ensure providers within the same provider type and specialty are reimbursed at consistent levels and with consistent methodology and shall ensure the capitation rates under risk contracts are actuarially sound and are adequate to meet managed care organization contractual requirements regarding availability of services, assurance of adequate capacity and services, and coordination and continuity of care.
6. The department of human services and the Medicaid expansion managed care organization shall ensure the appropriate contract amendment is adopted for coverage through December 31, 2021. The contract amendment shall stay within the appropriation and the requirements of chapter 54-44.4 do not apply.

SECTION 22. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL ASSISTANCE EXPANSION PROGRAM - APPLICATION.

1. Subdivision 2 of section 1 of this Act includes the sum of \$703,317,464, of which \$80,934,488 is from the general fund, for the medical assistance expansion program for the biennium beginning July 1, 2021, and ending June 30, 2023. The expenditures for individuals eligible for the medical assistance expansion program may not exceed this amount. For purposes of this section:
 - a. Expenditures do not include those made for individuals identified as medically frail and who receive services through the traditional Medicaid program administered by the department of human services for which there is a separate appropriation of \$10,184,568 included in subdivision 2 of section 1 of this Act.
 - b. Expenditures do not include prescription drugs for the medical assistance expansion program population which is administered by the department of human services through its fee-for-service Medicaid program for which there is a separate appropriation of \$29,460,720 included in subdivision 2 of section 1 of this Act.
 - c. Expenditures do not include coverage for individuals ages nineteen and twenty for the medical assistance expansion program population which is administered by the department of human services through its fee-for-service Medicaid program for which there is a separate appropriation of \$12,705,466 included in subdivision 2 of section 1 of this Act.
2. The department of human services may exceed appropriations for increases in medical assistance expansion program caseload and for the addition of coverage consistent with the traditional Medicaid 1915(i) state plan.
3. The managed care organization under contract with the department to manage the medical assistance expansion program shall reimburse providers within the same provider type and specialty at consistent levels and with consistent methodology and may not provide incentive, quality, or supplemental payments to providers, unless part of a value-based program approved by the department. The managed care organization shall reimburse all North Dakota substance use providers of American society of addiction medicine level 2.5 at consistent levels and with consistent methodology. The managed care organization may consider urban and rural providers as

different provider types. Critical access hospitals may not be paid less than one hundred percent of Medicare allowable costs.

4. The managed care organization and the department of human services shall ensure payments to Indian or Tribal 638 health care providers, federally qualified health centers, and rural health clinics meet the federally required minimum levels of reimbursement.
5. The department of human services shall ensure providers within the same provider type and specialty are reimbursed at consistent levels and with consistent methodology and shall ensure the capitation rates under risk contracts are actuarially sound and are adequate to meet managed care organization contractual requirements regarding availability of services, assurance of adequate capacity and services, and coordination and continuity of care.

SECTION 23. A new section to chapter 1-02 of the North Dakota Century Code is created and enacted as follows:

Person-first language.

The provisions of this code, unless the context otherwise requires, must be construed in person-first language and any new enactments of this code must be written in person-first language.

SECTION 24. A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

Substance use disorder treatment voucher system grants.

1. A licensed substance abuse treatment program, excluding regional human service centers and hospital or medical clinic-based programs for medical management of withdrawal, may apply for a competitive substance use disorder treatment voucher system grant. A licensed substance abuse treatment program is eligible for a one-time grant award. To receive a grant, a licensed substance abuse treatment program shall:
 - a. Submit an application in the form and manner prescribed by the department;
 - b. Enter a grant agreement with the department;
 - c. Use grant funds for a licensed substance abuse treatment program with fewer than seventeen beds in an underserved area, as determined by the department, in the state's substance abuse treatment system;
 - d. Use the grant funds to support the provision of substance use disorder treatment in underserved areas of the state's substance abuse treatment system;
 - e. Provide and disclose information needed to comply with the department's data collection requirements; and
 - f. Operate in compliance with grant requirements.

2. The department, within legislative appropriations, may distribute up to two grants under this section to licensed substance abuse treatment programs.
3. The department may recapture grant funds distributed to a licensed program found by the department to be out of compliance with the requirements established by the grant program, including ending or reducing the operation of the substance use disorder treatment services in the underserved area.
4. The department may not collect property, equipment, or supplies purchased with grant funds from the licensed substance abuse treatment program after successful completion of the terms of the grant.
5. The grant term must be for five years.

⁶ **SECTION 25. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is amended and reenacted as follows:

50-06-42. Substance use disorder treatment voucher system.

1. The department shall establish and administer, within the limits of legislative appropriations, a voucher system to address underserved areas and gaps in the state's substance abuse treatment system and to assist in the payment of addiction treatment services provided by licensed substance abuse treatment programs, excluding regional human service centers, and hospital- or medical clinic-based programs for medical management of withdrawal-, and any institution for mental diseases in accordance with subsection 2.
2. The department shall deny a licensed substance abuse treatment program's substance use disorder treatment voucher system application and deny reimbursement by the substance use disorder treatment voucher system if the licensed substance abuse treatment program is an institution for mental diseases and reimbursement is requested for residential beds added on or after July 1, 2020.
3. Services eligible for the voucher program include only those levels of care recognized by the American society of addiction medicine, with particular emphasis given to underserved areas and programs. The department shall ensure that a licensed substance abuse treatment program, hospital, and medical clinic program accepting vouchers collects and reports process and outcome measures. The department shall develop requirements and provide training and technical assistance to a licensed substance abuse treatment program, hospital, and medical clinic program accepting vouchers. A licensed substance abuse treatment program, hospital, and medical clinic program accepting vouchers shall provide evidence-based services.

SECTION 26. AMENDMENT. Section 50-06-42 of the North Dakota Century Code is amended and reenacted as follows:

50-06-42. Substance use disorder treatment voucher system.

1. The department shall establish and administer, within the limits of legislative appropriations, a voucher system to address underserved areas and gaps in the state's substance abuse treatment system and to assist in the payment of

⁶ Section 50-06-42 was also amended by section 1 of House Bill No. 1402, chapter 361.

addiction treatment services provided by licensed substance abuse treatment programs, excluding regional human service centers, hospital- or medical clinic-based programs for medical management of withdrawal, and any institution for mental diseases in accordance with subsection 2.

2. The department shall deny a licensed substance abuse treatment program's substance use disorder treatment voucher system application and deny reimbursement by the substance use disorder treatment voucher system if the licensed substance abuse treatment program is an institution for mental diseases and reimbursement is requested for residential beds added on or after July 1, 2020.
3. Services eligible for the voucher program include only those levels of care recognized by the American society of addiction medicine, with particular emphasis given to underserved areas and programs. The department shall ensure that a licensed substance abuse treatment program, hospital, and medical clinic program accepting vouchers collects and reports process and outcome measures. The department shall develop requirements and provide training and technical assistance to a licensed substance abuse treatment program, hospital, and medical clinic program accepting vouchers. A licensed substance abuse treatment program, hospital, and medical clinic program accepting vouchers shall provide evidence-based services.
4. The department shall allocate funding appropriated for the substance use disorder treatment voucher as follows:
 - a. No more than forty-five percent of the appropriated amount may be allocated for residential substance use disorder services administered by licensed substance abuse treatment programs with more than sixteen beds.
 - b. The remaining appropriation must be allocated for residential programs with sixteen or fewer beds, nonresidential outpatient, and ancillary substance use disorder services administered by licensed substance abuse treatment programs.

SECTION 27. A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

Behavioral health bed management system.

The department shall establish and maintain a behavioral health bed management system to improve utilization of behavioral health bed capacity. Public and private providers of residential or inpatient behavioral health services shall participate in and report daily to the department the information and documentation necessary to maintain the behavioral health bed management system in the form and manner prescribed by the department.

SECTION 28. AMENDMENT. Section 50-11.1-14 of the North Dakota Century Code is amended and reenacted as follows:

50-11.1-14. Workforce development.

1. The department may establish a statewide system to build systematic early childhood workforce voluntary training which may include distance learning formats, a professional registry, certificates, and specializations.

2. The department may charge reasonable fees for all training and development courses to offset costs. All fees collected under this section must be paid to the department or the department's authorized agent and must be used to defray the cost of providing training and development courses to providers and staff members of early childhood services.

⁷ **SECTION 29.** A new paragraph to subdivision I of subsection 1 of section 50-11.1-22 of the North Dakota Century Code, as created by section 8 of House Bill No. 1416, as approved by the sixty-seventh legislative assembly, is created and enacted as follows:

A special education director:

SECTION 30. AMENDMENT. Section 50-24.1-02.7 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-02.7. Workers with disabilities coverage.

The department shall establish and implement a buyin program to provide medical assistance to an individual who, except for substantial gainful activity, meets the definition of disabled under the supplemental security income program under title XVI of the federal Social Security Act, who is at least sixteen but less than sixty-five years of age, and who is gainfully employed. The program ~~must~~:

1. ~~Be~~Must be made available to an individual with a disability who is a member of a household with a net income less than two hundred twenty-five percent of the most recently revised official poverty line published by the federal office of management and budget applicable to the household size;
2. ~~Allow~~Must allow up to an additional ten thousand dollars in assets;
3. ~~Require~~Must require the payment of a premium that is based upon a sliding scale which may not be less than two and one-half percent nor more than seven and one-half percent of the individual's gross countable income;
4. ~~Include~~Must include a one-time program enrollment fee of one hundred dollars; ~~and~~
5. ~~Provide~~Must provide that the failure of an enrolled individual to pay premiums for three months may result in the termination of enrollment in the program; and
6. May not require the payment of a premium or enrollment fee or disenroll an individual for failure to pay a premium or enrollment fee for workers with disabilities coverage during a federally declared emergency if collection of the premium or enrollment fee may impact the receipt of federal funds.

SECTION 31. AMENDMENT. Section 50-24.1-31 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-31. Optional medical assistance for families of children with disabilities.

⁷ Section 50-11.1-22 was created by section 2 of House Bill No. 1466, chapter 368.

1. The department shall establish and implement a buyin program under the federal Family Opportunity Act enacted as part of the Deficit Reduction Act of 2005 [Pub. L. 109-171; 120 Stat. 4; 42 U.S.C. 1396] to provide medical assistance and other health coverage options to families of children with disabilities and whose net income does not exceed two hundred fifty percent of the federal poverty line published by the federal office of management and budget applicable to the household size.
2. The department may not require the payment of a premium or disenroll an individual for failure to pay a premium for families of children with disabilities coverage during a federally declared emergency if collection of the premium may impact the receipt of federal funds.

⁸ **SECTION 32. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-37. Medicaid expansion - Legislative management report. (Effective through July 31, 2021- Contingent repeal - [See note](#))

1. The department of human services shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty line published by the federal office of management and budget applicable to the household size.
2. The department shall inform new enrollees in the medical assistance expansion program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.
3. Except for pharmacy services, the department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.
4. The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.
5. Provider reimbursement rate information received by the department under this section is confidential, except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section.

⁹ **SECTION 33. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

⁸ Section 50-24.1-37 was also amended by section 33 of House Bill No. 1012, chapter 12.

⁹ Section 50-24.1-37 was also amended by section 32 of House Bill No. 1012, chapter 12.

50-24.1-37. Medicaid expansion - Legislative management report. (Contingent repeal - [See note](#))

1. The department of human services shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty line published by the federal office of management and budget applicable to the household size.
2. The department shall inform new enrollees in the medical assistance expansion program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.
3. Except for pharmacy services and coverages for individuals ages nineteen and twenty, the department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.
4. The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. ~~This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.~~
5. Provider reimbursement rate information received by the department under this section is confidential, ~~except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section~~ an open record.

SECTION 34. A new section to chapter 50-24.1 of the North Dakota Century Code is created and enacted as follows:

Interpreter services.

Medical assistance coverage, including Medicaid expansion, must include payment for sign and oral language interpreter services for assistance in providing covered health care services to a recipient of medical assistance who has limited English proficiency or who has hearing loss and uses interpreting services. The department shall adopt rules to implement this section.

SECTION 35. REPEAL. Section 50-24.1-18.1 of the North Dakota Century Code is repealed.

SECTION 36. CONVEYANCE OF LAND AUTHORIZED - LIFE SKILLS AND TRANSITION CENTER. The state of North Dakota, by and through the department of human services, may convey real property associated with the life skills and transition center in Grafton to the Grafton parks and recreation department. The department of human services may convey a portion of two parcels of land commonly referred to as "the bowl" on the terms and conditions determined appropriate by the department and the attorney general. Sections 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

SECTION 37. CONVEYANCE OF LAND AUTHORIZED - LIFE SKILLS AND TRANSITION CENTER. The state of North Dakota, by and through the department of human services, may convey real property associated with the life skills and transition center in Grafton to the Grafton fire department. The department of human services may convey a parcel of land, 7.45 acres, more or less, located in part of lot 1, block 1, state school first addition to the city of Grafton, which is located within the southwest $\frac{1}{4}$ of the southwest $\frac{1}{4}$ of section 13, township 157 north, range 53 west, on the terms and conditions determined appropriate by the department and attorney general. Sections 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

SECTION 38. LEASE OF LAND - STATE HOSPITAL. The department of human services and national guard may enter an agreement to lease up to twenty acres of real property associated with the state hospital for the national guard to construct a new training and storage facility.

SECTION 39. PROVIDER PROCESS AND OUTCOME MEASURES. Providers that receive funding from the department of human services shall submit process and outcome measures, as required by the department, to the department of human services for programs and services supported by state funding during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 40. QUALIFIED RESIDENTIAL TREATMENT PROVIDERS. The department of human services shall adopt rules, on or before October 1, 2021, establishing a new ratesetting process and requirements for foster care maintenance rates for qualified residential treatment providers based on the appropriation approved by the sixty-seventh legislative assembly.

SECTION 41. COMMUNITY BEHAVIORAL HEALTH PROGRAM. Pursuant to section 8 of this Act, the director of the office of management and budget may transfer appropriation authority between line items within subdivisions 1, 2, and 3 of section 1 of this Act for the biennium beginning July 1, 2021, and ending June 30, 2023, as requested by the department of human services. The department may transfer funds for the continuation of the community behavioral health program pursuant to subsection 2 of section 54-23.3-10.

SECTION 42. EXEMPTION. The amount appropriated for the Medicaid management information system technology stack upgrade in chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the Medicaid management information system technology stack upgrade during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 43. EXEMPTION. The amount appropriated for the modification of the department of human services' eligibility systems in chapter 578 of the 2011 Special Session Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under section 54-44.1-11 for continuation into the 2013-15 biennium, then the 2015-17 biennium, then the 2017-19 biennium, and then the 2019-21 biennium are available for the completion of the modification of the eligibility systems project during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 44. EXEMPTION. The amount appropriated for the development of the child care licensing and data system in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under section 54-44.1-11 for continuation into the 2019-21

biennium are available for the completion of the child care licensing and data system during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 45. EXEMPTION. The amount appropriated for the development of the health information network in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under section 54-44.1-11 for continuation into the 2019-21 biennium are available for the completion of the health information network during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 46. EXEMPTION. The sum of \$200,000 from the general fund appropriated for the department's operating expenses for the school behavioral health program in chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the school behavioral health pilot projects during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 47. EXEMPTION. The sum of \$150,000 from the general fund appropriated for the department's operating expenses for behavioral health recovery home grants in chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be used for behavioral health recovery home grants during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 48. EXEMPTION. The sum of \$750,000 from the general fund appropriated to the department of human services for the purpose of providing suicide prevention grants in chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the suicide prevention grants during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 49. EXEMPTION. The sum of \$3,000,000 from the general fund appropriated to the department of human services for the purpose of providing a community behavioral health program to provide comprehensive community-based services for individuals who have serious behavioral health conditions in chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the community behavioral health program during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 50. EXEMPTION. The sum of \$335,000 from the general fund appropriated to the department of human services for the purpose of providing a grant to an entity to develop a hyperbaric oxygen therapy pilot program in chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the grant to an entity to develop a hyperbaric oxygen therapy pilot program during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 51. EXEMPTION. The sum of \$572,000 from the strategic investment and improvements fund appropriated to the department of human services for the purpose of a roof replacement project at the state hospital in chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the roof replacement project at the state hospital during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 52. EXEMPTION. The amount appropriated for the development of the electronic visit verification project in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under section 54-44.1-11 for continuation into the 2019-21 biennium are available for the completion of the electronic visit verification project during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 53. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT. It is the intent of the sixty-seventh legislative assembly that the department of human services seek a deficiency appropriation from the sixty-eighth legislative assembly for any expenditures that exceed appropriated amounts as a result of utilization rates, nursing home costs associated with the establishment of the new rate structure as provided in House Bill No. 1090, or developmental disability provider reimbursement rate adjustments, during the biennium beginning July 1, 2021, and ending June 30, 2023, if funding is not sufficient to pay actual expenses.

SECTION 54. DEVELOPMENTAL DISABILITY PROVIDER RATES. By July 1, 2021, the department of human services, in consultation with the developmental disabilities payment steering committee, shall identify \$6,950,000 in reductions to be made to payment rates for intermediate care facilities and residential services for individuals with developmental disabilities, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 55. LEGISLATIVE INTENT - STATE FISCAL RECOVERY FUND OR OTHER FUNDS - TRANSITION OF INDIVIDUALS FROM LIFE SKILLS AND TRANSITION CENTER. It is the intent of the sixty-seventh legislative assembly that the department of human services seek an appropriation during any special session of the sixty-seventh legislative assembly from the state fiscal recovery fund received through H.R. 1319 of the 117th Congress, also known as the federal American Rescue Plan Act, or from any eligible federal or other funds made available to the department, for the purpose of transitioning individuals from the life skills and transition center to community-based providers.

SECTION 56. LEGISLATIVE INTENT - SUPPORTED EMPLOYMENT FUNDING. It is the intent of the sixty-seventh legislative assembly that funding appropriated from the general fund for supported employment in section 1 of this Act be used to continue contracts with existing evidence-based supported employment providers during the biennium beginning July 1, 2021, and ending June 30, 2023, and that any funding available through the federal Medicaid 1915(i) state plan amendment be utilized before funding appropriated from the general fund.

SECTION 57. LEGISLATIVE INTENT - CONSULTANTS. It is the intent of the sixty-seventh legislative assembly that the department of human services and state department of health utilize federal funds available to the departments to obtain consulting services to facilitate the merger of the department of human services and state department of health as provided for in House Bill No. 1247 as approved by the sixty-seventh legislative assembly for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 58. LEGISLATIVE INTENT - PROVIDER RATE INCREASE. Section 1 of this Act includes funding for human service provider inflation increases of two percent the first year and one-quarter of one percent the second year of the biennium beginning July 1, 2021, and ending June 30, 2023. It is the intent of the sixty-seventh legislative assembly that future special sessions of the sixty-seventh legislative assembly consider an additional second year inflationary increase during the 2021-23 biennium based on any extensions of the enhanced federal Medicaid assistance

percentage and a review of budget needs of all areas of the department of human services.

SECTION 59. REPORT TO LEGISLATIVE MANAGEMENT - EARLY AND PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT PROGRAM. During the 2021-22 interim, the department of human services shall conduct a study of the early and periodic screening, diagnostic, and treatment program and prepare a report. The department of human services may contract with a consultant to assist in the study and the preparation of the report. The report shall include data on the number, ages, and geographic locations of children receiving screening, diagnostic, and treatment services; the capacity of the program to ensure all children who require screening, diagnostic, and treatment services are identified and receive services; data on the disposition of referrals of children who are screened and eligible for diagnostic and treatment services, including how many receive services and how many do not receive those services by county; an assessment of the program's efforts to provide comprehensive screening and treatment for children as required by federal law; an assessment of the deficits of the program's efforts to provide comprehensive screening and treatment as required by federal law; recommendations to ensure or expand services so that all eligible children are adequately served by the program; and additional data needed to assess the program accountability and efficiency. Before October 1, 2022, the department of human services shall provide the report to the legislative management.

SECTION 60. REPORT TO LEGISLATIVE MANAGEMENT - REVISED PAYMENT METHODOLOGY FOR BASIC CARE FACILITIES. The department of human services, in collaboration with basic care providers and other representatives of the basic care industry, shall develop a report for payment methodology revisions for basic care facilities that must include recommendations for:

1. Methods of reimbursement for basic care facility cost categories, including direct care, indirect care, room and board, and property; and
2. The feasibility of standardizing payments for basic care facilities in the same peer group.

Before October 1, 2022, the department shall present the report to the legislative management regarding the revised payment methodology. The estimated costs related to the implementation of the payment methodology revisions must be included in the department's 2023-25 biennium budget request submitted to the sixty-eighth legislative assembly.

SECTION 61. LEGISLATIVE MANAGEMENT REPORT - FOUR-YEAR OLD PROGRAM - EARLY CHILDHOOD GRANTS. During the 2021-22 interim, the department of human services shall provide reports to the legislative management regarding the status of four-year old program approvals, the North Dakota early childhood council, and the early childhood grant for best in class four-year old experiences.

SECTION 62. SUBSTANCE USE DISORDER TREATMENT VOUCHERS - REPORT TO BUDGET SECTION. During the 2021-22 interim, the department of human services behavioral health division shall submit quarterly reports to the budget section on the status of the substance use disorder treatment voucher system program, including data on the utilization of the program, data on program expenditures, and an estimate of the number of months of funding remaining in the program.

SECTION 63. TRANSFER OF EMPLOYEES. The department of human services may use the identified twenty-seven full-time equivalent child care licensing positions of the human service zone transferred to the department pursuant to chapter 391 of the 2019 Session Laws for child care licensing, quality control, and early childhood administration.

SECTION 64. RETROACTIVE APPLICATION. Section 25 of this Act applies retroactively to July 1, 2020.

SECTION 65. EFFECTIVE DATE. Sections 22 and 33 of this Act become effective January 1, 2022.

SECTION 66. EXPIRATION DATE. Section 24 of this Act is effective through July 1, 2027, and after that date is ineffective.

SECTION 67. EMERGENCY. The sum of \$2,457,638 from the federal coronavirus relief fund included in subdivision 2 of section 1 for senior nutrition services, sections 3, 5, 30, 31, and 54 of this Act, and section 22 of Senate Bill No. 2086, as approved by the sixty-seventh legislative assembly, are declared to be an emergency measure.

Approved May 10, 2021

Filed May 10, 2021

CHAPTER 13

HOUSE BILL NO. 1013

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of public instruction, the state library, the school for the deaf, and the North Dakota vision services - school for the blind; to amend and reenact sections 15.1-02-02, 15.1-02-16, 15.1-06-19, and 15.1-27-16 of the North Dakota Century Code, relating to the salary of the superintendent of public instruction, credentialing, school counselors, and administrative cost-sharing for cooperating districts; to provide for a transfer; to provide an exemption; to provide for a legislative management study; to provide for reports; to provide an expiration date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of public instruction, the state library, the school for the deaf, and North Dakota vision services - school for the blind for the purpose of defraying the expenses of those agencies, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

DEPARTMENT OF PUBLIC INSTRUCTION

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$18,027,035	(\$172,288)	\$17,854,747
Operating expenses	33,770,947	(472,798)	33,298,149
Integrated formula payments	2,098,202,429	33,622,571	2,131,825,000
Grants - special education	24,000,000	3,000,000	27,000,000
Grants - transportation	56,500,000	1,600,000	58,100,000
Grants - other grants	287,062,705	25,926,188	312,988,893
Grants - program grants	7,680,000	(7,680,000)	0
Grants - passthrough grants	2,863,764	(2,863,764)	0
Grants - program and passthrough	0	23,887,064	23,887,064
PowerSchool	5,500,000	(250,000)	5,250,000
National board certification	<u>108,000</u>	<u>68,290</u>	<u>176,290</u>
Total all funds	\$2,533,714,880	\$76,665,263	\$2,610,380,143
Less estimated income	<u>812,553,743</u>	<u>139,429,527</u>	<u>951,983,270</u>
Total general fund	\$1,721,161,137	(\$62,764,264)	\$1,658,396,873
Full-time equivalent positions	89.25	(3.00)	86.25

Subdivision 2.

STATE LIBRARY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,300,335	(\$160,428)	\$4,139,907
Operating expenses	1,621,917	200,786	1,822,703
Grants	<u>2,233,528</u>	0	<u>2,233,528</u>
Total all funds	\$8,155,780	\$40,358	\$8,196,138
Less estimated income	<u>2,374,361</u>	(9,944)	<u>2,364,417</u>
Total general fund	\$5,781,419	\$50,302	\$5,831,721
Full-time equivalent positions	27.75	(1.00)	26.75

Subdivision 3.

SCHOOL FOR THE DEAF

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$8,054,944	\$277,876	\$8,332,820
Operating expenses	1,705,586	21,500	1,727,086
Capital assets	158,678	697,500	856,178
Grants	<u>40,000</u>	(40,000)	0
Total all funds	\$9,959,208	\$956,876	\$10,916,084
Less estimated income	<u>2,430,358</u>	1,079,170	<u>3,509,528</u>
Total general fund	\$7,528,850	(\$122,294)	\$7,406,556
Full-time equivalent positions	44.61	0.00	44.61

Subdivision 4.

NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,935,291	\$56,903	\$4,992,194
Operating expenses	795,821	29,850	825,671
Capital assets	<u>39,192</u>	<u>381,500</u>	<u>420,692</u>
Total all funds	\$5,770,304	\$468,253	\$6,238,557
Less estimated income	<u>1,052,315</u>	<u>424,363</u>	<u>1,476,678</u>
Total general fund	\$4,717,989	\$43,890	\$4,761,879
Full-time equivalent positions	27.90	(0.15)	27.75

Subdivision 5.

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$1,739,189,395	(\$62,792,366)	\$1,676,397,029
Grand total special funds	<u>818,410,777</u>	<u>140,923,116</u>	<u>959,333,893</u>
Grand total all funds	\$2,557,600,172	\$78,130,750	\$2,635,730,922

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Department of public instruction		

Science experiments grant	\$0	\$13,500,000
Regional education association grants	0	250,000
State automated reporting system maintenance	0	200,000
Rapid enrollment grants	3,000,000	0
State automated reporting system rewrite	1,200,000	0
Music education grants	800,000	0
State school aid formula rewrite	<u>200,000</u>	<u>0</u>
Total department of public instruction - all funds	\$5,200,000	\$13,950,000
Total department of public instruction - estimated income	<u>5,000,000</u>	<u>13,750,000</u>
Total department of public instruction - general fund	\$200,000	\$200,000
School for the deaf		
Extraordinary repairs	\$250,000	\$0
Campus server upgrade	0	7,500
Operating expenses	0	21,500
Equipment	20,000	40,000
Boiler and resource center projects	0	<u>650,000</u>
Total school for the deaf - estimated income	\$270,000	\$719,000
North Dakota vision services - school for the blind		
South wing restroom remodel	\$120,000	\$0
Gymnasium floor replacement	42,000	0
West wing roof repair	39,000	0
Daily living skills area remodel	25,000	0
Adaptive technology equipment	20,000	0
Other repairs	18,500	0
Garage door replacement	16,000	0
Vision screening devices	0	11,500
Replace flooring	0	10,000
Replace south wing air conditioning	0	40,000
Repair sidewalk, roof, and parking lot	0	24,000
Replace doors and key system	0	45,000
Heating, ventilation, and air conditioning upgrades	0	86,000
Install LED lighting	0	33,000
South wing electrical service	0	<u>165,000</u>
Total school for the blind - estimated income	\$280,500	\$414,500
Grand total - all funds	\$5,750,500	\$15,083,500
Grand total - estimated income	<u>5,550,500</u>	<u>14,883,500</u>
Grand total - general fund	\$200,000	\$200,000

The 2021-23 biennium one-time funding amounts are not part of the entity's base budget for the 2023-25 biennium. The department of public instruction, school for the deaf, and North Dakota vision services - school for the blind shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - TUITION APPORTIONMENT. The sum of \$433,020,000, included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, is from the state tuition fund in the state treasury. Any additional amount in the state tuition fund that becomes available for distribution to public schools is appropriated to the department of public instruction for that purpose for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 4. ESTIMATED INCOME - FOUNDATION AID STABILIZATION FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes the

sum of \$143,454,500 from the foundation aid stabilization fund for integrated formula payments.

SECTION 5. INTEGRATED FORMULA PAYMENTS AND SPECIAL EDUCATION CONTRACTS EXPENDITURE AUTHORITY. The superintendent of public instruction may expend funds included in the integrated formula payments and grants - special education contracts line items in subdivision 1 of section 1 of this Act for paying grants for educational services that were due in the 2019-21 biennium but which were not filed, claimed, or properly supported by the education provider until after June 30, 2021. To be reimbursed under this section, claims must be properly supported and filed with the superintendent of public instruction by June 30, 2022.

SECTION 6. GIFTED AND TALENTED PROGRAM. The sum of \$800,000, included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, must be distributed to reimburse school districts or special education units for gifted and talented programs upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction. The superintendent of public instruction shall encourage cooperative efforts for gifted and talented programs among school districts and special education units.

SECTION 7. MEDICAID MATCHING FUNDING - SCHOOL APPROVAL - WITHHOLDING AND DISTRIBUTION.

1. State school aid payments for special education must be reduced by the amount of matching funds required to be paid by school districts or special education units for students participating in the Medicaid program for the biennium beginning July 1, 2021, and ending June 30, 2023. Special education funds equal to the amount of the matching funds required to be paid by the school district or special education unit must be paid by the superintendent of public instruction to the department of human services on behalf of the school district or unit.
2. State school aid payments for integrated formula payments must be reduced by the amount of funds required to be paid by school districts for school approval for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 8. TRANSPORTATION GRANTS - DISTRIBUTION.

1. During each year of the 2021-23 biennium, the superintendent of public instruction shall calculate the payment to which each school district is entitled based on the state transportation formula as it existed on June 30, 2001, except that the superintendent shall provide reimbursement at the rate of:
 - a. One dollar and eleven cents per mile for schoolbuses having a capacity of ten or more passengers;
 - b. Fifty-two cents per mile for vehicles having a capacity of nine or fewer passengers;
 - c. Fifty cents per mile, provided:
 - (1) The student being transported is a student with a disability, as defined in chapter 15.1-32;

- (2) The student's individualized education program plan requires that the student attend a public or a nonpublic school located outside the student's school district of residence;
 - (3) The student is transported by an adult member of the student's family;
 - (4) The student is transported in a vehicle furnished by the student's parents;
 - (5) The student's transportation is paid for by the student's parents; and
 - (6) The reimbursement does not exceed two round trips daily between the student's home and school.
- d. Fifty cents per mile, one way, provided:
- (1) The student being transported resides more than two miles from the public school that the student attends;
 - (2) The student is transported by an adult member of the student's family;
 - (3) The student is transported in a vehicle furnished by the student's parents; and
 - (4) The student's transportation is paid for by the student's parents.
- e. Thirty cents per student for each one-way trip.
2. The superintendent of public instruction shall use the latest available student enrollment count in each school district in applying the provisions of subsection 1.
 3. This section does not authorize the reimbursement of any costs incurred in providing transportation for student attendance at extracurricular activities or events.

SECTION 9. CONDITION ON APPROPRIATION FOR GRANTS - PROGRAM AND PASSTHROUGH LINE ITEM. The appropriation in the grants - program and passthrough line item in subdivision 1 of section 1 of this Act is conditioned on the superintendent of public instruction not using federal funds to defray the expenses of the following programs for which state funding is provided in this line item for the biennium beginning July 1, 2021, and ending June 30, 2023:

1. Adult education matching grants;
2. School food services matching grants;
3. Program grant pool; and
4. Mentoring program.

SECTION 10. REGIONAL EDUCATION ASSOCIATIONS - GRANTS - DISTRIBUTION. The integrated formula payments line item in subdivision 1 of section 1 of this Act includes \$500,000 from the general fund for the purpose of providing annual grants to regional education associations for the biennium beginning July 1, 2021, and ending June 30, 2023. An annual grant of \$35,714 is provided to

each regional education association that exists as of July 1, 2021. Regional education associations that merge during the 2021-23 biennium are entitled to the annual grants that would have been paid to each of the member associations.

SECTION 11. POSTSECONDARY TRANSITIONAL GRANT PROGRAM FUNDING. The integrated formula payments line item in subdivision 1 of section 1 of this Act includes funding for postsecondary transitional grants. The superintendent of public instruction shall provide integrated formula payments to postsecondary transitional programs for eligible students enrolled in a postsecondary transitional program within the state at the rate provided under section 15.1-27-04.1. For purposes of this section, "eligible student" means a student with a documented intellectual or developmental disability who is at least eighteen years of age but has not reached the age of twenty-two, who has graduated from a public high school in the state or obtained an equivalent degree, and who enrolls in a postsecondary transitional program. By June thirtieth of each year, postsecondary transitional programs shall submit to the superintendent of public instruction for the reimbursement of eligible students enrolled in the program. Grant payments under this section may not exceed the per student rate under section 15.1-27-04.1. The superintendent of public instruction shall review and approve postsecondary transitional programs and develop a system for the distribution of payments necessary to implement this section.

SECTION 12. USE OF NEW MONEY - NONADMINISTRATIVE PERSONNEL COMPENSATION INCREASES - REPORT TO LEGISLATIVE MANAGEMENT.

1. During the 2021-23 biennium, the board of each school district shall use an amount equal to at least seventy percent of all new money received by the district, resulting from increases in the base integrated formula payment rate, to increase the compensation paid to nonadministrative personnel.
2. For purposes of this section, the superintendent of public instruction shall provide guidance to school districts regarding the calculation of the amount of new money resulting from increases in the base integrated formula payment rate during the 2021-23 biennium.

SECTION 13. EXEMPTION - GENERAL EDUCATIONAL DEVELOPMENT FEES AND DISPLACED HOMEMAKER DEPOSITS. Notwithstanding section 54-44.1-15, the department of public instruction may deposit indirect cost recoveries in its operating account. In addition, any moneys collected by the department of public instruction for general educational development fees and displaced homemakers deposits must be deposited in the public instruction fund in the state treasury. Any funds deposited in the public instruction fund may only be spent subject to appropriation by the legislative assembly.

SECTION 14. EXEMPTION - TRANSFER - PUBLIC INSTRUCTION FUND. Notwithstanding section 54-44.1-11, if, after the superintendent of public instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any moneys remain in the integrated formula payments line item in subdivision 1 of section 1 of chapter 38 of the 2019 Session Laws, the lesser of \$23,887,064 or the remaining amount must be continued into the 2021-23 biennium and the office of management and budget shall transfer this amount into the public instruction fund for the purpose of providing program and passthrough grants as appropriated in subdivision 1 of section 1 of this Act.

SECTION 15. EXEMPTION - DYSLEXIA SCREENING PILOT PROGRAM. Notwithstanding section 54-44.1-11, if, after the superintendent of public instruction

complies with all statutory payment obligations imposed for the 2019-21 biennium, any moneys remain in the integrated formula payments line item in subdivision 1 of section 1 of chapter 38 of the 2019 Session Laws, up to \$250,000 must be continued into the 2021-23 biennium for the purpose of defraying the expenses of the dyslexia screening pilot program.

SECTION 16. EXEMPTION - STATE AUTOMATED REPORTING SYSTEM REWRITE. Up to \$600,000 of the unexpended amount remaining from the one-time appropriation from the foundation aid stabilization fund for the state automated reporting system rewrite, as authorized in subdivision 1 of section 1 of chapter 38 of the 2019 Session Laws, is not subject to the provisions of section 54-44.1-11 at the end of the 2019-21 biennium, and may be continued into the 2021-23 biennium for the purpose of continuing the state automated reporting system rewrite.

SECTION 17. STATE AID TO PUBLIC LIBRARIES. The grants line item in subdivision 2 of section 1 of this Act includes \$1,737,582 for aid to public libraries, of which no more than one-half may be expended during the fiscal year ending June 30, 2022.

SECTION 18. EXEMPTION - SCHOOL FOR THE DEAF - HIGHER EDUCATION INTERPRETER GRANT PROGRAM DISTRIBUTION. The \$40,000 appropriated for the purpose of providing grants to assist institutions under the control of the state board of higher education with the cost of interpreters and real-time captioning for students who are deaf or hard of hearing in subdivision 3 of section 1 of chapter 38 of the 2019 Session Laws and any funding continued for this purpose from prior bienniums is not subject to section 54-44.1-11. Any funds remaining must be distributed pursuant to the provisions of this section:

1. The school for the deaf shall develop a formula to determine the grant amount for which an institution is eligible. The formula must be based on a uniform hourly reimbursement.
2. To obtain a grant under this section, an institution shall submit to the school for the deaf, at the time and in the manner directed by the school, invoices showing the amount expended for interpreters and real-time captioning for students who are deaf or hard of hearing.
3. The school for the deaf may not distribute more than fifty percent of the amount appropriated during the first year of the biennium.
4. If any grant moneys remain undistributed at the end of the biennium, the school for the deaf shall provide additional prorated grants to institutions that incurred, during the biennium, hourly expenses in excess of the formula reimbursement level.
5. At the request of an institution under the control of the state board of higher education, the school for the deaf shall consult with the institution and provide advice regarding the provision of services most appropriate to meet a student's needs.

SECTION 19. AMENDMENT. Section 15.1-02-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-02. Salary.

The annual salary of the superintendent of public instruction is one hundred ~~twenty-two~~twenty-seven thousand ~~eight~~seven hundred ~~ten~~sixty-eight dollars through June 30, ~~2020~~2022, and one hundred ~~twenty-five~~thirty thousand ~~eight~~three hundred ~~eighty~~twenty-three dollars thereafter.

¹⁰ **SECTION 20. AMENDMENT.** Section 15.1-02-16 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-16. Superintendent of public instruction - Issuance of credentials to teachers and administrators.

The superintendent of public instruction may adopt rules governing the issuance of:

1. Credentials for teachers of driver's education;
2. Credentials for teachers of early childhood special education;
3. Credentials for elementary school principals;
4. Credentials for teachers of students who are emotionally disturbed;
5. Credentials for teachers of students who are gifted and talented;
6. Credentials for secondary school principals;
7. Credentials for library media;
8. Credentials for teachers of title I;
9. Credentials for teachers of students who have intellectual disabilities;
10. Credentials for teachers of students who are physically disabled;
11. Credentials for coordinators of programs for students with limited English proficiency;
12. Credentials for school counselors;
13. Credentials for special education directors;
14. Credentials for special education strategists;
15. Credentials for teachers of students who have specific learning disabilities;
16. Credentials for superintendents;
17. Credentials for teachers of students who have vision impairments;
18. Credentials for teachers of students who are deaf or hard of hearing;
19. Credentials for teachers of computer and cyber science; and

¹⁰ Section 15.1-02-16 was also amended by section 1 of House Bill No. 1131, chapter 137, and section 1 of House Bill No. 1188, chapter 138.

20. Certificate of completion for paraprofessionals; and
21. Certificate of completion for school health technicians.

SECTION 21. AMENDMENT. Section 15.1-06-19 of the North Dakota Century Code is amended and reenacted as follows:

15.1-06-19. Counselor positions - Requirement.

1. Beginning with the 2010-11 school year, each school district must have available one full-time equivalent school counselor for every three hundred students in grades seven through twelve.
2. Beginning with the 2022-23 school year, each school district must have available one full-time equivalent school counselor for every three hundred students in grades kindergarten through six.
- 2-3. Up to one-third of the full-time equivalency requirement established in subsection 1 may be met by career advisors.
- 3-4. For purposes of this section, a "career advisor" means an individual who holds a certificate in career development facilitation issued by the department of career and technical education under section 15-20.1-24 or an individual who is provisionally approved by the department of career and technical education under section 15-20.1-25 to serve as a career advisor.

SECTION 22. AMENDMENT. Section 15.1-27-16 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-16. Per student payments - Administrative cost-sharing - Cooperating districts and special education units.

1. If any school district receiving payments under this chapter cooperates with another school district for the joint provision of educational services under a plan approved by the superintendent of public instruction, the superintendent of public instruction shall, notwithstanding the provisions of section 15.1-27-03.2, create and assign a separate weighting factor that allows the cooperating districts to receive, for a period of four years, a payment rate equivalent to that which each district would have received had the cooperative plan not taken effect. The superintendent of public instruction shall compute the separate weighting factor to four decimal places and that weighting factor is effective for the duration of the cooperative plan.
2. A school district that is cooperating with another school district under a cooperative plan approved by the superintendent of public instruction, and which has taxable property located in the same city as the other school district under the cooperative plan, may not be required as part of the cooperative plan to:
 - a. Provide unduplicated grade level services; or
 - b. Share administrative personnel.
3. If any school district receiving payments under this chapter or any special education unit cooperates with another school district or special education unit to jointly employ both a superintendent and a business manager or to jointly

employ both a special education unit director and a business manager, the superintendent of public instruction shall provide partial reimbursement of the combined salaries of the superintendent and the business manager or partial reimbursement of the combined salaries of the special education unit director and the business manager as follows:

- a. If the combined salaries exceed three hundred thousand dollars, the amount of the reimbursement must be calculated based upon three hundred thousand dollars. Each cooperating school district or special education unit shall receive a prorated share of the reimbursement percentages listed below based on the percentage of full-time equivalency that the superintendent and business manager or the special education unit director and business manager are employed by each district or special education unit. The percentage of reimbursement for the combined salaries of the jointly hired superintendent and business manager or of the jointly hired special education unit director and business manager must be as follows:
 - (1) If two schools or special education units are cooperating, ten percent of the combined salaries;
 - (2) If three schools or special education units are cooperating, fifteen percent of the combined salaries;
 - (3) If four schools or special education units are cooperating, twenty percent of the combined salaries; and
 - (4) If five or more schools or special education units are cooperating, twenty-five percent of the combined salaries.
- b. To be eligible for reimbursement under this subsection, the cooperating school districts or special education units must:
 - (1) Have been approved by the superintendent of public instruction and have implemented their administrative cost-sharing program after June 30, 2022; and
 - (2) Submit the salaries of the superintendent and business manager or the salaries of the special education unit director and business manager to the superintendent of public instruction by June first of each year.

SECTION 23. LEGISLATIVE MANAGEMENT STUDY - SCHOOL CONSTRUCTION FUNDING. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of using up to one percent of common schools trust fund assets annually for school construction grants. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 24. LEARNING LOSS, ACCELERATED LEARNING RECOVERY, AND ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND - REPORT TO LEGISLATIVE MANAGEMENT. School districts receiving funds from the elementary and secondary school emergency relief fund shall provide two narrative summary reports to the superintendent of public instruction, including information regarding learning losses of students identified within the district, including subgroup gaps; school district plans to accelerate learning recovery for all

students, including closing subgroup gaps; uses of elementary and secondary school emergency relief funds, including the percentage of those funds expended in categories determined by the superintendent of public instruction; and the impact elementary and secondary school emergency relief fund expenditures had on accelerating the learning recovery for the districts' students. The first school district report must be submitted to the superintendent of public instruction by December 1, 2021. An aggregated report must be presented by the superintendent of public instruction to the legislative management by June 1, 2022. The second school district report must be submitted to the superintendent of public instruction by December 1, 2022. An aggregated report must be presented by the superintendent of public instruction to the sixty-eighth legislative assembly.

SECTION 25. EXPIRATION DATE. Section 22 of this Act is effective through June 30, 2024, and after that date is ineffective.

SECTION 26. EMERGENCY. The \$12,000,000 appropriated from the federal coronavirus relief fund, of which \$6,565,432 is in the operating expenses line item and \$5,434,568 is in the grants line item in section 1 and identified in sections 2 and 8 of Senate Bill No. 2018, as approved by the sixty-seventh legislative assembly, and the \$100,000 appropriated from the general fund for a motion picture production and recruitment grant in the grants line item in section 1 and identified in section 2 of Senate Bill No. 2018, as approved by the sixty-seventh legislative assembly, are declared to be an emergency measure.

SECTION 27. EMERGENCY. Senate Bill No. 2317, as approved by the sixty-seventh legislative assembly, is declared to be an emergency measure.

Approved May 10, 2021

Filed May 10, 2021

CHAPTER 14**HOUSE BILL NO. 1014**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the protection and advocacy project.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the protection and advocacy project for the purpose of defraying the expenses of the protection and advocacy project, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Protection and advocacy operations	\$7,166,150	\$236,790	\$7,402,940
Total all funds	\$7,166,150	\$236,790	\$7,402,940
Less estimated income	3,926,135	337,455	4,263,590
Total general fund	\$3,240,015	(\$100,665)	\$3,139,350
Full-time equivalent positions	28.50	0	28.50

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Accrued leave payments	\$132,550	\$0
Polycom machine	8,000	0
Total all funds	\$140,550	\$0
Less estimated income	68,000	0
Total general fund	\$72,550	\$0

Approved April 8, 2021

Filed April 9, 2021

CHAPTER 15

HOUSE BILL NO. 1015

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to provide an appropriation to the state treasurer; to provide an appropriation to the department of career and technical education, the department of public instruction, the university of North Dakota, Dickinson state university, the highway patrol, the judicial branch, the department of transportation, the department of commerce, and Mayville state university; to provide a contingent appropriation to the Bank of North Dakota; to create and enact a new section to chapter 10-04, a new section to chapter 24-02, and a new subsection to section 54-44-04 of the North Dakota Century Code, relating to notice filing for certain legacy fund investments, cooperative transportation agreements, and state employee salary increases; to amend and reenact subsection 1 of section 10-04-03, section 54-09-05, as amended by section 4 of House Bill No. 1002, as approved by the sixty-seventh legislative assembly, a new chapter to title 54, as created by section 3 of House Bill No. 1452, as approved by the sixty-seventh legislative assembly, subsection 3 of section 54-44-11, sections 54-44.1-18, 54-44.4-07, 54-44.4-08, 57-51.1-07.5, subsections 2 and 3 of section 57-51.1-07.7, and subsection 2 of section 57-51.1-07.8 of the North Dakota Century Code, relating to qualifications of the securities commissioner, the salary of the secretary of state, the clean sustainable energy authority, the balance of the state personnel training and development operating fund, publishing political subdivision budgets, environmentally preferable products, the state share of oil and gas tax revenue allocations, the municipal infrastructure fund, and the county and township infrastructure fund; to repeal section 54-06-25 of the North Dakota Century Code, relating to the state employee compensation commission; to provide for a transfer; to provide for a claims payment; to provide compensation guidelines; to provide an exemption; to provide a statement of legislative intent; to provide for a legislative management study; to provide a report; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the office of management and budget for the purpose of defraying the expenses of the office of management and budget, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$21,903,816	\$23,163	\$21,926,979
Operating expenses	14,937,426	1,375,788	16,313,214
Emergency commission contingency fund	500,000	(100,000)	400,000
Capital assets	767,125	4,767,494	5,534,619
Grants	54,000	(54,000)	0

Guardianship grants	1,950,000	500,000	2,450,000
Prairie public broadcasting	1,200,000	0	1,200,000
Community service supervision grants	350,000	0	350,000
State student internship program	0	100,000	100,000
Total all funds	\$41,662,367	\$6,612,445	\$48,274,812
Less estimated income	<u>8,746,515</u>	<u>5,501,898</u>	<u>14,248,413</u>
Total general fund	\$32,915,852	\$1,110,547	\$34,026,399
Full-time equivalent positions	112.00	(4.00)	108.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Extraordinary repairs	\$1,900,000	\$500,000
Capitol south entrance project	2,000,000	0
Special assessments on capitol grounds	320,000	300,000
Litigation funding pool	3,500,000	0
Assessment of state lands and facilities	500,000	0
Risk management technology project	170,000	0
State student internship program	250,000	100,000
Electronic procurement study	50,000	0
Facility consolidation study	0	350,000
Building automation project	0	518,800
Interior and exterior signage projects	0	500,000
Procurement software	0	2,021,204
Statewide budget software	0	<u>1,230,100</u>
Total all funds	\$8,690,000	\$5,520,104
Less estimated income	<u>8,390,000</u>	<u>5,420,104</u>
Total general fund	\$300,000	\$100,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The office of management and budget shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - COMMUNITY SERVICES SUPERVISION FUND. Any moneys in the community service supervision fund under section 29-26-22 are appropriated to the office of management and budget for distribution to community corrections association regions on or before August first of each year during the period beginning with the effective date of this Act, and ending June 30, 2023.

SECTION 4. APPROPRIATION - STATE DISASTER RELIEF FUND - TAX RELIEF FUND - STATE TREASURER - DISTRIBUTIONS TO NON-OIL-PRODUCING COUNTIES.

1. a. Due to extraordinary flooding in 2020 in parts of the state and due to the excessive cost of road maintenance, there is appropriated out of any moneys in the state disaster relief fund in the state treasury, not otherwise appropriated, the sum of \$8,200,000, or so much of the sum as may be necessary, and out of any moneys in the tax relief fund in the state treasury, not otherwise appropriated, the sum of \$1,800,000, or so much of

- the sum as may be necessary, to the state treasurer for the purpose of providing distributions to non-oil-producing counties for the benefit of the organized and unorganized townships within each non-oil-producing county, for the biennium beginning July 1, 2021, and ending June 30, 2023.
- b. In August 2021, the state treasurer shall distribute \$10,000,000, or so much of the sum as may be necessary, to non-oil-producing counties for the benefit of the organized and unorganized townships within each non-oil-producing county. The distribution to each non-oil-producing county must provide for an equal allocation to each organized and unorganized township within the county.
 - c. The amount allocated to organized townships under this subsection must be paid by the county treasurer to each organized township. The amount allocated to unorganized townships under this subsection must be credited by the county treasurer to a special fund for unorganized township roads.
 - d. The distributions under this subsection must be used for the maintenance and improvement of township paved and unpaved roads and bridges. A township is not eligible for an allocation of funds under this subsection if the township does not maintain any township roads.
 - e. For the purposes of this section, a "non-oil-producing county" means a county that has received no allocation of funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning September 1, 2019, and ending August 31, 2020.
2. a. There is appropriated out of any moneys in the tax relief fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the state treasurer for the purpose of providing distributions to non-oil-producing counties for the benefit of the organized and unorganized townships within each non-oil-producing county, for the biennium beginning July 1, 2021, and ending June 30, 2023.
 - b. In August 2021, the state treasurer shall distribute \$10,000,000, or so much of the sum as may be necessary, to non-oil-producing counties for the benefit of the organized and unorganized townships within each non-oil-producing county. The distribution to each non-oil-producing county must provide for an allocation to each organized and unorganized township that is proportional to the number of township road miles in each organized and unorganized township relative to the combined total township road miles in all the organized and unorganized townships in all the non-oil-producing counties. The township road miles must be based on certifications provided to the state treasurer using roadway mileage criteria from the department of transportation.
 - c. The amount allocated to organized townships under this subsection must be paid by the county treasurer to each organized township. The amount allocated to unorganized townships under this subsection must be credited by the county treasurer to a special fund for unorganized township roads.
 - d. The distributions under this subsection must be used for the maintenance and improvement of township paved and unpaved roads and bridges.

- e. For the purposes of this subsection, a "non-oil-producing county" means a county that has received no allocation of funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning September 1, 2019, and ending August 31, 2020.

SECTION 5. APPROPRIATION - FEDERAL FUNDS - DEPARTMENT OF TRANSPORTATION. There is appropriated out of any moneys derived from federal funds, not otherwise appropriated, the sum of \$55,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of road and bridge projects, for the biennium beginning July 1, 2021, and ending June 30, 2023. Of the \$55,000,000, \$35,000,000 is federal funds that may be matched by funding appropriated in section 10 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, for road and bridge projects, and \$20,000,000 is federal funds that may be matched by funding appropriated in section 4 of this Act for township road and bridge projects pursuant to cooperative agreements.

SECTION 6. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - MATCHING FUNDS - ONE-TIME FUNDING.

1. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$70,000,000, or so much of the sum as may be necessary, to the department of career and technical education for the purpose of a statewide area career center initiative grant program for the period beginning with the effective date of this Act, and ending June 30, 2023. The department of career and technical education shall establish the application process and develop eligibility requirements for the grant program that must include:
 - a. Funding may be used only for career and technical education projects involving construction, addition, maintenance, and equipment for new and existing area career centers;
 - b. Grants awarded to each recipient must be at least \$500,000, but may not exceed \$10,000,000;
 - c. Grants may be awarded only to the extent a school district has secured matching funds from nonstate sources on a dollar-for-dollar basis;
 - d. An applicant identifying sufficient future nonstate sources of funding for ongoing operating and maintenance costs associated with a new or expanded area career center;
 - e. The application period for the grant program begins with the effective date of this Act and ends on June 30, 2022. Any funding not committed by December 31, 2022, may not be spent and must be canceled at the end of the 2021-23 biennium in accordance with section 54-44.1-11;
 - f. Preference must be given to school districts that collaborate with other school districts for a regional area career center facility or to school districts to create a new area career center or use an existing area career center to positively affect that region of the state; and
 - g. Preference must be given to school districts that will promote postsecondary education and workforce training education in conjunction with secondary education.

2. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$5,900,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing a grant to an entity for the development of a children's science center for the period beginning with the effective date of this Act, and ending June 30, 2023.
3. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of reconstruction of the university's apron at the Grand Forks airport for the period beginning with the effective date of this Act, and ending June 30, 2023.
4. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of a Pulver hall project, a meat processing laboratory remodel, and other projects for the period beginning with the effective date of this Act, and ending June 30, 2023.
5. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$3,000,000, or so much of the sum as may be necessary, to the highway patrol for the purpose of a law enforcement training center remodel project for the period beginning with the effective date of this Act, and ending June 30, 2023.
6. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing a grant for the construction of a new medical center located in the county seat of Griggs County for the period beginning with the effective date of this Act, and ending June 30, 2023.
7. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$157,600, or so much of the sum as may be necessary, to the judicial branch for the purpose of purchasing information technology equipment for the period beginning with the effective date of this Act, and ending June 30, 2023.
8. If the federal government distributes funding derived from the federal coronavirus capital projects fund to the state in more than one funding round, the office of management and budget shall prioritize the amounts received in the first funding round as follows:
 - a. \$19,763,000 to the department of career and technical education;
 - b. \$11,716,400 to the parks and recreation department;
 - c. \$5,900,000 to the department of public instruction;
 - d. \$5,000,000 to the university of North Dakota;
 - e. \$4,200,000 to the state historical society;

- f. \$4,000,000 to Dickinson state university;
 - g. \$3,000,000 to the highway patrol;
 - h. \$2,000,000 to the agriculture commissioner;
 - i. \$500,000 to the office of management and budget; and
 - j. \$157,600 to the judicial branch.
9. The funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

SECTION 7. LEGISLATIVE INTENT - AREA CAREER CENTERS - FUTURE COSTS. It is the intent of the sixty-seventh legislative assembly that school districts:

1. Prepare to provide for any future operating and maintenance costs relating to new or expanded area career centers resulting from the expenditure of federal coronavirus capital projects funds because state funds will not be provided to replace these federal funds; and
2. Prepare to provide increased local support for area career centers since state grant funding is limited and may not be available to support any increased future costs related to new or expanded area career centers completed with these federal funds.

SECTION 8. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of a space command initiative and related technical programs, including equipment, renovation costs, a sensitive compartmental information facility, and other expenses for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided under this section is considered a one-time funding item.

SECTION 9. APPROPRIATION - MAYVILLE STATE UNIVERSITY - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,600,000, or so much of the sum as may be necessary, to Mayville state university for a natural gas boiler project, for the period beginning with the effective date of this Act, and ending June 30, 2023. The funding provided under this section is considered a one-time funding item.

SECTION 10. APPROPRIATION - DEPARTMENT OF COMMERCE - DISCRETIONARY FUNDS - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing discretionary funds, for the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is considered a one-time funding item.

SECTION 11. APPROPRIATION - JUDICIAL BRANCH - VETERANS' COURT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$145,247, or so much of the sum as may be

necessary, to the judicial branch for the purpose of establishing a veterans' treatment court in the northeast central judicial district, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 12. APPROPRIATION - JUDICIAL BRANCH - YOUTH CULTURAL ACHIEVEMENT PROGRAMS. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$90,000, or so much of the sum as may be necessary, to the judicial branch for youth cultural achievement programs, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 13. 2019-21 BIENNIUM APPROPRIATION - TRANSFER - GENERAL FUND TO HIGHWAY FUND - 2021-23 BIENNIUM APPROPRIATION - HIGHWAY FUND AND FEDERAL FUNDS - REPORT.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000,000, which the office of management and budget shall transfer to the highway fund during the period beginning with the effective date of this Act, and ending June 30, 2021. The funds transferred to the highway fund must be maintained and reported separately from other funds in the highway fund.
2. There is appropriated out of any moneys in the highway fund, not otherwise appropriated, the sum of \$100,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of matching federal discretionary funds received in excess of the regular federal funding amounts included in the department's 2021-23 biennium budget, for the biennium beginning July 1, 2021, and ending June 30, 2023. Of this amount, the department shall use at least \$10,000,000 for matching federal funds for township road and bridge projects.
3. There is appropriated from federal funds, the sum of \$100,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of defraying the expenses of road and bridge construction projects for the biennium beginning July 1, 2021, and ending June 30, 2023.
4. On June 30, 2023, the office of management and budget shall transfer any unexpended and unobligated funds transferred to the highway fund under subsection 1 to the general fund.
5. During the 2021-22 interim, the department of transportation shall provide quarterly reports to the budget section regarding the use of funds transferred from the general fund to the highway fund.

SECTION 14. LEGACY FUND EARNINGS ESTIMATE - 2019-21 BIENNIUM. For legislative council budget status reporting purposes, the sixty-seventh legislative assembly estimates \$736,000,000 of earnings will be transferred from the legacy fund to the general fund at the end of the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 15. CONTINGENT APPROPRIATION - THEODORE ROOSEVELT PRESIDENTIAL LIBRARY - LOAN REPAYMENT - ONE-TIME FUNDING. Subject to the provisions of this section, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$17,500,000, or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of repaying the loan authorized in section 8 of chapter 26 of the 2019 Session Laws

related to the Theodore Roosevelt presidential library, for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided in this section is available only if the actual July 1, 2021, general fund balance exceeds the legislative estimate made at the close of the 2021 legislative session by at least \$17,500,000, as determined by the office of management and budget. This funding is considered a one-time funding item.

SECTION 16. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO GENERAL FUND. The office of management and budget shall transfer the sum of \$410,000,000 from the strategic investment and improvements fund to the general fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 17. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO CULTURAL ENDOWMENT FUND - INTENT. The office of management and budget shall transfer the sum of \$1,000,000 from the strategic investment and improvements fund to the cultural endowment fund during the biennium beginning July 1, 2021, and ending June 30, 2023. It is the intent of the sixty-seventh legislative assembly that the council on the arts expend up to \$50,000 annually from the cultural endowment fund pursuant to the appropriation authority provided in section 2 of Senate Bill No. 2010 during the 2021-23 biennium for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking program. It is further the intent of the legislative assembly that the council on the arts continue to expend \$50,000 annually from the cultural endowment fund for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking program until the moneys derived from the strategic investment and improvements fund transfer authorized under this section and deposited in the fund have been fully expended.

SECTION 18. TRANSFER - TAX RELIEF FUND TO HUMAN SERVICE FINANCE FUND. The office of management and budget shall transfer the sum of \$187,223,092 from the tax relief fund to the human service finance fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 19. TRANSFER - STATE STUDENT INTERNSHIP PROGRAM FUNDS TO STATE AGENCIES. The office of management and budget shall transfer funds from the state student internship program line item appropriated in section 1 of this Act to eligible state agencies for state student internships during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 20. ESTIMATED INCOME - ONE-TIME FUNDING - CAPITOL BUILDING FUND. The estimated income line item in section 1 of this Act includes \$2,168,800 of one-time funding from the capitol building fund. Of the \$2,168,800, \$350,000 in the operating expenses line item is for a facility consolidation study, \$300,000 in the operating expenses line item is for special assessments associated with the capitol grounds, \$500,000 in the capital assets line item is for extraordinary repairs, \$518,800 in the capital assets line item is for a building automation project, and \$500,000 in the capital assets line item is for interior and exterior signage.

SECTION 21. ESTIMATED INCOME - ONE-TIME FUNDING - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The estimated income line item in section 1 of this Act includes \$3,251,304 from the strategic investment and improvements fund. Of the \$3,251,304, \$2,021,204 in the capital assets line item is for procurement software, and \$1,230,100 in the capital assets line item is for budget software.

SECTION 22. GRANTS AND SPECIAL ITEMS. Section 1 of this Act includes appropriation authority which may be used only for the following grants and special items:

Unemployment insurance	\$2,000,000
Capitol grounds planning commission	\$25,000
Statewide memberships and related expenses	\$642,089

SECTION 23. RISK MANAGEMENT FUND - CLAIMS PAYMENT. Pursuant to the continuing appropriation authority under section 32-12.2-07, the director of the office of management and budget may make payments from the risk management fund during the biennium beginning July 1, 2021, and ending June 30, 2023, for reasonable and necessary costs and attorney's fees incurred by a state employee as a result of a criminal investigation or prosecution occurring after December 31, 2018, under circumstances in which there was an absence of probable cause, as identified in a prosecutorial or judicial determination or as determined by the director of the office of management and budget in the absence of a prosecutorial or judicial determination, and in which the offense involves the discharge of a public duty. The director of the office of management and budget shall consult with the attorney general when reviewing claims under this section and shall obtain written approval from the attorney general for any claim exceeding ten thousand dollars.

SECTION 24. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.

1. The 2021-23 biennium compensation adjustments for permanent state employees are to average 1.5 percent with a minimum of \$100 per month per eligible employee for the first fiscal year of the biennium and are to average 2 percent per eligible employee for the second year of the biennium. The increases for the first year of the biennium are to be given beginning with the month of July 2021, to be paid in August 2021, and for the second year of the biennium are to be given beginning with the month of July 2022, to be paid in August 2022. Except for minimum amounts, increases for eligible state employees are to be based on documented performance and are not to be the same percentage increase for each employee.
2. The office of management and budget shall develop guidelines for use by state agencies for providing compensation adjustments for classified state employees. The guidelines must follow the compensation philosophy statement under section 54-44.3-01.2.
3. Probationary employees are not entitled to the increases. However, at the discretion of the appointing authority, probationary employees may be given all or a portion of the increases effective in July, paid in August, or upon completion of probation. Employees whose overall documented performance level does not meet standards are not eligible for any salary increase.

SECTION 25. AMENDMENT. Subsection 1 of section 10-04-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state securities department is under the supervision of a chief officer designated as the securities commissioner. The securities commissioner must be appointed by the governor and confirmed by the senate and shall hold office for a term of four years, beginning on the first day of July following a national presidential election and continuing until a successor has been appointed, confirmed by the senate, and has qualified, unless removed as

herein provided. If the senate is not in session, the governor may make an interim appointment, and the interim appointee shall may hold office until the senate confirms or rejects the appointment. ~~The commissioner must be skilled in securities and may not be an incumbent of any other public office in the state.~~ The commissioner may not own or control any security required to be registered under this chapter, or any security which is exempt based on the approval of the securities department. The commissioner may not be an officer, director, or employee of any broker-dealer, agent, investment adviser, or investment adviser representative required to be registered under this chapter, or of a federal covered adviser required to be notice-filed under this chapter. The governor may remove from office any commissioner who fails to discharge faithfully the duties of office or who becomes disqualified under the provisions of this section.

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

SECTION 26. A new section to chapter 10-04 of the North Dakota Century Code is created and enacted as follows:

Legacy fund investments - Notice filing.

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

SECTION 27. A new section to chapter 24-02 of the North Dakota Century Code is created and enacted as follows:

Cooperative agreements - Federal transportation-related aid and safety and mobility.

The director may enter into cooperative agreements with any transferee under section 54-27-19 or any federal agency operating a national park and may expend highway fund moneys pursuant to legislative appropriations to match federal funds for the purposes of providing assistance with the assessment, design, and construction of projects to improve the safety and mobility of people or goods in the state.

¹¹ **SECTION 28. AMENDMENT.** Section 54-09-05 of the North Dakota Century Code, as amended by section 4 of House Bill No. 1002, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

54-09-05. Salary of secretary of state.

The annual salary of the secretary of state is one hundred twelve thousand two hundred forty-one dollars through June 30, ~~2024~~2022, and one hundred fourteen thousand four hundred eighty-six dollars thereafter.

¹² **SECTION 29. AMENDMENT.** A new chapter to title 54 of the North Dakota Century Code, as created by section 3 of House Bill No. 1452 as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

Definitions.

As used in this chapter:

1. "Authority" means the clean sustainable energy authority.
2. "Clean" means a technology or concept that reduces emissions to the air, water, or land and meets or exceeds state and federal environmental regulations.
3. "Commission" means the industrial commission.
4. "Fund" means the clean sustainable energy fund.
5. "Program" means the clean sustainable energy program.
6. "Sustainable" means a technology or concept that allows the use of a natural resource to be maintained or enhanced through increased efficiency and life cycle benefits while either increasing or not adversely impacting energy security, affordability, reliability, resilience, or national security.

Clean sustainable energy authority - Purpose.

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

Clean sustainable energy authority - Membership - Meetings.

1. The clean sustainable energy authority consists of sixteen members, including eight voting members and eight nonvoting technical advisors.

¹¹ Section 54-09-05 was also amended by section 4 of House Bill No. 1002, chapter 2; section 54-63.1-05 was created by section 29 of House Bill No. 1015, chapter 15.

¹² Section 54-63.1-07 was created by section 3 of House Bill No. 1452, chapter 448.

2. The eight voting members consist of:
 - a. One member appointed by the legislative management to serve as chairman;
 - b. Two members appointed by the lignite research council;
 - c. Two members appointed by the oil and gas research council;
 - d. Two members appointed by the renewable energy council; and
 - e. One member appointed by the western Dakota energy association.
3. The eight nonvoting technical advisors consist of:
 - a. One member appointed by the North Dakota outdoor heritage fund advisory board;
 - b. The commissioner of commerce or the commissioner's designee;
 - c. The director of the department of environmental quality or the director's designee;
 - d. The director of mineral resources or the director's designee;
 - e. The director of the North Dakota pipeline authority or the director's designee;
 - f. The director of the North Dakota transmission authority or the director's designee;
 - g. The director of the state energy research center or the director's designee; and
 - h. The president of the Bank of North Dakota or the president's designee;.
4. The term of office for the chairman is two years. The term of office for the other voting members is four years, and the other voting members may not serve more than two consecutive terms. The terms of office for the voting members commence on July first. The initial terms for the voting members of the authority must be staggered following a method determined by the authority.
5. The authority shall meet at least semiannually. The chairman shall call a meeting upon written request from three voting members of the authority. Five voting members is a quorum at any meeting.
6. The authority may not forward a recommendation to the commission unless the recommendation fulfills the purposes of this chapter and is approved by a majority of the voting members of the authority.

Clean sustainable energy authority - Duties - Report.

1. The authority shall make recommendations to the commission for program guidelines, including eligibility criteria for entities to receive funding under this chapter.

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

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

1. The commission is granted all the powers necessary to carry out the purposes of this chapter, including the power to:
 - a. Provide grants, loans, or other forms of financial assistance to qualified entities for the research, demonstration, development, and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and use energy sources derived from within the state. Other forms of financial assistance include venture capital investments and interest rate buydowns. The commission must require an entity to provide assurance of financial and other types of support that demonstrate a commitment to the project, process, activity, or technology.

- The commission may develop policies for the approval of loans or loan guarantees issued from the clean sustainable energy fund.
- b. Enter into contracts or agreements to carry out the purposes of this chapter, including contracting for the administration of the program.
 - c. Keep accurate records of all financial transactions performed under this chapter.
 - d. Cooperate with any private, local, state, or national organization to make contracts and agreements for programs that advance the mission of the program.
 - e. Accept loan repayments, donations, grants, contributions, or gifts from any public or private source to carry out the purposes of this chapter, which must be deposited in the clean sustainable energy fund.
 - f. Make guidelines necessary to carry out the purposes of this chapter, including guidelines relating to the ownership of intellectual property.
 - g. Borrow from the Bank of North Dakota, as authorized by the legislative assembly, to make loans or loan guarantees under a loan program or loan guarantee program developed by the clean sustainable energy authority.
2. The commission may acquire, purchase, hold, use, lease, license, sell, transfer, or dispose of any interest in an asset necessary for clean sustainable energy technology development to facilitate the production, transportation, distribution, or delivery of clean energy commodities produced in the state as a purchases of last resort.
 3. The commission shall provide administrative support to the authority for the operation of the program, including the preparation of forms, review of applications, and ongoing review of any contracts. The commission may contract with a public or private entity to provide technical assistance necessary to implement the purposes of this chapter.
 4. The commission is not subject to the reporting requirements under chapter 54-60.1.

Clean sustainable energy program - Access to records.

1. To the extent the commission or authority determines the materials or data consist of trade secrets or commercial, financial, or proprietary information of individuals or entities applying to or contracting with the commission or receiving commission services under this chapter, materials and data submitted to, made by, or received by the commission or authority, are not public records subject to section 44-04-18 and section 6 of article XI of the Constitution of North Dakota, and are subject to section 44-04-18.4.
2. A person or entity may file a request with the commission to have material designated as confidential under subsection 1. The request must contain any information required by the commission and must include at least the following:
 - a. A general description of the nature of the information sought to be protected.

- b. An explanation of why the information derives independent economic value, actual or potential, from not being generally known to other persons.
 - c. An explanation of why the information is not readily ascertainable by proper means of other persons.
 - d. A general description of any person that may obtain economic value from disclosure or use of the information, and how the person may obtain this value.
 - e. A description of the efforts used to maintain the secrecy of the information.
3. Any request under subsection 2 is confidential. The commission shall examine the request and determine whether the information is relevant to the matter at hand and is a trade secret under the definition in section 47-25.1-01 or 44-04-18.4. If the commission determines the information is either not relevant or not a trade secret, the commission shall notify the requester and the requester may ask for the return of the information and the request within ten days of the notice. If no return is sought, the information and request are public record.
 4. The names or identities of independent technical reviewers on a project or program are confidential, may not be disclosed by the commission, and are not public records subject to section 44-04-18 or section 6 of article XI of the Constitution of North Dakota.

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

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

the line of credit, the industrial commission shall request from the legislative assembly a deficiency appropriation to repay the line of credit or the industrial commission may repay the line of credit from other funds, as appropriated by the legislative assembly.

4. The industrial commission may access the line of credit to the extent needed through June 30, 2025, to provide funding as authorized by the legislative assembly to support loans or loan guarantees issued from the clean sustainable energy fund. Any moneys borrowed from the Bank of North Dakota pursuant to this section must be transferred to the clean sustainable energy fund to support loans or loan guarantees.

SECTION 30. A new subsection to section 54-44-04 of the North Dakota Century Code is created and enacted as follows:

Shall prepare and submit a quarterly report to the legislative management of each executive branch agency that gives any full-time state employee salary increases between April 1, 2021, and June 30, 2023, which cumulatively are fifteen percent or more over the employee's base salary as of March 31, 2021. The report must include the name of each employee receiving the increase and any relevant salary information.

SECTION 31. AMENDMENT. Subsection 3 of section 54-44-11 of the North Dakota Century Code is amended and reenacted as follows:

3. The office of management and budget shall establish a state personnel training and development operating fund to be used for the coordination of employee training and career development data, supplies, equipment, and services and for providing or arranging necessary training and development programs to state departments and agencies. Funds in the state personnel training and development operating fund are appropriated on a continuing basis to the office of management and budget and may be spent for the purposes identified in this subsection. Any surplus in this fund in excess of ~~twenty-five~~one hundred thousand dollars on June thirtieth of each year must be transferred to the state general fund.

SECTION 32. AMENDMENT. Section 54-44.1-18 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-18. Searchable database of expenditures.

1. The director of the budget shall develop and make publicly available an aggregate and searchable budget database website that includes the following information for the biennium:
 - a. Each budget unit making expenditures.
 - b. The amount of funds expended.
 - c. The source of the funds expended.
 - d. The budget program of the expenditure.
 - e. Any other information determined relevant by the director of the budget.

2. The director of the budget shall include the name and city of the recipient of each expenditure in the budget database website after the director has completed implementation of a business intelligence component to the state's financial reporting system.
3. The director of the budget may not include in the database any information that is confidential or exempt under state or federal law.
4. The director of the budget may update the budget database website as new data becomes available. Each state agency shall provide to the director of the budget any data required to be included in the budget database website no later than thirty days after the data becomes available to the agency.
5. By January first of each even-numbered year, the director of the budget shall add data for the previous biennium to the budget database website. The director of the budget shall ensure that all data added to the budget database website remains accessible to the public for a minimum of ten years.
6. The budget database website may not redirect users to any other government website, unless the website has information from all budget units and each category of information required can be searched electronically by field in a single search.
7. ~~The governing body of each political subdivision may submit the annual budget adopted by the governing body to the director of the budget. The director of the budget shall include on the office of management and budget website any information submitted by a participating governing body of a political subdivision. The official who submits the annual budget to the director of the budget may not submit any information that is confidential under state or federal law. In lieu of submitting the annual budget adopted by the governing body to the director, any participating governing body may provide to the director a publicly accessible internet link on which the annual budget adopted by the participating governing body is available.~~

SECTION 33. AMENDMENT. Section 54-44.4-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-07. Procurement of environmentally preferable products.

1. The office of management and budget, the institutions of higher education, and any other state agency or institution that has authority to purchase products are encouraged to purchase environmentally preferable products.
 - a. ~~Where~~When practicable, specifications for purchasing newsprint printing services should specify the use of soybean-based ink. The North Dakota soybean council and the agriculture commissioner shall assist the office of management and budget in locating suppliers of soybean-based inks and in collecting data on the purchase of soybean-based inks.
 - b. ~~In requesting bids for paper products, the office of management and budget must request information on the recycled content of such products.~~
 - e. ~~Where~~When practicable, biobased products should be specified.

2. The office of management and budget, in coordination with the state board of higher education, shall develop guidelines for a biobased procurement program.

SECTION 34. AMENDMENT. Section 54-44.4-08 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-08. Purchase of recycled paper products.

~~The~~When practicable, the office of management and budget, and any state agency or institution that has authority to purchase products, ~~shall ensure that at least twenty percent of the total volume of paper and paper products being purchased for state agencies and institutions contain, should specify~~ at least twenty-five percent recycled material. ~~The office of management and budget shall implement a methodology to track compliance with this section.~~

¹³ **SECTION 35. AMENDMENT.** Section 57-51.1-07.5 of the North Dakota Century Code is amended and reenacted as follows:

57-51.1-07.5. State share of oil and gas taxes - Deposits.

From the revenues designated for deposit in the state general fund under chapters 57-51 and 57-51.1, the state treasurer shall deposit the revenues received each biennium in the following order:

1. The first two hundred million dollars into the state general fund;
2. The next two hundred million dollars into the tax relief fund;
3. The next seventy-five million dollars into the budget stabilization fund, but not in an amount that would bring the balance in the fund to more than the limit in section 54-27.2-01;
4. The next two hundred million dollars into the state general fund;
5. The next ten million dollars into the lignite research fund;
6. The next ~~fifteen~~twenty million dollars into the state disaster relief fund, but not in an amount that would bring the unobligated balance in the fund to more than ~~fifteen~~twenty million dollars;
7. ~~The next thirty million three hundred seventy five thousand dollars, or the amount necessary to provide for the distributions under subsection 2 of section 57-51.1-07.7, into the municipal infrastructure fund;~~
8. The next four hundred million dollars into the strategic investment and improvements fund;
9. ~~An amount equal to the deposit under subsection 7 into the county and township infrastructure fund;~~
8. The next fifty-nine million seven hundred fifty thousand dollars, or the amount necessary to provide for twice the amount of the distributions under subsection 2 of section 57-51.1-07.7, into the funds designated for

¹³ Section 57-51.1-07.5 was also amended by section 1 of Senate Bill No. 2249, chapter 482.

infrastructure development in non-oil-producing counties under sections 57-51.1-07.7 and 57-51.1-07.8 with fifty percent deposited into the municipal infrastructure fund and fifty percent deposited into the county and township infrastructure fund:

- ~~40-9.~~ The next one hundred ~~sixty-nin~~seventy million two hundred fifty thousand dollars or the amount necessary to provide a total of two hundred thirty million dollars into the funds designated for infrastructure development in non-oil-producing counties under sections 57-51.1-07.7 and 57-51.1-07.8 with fifty percent deposited into the municipal infrastructure fund and fifty percent deposited into the county and township infrastructure fund;
- ~~44-10.~~ The next twenty million dollars into the airport infrastructure fund; and
- ~~42-11.~~ Any additional revenues into the strategic investment and improvements fund.

¹⁴ **SECTION 36. AMENDMENT.** Subsection 2 of section 57-51.1-07.7 of the North Dakota Century Code is amended and reenacted as follows:

2. Within forty days after the fund balance is greater than or equal to the amount needed for the grants under this subsection or by September thirtieth of each odd-numbered year, whichever is earlier, the state treasurer shall distribute moneys in the fund as grants to cities for essential infrastructure projects. The state treasurer shall distribute the grants only if the fund balance is at least ten percent of the amount needed for distributions under this subsection based on the following:
 - a. Two million five hundred thousand dollars to each city with a population of at least five thousand;
 - b. Five hundred thousand dollars to each city with a population of at least two thousand but less than five thousand; and
 - c. One hundred twenty-five thousand dollars to each city with a population of at least one thousand but less than two thousand.
 - d. If, at the time of the distributions, the moneys in the fund are less than the amount needed for the grants under this subsection, the state treasurer shall distribute the grants under this subsection on a pro rata basis.
 - e. For the purposes of determining the city's population under this subsection, the state treasurer shall use the most recent actual or estimated census data published by the United States census bureau.

¹⁵ **SECTION 37. AMENDMENT.** Subsection 3 of section 57-51.1-07.7 of the North Dakota Century Code is amended and reenacted as follows:

3. Within sixty days after the fund receives its statutory limit of oil and gas tax allocations under section 57-51.1-07.5 or by September thirtieth of each odd-numbered year, whichever is earlier, the state treasurer shall distribute

¹⁴ Section 57-51.1-07.7 was also amended by section 37 of House Bill No. 1015, chapter 15.

¹⁵ Section 57-51.1-07.7 was also amended by section 36 of House Bill No. 1015, chapter 15.

the moneys in the fund as grants to cities for essential infrastructure projects. The state treasurer shall distribute the grants only if the fund balance is at least ten percent of the amount needed for distributions under this subsection based on the following:

- a. One hundred fifty dollars per person of the city's population.
- b. In addition to the amounts in subdivision a, for a city with a positive average of the annual percentage increase in population from three years prior, a dollar amount equal to the product of the following:
 - (1) The amount calculated in subdivision a; and
 - (2) The average of the annual percentage increase in population from three years prior, multiplied by ten.
- c. In addition to the amounts in subdivisions a and b, for a city with a positive average of the annual percentage increase in taxable property values from three years prior, a dollar amount equal to the average of the annual property valuation percentage increase for the three most recent years, multiplied by twenty-five thousandths.
- d. Grants may be distributed under this subdivision only if the grant distributions under subsection 2 are completed. If the moneys in the fund are insufficient to provide for the grants, the state treasurer shall distribute the grants under this subsection on a pro rata basis. If any moneys remain in the fund after the distribution of grants under this subsection, the state treasurer shall distribute any remaining moneys in the fund in proportion to the combined total distributed to each city under this section relative to the combined total distributed to all the cities under this section.
- e. For the purposes of determining the city's population under this subsection, the state treasurer shall use the most recent actual or estimated census data published by the United States census bureau.
- f. For the purposes of determining taxable property values, the state treasurer shall use the most recent data published by the tax commissioner in the tax levy report.

SECTION 38. AMENDMENT. Subsection 2 of section 57-51.1-07.8 of the North Dakota Century Code is amended and reenacted as follows:

2. Within sixty days after the fund receives its statutory limit of oil and gas tax allocations under section 57-51.1-07.5 or by September thirtieth of each odd-numbered year, whichever is earlier, the state treasurer shall distribute moneys in the fund as grants to counties for road and bridge infrastructure projects. The state treasurer shall distribute the grants only if the fund balance is at least ten percent of the amount needed for distributions under this section.

SECTION 39. REPEAL. Section 54-06-25 of the North Dakota Century Code is repealed.

SECTION 40. EXEMPTION - FISCAL MANAGEMENT. The amount appropriated for the fiscal management division, as contained in section 1 of chapter 40 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any

unexpended funds from this appropriation are available for continued development and operating costs of the statewide systems, including accounting, management, and payroll, during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 41. EXEMPTION - STATE STUDENT INTERNSHIP PROGRAM. The amount of \$250,000 appropriated in section 1, identified in section 2, and transferred in section 8 of chapter 40 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the office of management and budget for the state student internship program during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 42. EXEMPTION - ASSESSMENT OF STATE LANDS AND FACILITIES. The amount of \$500,000 appropriated from the strategic investment and improvements fund in section 1 and identified in section 2 of chapter 40 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the office of management and budget to continue the assessment of state lands and facilities during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 43. LEGISLATIVE MANAGEMENT STUDY - SPACE NEEDS AT STATE CAPITOL.

1. During the 2021-22 interim, the legislative management shall consider studying space needs of the executive, judicial, and legislative branches at the state capitol. The study must include:
 - a. A review of each branch's employee work location policies;
 - b. An assessment of the space needs of each branch to fulfill their constitutional and statutory responsibilities;
 - c. An evaluation of state agency leases of space from private and other governmental entities in Bismarck, amounts being paid for these leases, and state agency rental payments being made to the office of management and budget from special and federal funds;
 - d. Consideration of the feasibility and desirability of the office of management and budget charging rent to agencies receiving funding from the general fund; and
 - e. The development of a space utilization plan for the capitol complex.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 44. LEGISLATIVE MANAGEMENT STUDY - STATE EMPLOYEE COMPENSATION. During the 2021-22 interim, the legislative management shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 45. LEGISLATIVE MANAGEMENT STUDY - BIOLOGIC MANUFACTURING SALES TAX EXEMPTION. During the 2021-22 interim, the

legislative management shall consider studying the fiscal impact of providing a sales tax exemption for raw materials critical to the manufacturing process used to support biologic product generation, product impurity removal, chemical or physical product alteration, and analysis of in-process to final deliverable products. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 46. EMERGENCY. The following are declared to be an emergency measure:

1. Sections 3, 6, 9, and 13 of this Act;
2. Section 3 of House Bill No. 1349, as approved by the sixty-seventh legislative assembly;
3. \$12,000,000 appropriated from the federal coronavirus relief fund, of which \$6,565,432 is in the operating expenses line item and \$5,434,568 is in the grants line item in section 1 and identified in sections 2 and 8 of Senate Bill No. 2018, as approved by the sixty-seventh legislative assembly;
4. \$100,000 appropriated from the general fund for a motion picture production and recruitment grant in the grants line item in section 1 and identified in section 2 of Senate Bill No. 2018, as approved by the sixty-seventh legislative assembly;
5. Senate Bill No. 2140, as approved by the sixty-seventh legislative assembly;
and
6. Senate Bill No. 2317, as approved by the sixty-seventh legislative assembly.

Approved May 10, 2021

Filed May 10, 2021

CHAPTER 16**HOUSE BILL NO. 1016**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the office of the adjutant general; to amend and reenact section 37-17.1-14.6 of the North Dakota Century Code, relating to the northern emergency management assistance compact; to provide an exemption; to provide a report; to provide legislative intent; to provide for a transfer; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the office of the adjutant general for the purpose of defraying the expenses of the office of the adjutant general, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

NATIONAL GUARD

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$6,833,766	\$316,723	\$7,150,489
Operating expenses	2,767,321	1,280,992	4,048,313
Capital assets	224,046	21,500,000	21,724,046
Grants	210,916	0	210,916
Civil air patrol	305,134	3,991	309,125
Tuition, recruiting, and retention	4,782,072	(1,739,837)	3,042,235
Air guard contract	8,571,129	(80,968)	8,490,161
Army guard contract	46,940,013	1,683,460	48,623,473
Veterans' cemetery	1,151,906	174,092	1,325,998
Reintegration program	<u>1,051,168</u>	<u>(125,644)</u>	<u>925,524</u>
Total all funds	\$72,837,471	\$23,012,809	\$95,850,280
Less estimated income	<u>54,214,657</u>	<u>24,901,907</u>	<u>79,116,564</u>
Total general fund	\$18,622,814	(\$1,889,098)	\$16,733,716

Subdivision 2.

DEPARTMENT OF EMERGENCY SERVICES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,986,431	\$1,245,809	\$12,232,240
Operating expenses	8,060,574	(1,458,240)	6,602,334
Capital assets	0	660,000	660,000
Grants	16,273,425	(1,723,425)	14,550,000
Disaster costs	<u>36,555,085</u>	<u>14,930,651</u>	<u>51,485,736</u>
Total all funds	\$71,875,515	\$13,654,795	\$85,530,310

Less estimated income	<u>63,108,132</u>	<u>16,043,662</u>	<u>79,151,794</u>
Total general fund	\$8,767,383	(\$2,388,867)	\$6,378,516

Subdivision 3.

SECTION 1 TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$27,390,197	(\$4,277,965)	\$23,112,232
Grand total special funds	<u>117,322,789</u>	<u>40,945,569</u>	<u>158,268,358</u>
Grand total all funds	\$144,712,986	\$36,667,604	\$181,380,590
Full-time equivalent positions	222.00	0.00	222.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Fraine Barracks automation system	\$0	\$320,000
Emergency response equipment and supplies	0	100,000
Fargo readiness center equipment	0	100,000
Dickinson readiness center project	0	15,500,000
Bridge training site	0	6,000,000
Deferred maintenance	0	1,000,000
Emergency response equipment	660,000	0
Camp Grafton expansion	600,000	0
Uninterruptible power supply battery replacement	20,000	0
Computer-aided dispatch equipment	516,000	0
Message switch system upgrade	335,000	0
Dispatching service fee shortfall	<u>1,212,253</u>	<u>0</u>
Total all funds	\$3,343,253	\$23,020,000
Total other funds	<u>3,162,253</u>	<u>22,790,000</u>
Total general fund	\$181,000	\$230,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The adjutant general shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - TRANSFER - NATIONAL GUARD TRAINING AREA AND FACILITY DEVELOPMENT TRUST FUND - ONE-TIME FUNDING.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,750,000, which the office of management and budget shall transfer to the national guard training area and facility development trust fund, the sum of which is appropriated to the adjutant general for the expansion of camp Grafton, for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided in this section is considered a one-time funding item.

SECTION 4. APPROPRIATION - NORTH DAKOTA MILITARY MUSEUM. The adjutant general may accept up to \$10,000,000 from other funds, including private and federal funds, the sum of which is appropriated to the adjutant general for the construction of a North Dakota military museum during the period beginning with the effective date of this Act, and ending June 30, 2023. The adjutant general, with the approval of the governor, may enter into an agreement with the director of the parks

and recreation department or the state historical society for the construction of a new facility, the renovation of an existing property, and the operations and maintenance of a military museum. The funding provided in this section is considered a one-time funding item.

SECTION 5. VETERANS' CEMETERY MAINTENANCE FUND - APPROPRIATION. In addition to the amount appropriated to the adjutant general in the veterans' cemetery line item in subdivision 1 of section 1 of this Act, there is appropriated any additional funds that are received and deposited in the veterans' cemetery maintenance fund pursuant to sections 37-03-14 and 39-04-10.10 for the operation of the North Dakota veterans' cemetery for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 6. FIRE EMERGENCY - WILDFIRE RESPONSE MUTUAL AID - BANK OF NORTH DAKOTA LOAN AUTHORIZATION. The office of the adjutant general may borrow from the Bank of North Dakota the sum of \$2,500,000, or so much of the sum as may be necessary, for fire emergency and wildfire response mutual aid, for the period beginning with the effective date of this Act and ending June 30, 2023. The proceeds of the loan are appropriated to the adjutant general in the disaster costs line item in subdivision 2 of section 1 of this Act, for personnel, equipment, materials, supplies, and intrastate and interstate mutual aid reimbursement for wildfire response, including compensation for the fire response personnel mandatory days off and mandatory quarantine and isolation periods for COVID-19 close contact and positive test results in accordance with federal centers for disease control and prevention, state department of health, and federal department of defense guidelines. The department of emergency services, in consultation with the North Dakota forest service, may create an intrastate wildfire mutual aid reimbursement program for the purpose of reimbursing the costs of mutual aid response by fire departments. The department of emergency services shall define rules and eligibility for wildfire intrastate mutual aid reimbursement. The office of the adjutant general shall request from the sixty-eighth legislative assembly a deficiency appropriation from the state disaster relief fund sufficient for the repayment of the amount borrowed plus interest.

SECTION 7. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - NATIONAL GUARD - DEFERRED MAINTENANCE. The estimated income and the operating expenses line items in subdivision 1 of section 1 of this Act include the sum of \$1,000,000 from the strategic investment and improvements fund for national guard deferred maintenance projects.

SECTION 8. AMENDMENT. Section 37-17.1-14.6 of the North Dakota Century Code is amended and reenacted as follows:

37-17.1-14.6. Northern emergency management assistance compact.

The northern emergency management assistance compact is entered with all jurisdictions legally joining the compact in the form substantially as follows:

ARTICLE I - NAME AND SCOPE

1. This compact is established as directed by the state and province emergency management assistance memorandum of agreement and brought into force by congressional consent on September 14, 2012, by the 112th Congress of the United States of America.

2. The object of this compact shall be to facilitate cross-border emergency management assistance through mutual aid.

ARTICLE II - MEMBERSHIP

1. Membership in this compact shall be open to the states and provinces having signed the state and province emergency management assistance memorandum of agreement, hereinafter referred to as party jurisdictions.
2. Representatives from the nonsignatory states and provinces as well as the national governments of Canada and the United States shall be nonvoting members.

ARTICLE III - BOARD

1. The policies and direction of this compact shall be directed and controlled by a board of directors, which shall consist of the directors of emergency management or measures, or their designated official substitute from the party jurisdictions. The designated official substitute shall be specified either on the jurisdiction's compact contact sheet or in writing to the compact co-chairs.
2. The board may invite representatives from other governments, subject matter experts, and such other individuals as they may deem appropriate to attend the compact meetings as nonvoting participants.

ARTICLE IV - GOVERNMENT

1. The board of directors shall act as the governing body of this compact.
2. The following shall be the officers:
 - a. A co-chair elected from the participating states; and
 - b. A co-chair elected from the participating provinces.
3. The co-chairs shall be elected ~~biannually~~biennially in alternate years.
4. In the event a co-chair is unable to fulfill the co-chair's term, a special election shall be held at the next meeting, regular or special, to fill the remainder of the co-chair's term.

ARTICLE V - SUBCOMMITTEES AND WORKING GROUPS

1. The compact board of directors may appoint subcommittees and working groups as needed.
2. Each subcommittee and working group shall be co-chaired by a representative of a Canadian and a United States party jurisdiction.
3. The subcommittees and working groups shall report to this compact through the co-chairs and the co-chairs are ex officio members of all subcommittees and working groups.

ARTICLE VI - MEETINGS

1. This compact shall meet at least once a year at locations to be determined by the board of directors.
2. Special meetings may be held at any time by order of the co-chairs.
3. Meetings may be held by conference call or other communication facilities that permit all persons participating in the meeting to communicate with each other, and all persons participating in the meeting by such means are deemed to be present.
4. A jurisdiction may participate at its own cost in any meeting by telephone or other communication facilities that permit all persons participating in the meeting to communicate with each other, and a person participating in a meeting by such means is deemed to be present at the meeting.
5. The newest co-chair shall be responsible for creating a record of decisions for each meeting.
6. The newest co-chair shall be responsible for distributing meeting agendas, records of decisions, and any documents slated for discussion at a meeting to the board of directors.
7. A meeting agenda and any documents slated for discussion at a meeting should be circulated to the board of directors a minimum of thirty days prior to the meeting.
8. All meetings shall follow a form agreed to by the co-chairs.
9. A quorum shall consist of a simple majority of party jurisdictions that consists of at least one party jurisdiction from Canada and one party jurisdiction from the United States of America. Jurisdictions participating by proxy shall not count towards a quorum.

ARTICLE VII - VOTING

1. Each party jurisdiction shall have only one vote on any motion or election.
2. Motions may only be introduced or seconded by members of the board of directors present or represented by proxy.
3. Motions arising at any meeting shall be determined by consensus. In the absence of consensus a two-thirds majority is required from each of the Canadian and United States of America party jurisdictions either present or represented by proxy. A vote given in accordance with the terms of a proxy shall be valid.
4. If the director or designated official substitute of a party jurisdiction cannot attend a meeting of the northern emergency management assistance compact, the party jurisdiction may give a proxy to another jurisdiction. A proxy shall be in writing under the hand of the director or designated official substitute. The proxy shall be delivered to one of the co-chairs before or at the meeting. A proxy is valid for one meeting.

ARTICLE VIII - SIGNING AUTHORITY

Documents or other instruments requiring the signature of the compact shall be signed by both co-chairs.

ARTICLE IX - AMENDMENTS

These bylaws may be amended by a two-thirds vote at any meeting of the compact provided that thirty days' notice in writing be given of such meeting to the voting member of each party jurisdiction and that the notice contains the text, or the general nature, of any proposed amendments.

ARTICLE X - OPERATIONS MANUAL AND BYLAWS

1. The most recent past co-chair shall be responsible for updating and storing a copy of the most recent version of the operations manual and bylaws.
2. Any party jurisdiction may request that amendments be made to the operations manual and bylaws.
3. All requests for amendments to the operations manual and bylaws shall be submitted to the past co-chair responsible for the operations manual and bylaws.
4. Amendments to the operations manual and bylaws shall come into force on the date that the operations manual or bylaws, respectively, are approved by the board of directors or a later date as decided by the board of directors.

ARTICLE XI - TRAINING

The senior co-chair shall be responsible for coordinating delivery of the compact training and exercises to party jurisdictions.

SECTION 9. EXEMPTION - MAINTENANCE AND REPAIRS - TRANSFERS.

Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer up to \$500,000 of appropriation authority to the operating expenses and capital assets line items contained in section 1 of this Act from the various other line items contained in section 1 of this Act, as requested by the adjutant general to provide for the maintenance and repair of state-owned armories in this state during the biennium beginning July 1, 2021, and ending June 30, 2023. The adjutant general shall notify the legislative council of any transfers made pursuant to this section.

SECTION 10. EXEMPTION. Any amounts continued from the strategic investment and improvements fund pursuant to section 14 of chapter 41 of the 2019 Session Laws, which are unexpended as of June 30, 2021, are not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to complete the mobile repeaters and programming radios, and for technology upgrade costs required to implement the statewide interoperable radio network during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 11. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in subdivision 1 of section 1 of chapter 41 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to provide tuition assistance, recruiting, and retention incentives to eligible members of the North Dakota national guard during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 12. EXEMPTION. The sum of \$450,000 from the strategic investment and improvements fund and \$66,000 from the general fund appropriated for computer-aided dispatch equipment in subdivision 2 of section 1 of chapter 41 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used for computer-aided dispatch equipment during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 13. EXEMPTION. The sum of \$240,000 from the strategic investment and improvements fund and \$95,000 from the general fund appropriated for the message switch upgrade in subdivision 2 of section 1 of chapter 41 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to complete the message switch upgrade project during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 14. EXEMPTION. The amount of \$600,000 from the strategic investment and improvements fund appropriated in the camp Grafton expansion line item in subdivision 1 of section 1 of chapter 41 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to continue the expansion of camp Grafton during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 15. LEGISLATIVE INTENT - CAMP GRAFTON EXPANSION. It is the intent of the sixty-seventh legislative assembly that:

1. The adjutant general contract for the purchase or long-term lease of land for the camp Grafton expansion, including the purchase of no more than one thousand six hundred acres and the long-term lease of the remainder, not to exceed six thousand acres in total.
2. The adjutant general not use eminent domain for the expansion of camp Grafton.

SECTION 16. BUDGET SECTION REPORT - CAMP GRAFTON EXPANSION. During the 2021-22 interim, the adjutant general shall report to the budget section regarding any land purchased for the expansion of camp Grafton.

SECTION 17. EMERGENCY. Sections 4 and 6 and the disaster costs line item in subdivision 2 of section 1 of this Act are declared to be an emergency measure.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 17

HOUSE BILL NO. 1017

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the game and fish department; to provide a report; to provide for a transfer; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the game and fish fund in the state treasury, not otherwise appropriated, and from other special funds derived from federal funds and other income, to the game and fish department for the purpose of defraying the expenses of the game and fish department, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$31,497,736	\$2,243,856	\$33,741,592
Operating expenses	15,949,169	327,613	16,276,782
Capital assets	5,917,891	1,658,379	7,576,270
Grants - game and fish	8,547,165	376,178	8,923,343
Land habitat and deer depredation	17,660,009	2,320,588	19,980,597
Noxious weed control	725,000	0	725,000
Missouri River enforcement	288,068	8,931	296,999
Grants, gifts, and donations	533,732	136,401	670,133
Nongame wildlife conservation	100,000	0	100,000
Lonetree reservoir	1,834,862	(16,453)	1,818,409
Wildlife services	500,000	0	500,000
Shooting sports grant program	250,000	0	250,000
Aquatic nuisance species program	<u>1,500,000</u>	<u>9,009</u>	<u>1,509,009</u>
Total special funds	\$85,303,632	\$7,064,502	\$92,368,134
Full-time equivalent positions	165.00	(1.00)	164.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Additional PLOTS payments	\$0	\$1,485,000
Red River basin wildlife and water quality program	0	500,000
State radio equipment	<u>0</u>	<u>801,500</u>
Total special funds	\$0	\$2,786,500

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The game and fish department shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of

this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. GRANTS, GIFTS, AND DONATIONS LINE ITEM. The grants, gifts, and donations line item in section 1 of this Act includes up to \$100,000 received by the game and fish department for surface damage, easements, or reclamation on department-owned or managed properties as a result of mineral exploration and extraction activities.

SECTION 4. EXEMPTION - LINE ITEM TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer up to \$2,000,000 of appropriation authority between the operating expenses, capital assets, and grants - game and fish line items in section 1 of this Act as requested by the game and fish department during the biennium beginning July 1, 2021, and ending June 30, 2023. The game and fish department shall notify the legislative council of any transfers made pursuant to this section.

Approved April 23, 2021

Filed April 23, 2021

CHAPTER 18

HOUSE BILL NO. 1018

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the state historical society; to create and enact a new section to chapter 55-01 of the North Dakota Century Code, relating to artifacts located at the Lewis and Clark interpretive center; to provide for a legislative management study; to provide for a report; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state historical society for the purpose of defraying the expenses of the state historical society, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$14,295,816	\$1,495,808	\$15,791,624
Operating expenses	3,941,585	557,078	4,498,663
Capital assets	1,225,542	4,225,473	5,451,015
Grants	600,000	0	600,000
Cultural heritage grants	500,000	0	500,000
Total all funds	\$20,562,943	\$6,278,359	\$26,841,302
Less estimated income	<u>3,194,252</u>	<u>4,235,700</u>	<u>7,429,952</u>
Total general fund	\$17,368,691	\$2,042,659	\$19,411,350
Full-time equivalent positions	75.00	3.75	78.75

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Historical site and extraordinary repairs	\$1,000,000	\$4,200,000
Exhibit and collections care	372,000	0
Auditorium chairs	160,000	0
Pioneer village grant	150,000	0
State archives digital repository upgrade	0	25,000
Total all funds	\$1,682,000	\$4,225,000
Total special funds	<u>85,000</u>	<u>4,200,000</u>
Total general fund	\$1,597,000	\$25,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The state historical society shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. REVOLVING FUND - APPROPRIATION. All fees collected by the state historical society and deposited in the revolving fund established pursuant to section 55-03-04 are appropriated to the state historical society for the purposes provided in chapter 55-03, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 4. GIFTS, GRANTS, AND BEQUESTS - APPROPRIATION. All gifts, grants, devises, bequests, donations, and assignments received by the state historical society and deposited with the state treasurer pursuant to section 55-01-04 are appropriated to the state historical society for the purposes provided in section 55-01-04, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. ESTIMATED INCOME - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - ONE-TIME FUNDING. The estimated income line item in section 1 of this Act includes the sum of \$4,200,000 from federal funds derived from the federal coronavirus capital projects fund for the purpose of providing funding for capital project planning and historic site and extraordinary repairs. The federal funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund.

SECTION 6. ESTIMATED INCOME - DEPARTMENT OF TRANSPORTATION GRANT. The estimated income line item in section 1 of this Act includes \$100,000 of grant funding from the department of transportation for the purpose of defraying expenses for the Lewis and Clark interpretive center.

SECTION 7. A new section to chapter 55-01 of the North Dakota Century Code is created and enacted as follows:

State historical society responsible for the Lewis and Clark interpretive center.

The society shall display, maintain, and protect the Lewis and Clark artifacts included in the transfer of the Lewis and Clark interpretive center from the parks and recreation department to the society at the Lewis and Clark interpretive center. A climate-controlled environment must be maintained to protect the artifacts as necessary.

SECTION 8. LEGISLATIVE MANAGEMENT STUDY - ADVISORY BOARDS. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of creating local advisory boards to the state historical society. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 9. EMERGENCY. The \$4,200,000 from the federal coronavirus capital projects fund included in the capital assets line item in section 1 of this Act is declared to be an emergency measure.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 19**HOUSE BILL NO. 1019**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the parks and recreation department; to provide for a transfer; to amend and reenact section 10 of chapter 44 of the 2019 Session Laws, relating to International Peace Garden capital projects; to repeal section 12 of chapter 44 of the 2019 Session Laws, relating to International Peace Garden capital projects; to provide for the conveyance of real property; to provide for a legislative management study; to provide for application; to provide for an exemption; to provide for a report; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the parks and recreation department for the purpose of defraying the expenses of the parks and recreation department and the Lewis and Clark interpretive center and for providing a grant to the International Peace Garden, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Administration	\$2,604,999	\$410,071	\$3,015,070
Park operations and maintenance	20,914,593	8,140,930	29,055,523
Recreation	<u>9,023,560</u>	<u>3,735,402</u>	<u>12,758,962</u>
Total all funds	\$32,543,152	\$12,286,403	\$44,829,555
Less estimated income	<u>20,046,609</u>	<u>12,085,784</u>	<u>32,132,393</u>
Total general fund	\$12,496,543	200,619	\$12,697,162
Full-time equivalent positions	61.50	(3.75)	57.75

Subdivision 2.

INTERNATIONAL PEACE GARDEN

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
International Peace Garden	<u>\$876,329</u>	<u>\$3,000,000</u>	<u>\$3,876,329</u>
Total all funds	\$876,329	\$3,000,000	\$3,876,329
Less estimated income	<u>0</u>	<u>3,000,000</u>	<u>3,000,000</u>
Total general fund	\$876,329	\$0	\$876,329

Subdivision 3.

LEWIS AND CLARK INTERPRETIVE CENTER

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Lewis and Clark interpretive center	\$1,304,375	(\$1,304,375)	\$0
Total all funds	\$1,304,375	(\$1,304,375)	\$0
Less estimated income	334,118	(334,118)	0
Total general fund	\$970,257	(\$970,257)	\$0

Subdivision 4.

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$14,343,129	(\$769,638)	\$13,573,491
Grand total special funds	20,380,727	14,751,666	35,132,393
Grand total all funds	\$34,723,856	\$13,982,028	\$48,705,884

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Extraordinary repairs and capital projects	\$634,126	\$7,900,000
Capital projects	1,755,000	0
International Peace Garden capital projects	5,000,000	3,000,000
Parks matching grant program	0	1,632,800
Additional equipment	622,000	0
State park survey	150,000	0
Recreation mapping	75,000	0
Traffic counters	75,000	0
Trail lease renewals	0	200,000
Fort Abraham Lincoln viewshed lease	0	50,000
Total all funds	\$8,311,126	\$12,782,800
Less estimated income	8,311,126	12,532,800
Total general fund	\$0	\$250,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. ADDITIONAL INCOME - APPROPRIATION - REPORTING. In addition to the amounts appropriated in section 1 of this Act, any additional income from federal or other funds that become available are appropriated to the parks and recreation department for the biennium beginning July 1, 2021, and ending June 30, 2023. The department shall report any additional income under this section to the office of management and budget and the legislative council.

SECTION 4. GAME AND FISH OPERATING FUND - TRANSFER - BOAT RAMP OPERATION AND MAINTENANCE. The sum of \$122,000, or so much of the sum as may be necessary, included in the park operations and maintenance line item in subdivision 1 of section 1 of this Act, is from the game and fish operating fund, or federal or other funds available to the game and fish department, and must be transferred to the parks and recreation department as requested by the director of the

parcs and recreation department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. CONVEYANCE OF LAND AND BUILDINGS - LEWIS AND CLARK INTERPRETIVE CENTER - APPLICATION. The state of North Dakota, by and through the parks and recreation department, shall convey ownership of the Lewis and Clark interpretive center and surrounding real property to the state historical society. Sections 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

SECTION 6. DEFERRED MAINTENANCE AND CAPITAL PROJECTS - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND. The park operations and maintenance line item in subdivision 1 of section 1 of this Act includes \$7,900,000 from federal funds derived from the federal coronavirus capital projects fund for deferred maintenance and capital projects for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

SECTION 7. PARKS MATCHING GRANT PROGRAM - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND. The recreation line item in subdivision 1 of section 1 of this Act includes \$1,632,800, of which \$816,400 is from federal funds derived from the federal coronavirus capital projects fund and \$816,400 is matching funds from nonstate sources for a matching grant program for the biennium beginning July 1, 2021, and ending June 30, 2023. The parks and recreation department may spend these funds for capital project improvements at state parks, subject to the department obtaining matching funds from nonstate sources for each project on a dollar-for-dollar basis. The federal funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

SECTION 8. INTERNATIONAL PEACE GARDEN - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND. The International Peace Garden line item in subdivision 2 of section 1 of this Act includes the sum of \$3,000,000, from federal funds derived from the federal coronavirus capital projects fund for International Peace Garden capital projects or the repayment of any outstanding loan from the Bank of North Dakota authorized in section 12 of chapter 44 of the 2019 Session Laws, for the period beginning with the effective date of this Act, and ending June 30, 2023. Expenditure of the funds appropriated for this purpose is subject to the province of Manitoba providing funding equal to fifty percent of the total cost of any project paid with the funding referenced in this section. The funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

SECTION 9. AMENDMENT. Section 10 of chapter 44 of the 2019 Session Laws is amended and reenacted as follows:

SECTION 10. REQUIREMENTS - MATCHING FUNDS - INTERNATIONAL PEACE GARDEN CAPITAL PROJECTS. The International Peace Garden line item in subdivision 2 of section 1 of this Act includes

\$2,000,000 for capital projects. Expenditure of these the funds appropriated for this purpose is subject to one-to-one matching funds being raised from nonstate sources the province of Manitoba providing funding equal to fifty percent of the total cost of any project paid with funding referenced in this section. The parks and recreation department shall review and accept engineering proposals and specifications before committing funds to projects and shall assist with bidding and construction of any work associated with this section. The International Peace Garden shall report quarterly to the parks and recreation department regarding the expenditure of these funds along with the the source of the matching funds. The funds appropriated in this section are not subject to section 54-44.1-11, and may be continued into the biennium beginning July 1, 2021, and ending June 30, 2023, for capital projects.

SECTION 10. REPEAL. Section 12 of chapter 44 of the 2019 Session Laws is repealed.

SECTION 11. EXEMPTION - INTERNATIONAL PEACE GARDEN - REQUIREMENTS. Any funds remaining in the International Peace Garden line item for repair of the peace tower in section 30 of chapter 15 of the 2013 Session Laws are not subject to section 54-44.1-11, and any unexpended funds are available for capital projects during the biennium beginning July 1, 2021, and ending June 30, 2023. Funding available for use by the International Peace Garden in this section is subject to the International Peace Garden raising one-to-one matching funds from nonstate sources of North Dakota sources consistent with the 2013 North Dakota legislative language. The parks and recreation department shall review and accept engineering proposals and specifications before committing additional funds to the project and shall assist with bidding and construction of any work associated with this section.

SECTION 12. EXEMPTION - PARK ENHANCEMENTS. Any funds remaining for park enhancements in subdivision 1 of section 1 of chapter 53 of the 2015 Session Laws are not subject to section 54-44.1-11, and any unexpended funds are available for park enhancement projects during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 13. EXEMPTION - EXTRAORDINARY REPAIRS. Of the funds appropriated in the parks operation and maintenance line item for extraordinary repairs, \$675,000 in subdivision 1 of section 1 of chapter 18 of the 2017 Sessions Laws is not subject to section 54-44.1-11, and any unexpended funds are available for extraordinary repairs during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - PARKS MATCHING GRANT PROGRAM. During the 2021-22 interim, the legislative management shall consider studying the effectiveness of the parks matching grant program created in section 7 of this Act and the feasibility and desirability of creating a parks and recreation foundation. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 15. EMERGENCY. The \$3,000,000 from federal funds derived from the federal coronavirus capital projects fund appropriated for the International Peace Garden in subdivision 2 of section 1 of this Act and sections 8, 9, and 10 of this Act are declared to be an emergency measure.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 20

HOUSE BILL NO. 1020

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the state water commission; to create and enact a new section to chapter 61-02 and a new section to chapter 61-40 of the North Dakota Century Code, relating to reporting requirements for carryover projects and bonding authority of the western area water supply; to amend and reenact section 61-02-79 of the North Dakota Century Code, relating to the authorization of a Bank of North Dakota line of credit; to provide for an exemption; to provide for a legislative management study; to provide for a report to legislative management; to provide for a statement of legislative intent; to provide for a pilot project; to provide for application; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the state water commission for the purpose of defraying the expenses of the state water commission, for the period beginning with the effective date of this Act, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$19,831,986	\$705,881	\$20,537,867
Operating expenses	43,855,753	(489,203)	43,366,550
Capital assets	105,938,758	42,528,679	148,467,437
Project carryover	308,333,818	(308,333,818)	0
Water supply - grants	128,000,000	(3,000,000)	125,000,000
Rural water supply - grants	37,200,000	22,400,000	59,600,000
Flood control projects	0	48,000,000	48,000,000
Fargo area flood control, including the Fargo-Moorhead diversion	66,500,000	(66,500,000)	0
Mouse River flood control	82,500,000	(82,500,000)	0
Flood control projects other than Fargo area flood control, including the Fargo-Moorhead diversion	48,000,000	(48,000,000)	0
General water - grants	27,093,776	(12,866,501)	14,227,275
Basinwide plan implementation	0	1,100,000	1,100,000
Total special funds	\$867,254,091	(\$406,954,962)	\$460,299,129
Full-time equivalent positions	90.00	0.00	90.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Line of credit - Bank of North Dakota	\$75,000,000	\$50,000,000

Basinwide plan implementation	0	1,100,000
Payoff of outstanding debt	<u>25,900,000</u>	<u>0</u>
Total special funds	\$100,900,000	\$51,100,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The state water commission shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. ADDITIONAL INCOME - APPROPRIATION - BUDGET SECTION APPROVAL. In addition to the amounts appropriated in section 1 of this Act, any additional amounts in the resources trust fund which become available are appropriated, subject to budget section approval, to the state water commission for the purpose of defraying the expenses of that agency, for the period beginning with the effective date of this Act, and ending June 30, 2023. Before approving any request, the budget section shall determine:

1. Approving additional appropriations will not negatively affect the sixty-seventh legislative assembly's ability to address water-related needs;
2. The proposed use of the additional income complies with legislative intent; and
3. The proposed use of the additional income will not result in future funding commitments.

SECTION 4. APPROPRIATION - RESOURCES TRUST FUND - STATE WATER COMMISSION DISCRETIONARY FUNDING. There is appropriated out of any moneys in the resources trust fund in the state treasury, not otherwise appropriated, the sum of \$6,000,000, or so much of the sum as may be necessary, to the state water commission for the purpose of providing discretionary funds for water project grants, for the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is considered to be a one-time funding item.

SECTION 5. EXEMPTION - GRANTS - APPLICATION - WATER-RELATED PROJECTS - CARRYOVER AUTHORITY. Section 54-44.1-11 does not apply to funding of \$22,000,000 in the capital assets line item relating to state-owned projects and \$295,363,183 in the project carryover line item in section 1 of chapter 45 of the 2019 Session Laws. Any unspent funds from these appropriations may be continued into the 2021-23 biennium. Any funds continued may be expended only for the purpose for which it was originally appropriated. The state water commission may seek emergency commission and budget section approval under section 54-16-04.2 to increase carryover spending authority of funds appropriated in the 2019-21 biennium into the 2021-23 biennium.

SECTION 6. A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

Carryover projects - Reporting requirements to the legislative management.

1. The state water commission shall report quarterly to a legislative committee designated by the legislative management:
 - a. Each project the state water commission has designated as a carryover project that has had a cost-share agreement in place for at least four years:

- b. The amount of funds still committed for each carryover project included in the report;
 - c. The total amount of funds reallocated or made available from carryover projects included in a previous report to other projects since the commission's preceding report; and
 - d. The status of each carryover project for which the committee has made a recommendation under subsection 2 since the commission's preceding report.
2. The legislative committee designated by the legislative management to receive the state water commission's reports may make a recommendation to the state water commission that a carryover project included in a report be terminated under section 61-02-14.3 and any funds remaining for the carryover project be reallocated and made available for projects with the same general purpose as the carryover project.

SECTION 7. AMENDMENT. Section 61-02-79 of the North Dakota Century Code is amended and reenacted as follows:

61-02-79. Bank of North Dakota - Line of credit.

The Bank of North Dakota shall extend a line of credit not to exceed ~~seventy-five~~ fifty million dollars at a rate of one and one-half percent over the three month London interbank offered rate, but may not exceed three percent to the state water commission. The state water commission shall repay the line of credit from funds available in the resources trust fund, water development trust fund, or other funds, as appropriated by the legislative assembly. The state water commission may access the line of credit, as necessary, to provide funding as authorized by the legislative assembly for ~~water supply projects approved before June 30, 2021, and flood control projects that have approval for funding before the northwest area water supply project during the biennium beginning July 1, 2021, and ending June 30, 2024~~2023.

SECTION 8. A new section to chapter 61-40 of the North Dakota Century Code is created and enacted as follows:

Revenue bonds and bonds exempt from taxation.

1. The authority shall have the power and authority to issue revenue bonds, to include refunding bonds, for the purpose of financing construction of projects and incidental facilities authorized by this chapter. Revenue bonds issued under this section must be issued as provided in chapter 61-35, and are not subject to section 61-35-15.
2. Issuance of revenue bonds must be approved by a majority of the members of the board of directors of the authority.
3. The authority shall pledge sufficient revenue from any revenue-producing facility or other revenue sources, excluding industrial water sales, for the payment of principal and interest on the bonds and shall establish rates for the facilities at a sufficient level, together with any other available funds, to provide for the operation of the facilities and for the bond payments in the manner provided by section 61-40-11.

4. Revenue bonds may not be a general obligation of any participating member entity or the state and may not be secured by property taxes.
5. The revenue bonds may be issued and sold at public or private sale on the terms and conditions determined by the board of directors.
6. Bonds issued under this section and their income are exempt from taxation by the state.

SECTION 9. PILOT PROJECT - BASINWIDE WATER PLAN IMPLEMENTATION - REPORT TO LEGISLATIVE MANAGEMENT. Of the \$1,100,000 in the basinwide plan implementation line item in section 1 of this Act, up to \$100,000 may be provided as a grant to reimburse water resource districts for costs incurred in the development of a basinwide water plan, and up to \$1,000,000 may be used to provide grants for the pilot project authorized in this section, for the period beginning with the effective date of this Act, and ending June 30, 2023. These funds are not subject to state water commission cost-share policies. Water resource districts and joint water resource districts in a basin may develop a basinwide water plan identifying water conveyance, flood control, and other water projects to be undertaken in the basin, and may jointly apply to the state water commission for a grant of up to \$1,000,000 for implementation of the plan. The state water commission may select a basinwide plan submitted under this section for funding and enter into one cooperative agreement with the water resource districts and joint water resource districts that submitted the plan. The cooperative agreement must include the amount of funding the state water commission will provide, a prohibition on using funds granted for implementation of the plan for planning or any purpose other than implementation of the basinwide plan, and the obligations of the state water commission and each water resource district and joint water resource district in implementing the basinwide plan. The agreement also must provide for monitoring and oversight of the basinwide plan's implementation. The state water commission shall report to the legislative management on the results of this pilot project no later than August 1, 2022.

SECTION 10. STATE WATER COMMISSION - FARGO FLOOD CONTROL PROJECT FUNDING LIMIT - LEGISLATIVE INTENT. The state water commission may not approve state funding for Fargo flood control projects, including constructing a federally authorized Fargo flood control project, in excess of a total of \$850,000,000, which includes \$414,500,000 provided through June 30, 2021, without legislative approval. It is the intent of the sixty-seventh legislative assembly that the remaining \$435,500,000 is provided from bond proceeds during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 11. STATE WATER COMMISSION - MOUSE RIVER FLOOD CONTROL PROJECT FUNDING - LEGISLATIVE INTENT. Excluding the funding provided for Mouse River flood control projects prior to the 2021-23 biennium, the state water commission may not approve state funding for the Mouse River flood control project in excess of a total of \$604,000,000 without legislative approval. It is the intent of the sixty-seventh legislative assembly that of the \$604,000,000, \$74,500,000 is provided from the resources trust fund through bond proceeds used to repay outstanding loans of the resources trust fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 12. LEGISLATIVE INTENT - RURAL WATER SUPPLY. It is the intent of the sixty-seventh legislative assembly that, in addition to any funds approved for the project by the state water commission in previous bienniums, up to \$1,600,000 of the funding appropriated in the rural water supply - grants line item be made available

during the 2021-23 biennium to the system 4 connection to system 1 rural water supply project sponsored by all seasons water district.

SECTION 13. LEGISLATIVE MANAGEMENT STUDY - RED RIVER VALLEY WATER SUPPLY MANAGEMENT STUDY - REPORT TO LEGISLATIVE MANAGEMENT. During the 2021-22 interim, the legislative management, with input from the state water commission and from stakeholders of the Red River valley water supply project, shall consider studying the management and operation of the Red River valley water supply project. The study must include consideration of the appropriate entity to own, manage, and operate the project. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - NORTHWEST AREA WATER SUPPLY. During the 2021-23 interim, the legislative management with input from the state water commission shall consider studying the northwest area water supply project. The study must include consideration of an entity, other than the state, to own, manage, and operate the project. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 15. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 27, 2021

Filed April 28, 2021

CHAPTER 21**HOUSE BILL NO. 1021**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of workforce safety and insurance; and to provide for a report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from the workforce safety and insurance fund in the state treasury, not otherwise appropriated, to workforce safety and insurance, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Workforce safety and insurance operations	\$60,887,842	\$12,299,086	\$73,186,928
Total special funds	\$60,887,842	\$12,299,086	\$73,186,928
Full-time equivalent positions	260.14	0.00	260.14

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Claims and policy system replacement project	\$7,010,000	\$7,500,000
MyWSI extranet enhancement project	850,000	3,050,000
Building upgrades	0	514,000
Total special funds	\$7,860,000	\$11,064,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. Workforce safety and insurance shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 22

HOUSE BILL NO. 1022

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the retirement and investment office; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys from special funds derived from income, to the retirement and investment office for the purpose of defraying the expenses of the retirement and investment office, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,928,230	\$125,747	\$5,053,977
Operating expenses	888,934	359,594	1,248,528
Contingencies	<u>52,000</u>	<u>48,000</u>	<u>100,000</u>
Total special funds	\$5,869,164	\$533,341	\$6,402,505
Full-time equivalent positions	20.00	(1.00)	19.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Pension administration system project	<u>\$9,000,000</u>	<u>\$0</u>
Total special funds	\$9,000,000	\$0

SECTION 3. EXEMPTION. The amount of \$9,000,000 appropriated in section 1 of chapter 47 of the 2019 Session Laws for the pension administration system project is not subject to section 54-44.1-11 and any unexpended funds are available for completing the project during the biennium beginning July 1, 2021, and ending June 30, 2023.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 23

HOUSE BILL NO. 1023

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the public employees retirement system; to provide for a report; and to provide for a legislative management study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys from special funds from income to the public employees retirement system for the purpose of defraying the expenses of the public employees retirement system, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$6,652,604	\$556,456	\$7,209,060
Operating expenses	2,443,592	57,144	2,500,736
Capital assets	0	257,600	257,600
Contingencies	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$9,346,196	\$871,200	\$10,217,396
Full-time equivalent positions	34.50	1.00	35.50

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Information technology risk assessment	\$40,000	\$0
Upgrade business system software	190,000	0
Upgrade benefit enrollment system	0	104,500
Upgrade PERSLink business system	<u>0</u>	<u>257,600</u>
Total special funds	\$230,000	\$362,100

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The public employees retirement system shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. LEGISLATIVE MANAGEMENT STUDY - HEALTH INSURANCE FERTILITY BENEFITS. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of expanding fertility benefits under the public employees retirement system uniform group insurance health benefits as a precursor under section 54-03-28 to mandating the fertility benefits for health insurance in the private market. The study must include a public employees retirement system actuarial study of the cost of expanding the fertility benefits of the

state health plan and must include consideration of the positive and negative aspects of mandating fertility benefits for health insurance in the private market. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 24**HOUSE BILL NO. 1024**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the ethics commission.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the ethics commission for the purpose of defraying the expenses of the ethics commission, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Ethics commission	\$517,155	\$106,829	\$623,984
Total general fund	\$517,155	\$106,829	\$623,984
Full-time equivalent positions	2.00	(1.00)	1.00

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 25**HOUSE BILL NO. 1025**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of various state departments and institutions; to provide for payment of court-ordered judgments; to provide for a transfer; to provide a statement of legislative intent; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund and state disaster relief fund in the state treasury, not otherwise appropriated to the state departments and institutions of the state of North Dakota for the purpose of defraying their expenses for the period beginning with the effective date of this Act, and ending June 30, 2021, as follows:

Subdivision 1.

TAX COMMISSIONER

Homestead tax credit	\$1,310,000
Disabled veterans' tax credit	<u>2,730,000</u>
Total general fund	\$4,040,000

Subdivision 2.

ADJUTANT GENERAL

Loan repayment - disaster costs	\$3,130,540
Loan interest repayment - law enforcement costs	<u>750,000</u>
Total state disaster relief fund	\$3,880,540

Subdivision 3.

BANK OF NORTH DAKOTA

Loan repayment - Theodore Roosevelt presidential library endowment fund	<u>\$17,500,000</u>
Total general fund	\$17,500,000

Subdivision 4.

TOTAL - SECTION 1

Grand total general fund	\$21,540,000
Grand total state disaster relief fund	<u>3,880,540</u>
Grand total all funds	\$25,420,540

SECTION 2. PAYMENT OF COURT-ORDERED JUDGMENTS. From the litigation funding pool line item in section 1 of chapter 40 of the 2019 Session Laws, the office of management and budget shall make payments for court-ordered

judgments in accordance with section 32-12-04, during the period beginning with the effective date of this Act and ending June 30, 2021, on behalf of the following:

Secretary of state	\$97,587
Office of management and budget	596,893
Attorney general	<u>181,152</u>
Total payments	\$875,632

SECTION 3. LEGISLATIVE INTENT - COST REIMBURSEMENTS - LOAN REPAYMENTS. It is the intent of the sixty-seventh legislative assembly that the attorney general seek reimbursement from the federal government for the costs of responding to unlawful activity associated with the construction of the Dakota access pipeline. It is further the intent of the sixty-seventh legislative assembly that these reimbursements be used to repay the Bank of North Dakota loans authorized by the emergency commission and the legislative assembly which were obtained to provide the funding necessary to respond to the unlawful activity associated with the construction of the Dakota access pipeline. It is further the intent of the sixty-seventh legislative assembly that the provisions of section 54-16-13 apply to the loans, except that emergency commission approval does not apply.

SECTION 4. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority between line items within subdivisions 1, 2, and 3 of section 1 of chapter 37 of the 2019 Session Laws, upon the request of the department of human services for the continuation of the community behavior health program payments under subsection 2 of section 54-23.3-10.

SECTION 5. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 21, 2021

Filed April 22, 2021

CHAPTER 26

HOUSE BILL NO. 1141

(Representatives Nathe, Bosch, Howe, Lefor, Mock, O'Brien, Sanford)
(Senators Bekkedahl, Hogue, Kreun, J. Roers)

AN ACT to provide a transfer to the innovation loan fund to support technology advancement.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO INNOVATION LOAN FUND TO SUPPORT TECHNOLOGY ADVANCEMENT. The office of management and budget shall transfer the sum of \$15,000,000 from the strategic investment and improvements fund to the innovation loan fund to support technology advancement for the purpose of providing innovation technology loans, for the biennium beginning July 1, 2021, and ending June 30, 2023.

Approved April 21, 2021

Filed April 22, 2021

CHAPTER 27**HOUSE BILL NO. 1394**

(Representatives Delzer, Boschee, Pollert)
 (Senators Heckaman, Holmberg, Wardner)

AN ACT to provide an appropriation for costs related to COVID-19 and other services; to provide an exemption; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds to the state departments and institutions of the state of North Dakota for the purpose of defraying COVID-19 and other expenses for the period beginning with the effective date of this Act, and ending June 30, 2021, as follows:

Subdivision 1.

OFFICE OF MANAGEMENT AND BUDGET

Governor's emergency education relief fund	<u>\$2,732,339</u>
Total federal funds	<u>\$2,732,339</u>

Subdivision 2.

ATTORNEY GENERAL

COVID-19 - Justice assistance grants	<u>\$2,082,871</u>
Total federal funds	<u>\$2,082,871</u>

Subdivision 3.

DEPARTMENT OF PUBLIC INSTRUCTION

Elementary and secondary school emergency education relief - schools	\$144,603,071
Elementary and secondary school emergency education relief - state	13,661,117
Governor's emergency education relief fund	<u>3,998,745</u>
Total federal funds	<u>\$162,262,933</u>

Subdivision 4.

STATE DEPARTMENT OF HEALTH

COVID-19 response	<u>\$173,532,232</u>
Total federal funds	<u>\$173,532,232</u>

Subdivision 5.

VETERANS' HOME

CARES Act funding	<u>\$975,000</u>
Total federal funds	<u>\$975,000</u>

Subdivision 6.

DEPARTMENT OF HUMAN SERVICES

COVID-19 operating expenses	\$12,270,566
COVID-19 grants	280,814,929
COVID-19 grants - Medical assistance	<u>16,000,000</u>
Total federal funds	\$309,085,495

Subdivision 7.

ADJUTANT GENERAL

COVID-19 response	<u>\$148,666,667</u>
Total federal funds	\$148,666,667

Subdivision 8.

DEPARTMENT OF COMMERCE

CARES Act funding	<u>\$11,393,078</u>
Total federal funds	\$11,393,078

Subdivision 9.

DEPARTMENT OF AGRICULTURE

COVID-19 stress assistance program operating expenses	\$500,000
COVID-19 specialty crop block grants	<u>5,000,000</u>
Total federal funds	\$5,500,000

Subdivision 10.

DEPARTMENT OF TRANSPORTATION

COVID-19 enhanced mobility services	\$115,202
COVID-19 surface transportation grants	<u>61,584,858</u>
Total federal funds	\$61,700,060

Subdivision 11.

TOTAL - SECTION 1

Grand total federal funds	\$877,930,675
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SECTION 2. EXEMPTION. The funding appropriated in section 1 of this Act is not subject to the provisions of section 54-44.1-11 and may be continued into the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 23, 2021

Filed April 23, 2021

CHAPTER 28

HOUSE BILL NO. 1395

(Representatives Delzer, Boschee, Pollert)
(Senators Heckaman, Holmberg, Wardner)

AN ACT to adjust state agency spending authority approved by the emergency commission and budget section; to provide a statement of legislative intent; to provide an appropriation; to provide an exemption; to provide for retroactive application; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. EMERGENCY COMMISSION AUTHORIZATION ADJUSTMENTS - APPROPRIATION. The amounts identified in the emergency commission authorization column below represent the federal coronavirus relief fund spending authority approved for each agency or institution by the emergency commission and budget section under section 54-16-04.1 for the biennium ending June 30, 2021. The director of the office of management and budget shall adjust the federal coronavirus relief fund spending authorization amount for each agency and institution to the amounts shown in the appropriation column which are appropriated from federal funds derived from the federal coronavirus relief fund to the agency or institution listed for the purpose of defraying expenses relating to the COVID-19 pandemic for the period beginning May 15, 2020, and ending June 30, 2021.

<u>Agency or Institution</u>	<u>Emergency Commission Authorization</u>	<u>Adjustment</u>	<u>Appropriation</u>
Governor	\$18,083	\$0	\$18,083
Secretary of state	49,216	0	49,216
Office of management and budget	7,003,055	18,315	7,021,370
Information technology department	61,868,226	0	61,868,226
State auditor	10,866	0	10,866
State treasurer	122,757,062	523,194	123,280,256
Tax commissioner	28,601	0	28,601
Office of administrative hearings	522	0	522
Legislative assembly	3,100,000	0	3,100,000
Legislative council	100,000	0	100,000
Judicial branch	312,212	360,000	672,212
Department of public instruction	64,316,217	0	64,316,217
Department of trust lands	94,135	1,505	95,640
North Dakota university system office	1,468,787	0	1,468,787
Bismarck state college	4,210,745	0	4,210,745
Lake region state college	880,813	0	880,813
Williston state college	1,712,364	0	1,712,364
University of North Dakota	20,984,766	0	20,984,766
North Dakota state university	18,671,414	(52,750)	18,618,664
North Dakota state college of science	5,107,897	0	5,107,897
Dickinson state university	2,346,239	0	2,346,239
Mayville state university	2,206,656	0	2,206,656
Minot state university	2,454,439	0	2,454,439

Valley City state university	740,353	0	740,353
Dakota college at Bottineau	804,631	0	804,631
Department of career and technical education	470,980	0	470,980
State department of health	174,115,929	(72,542,160)	101,573,769
Department of environmental quality	745,000	0	745,000
Veterans' home	462,040	0	462,040
Indian affairs commission	20,915	0	20,915
Department of veterans' affairs	2,860	0	2,860
Department of human services	61,103,911	(548,937)	60,554,974
Job service North Dakota	372,381,213	(1,427,906)	370,953,307
Industrial commission	65,476,513	6,000,000	71,476,513
Bank of North Dakota	70,000,000	(1,322,817)	68,677,183
Mill and elevator association	116,690	0	116,690
Workforce safety and insurance	1,018,052	0	1,018,052
Highway patrol	13,919,094	(11,091)	13,908,003
Department of corrections and rehabilitation	11,170,709	(1,505)	11,169,204
Adjutant general	16,148,260	(4,951,480)	11,196,780
Department of commerce	109,179,000	(27,000,000)	82,179,000
Agriculture commissioner	13,556,000	(148,450)	13,407,550
State seed department	6,117	0	6,117
Upper great plains transportation institute	45,095	(3,477)	41,618
Branch research centers	831,007	0	831,007
North Dakota state university extension service	855,400	0	855,400
Northern crops institute	115,586	0	115,586
North Dakota state university main research center	1,164,967	0	1,164,967
State fair association	105,272	0	105,272
Racing commission	1,000	0	1,000
State historical society	20,000	(1,000)	19,000
Council on the arts	800,000	0	800,000
Parks and recreation department	250,985	0	250,985
Department of transportation	<u>14,670,106</u>	0	<u>14,670,106</u>
Total	\$1,250,000,000	(\$101,108,559)	\$1,148,891,441

SECTION 2. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds to the state departments and institutions of the state of North Dakota listed below for the purpose of defraying COVID-19 and other expenses for the period beginning with the effective date of this Act, and ending June 30, 2023, as follows:

Subdivision 1.

STATE TREASURER

Local fiscal relief fund allocations	<u>\$50,160,000</u>
Total federal funds	\$50,160,000

Subdivision 2.

DEPARTMENT OF PUBLIC INSTRUCTION

Elementary and secondary school emergency education relief	\$305,266,879
Emergency education relief homeless children and youth program	1,999,661
Assistance to nonpublic schools	4,151,371
Individuals with disabilities education act grant	<u>8,632,569</u>
Total federal funds	\$320,050,480

Subdivision 3.

STATE LIBRARY

COVID-19 salaries and wages	\$86,669
COVID-19 operating expenses	1,580,057
COVID-19 grants	<u>500,000</u>
Total federal funds	\$2,166,726

Subdivision 4.

STATE DEPARTMENT OF HEALTH

COVID-19 response	<u>\$87,290,597</u>
Total federal funds	\$87,290,597

Subdivision 5.

VETERANS' HOME

COVID-19 response	<u>\$1,300,000</u>
Total federal funds	\$1,300,000

Subdivision 6.

DEPARTMENT OF HUMAN SERVICES

COVID-19 operating expenses	\$16,863,309
COVID-19 grants	<u>224,826,531</u>
Total federal funds	\$241,689,840

Subdivision 7.

ADJUTANT GENERAL

COVID-19 response	<u>\$887,873</u>
Total federal funds	\$887,873

Subdivision 8.

DEPARTMENT OF COMMERCE

COVID-19 response	<u>\$56,234,176</u>
Total federal funds	\$56,234,176

Subdivision 9.

COUNCIL ON THE ARTS

COVID-19 funding	<u>\$759,060</u>
Total federal funds	\$759,060

Subdivision 10.

DEPARTMENT OF TRANSPORTATION

COVID-19 grants	\$1,609,357
COVID-19 capital assets	<u>317,000,000</u>
Total federal funds	\$318,609,357

Subdivision 11.

TOTAL - SECTION 2

Grand total federal funds	\$1,079,148,109
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SECTION 3. LEGISLATIVE INTENT - STATE FISCAL RECOVERY FUND AND CORONAVIRUS CAPITAL PROJECTS FUND. It is the intent of the sixty-seventh legislative assembly that state fiscal recovery funds and any unexpended federal coronavirus capital projects funds received through H.R. 1319 of the 117th Congress, also known as the federal American Rescue Plan Act, be appropriated by the legislative assembly during future regular and special legislative sessions and that funding for one-time initiatives and projects that improve the well-being of the state's citizens be given consideration for use of this funding.

SECTION 4. EXEMPTION. The funding appropriated in section 1 of this Act is not subject to the provisions of section 54-44.1-11 and may be continued into the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. RETROACTIVE APPLICATION. Section 1 of this Act applies retroactively to May 15, 2020.

SECTION 6. EMERGENCY. This Act is declared to be an emergency measure.

Approved May 7, 2021

Filed May 10, 2021

CHAPTER 29**SENATE BILL NO. 2001**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the legislative branch of state government; to amend and reenact sections 54-03-20 and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide for a report; to provide for application, transfer, and cancellation of unexpended appropriations; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from the insurance regulatory trust fund, not otherwise appropriated, to the legislative branch of state government for the purpose of defraying the expenses of the legislative branch of state government, for the fiscal period beginning with the effective date of this Act and ending June 30, 2023, as follows:

Subdivision 1.

SIXTY-SEVENTH AND SIXTY-EIGHTH LEGISLATIVE ASSEMBLIES AND BIENNIUM

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$11,190,844	\$472,420	\$11,663,264
Operating expenses	3,847,478	3,904,389	7,751,867
Capital assets	6,000	0	6,000
National conference of state legislatures	263,433	7,900	271,333
Total general fund	\$15,307,755	\$4,384,709	\$19,692,464

Subdivision 2.

LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,965,717	\$2,725,263	\$12,690,980
Operating expenses	2,988,601	254,829	3,243,430
Capital assets	6,000	0	6,000
Total all funds	\$12,960,318	\$2,980,092	\$15,940,410
Less estimated income	70,000	0	70,000
Total general fund	\$12,890,318	\$2,980,092	\$15,870,410
Full-time equivalent positions	36.00	8.00	44.00

Subdivision 3.

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$28,198,073	\$7,364,801	\$35,562,874
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$28,268,073	\$7,364,801	\$35,632,874

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Digital signage replacement	\$40,000	\$0
Voting system upgrades	100,000	0
Computer and iPad replacement	517,760	0
Redistricting session	0	316,284
Information technology expansion	0	<u>1,450,000</u>
Total all funds	\$657,760	\$1,766,284
Less estimated income	<u>140,000</u>	<u>0</u>
Total general fund	\$517,760	\$1,766,284

The 2021-23 biennium one-time funding amounts are not part of the entity's base budget for the 2023-25 biennium. The legislative assembly shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation for legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Redistricting equipment	\$22,400	\$0
Computer replacement	124,856	0
Council of state governments conference	7,500	0
Information technology expansion	0	48,000
Public website design	0	<u>150,000</u>
Total general fund	\$154,756	\$198,000

The 2021-23 biennium one-time funding amounts are not part of the entity's base budget for the 2023-25 biennium. The legislative council shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

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

items for the sixty-seventh and sixty-eighth legislative assemblies, upon request by the chairman of the legislative management or the director of the legislative council upon the finding by the chairman or director that the transfers are required for the legislative assembly to carry on its functions and duties.

SECTION 5. APPLICATION, TRANSFER AUTHORITY, AND CANCELLATION OF UNEXPENDED APPROPRIATIONS. Sections 54-16-04 and 54-44.1-11 do not apply to chapter 1 of the 2019 Session Laws. The director of the office of management and budget shall make transfers of appropriation authority between the line items and the agencies of the legislative branch within section 1 of that chapter as requested by the chairman of the legislative management or the director of the legislative council. The office of management and budget shall cancel unexpended appropriations for the legislative assembly and legislative council enacted prior to the 2019-21 biennium as directed by the chairman of the legislative management or the director of the legislative council.

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

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

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of ~~one hundred eighty-six~~ one hundred eighty-nine dollars ~~through June 30, 2022, and one hundred ninety-three dollars thereafter~~ for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2. a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
- b. Notwithstanding subdivision a:
 - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
 - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.

3. a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
- b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7. a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~five hundred eighty-five hundred~~ twenty-six dollars through June 30, 2022, and five hundred thirty-seven dollars thereafter a month, paid monthly.
- b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
- c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of ~~three hundred seventy-one~~ three hundred

seventy-seven dollars through June 30, 2022, and three hundred eighty-five dollars thereafter per month during the biennium for their execution of public duties.

8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

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

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

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

SECTION 8. EMERGENCY. Sections 1 through 5 of this Act are declared to be an emergency measure.

Approved April 12, 2021

Filed April 13, 2021

CHAPTER 30

SENATE BILL NO. 2002

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the judicial branch; to amend and reenact sections 14-08.1-08, 14-09-08.1, 14-09-08.2, 14-09-09.29, 14-09-26, 27-02-02, and 27-05-03, and subsection 2 of section 50-09-02.1 of the North Dakota Century Code, and section 50-25.1-11.1 of the North Dakota Century Code, as amended in section 2 of Senate Bill No. 2131, as approved by the sixty-seventh legislative assembly, relating to clerk of court responsibilities regarding child support, salaries of justices of the supreme court, salaries of district court judges, and criminal history record checks for children's advocacy centers; to provide for a report; to provide a statement of legislative intent; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the judicial branch for the purpose of defraying the expenses of the judicial branch for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

SUPREME COURT

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$11,338,720	(\$135,814)	\$11,202,906
Operating expenses	2,705,762	(355,668)	2,350,094
Guardianship monitoring program	<u>283,042</u>	<u>3,055</u>	<u>286,097</u>
Total all funds	\$14,327,524	(\$488,427)	\$13,839,097
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
Total general fund	\$14,327,524	(\$488,427)	\$13,839,097

Subdivision 2.

DISTRICT COURTS

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$73,242,268	\$2,853,541	\$76,095,809
Operating expenses	20,396,902	(449,529)	19,947,373
Capital assets	0	2,000,000	2,000,000
Judges' retirement	<u>280,332</u>	<u>(143,086)</u>	<u>137,246</u>
Total all funds	\$93,919,502	\$4,260,926	\$98,180,428
Less estimated income	<u>1,659,596</u>	<u>(902,633)</u>	<u>756,963</u>
Total general fund	\$92,259,906	\$5,163,559	\$97,423,465

Subdivision 3.

JUDICIAL CONDUCT COMMISSION AND DISCIPLINARY BOARD

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Judicial conduct commission and disciplinary board	<u>\$1,250,962</u>	<u>\$66,519</u>	<u>\$1,317,481</u>
Total all funds	\$1,250,962	\$66,519	\$1,317,481
Less estimated income	<u>482,701</u>	<u>19,799</u>	<u>502,500</u>
Total general fund	\$768,261	\$46,720	\$814,981

Subdivision 4.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$107,355,691	\$4,721,852	\$112,077,543
Grand total special funds	<u>2,142,297</u>	<u>(882,834)</u>	<u>1,259,463</u>
Grand total all funds	\$109,497,988	\$3,839,018	\$113,337,006
Full-time equivalent positions	363.00	(1.00)	362.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Juvenile case management system	\$0	\$2,000,000
Copy machines	82,500	0
Audio and visual equipment	64,852	0
Law library remodel	<u>970,000</u>	<u>0</u>
Total all funds	\$1,117,352	\$2,000,000
Less estimated income	<u>970,000</u>	<u>0</u>
Total general fund	\$147,352	\$2,000,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The supreme court shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION. There are appropriated any funds received by the supreme court, district courts, and judicial conduct commission and disciplinary board, not otherwise appropriated, pursuant to federal acts and private gifts, grants, and donations for the purpose as designated in the federal acts or private gifts, grants, and donations for the period beginning July 1, 2021, and ending June 30, 2023.

SECTION 4. EXEMPTION - TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority between line items in section 1 of this Act as requested by the supreme court upon a finding by the court that the nature of the duties of the court and its staff requires the transfers to carry on properly the functions of the judicial branch of government.

SECTION 5. AMENDMENT. Section 14-08.1-08 of the North Dakota Century Code is amended and reenacted as follows:

14-08.1-08. Certification of records.

~~The clerk of court and any~~An authorized agent of the child support agency, in any circumstance or proceeding requiring proof of the contents of the official records of the state regarding any information maintained in the state case registry of the automated data processing system established under section 50-09-02.1, may certify the content of those records. A certification provided under this section is prima facie evidence of the contents of those records.

SECTION 6. AMENDMENT. Section 14-09-08.1 of the North Dakota Century Code is amended and reenacted as follows:

14-09-08.1. Support payments - Payment to state disbursement unit - Transfer of proceedings for enforcement of decree - Procedures upon failure to pay.

1. In any action in which a court orders that payments for child support be made, the court shall provide in its order that the payments be paid to the state disbursement unit for remittance to the obligee.
2. a. Each party subject to the order shall immediately inform the state disbursement unit of the party's:
 - (1) Social security number;
 - (2) Residential and mailing addresses and any change of address;
 - (3) Telephone number;
 - (4) Motor vehicle operator's license number;
 - (5) Employer's name, address, and telephone number;
 - (6) Electronic mail address; and
 - (7) Change of any other condition which may affect the proper administration of this chapter.
- b. Each order for payment of child support must notify each party of the requirements in subdivision a and require the party to provide the information within ten days from the date of the order or ten days after any change in the information.
- c. In any subsequent child support enforcement or modification action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of a party, the court shall deem due process requirements for notice and service to have been met, with respect to the noticed party, by delivery of written notice to the most recent residential or employer address provided by the noticed party pursuant to this subsection.

- d. The requirements of this subsection continue in effect until all child support obligations have been satisfied with respect to each child subject to the order.
3. Whenever there is failure to make the payments as required, the clerk of court ~~may, and~~ upon request of the obligee or child support agency, shall, send notice of the arrears by first-class mail, with affidavit of service, to the person required to make the payments, or request a district judge of the judicial district to issue a citation for contempt of court against the person who has failed to make the payments. The citation may be served on that person by first-class mail with affidavit of service to the person's last-known address.
4. The court of its own motion or on motion of the child support agency or the state's attorney of the county of venue, the county of the recipient's residence, or the county of the obligor's residence may cause a ~~certified copy of any~~ support order in the action to be transcribed and filed with the clerk of the district court of any county in this state in which the obligee or the obligor may reside from time to time. Thereafter, this section applies as if the support order were issued by the district court of the county to which the support order is transcribed. No fee may be charged for transcribing or filing a ~~certified copy of any~~ support order under this section.

SECTION 7. AMENDMENT. Section 14-09-08.2 of the North Dakota Century Code is amended and reenacted as follows:

14-09-08.2. Support for children after majority - Retroactive application.

1. A judgment or order requiring the payment of child support until the child attains majority continues as to the child until the end of the month during which the child is graduated from high school or attains the age of nineteen years, whichever occurs first, if:
 - a. The child is enrolled and attending high school and is eighteen years of age ~~prior to~~before the date the child is expected to be graduated; and
 - b. The child resides with the person to whom the duty of support is owed.
2. A judgment or order may require payment of child support after majority under substantially the circumstances described in subsection 1.
3. The person to whom the duty of support is owed under either subsection 1 or 2 may file an affidavit with the district court and provide a copy to the child support agency stating that the requirements of subsection 1 are met, the school in which the child is enrolled, and the anticipated date of the child's graduation. Upon filing of the affidavit, the child support resumes pursuant to subsection 1 or pursuant to the terms of a judgment or order described in subsection 2. A fee may not be charged for filing such an affidavit.
4. ~~The clerk of court~~child support agency shall serve the affidavit by first-class mail upon the person owing the duty of support. If at any time thereafter the person owing the duty of support files a motion with the court, supported by that person's affidavit that the child is no longer enrolled in or attending high school or is no longer residing with the person to whom the duty of support is owed, the court shall determine if the child is enrolled in and attending high school and residing with the person to whom the duty of support is owed and shall enter an order accordingly.

5. This section applies to child support orders concerning children described in subsection 1 or 2, regardless of the date of entry of the order.
6. This section does not preclude the entry of an order for child support which continues after the child reaches age eighteen, if the parties agree, or if the court determines the support to be appropriate.
7. For purposes of this section:
 - a. A child is treated as being in school during summer vacation if the child was enrolled in and attending school and did not graduate from high school at the end of the school period immediately preceding the summer vacation; and
 - b. A child who is currently enrolled in school is not considered to have graduated, even if all required coursework and examinations have been completed, until the ceremony is held by the school to commemorate the child's graduation.

SECTION 8. AMENDMENT. Section 14-09-09.29 of the North Dakota Century Code is amended and reenacted as follows:

14-09-09.29. Coordination of income withholding activities and child support case management.

The child support agency ~~shall assume responsibility~~ is responsible for administration of income withholding, managing accrual and termination dates and payment ledger adjustments on the automated system established under section 50-09-02.1, and the receipt and disbursement of child support payments. This section also applies to an order that does not require the payment of child support but requires the payment of spousal support, if the court orders the spousal support be paid through the state disbursement unit or be enforced through income withholding.

SECTION 9. AMENDMENT. Section 14-09-26 of the North Dakota Century Code is amended and reenacted as follows:

14-09-26. Modification of existing child support orders.

1. A child support order issued under any provision of this code and in effect on October 1, 1998, is deemed to require payment to the state disbursement unit after September 30, 1998.
2. A child support order issued under any provision of this code after September 30, 1998, must require payment to the state disbursement unit.
3. ~~A payment of child support received by a clerk of court after September 30, 1998, is deemed to be a payment to the state disbursement unit. A clerk of court receiving such child support payment after September 30, 1998, shall promptly remit or transfer that payment to the state disbursement unit.~~

SECTION 10. AMENDMENT. Section 27-02-02 of the North Dakota Century Code is amended and reenacted as follows:

27-02-02. Salaries of justices of supreme court.

The annual salary of each justice of the supreme court is ~~one hundred fifty-nine thousand four hundred nine dollars through June 30, 2020~~ one hundred sixty-five

~~thousand eight hundred forty-five dollars through June 30, 2022, and one hundred sixty-three thousand three hundred ninety-four one hundred sixty-nine thousand one hundred sixty-two dollars thereafter. The chief justice of the supreme court is entitled to receive an additional four thousand five hundred eight dollars per annum through June 30, 2020 four thousand six hundred ninety dollars per annum through June 30, 2022, and four thousand six hundred twenty-one four thousand seven hundred eighty-four dollars per annum thereafter.~~

SECTION 11. AMENDMENT. Section 27-05-03 of the North Dakota Century Code is amended and reenacted as follows:

27-05-03. Salaries and expenses of district judges.

~~The annual salary of each district judge is one hundred forty-six thousand two hundred sixty-nine dollars through June 30, 2020 one hundred fifty-two thousand one hundred seventy-five dollars through June 30, 2022, and one hundred forty-nine thousand nine hundred twenty-six one hundred fifty-five thousand two hundred nineteen dollars thereafter. Each district judge is entitled to travel expenses, including mileage and subsistence while engaged in the discharge of official duties outside the city in which the judge's chambers are located. The salary and expenses are payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled to receive an additional four thousand one hundred fifty-six dollars per annum through June 30, 2020 four thousand three hundred twenty-four dollars per annum through June 30, 2022, and four thousand two hundred sixty-four thousand four hundred ten dollars thereafter.~~

SECTION 12. AMENDMENT. Subsection 2 of section 50-09-02.1 of the North Dakota Century Code is amended and reenacted as follows:

2. ~~The state agency shall establish a statewide automated data processing system designed to conform to requirements imposed by or under title IV-D. The state agency must make that system available for the use of clerks of court in carrying out their duties under section 14-09-08.1. The official records of the state regarding all child support amounts owed, collected, and distributed must be maintained in that system. Notwithstanding section 14-08.1-05, any record of a child support obligation that is currently being enforced in another jurisdiction and not by a child support agency, that is owed by an obligor who is deceased, or that is owed to a deceased obligee for whom disbursement of any collections could not occur under section 14-09-25, may be removed indefinitely from the statewide automated data processing system until a request is received from a party to the child support case to restore those records.~~

¹⁶ **SECTION 13. AMENDMENT.** Section 50-25.1-11.1 of the North Dakota Century Code, as amended in section 2 of Senate Bill No. 2131, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

50-25.1-11.1. Children's advocacy centers - Confidentiality of records - Criminal history record checks.

1. Records and digital media in the possession of a children's advocacy center relating to a forensic medical examination, forensic interview, or therapy are confidential and may be released only to a person other than a law enforcement agency, the department or the department's authorized agent, or

¹⁶ Section 50-25.1-11.1 was also amended by section 2 of Senate Bill No. 2131, chapter 378.

a medical or mental health professional when the child comes before the medical or mental health professional in that person's professional capacity, upon service of a subpoena signed by a judge.

2. ~~Upon receipt of a request by a children's advocacy center, the~~The department may submit a request for a criminal history record check under section 12-60-24. ~~Under this subsection, a children's advocacy center may require the following individuals to submit to a criminal history record check:~~
 - a. ~~An~~ on an employee, final applicant for employment, contractor, multidisciplinary team member, or volunteer; of a children's advocacy center who has contact with a child at or through a children's advocacy center; ~~and~~
 - b. ~~An individual a children's advocacy center determines requires a criminal history record check to participate in services at a center.~~

SECTION 14. LEGISLATIVE INTENT - INFORMATION TECHNOLOGY PROJECTS. It is the intent of the sixty-seventh legislative assembly that the judicial branch pursue the use of federal funds from the coronavirus relief fund to defray the cost of remote video equipment and district court wi-fi access points.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 31

SENATE BILL NO. 2003

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the North Dakota university system; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to a university system capital building fund; to amend and reenact subdivision c of subsection 1 of section 15-10-48, subdivision k of subsection 1 of section 15-18.2-02, sections 15-18.2-03, 15-18.2-05, and 54-44.1-11 of the North Dakota Century Code and section 2 of chapter 53 of the 2019 Session Laws, relating to matching grants for the advancement of academics, the higher education funding formula, the cancellation of unexpended appropriations, and appropriations for higher education capital projects; to repeal subdivision d of subsection 1 of section 15-10-48 and section 15-18.2-04 of the North Dakota Century Code, relating to the eligibility of the university of North Dakota school of medicine and health sciences to receive a matching grant for the advancement of academics and the institutional size factor of the higher education funding formula; to provide for a transfer; to provide for a report; to provide an exemption; to provide for a study; to provide a statement of legislative intent; to provide a continuing appropriation; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state board of higher education and to the entities and institutions under the supervision of the board, for the purpose of defraying the expenses of the state board of higher education and the entities and institutions under the control of the board, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Capital assets - bond payments	\$4,959,448	\$8,425,816	\$13,385,264
Competitive research programs	5,685,750	0	5,685,750
System governance	8,737,867	(132,297)	8,605,570
Core technology services	62,286,128	676,689	62,962,817
Student financial assistance grants	23,917,306	0	23,917,306
Professional student exchange program	3,699,342	0	3,699,342
Academic and CTE scholarships	12,016,749	4,200,000	16,216,749
Scholars program	1,807,115	0	1,807,115
Native American scholarship	555,323	0	555,323
Tribally controlled community college grants	1,000,000	0	1,000,000
Education incentive programs	260,000	0	260,000

Student mental health	284,400	0	284,400
Veterans' assistance grants	277,875	0	277,875
Shared campus services	500,000	300,000	800,000
Nursing education consortium	0	1,356,000	1,356,000
Math pathways	0	150,000	150,000
NASA EPSCoR	<u>342,000</u>	<u>0</u>	<u>342,000</u>
Total all funds	\$126,329,303	\$14,976,208	\$141,305,511
Less estimated income	<u>24,002,206</u>	<u>254,829</u>	<u>24,257,035</u>
Total general fund	\$102,327,097	\$14,721,379	\$117,048,476
Full-time equivalent positions	148.90	9.93	158.83

Subdivision 2.

BISMARCK STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$98,743,682	\$1,827,705	\$100,571,387
Capital assets	<u>1,922,561</u>	<u>0</u>	<u>1,922,561</u>
Total all funds	\$100,666,243	\$1,827,705	\$102,493,948
Less estimated income	<u>69,598,016</u>	<u>811,877</u>	<u>70,409,893</u>
Total general fund	\$31,068,227	\$1,015,828	\$32,084,055
Full-time equivalent positions	323.93	8.97	332.90

Subdivision 3.

LAKE REGION STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$37,559,127	\$1,591,786	\$39,150,913
Capital assets	<u>362,667</u>	<u>363,000</u>	<u>725,667</u>
Total all funds	\$37,921,794	\$1,954,786	\$39,876,580
Less estimated income	<u>24,976,514</u>	<u>657,914</u>	<u>25,634,428</u>
Total general fund	\$12,945,280	\$1,296,872	\$14,242,152
Full-time equivalent positions	118.10	(2.34)	115.76

Subdivision 4.

WILLISTON STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$32,596,060	\$1,448,244	\$34,044,304
Capital assets	<u>1,261,968</u>	<u>0</u>	<u>1,261,968</u>
Total all funds	\$33,858,028	\$1,448,244	\$35,306,272
Less estimated income	<u>23,790,285</u>	<u>229,250</u>	<u>24,019,535</u>
Total general fund	\$10,067,743	\$1,218,994	\$11,286,737
Full-time equivalent positions	100.48	0.81	101.29

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$888,106,266	\$15,164,018	\$903,270,284

Capital assets	<u>4,411,566</u>	<u>0</u>	<u>4,411,566</u>
Total all funds	\$892,517,832	\$15,164,018	\$907,681,850
Less estimated income	<u>744,185,677</u>	<u>11,472,094</u>	<u>755,657,771</u>
Total general fund	\$148,332,155	\$3,691,924	\$152,024,079
Full-time equivalent positions	2,132.17	(72.19)	2,059.98

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$743,775,571	\$12,398,750	\$756,174,321
Capital assets	<u>7,799,104</u>	<u>0</u>	<u>7,799,104</u>
Total all funds	\$751,574,675	\$12,398,750	\$763,973,425
Less estimated income	<u>618,859,692</u>	<u>6,557,408</u>	<u>625,417,100</u>
Total general fund	\$132,714,983	\$5,841,342	\$138,556,325
Full-time equivalent positions	1,870.16	(40.73)	1,829.43

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$95,725,411	(\$177,946)	\$95,547,465
Capital assets	<u>1,012,379</u>	<u>0</u>	<u>1,012,379</u>
Total all funds	\$96,737,790	(\$177,946)	\$96,559,844
Less estimated income	<u>60,195,768</u>	<u>649,284</u>	<u>60,845,052</u>
Total general fund	\$36,542,022	(\$827,230)	\$35,714,792
Full-time equivalent positions	310.73	0.88	311.61

Subdivision 8.

DICKINSON STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$48,560,994	\$2,265,066	\$50,826,060
Capital assets	<u>409,078</u>	<u>0</u>	<u>409,078</u>
Total all funds	\$48,970,072	\$2,265,066	\$51,235,138
Less estimated income	<u>30,577,009</u>	<u>415,399</u>	<u>30,992,408</u>
Total general fund	\$18,393,063	\$1,849,667	\$20,242,730
Full-time equivalent positions	213.26	(37.76)	175.50

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$47,719,555	\$2,883,721	\$50,603,276
Capital assets	<u>358,992</u>	<u>0</u>	<u>358,992</u>
Total all funds	\$48,078,547	\$2,883,721	\$50,962,268
Less estimated income	<u>31,657,931</u>	<u>624,509</u>	<u>32,282,440</u>
Total general fund	\$16,420,616	\$2,259,212	\$18,679,828
Full-time equivalent positions	209.27	21.08	230.35

Subdivision 10.

MINOT STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$102,325,073	\$1,829,704	\$104,154,777
Capital assets	1,099,620	0	1,099,620
Total all funds	\$103,424,693	\$1,829,704	\$105,254,397
Less estimated income	63,528,000	519,767	64,047,767
Total general fund	\$39,896,693	\$1,309,937	\$41,206,630
Full-time equivalent positions	407.58	(4.54)	403.04

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$48,176,928	\$1,906,472	\$50,083,400
Capital assets	455,823	0	455,823
Total all funds	\$48,632,751	\$1,906,472	\$50,539,223
Less estimated income	25,973,818	404,028	26,377,846
Total general fund	\$22,658,933	\$1,502,444	\$24,161,377
Full-time equivalent positions	180.68	22.09	202.77

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$21,440,606	\$2,199,449	\$23,640,055
Capital assets	114,007	4,000,000	4,114,007
Total all funds	\$21,554,613	\$6,199,449	\$27,754,062
Less estimated income	13,813,787	4,402,413	18,216,200
Total general fund	\$7,740,826	\$1,797,036	\$9,537,862
Full-time equivalent positions	82.29	9.57	91.86

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH
SCIENCES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$213,244,364	\$3,911,740	\$217,156,104
Health care workforce initiative	10,676,150	0	10,676,150
Total all funds	\$223,920,514	\$3,911,740	\$227,832,254
Less estimated income	159,037,011	1,769,238	160,806,249
Total general fund	\$64,883,503	\$2,142,502	\$67,026,005
Full-time equivalent positions	485.32	7.35	492.67

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$15,223,336	\$119,729	\$15,343,065
Capital assets	<u>118,728</u>	<u>0</u>	<u>118,728</u>
Total all funds	\$15,342,064	\$119,729	\$15,461,793
Less estimated income	<u>10,665,400</u>	<u>3,915</u>	<u>10,669,315</u>
Total general fund	\$4,676,664	\$115,814	\$4,792,478
Full-time equivalent positions	27.00	1.00	28.00

Subdivision 15.

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$648,667,805	\$37,935,721	\$686,603,526
Grand total special funds	<u>1,900,861,114</u>	<u>28,771,925</u>	<u>1,929,633,039</u>
Grand total all funds	\$2,549,528,919	\$66,707,646	\$2,616,236,565

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Capital projects - other funds	\$408,500,000	\$4,363,000
North Dakota state university settlement agreement	0	125,000
Math pathways	0	150,000
Education challenge grants	9,400,000	0
School of law matching grants	250,000	0
Tier II and tier III capital building funds	29,000,000	0
Theodore Roosevelt digitization	200,000	0
University of North Dakota campus network upgrades	1,500,000	0
North Dakota state university campus network upgrades	<u>1,500,000</u>	<u>0</u>
Total all funds	\$450,350,000	\$4,638,000
Total other funds	<u>438,500,000</u>	<u>4,363,000</u>
Total general fund	\$11,850,000	\$275,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The institutions and entities under the control of the state board of higher education shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - VALLEY CITY STATE UNIVERSITY - PURCHASE OF LAND AUTHORIZED. The state board of higher education, acting for and through Valley City state university, is authorized to purchase two parcels of land in Barnes County, described as the south half of the east one-third of lot one, block four, of Andrus and Sifton's addition to the city of Valley City, and the south one hundred feet of the west one-third of the east half and the east one-third of the west half of lot one, block four, in Andrus and Sifton's addition to the city of Valley City, from the Valley City state university foundation for the use and betterment of Valley City state university. There is appropriated from other funds the sum of \$309,000, or so much of the sum as may be necessary, to Valley City state university for the purposes of this section for the period beginning with the effective date of this Act and ending

June 30, 2023. The funding provided in this section is considered a one-time funding item.

SECTION 4. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION. All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, including tuition revenue, received by the state board of higher education and the institutions and entities under the control of the state board of higher education, are appropriated to the board and those institutions and entities, for the biennium beginning July 1, 2021, and ending June 30, 2023. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2021, and ending June 30, 2023, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board.

SECTION 5. TRANSFER - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES OPERATIONS. The operations line item in subdivision 5 of section 1 of this Act includes a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2021, and ending June 30, 2023. Based on the recommendation of the commissioner of higher education, a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

SECTION 6. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND. The office of management and budget shall transfer \$19,000,000 from the strategic investment and improvements fund to the university system capital building fund during the period beginning with the effective date of this Act, and ending June 30, 2023, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

	Tier II	Tier III	Total
Bismarck state college	\$425,693	\$500,000	\$925,693
Lake Region state college	177,375	500,000	677,375
Williston state college	137,947	500,000	637,947
University of North Dakota	4,361,801	2,250,000	6,611,801
North Dakota state university	2,899,596	2,250,000	5,149,596
North Dakota state college of science	500,695	500,000	1,000,695
Dickinson state university	268,862	500,000	768,862
Mayville state university	240,029	500,000	740,029
Minot state university	572,801	500,000	1,072,801
Valley City state university	309,137	500,000	809,137
Dakota college at Bottineau	<u>106,064</u>	<u>500,000</u>	<u>606,064</u>
Total	\$10,000,000	\$9,000,000	\$19,000,000

SECTION 7. CAPITAL BUILDING FUNDS - USES. The institutions listed may use funding from the respective institution's university system capital building fund allocation for the following projects authorized by the sixty-sixth and sixty-seventh legislative assemblies:

North Dakota state university - Dunbar Hall	\$51,200,000
North Dakota state university - agriculture products development center	85,000,000
Lake Region state college - parking lot and infrastructure repair	250,000
Mayville state university - natural gas boiler	1,600,000

Williston state college - parking lot and infrastructure repair	850,000
Minot state university - Hartnett hall renovation	25,231,000
North Dakota state college of science - Hektner student center improvements	7,210,455
Dickinson state university - Dickinson sports center	7,000,000
Bismarck state college - cybersecurity technology center addition	3,200,000
Dakota college at Bottineau - Old main renovation	4,000,000
University of North Dakota - Merrifield hall and Twamley hall renovation	79,000,000
University of North Dakota - Business school	70,000,000
Total	\$334,541,455

SECTION 8. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - LAKE REGION STATE COLLEGE - DAKOTA COLLEGE AT BOTTINEAU - CAPITAL PROJECTS. The appropriation in subdivision 3 of section 1 of this Act includes the sum of \$363,000 from the strategic investment and improvements fund for the Lake Region state college Curtis and Annette Hofstad agricultural center project. The appropriation in subdivision 12 of section 1 of this Act includes the sum of \$2,500,000 from the strategic investment and improvements fund for the Dakota college at Bottineau old main renovation project.

SECTION 9. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS. The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding from the general fund for institution extraordinary repairs. An institution shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

¹⁷ **SECTION 10. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

- c. The board may award up to one million seven hundred thousand dollars in matching grants to each institution to the university of North Dakota and North Dakota state university, and up to one million five hundred thousand dollars in matching grants for projects at the university of North Dakota school of medicine and health sciences.

SECTION 11. AMENDMENT. Subdivision k of subsection 1 of section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

- k. The ~~factor~~factors for credits completed in career and technical education is ~~2.0~~are:

- (1) 3.0 for lower division credits; and
(2) 5.0 for upper division credits.

SECTION 12. AMENDMENT. Section 15-18.2-03 of the North Dakota Century Code is amended and reenacted as follows:

15-18.2-03. Credit completion factor - Determination.

¹⁷ Section 15-10-48 was also amended by section 17 of Senate Bill No. 2003, chapter 31, section 2 of Senate Bill No. 2030, chapter 130, section 3 of Senate Bill No. 2030, chapter 130, and section 6 of Senate Bill No. 2030, chapter 130.

1. Except as provided in subsections 2 and 3 of this section, for each institution under its control, the state board of higher education shall multiply the product determined under section 15-18.2-02 by a factor of:
 - a. 1.00 if the number of credit-hours is at least 240,000;
 - b. 1.05 if the number of credit-hours is at least 180,000 but less than 240,000;
 - c. 1.10 if the number of credit-hours is at least ~~120,000~~135,000 but less than 180,000;
 - d. 1.15 if the number of credit-hours is at least ~~90,000~~130,000 but less than ~~120,000~~135,000;
 - e. 1.20 if the number of credit-hours is at least ~~80,000~~120,000 but less than ~~90,000~~130,000;
 - f. 1.30 if the number of credit-hours is at least 70,000 but less than ~~80,000~~120,000;
 - g. 1.40 if the number of credit-hours is at least 60,000 but less than 70,000;
 - h. 1.50 if the number of credit-hours is at least 50,000 but less than 60,000;
 - i. 1.60 if the number of credit-hours is at least 40,000 but less than 50,000;
 - j. 1.70 if the number of credit-hours is at least 30,000 but less than 40,000; and
 - k. 1.80 if the number of credit-hours is less than 30,000.
2. ~~If the square footage of an institution, when divided by the institution's weighted credit hours results in a quotient greater than 5.00, the state board of higher education shall multiply the product determined under section 15-18.2-02 by a factor of 1.00. For purposes of this subsection, the square footage of an institution includes real property as determined by the state board of higher education in accordance with section 15-18.2-04.~~
3. ~~If the number of credit-hours completed by an institution causes~~would cause a decrease in the credit completion factor for that institution, the new credit completion factor shall not be in effect for calculation purposes for the first two fiscal years following the change compared to the credit completion factor the institution was entitled to receive during the 2017-19 biennium, the state board of higher education shall multiply the product determined under section 15-18.2-02 by a credit growth factor of 1.0 for credits in excess of the factor the institution was entitled to receive during the 2017-19 biennium. Any weighted credit-hours multiplied by a credit growth factor under this section must have a weight of 1.0 under section 15-18.2-02. The state board of higher education shall multiply the remaining weighted credits by the credit completion factor the institution was entitled to receive during the 2017-19 biennium.

- 4-3. For purposes of this section, the number of credit-hours must be those determined by the state board of higher education in accordance with section 15-18.2-01.

¹⁸ **SECTION 13. AMENDMENT.** Section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

15-18.2-05. Base funding - Determination of state aid.

1. Except as provided under ~~subsection 2, in order~~ subsections 2 and 3, to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section ~~15-18.2-04~~ 15-18.2-03 by a base amount of:
 - a. ~~\$60.87~~ \$61.81 in the case of North Dakota state university and the university of North Dakota;
 - b. ~~\$90.98~~ \$92.60 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and
 - c. ~~\$97.06~~ \$98.84 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.
2. ~~An institution is entitled to an amount equal to seventy-five percent of the product determined under subsection 1 for credits completed by students receiving a tuition waiver pursuant to section 54-12-35. For institutions under subdivision b of subsection 1, the state board of higher education shall multiply the product determined under section 15-18.2-03 for credits completed in instructional programs under subdivision k of subsection 1 of section 15-18.2-02 by the base amount under subdivision c of subsection 1.~~
3. ~~For institutions under subdivision c of subsection 1, the state board of higher education shall multiply the product determined under section 15-18.2-03 for upper division credits completed in instructional programs under subdivisions a through j of subsection 1 of section 15-18.2-02 by the base amount under subdivision b of subsection 1.~~

¹⁹ **SECTION 14.** A new chapter to title 15 of the North Dakota Century Code is created and enacted as follows:

University system capital building fund - Creation - Continuing appropriation.

There is created in the state treasury the university system capital building fund. The university system capital building fund consists of moneys transferred to the fund and any interest and earnings of the fund. The state board of higher education may

- ¹⁸ Section 15-18.2-05 was also amended by section 1 of Senate Bill No. 2032, chapter 132.
- ¹⁹ Section 15-54.1-01 was also created by section 1 of Senate Bill No. 2033, chapter 134; section 15-54.1-02 was also created by section 1 of Senate Bill No. 2033, chapter 134; section 15-54.1-03 was also created by section 1 of Senate Bill No. 2033, chapter 134; section 15-54.1-04 was also created by section 1 of Senate Bill No. 2033, chapter 134; section 15-54.1-05 was also created by section 1 of Senate Bill No. 2033, chapter 134.

provide for the fund to be invested under the supervision of the state investment board. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for allocations to the institutions under the control of the state board of higher education for capital projects as directed by the legislative assembly and in accordance with this chapter. Any interest or earnings of the fund must be allocated to the capital building fund pool within the university system capital building fund.

Capital building funds - Uses - Reports.

Subject to tier II and tier III capital building fund matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for projects specifically authorized by the legislative assembly to use university system capital building fund moneys. In addition, after an institution has matched and committed seventy-five percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to state board of higher education approval and matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for extraordinary repairs and deferred maintenance projects that do not increase the overall square footage of a building. The state board of higher education shall report biennially to the legislative management and to the appropriations committees of the legislative assembly on the use of funding in the university system capital building fund, the source of matching funds, and each institution's five-year plan for capital construction spending.

Tier II capital building funds - Matching requirements.

The state board of higher education may allocate tier II capital building fund moneys to an institution for a project only after the institution provides one dollar of matching funds from operations or other sources for each one dollar from the university system capital building fund for the project. An institution may not use tier I extraordinary repairs funding, tier III capital building fund moneys, or state funding appropriated for a specific capital project as matching funds under this section.

Tier III capital building funds - Matching requirements.

The state board of higher education may allocate tier III capital building fund moneys to an institution only after the institution provides two dollars of matching funds from operations or other sources for each one dollar from the university system capital building fund for the project. An institution may not use tier I extraordinary repairs funding, tier II capital building fund moneys, or state funding appropriated for a specific capital project as matching funds under this section.

Capital building fund pool.

If the state board of higher education has not allocated capital building fund moneys to an institution by January first of the third biennium after the funding was appropriated or transferred to the fund, the board shall reallocate the funds to a pool within the university system capital building fund. Any institution under the control of the state board of higher education that has fully matched and committed its university system capital building fund allocation may apply for and be allocated funding from the capital building fund pool, subject to state board of higher education approval and tier III capital building fund matching requirements under this chapter.

SECTION 15. AMENDMENT. Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, 2024~~2023~~)

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, 2024~~2023~~) The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.

3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

SECTION 16. AMENDMENT. Section 2 of chapter 53 of the 2019 Session Laws is amended and reenacted as follows:

SECTION 2. APPROPRIATION - CAPITAL PROJECTS - EXEMPTION.

1. Subject to the provisions of this section, the funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the following institutions for the identified capital projects, for the period beginning with the effective date of this Act, and ending June 30, 2019, as follows:

Bismarck state college Nursing Building	\$8,900,000
Dakota college at Bottineau dining hall and other projects	1,000,000
Lake Region state college precision agriculture project	1,000,000
North Dakota state university agriculture products development center project	20,000,000
North Dakota state university Dunbar Hall project	8,000,000
University of North Dakota Gamble Hall project	9,000,000
Valley City state university Communications and Fine Arts Building project	<u>2,000,000</u>
Total general fund	\$49,900,000

In accordance with section 54-44.1-11, any unaccepted funds from these appropriations may be continued into the biennium beginning July 1, 2019, and ending June 30, 2021.

2. The appropriation for the agriculture products development center project must be continued into the biennium beginning July 1, 2019, and ending June 30, 2021, ~~and is available only if North Dakota state university certifies to the industrial commission and the director of the office of management and budget that \$20,000,000 of local and other funds has been obtained for the project or if North Dakota state university receives approval for a change in project scope from the legislative assembly or budget section pursuant to section 48-01.2-25.~~
3. The appropriation for the Gamble Hall project must be continued into the biennium beginning July 1, 2019, and ending June 30, 2021, and is available only if the university of North Dakota certifies to the industrial commission and the director of the office of management and budget that \$55,000,000 of local and other funds has been obtained for the project or if the university of North Dakota receives approval for a change in project

scope from the legislative assembly or budget section pursuant to section 48-01.2-25.

²⁰ **SECTION 17. REPEAL.** Subdivision d of subsection 1 of section 15-10-48 of the North Dakota Century Code is repealed.

SECTION 18. REPEAL. Section 15-18.2-04 of the North Dakota Century Code is repealed.

SECTION 19. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT. During the period beginning with the effective date of this Act, and ending June 30, 2023, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the North Dakota university system office for project management oversight of a capital project.

SECTION 20. UNIVERSITY OF NORTH DAKOTA - TECHNOLOGY ACCELERATOR BUILDING REFINANCING. The state board of higher education, acting for and through the university of North Dakota, may enter into a refinancing agreement with a private entity for the technology accelerator building during the period beginning with the effective date of this Act and ending June 30, 2023.

SECTION 21. TRANSFER OF DAKOTA INSTITUTE INVENTORY. Bismarck state college may transfer any rights, titles, interests, copyrights, and inventory of any of the Dakota institute's publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production for the period beginning with the effective date of this Act, and ending June 30, 2023.

SECTION 22. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT REPORT. Notwithstanding section 54-16-04, the office of management and budget shall transfer appropriation authority from the operations to the capital assets line items within subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher education for the biennium beginning July 1, 2021, and ending June 30, 2023. The board shall report any transfer of funds under this section to the legislative management.

SECTION 23. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control during the biennium beginning July 1, 2021, and ending June 30, 2023. The North Dakota university system shall report any adjustments to the office of management and budget as part of the submission of the 2023-25 biennium budget request.

SECTION 24. EXEMPTION - PROJECT AUTHORIZATIONS. Any unexpended amounts remaining from the \$49,900,000 appropriated from the general fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 53 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to the respective institutions to complete the projects during the biennium beginning July 1, 2021, and ending June 30, 2023.

²⁰ Section 15-10-48 was also amended by section 10 of Senate Bill No. 2003, chapter 130, section 2 of Senate Bill No. 2030, chapter 31, section 3 of Senate Bill No. 2030, chapter 130, and section 6 of Senate Bill No. 2030, chapter 130.

SECTION 25. LEGISLATIVE MANAGEMENT STUDY - STUDENT AFFORDABILITY. During the 2021-22 interim, the legislative management shall study higher education student affordability, including all forms of financial assistance available for students enrolled at institutions of higher education in the state. The study must include a review of available scholarships, student loan programs, waivers, grants, and any other forms of student financial assistance available for students enrolled at institutions of higher education in the state. The study must also include a review of the eligibility requirements and other criteria relating to each program, and their impact on the financial cost and utilization of each program. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 26. LEGISLATIVE MANAGEMENT STUDY - HIGHER EDUCATION FUNDING STABILIZATION. During the 2021-22 interim, the legislative management shall consider studying higher education funding mechanisms, including private-public partnerships and distributions from permanent funds. The study must include potential mechanisms to stabilize funding for higher education, including funding mechanisms used in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 27. LEGISLATIVE MANAGEMENT STUDY - HIGHER EDUCATION FUNDING FORMULA. During the 2021-22 interim, the legislative management shall consider studying the higher education funding formula, including instructional program classification factors. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 28. LEGISLATIVE INTENT - UNIVERSITY OF NORTH DAKOTA - NURSING EDUCATION CONSORTIUM. It is the intent of the sixty-seventh legislative assembly that the university of North Dakota discontinue making payments to other institutions of higher education for costs relating to nursing education simulation laboratories.

SECTION 29. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL PROGRAM CLASSIFICATION FACTORS. It is the intent of the sixty-seventh legislative assembly that:

1. Veterinary medicine courses remain under the health sciences instructional program classification within the higher education funding formula;
2. Computer and information sciences and support services courses be transferred to the engineering instructional program classification within the higher education funding formula; and
3. Lineworker; plumbing; powersports technology; heating, ventilating, air conditioning, and refrigeration technology; diesel technology; mechanical systems; and machine tooling courses be placed in an upper division under the career and technical education instructional program classification within the higher education funding formula.

SECTION 30. EMERGENCY. Sections 3, 6, 7, 8, 14, 16, 19, 20, and 21 of this Act and the capital assets line items in section 1 of this Act are declared to be an emergency measure.

Approved April 26, 2021

Filed April 26, 2021

CHAPTER 32

SENATE BILL NO. 2004

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact sections 23-01-02, 54-27-25, 61-02.1-02.1, and 61-02.1-04 of the North Dakota Century Code and section 510 of House Bill No. 1247, as approved by the sixty-seventh legislative assembly, relating to compensation of members of the health council, the tobacco settlement trust fund, statewide water development project funding, bonds payable, and the transfer of appropriation authority to the department of health and human services; to repeal sections 54-27-25.1 and 61-02.1-05 of the North Dakota Century Code, relating to water development trust fund expenditures and the water development trust fund; to provide for a transfer; to provide a statement of legislative intent; to provide for a report; to provide for a legislative management study; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state department of health for the purpose of defraying the expenses of the state department of health, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$37,719,574	\$3,643,394	\$41,362,968
Operating expenses	32,398,526	(820,983)	31,577,543
Capital assets	2,164,813	481,580	2,646,393
Grants	53,257,292	1,991,853	55,249,145
Tobacco prevention	12,902,064	507,958	13,410,022
Women, infants, and children food payments	19,780,000	120,000	19,900,000
Statewide health strategies	0	3,000,000	3,000,000
COVID-19	<u>0</u>	<u>13,722,107</u>	<u>13,722,107</u>
Total all funds	\$158,222,269	\$22,645,909	\$180,868,178
Less estimated income	<u>121,951,679</u>	<u>15,094,783</u>	<u>137,046,462</u>
Total general fund	\$36,270,590	\$7,551,126	\$43,821,716
Full-time equivalent positions	204.00	6.50	210.50

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Microbiology laboratory capital improvements	\$1,220,000	\$0
Microbiology laboratory technology upgrades	483,000	0

Women, infants, and children system upgrade	354,554	0
Vital records system technology updates	0	275,000
Statewide health strategies initiative	0	3,000,000
COVID-19 response	0	9,262,341
Forensic examiner upgrades	0	910,000
Total all funds	\$2,057,554	\$13,447,341
Less estimated income	<u>1,967,554</u>	<u>7,919,065</u>
Total general fund	\$90,000	\$5,528,276

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The state department of health shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. CONTINGENT FUNDING - STATEWIDE HEALTH STRATEGIES.

One-time funding of \$1,500,000 appropriated from the community health trust fund for statewide health strategies in section 1 of this Act is contingent on the state department of health securing dollar-for-dollar matching funds.

SECTION 4. TRANSFER OF APPROPRIATION AUTHORITY.

Section 1 of this Act includes appropriation authority for the state department of health for the biennium beginning July 1, 2021, and ending June 30, 2023. On September 1, 2022, in accordance with provisions of House Bill No. 1247, as approved by the sixty-seventh legislative assembly, the office of management and budget shall transfer remaining appropriation authority contained in section 1 of this Act, and any remaining appropriation authority for the state department of health in other bills approved by the sixty-seventh legislative assembly, to the department of health and human services. The appropriation authority in section 1 of this Act and appropriation authority for the state department of health from any other bill that is transferred to the department of health and human services must be maintained and reported separately from other appropriation authority transferred to the department of health and human services.

SECTION 5. ESTIMATED INCOME - INSURANCE TAX DISTRIBUTION FUND.

The estimated income line item in section 1 of this Act includes the sum of \$1,125,000 from the insurance tax distribution fund for rural emergency medical services grants.

SECTION 6. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.

The estimated income line item in section 1 of this Act includes the sum of \$20,837,620 from the community health trust fund for the following programs:

Behavioral risk factor survey	\$200,000
Behavioral health loan repayment	234,500
Domestic violence prevention	300,000
Women's way	329,500
Dentists' loan repayment	360,000
Local public health state aid	525,000
Cancer programs	580,324
Forensic examiner contract	1,000,000
Statewide health strategies initiative	1,500,000
Local public health pandemic response grants	4,515,296
Tobacco prevention and control	5,043,000
Tobacco prevention and control grants to local public health units	
<u>6,250,000</u>	
Total community health trust fund	\$20,837,620

SECTION 7. TRANSFER TOBACCO PREVENTION AND CONTROL TRUST FUND TO COMMUNITY HEALTH TRUST FUND. The office of management and budget shall transfer any moneys remaining in the tobacco prevention and control trust fund to the community health trust fund on July 1, 2021.

SECTION 8. AMENDMENT. Section 23-01-02 of the North Dakota Century Code is amended and reenacted as follows:

23-01-02. Health council - Members, terms of office, vacancies, compensation, officers, meetings.

The health council consists of nine members appointed by the governor including four persons from the health care field, and five persons representing consumer interests. The governor may select members to the council from recommendations submitted by trade, professional, and consumer organizations. On the expiration of the term of any member, the governor, in the manner provided by this section, shall appoint for a term of three years, persons to take the place of members whose terms on the council are about to expire. The officers of the council must be elected annually. Any state agency may serve in an advisory capacity to the health council at the discretion of the council. The council shall meet at least twice each year and at other times as the council or its chairman may direct. The health council shall have as standing committees any committees the council may find necessary. The chairman of the council shall select the members of these committees. The members of the council are entitled to receive ~~sixty-two dollars and fifty cents~~ as compensation per day at the rate set for a member of the legislative assembly under subsection 1 of section 54-03-20 and their necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09 while attending council meetings or in the performance of any special duties as the council may direct. The per diem and expenses must be audited and paid in the manner in which the expenses of state officers are audited and paid. The compensation provided for in this section may not be paid to any member of the council who received salary or other compensation as a regular employee of the state, or any of its political subdivisions, or any institution or industry operated by the state.

SECTION 9. AMENDMENT. Section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

54-27-25. Tobacco settlement trust fund - Interest on fund - Uses.

4. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Moneys in the fund must be transferred within thirty days of receipt by the state to a community health trust fund. Moneys in the fund may be appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state.
2. ~~There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in~~

~~State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be used as appropriated by the legislative assembly.~~

SECTION 10. AMENDMENT. Section 61-02.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

61-02.1-02.1. Funding - Statewide water development projects - Bond issuance amount.

1. The priorities for the statewide water development program include municipal, rural, and industrial projects; irrigation projects; general water management projects, including rural flood control, snagging and clearing, channel improvement, recreation, and planning studies; flood control projects; and weather modification projects, which are authorized and declared to be in the public interest. The state water commission may provide the funds necessary to construct these projects from money appropriated to the state water commission from the resources trust fund, ~~the water development trust fund,~~ or by issuing bonds in an amount not to exceed sixty million dollars plus the costs of issuance of the bonds, capitalized interest, and reasonably required reserves. The proceeds of any bonds issued under the authority provided in this section are appropriated to the state water commission for the purposes set forth in this section.
2. If the state water commission determines it is appropriate to do so, it may, in lieu of issuing or in combination with the issuance of bonds pursuant to this section or section 61-02.1-01, for all or part of the state's cost share for the projects set forth in those provisions, use funds appropriated to it from the resources trust fund ~~or the water development trust fund.~~

SECTION 11. AMENDMENT. Section 61-02.1-04 of the North Dakota Century Code is amended and reenacted as follows:

61-02.1-04. Bonds payable from appropriations and other revenues.

1. Principal and interest on bonds issued for flood control or reduction projects as provided in this chapter are payable from transfers to be made and appropriated by the legislative assembly from ~~the water development trust fund as provided in section 61-02.1-05, then from transfers to be made and appropriated by the legislative assembly from revenues in the resources trust fund other than revenues from state taxes, then from appropriations of other available revenues in the then current biennium, and then from any other revenues the state water commission makes available during the then current biennium for that purpose, including any federal moneys received by the state for the construction of flood control or reduction projects to pay bonds issued for that project. If sufficient funds from these sources are not available, then from transfers to be made and appropriated by the legislative assembly from the first available current biennial earnings of the Bank of North Dakota not to exceed six million five hundred thousand dollars per biennium prorated with any other bonds payable from transfers to be made and appropriated by the legislative assembly from the available current biennial earnings of the Bank of North Dakota, to be credited by the trustee to the fund established for paying principal and interest on the bonds under a trust indenture.~~

2. Principal and interest on bonds issued for continued construction of the southwest pipeline project are payable from ~~transfers to be made and appropriated by the legislative assembly from the water development trust fund as provided in section 61-02.1-05, then from transfers to be made and appropriated by the legislative assembly from revenues in the resources trust fund other than revenues from state taxes, then from appropriations of other available revenues in the then current biennium, or from payment from the Perkins County rural water system, and then from any other revenues the state water commission makes available during the then current biennium for that purpose, including any federal moneys received by the state for the construction of the southwest pipeline project to pay bonds issued for the project. If sufficient funds from these sources are not available, then from transfers to be made and appropriated by the legislative assembly from the first available current biennial earnings of the Bank of North Dakota not to exceed six million five hundred thousand dollars per biennium prorated with any other bonds payable from transfers to be made and appropriated by the legislative assembly from the available current biennial earnings of the Bank of North Dakota, to be credited by the trustee to the fund established for paying principal and interest on the bonds under a trust indenture.~~
3. Principal and interest on bonds issued under subsection 7 of section 61-02.1-01 are payable from ~~transfers to be made and appropriated by the legislative assembly from the water development trust fund as provided in section 61-02.1-05, then from transfers to be made and appropriated by the legislative assembly from revenues in the resources trust fund other than revenues from state taxes, then from appropriations of other available revenues in the then current biennium, and then from any other revenues the state water commission makes available during the then current biennium for that purpose, including any federal moneys received by the state for the construction of an outlet to Devils Lake to pay bonds issued for that project, or financing a statewide water development program to pay bonds issued for that project. If sufficient funds from these sources are not available, then from transfers to be made and appropriated by the legislative assembly from the first available current biennial earnings of the Bank of North Dakota not to exceed six million five hundred thousand dollars per biennium prorated with any other bonds payable from transfers to be made and appropriated by the legislative assembly from the available current biennial earnings of the Bank of North Dakota, to be credited by the trustee to the fund established for paying principal and interest on the bonds under a trust indenture.~~
4. Obligations issued as provided in this chapter do not constitute a debt, liability, or obligation of the state of North Dakota or a pledge of the faith and credit of the state of North Dakota, but are payable solely from the sources as described in this chapter.
5. The state water commission shall include in its submission to the governor for inclusion by the governor in the biennial executive budget of the state for each year of the respective biennium during the term of any bonds issued as provided in this chapter an amount fully sufficient to pay the principal and interest required to be paid in each year of the biennium, if any, from moneys from non-general fund sources. Provided, that should the governor not include in the executive budget for any reason the amounts required to be included by this section, the state water commission shall request independently that the legislative assembly amend the executive budget appropriation so as to include the amounts.

6. Principal and interest on bonds issued for projects authorized pursuant to section 61-02.1-02.1 are payable from transfers to be made and appropriated by the legislative assembly from the water development trust fund as provided in section 61-02.1-05, then from transfers to be made and appropriated by the legislative assembly from revenues in the resources trust fund other than revenues from state taxes, then from appropriations of other available revenues in the then current biennium, and then from any other revenues the state water commission makes available during the then current biennium for that purpose. If sufficient funds from these sources are not available, then from transfers to be made and appropriated by the legislative assembly from the first available current biennial earnings of the Bank of North Dakota not to exceed six million five hundred thousand dollars per biennium prorated with any other bonds payable from transfers to be made and appropriated by the legislative assembly from the available current biennial earnings of the Bank of North Dakota, to be credited by the trustee to the fund established for paying principal and interest on the bonds under a trust indenture.

SECTION 12. AMENDMENT. Section 510 of House Bill No. 1247, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

SECTION 510. LEGISLATIVE INTENT. It is the intent of the sixty-seventh legislative assembly that:

1. Effective September 1, 2022, the state department of health merge into the department of human services and both agencies be called the department of health and human services;
2. Effective September 1, 2022, the state department of health, including the state health officer, fall under the authority of the executive director of the department of human services, now known as the executive director of the department of health and human services;
3. During the 2021-23 biennium, the executive director of the former department of human services review and reorganize the structure of the former department of human services to incorporate the former state department of health and to find efficiencies in the newly formed department of health and human services;
4. The newly formed department of health and human services is not required to reduce the full time equivalent positions of the former state department of health and department of human services;
5. The office of management and budget transfer the state department of health's appropriation into the department of human services appropriation for the period beginning September 1, 2022, and ending June 30, 2023;
6. Section 1 of Senate Bill No. 2004, as approved by the sixty-seventh legislative assembly, shall transfer into subdivisions 1 and 2 of section 1 of House Bill No. 1012, as approved by the sixty-seventh legislative assembly, for the period beginning September 1, 2022, and ending June 30, 2023;
7. The combined budget of the department of human services and state department of health be referred to the budget of the department of health and human services; and

8-6. Department of health and human services is to be substituted for, shall take any action previously to be taken by, and shall perform any duties previously to be performed by the state department of health.

SECTION 13. REPEAL. Sections 54-27-25.1 and 61-02.1-05 of the North Dakota Century Code are repealed.

SECTION 14. LEGISLATIVE INTENT - FUNDING FOR COVID-19 RESPONSE. It is the intent of the sixty-seventh legislative assembly that the state department of health use federal COVID-19 funds or other available funds for defraying expenses related to local public health pandemic response grants before accessing \$4,515,296 appropriated from the community health trust fund in section 1 of this Act.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - STATE DEPARTMENT OF HEALTH. During the 2021-22 interim, the legislative management shall consider studying the roles of the state health officer, health council, medical advisory board, and governor as they relate to the administration of the state department of health. The study must include consideration of the role of the health council if the governor seeks to terminate the appointment of the state health officer or to adjust the salary of or take punitive action against the state health officer. Additionally, the study must include whether the orders of the state health officer regarding public health directives have primacy over orders issued by the governor. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 16. EMERGENCY. The sum of \$350,000, of which \$221,231 is from the general fund and \$128,769 is from federal funds, appropriated in section 1 of this Act for an electronic medical record system is declared to be an emergency measure.

Approved May 7, 2021

Filed May 10, 2021

CHAPTER 33

SENATE BILL NO. 2005

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the Indian affairs commission; to provide an exemption; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the Indian affairs commission for the purpose of defraying the expenses of the Indian affairs commission, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$870,079	\$40,027	\$910,106
Operating expenses	228,560	(42,951)	185,609
Total general fund	\$1,098,639	(\$2,924)	\$1,095,715
Full-time equivalent positions	4.00	0.00	4.00

SECTION 2. EXEMPTION - LINE ITEM TRANSFERS - 2019-21 BIENNIUM. Notwithstanding section 54-16-04, the office of management and budget may transfer up to \$15,000 of appropriation authority from the operating expenses line item to the salaries and wages line item in section 1 of chapter 5 of the 2019 Session Laws as requested by the Indian affairs commission.

SECTION 3. EMERGENCY. Section 2 of this Act is declared to be an emergency measure.

Approved April 16, 2021

Filed April 16, 2021

CHAPTER 34

SENATE BILL NO. 2006

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the North Dakota aeronautics commission for the purpose of defraying the expenses of the North Dakota aeronautics commission, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,526,328	\$72,982	\$1,599,310
Operating expenses	2,004,754	62,923	2,067,677
Grants	<u>25,800,000</u>	<u>1,750,000</u>	<u>27,550,000</u>
Total all funds	\$29,331,082	\$1,885,905	\$31,216,987
Less estimated income	<u>28,831,082</u>	<u>1,910,905</u>	<u>30,741,987</u>
Total general fund	\$500,000	(\$25,000)	\$475,000
Full-time equivalent positions	7.00	0.00	7.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Airport grants	\$20,000,000	\$0
Total special funds	\$20,000,000	\$0

SECTION 3. ESTIMATED INCOME - AIRPORT INFRASTRUCTURE FUND - AIRPORT GRANTS - EXEMPTION. The estimated income line item in section 1 of this Act includes \$20,000,000 from the airport infrastructure fund for the aeronautics commission to provide grants to airports during the biennium beginning July 1, 2021, and ending June 30, 2023. Section 54-44.1-11 does not apply to this funding, and any additional funds not spent by June 30, 2023, must be continued into the biennium beginning July 1, 2023, and ending June 30, 2025, and may be expended only for providing grants to airports.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 35

SENATE BILL NO. 2007

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the veterans' home; to amend and reenact sections 54-59-05 and 54-59-22 of the North Dakota Century Code, relating to state agency information technology service requirements; to provide an exemption; to provide a statement of legislative intent; and to provide for a report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the veterans' home for the purpose of defraying the expenses of the veterans' home, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$18,916,632	\$293,247	\$19,209,879
Operating expenses	5,083,731	480,602	5,564,333
Capital assets	<u>405,733</u>	<u>349,738</u>	<u>755,471</u>
Total all funds	\$24,406,096	\$1,123,587	\$25,529,683
Less estimated income	18,751,772	972,268	19,724,040
Total general fund	\$5,654,324	\$151,319	\$5,805,643
Full-time equivalent positions	120.72	(5.93)	114.79

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Equipment	\$99,400	\$16,700
Strategic plan	25,000	0
Skilled care flooring project	138,700	0
Thermostat replacements	0	131,500
Resident absences	0	25,000
Administrator's residence demolition	233,450	0
Security system upgrades	52,500	0
Memorial garden project	0	<u>200,000</u>
Total all funds	\$549,050	\$373,200
Less estimated income	<u>524,050</u>	<u>348,200</u>
Total general fund	\$25,000	\$25,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The veterans' home shall report to the

appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. ESTIMATED INCOME - SOLDIERS' HOME FUND - ADMINISTRATOR HOUSING STIPEND. The estimated income line item in section 1 of this Act includes the sum of \$48,000 from the soldiers' home fund for the purpose of providing a \$2,000 monthly housing stipend to the veterans' home administrator for housing costs off the veterans' home campus.

SECTION 4. RESIDENT LEAVE OF ABSENCE - LEGISLATIVE INTENT - ONE-TIME FUNDING. The operating expenses line item in section 1 of this Act includes the sum of \$25,000 from the general fund for defraying veterans' home resident costs while residents are absent from the veterans' home. This funding is considered a one-time funding item. It is the intent of the sixty-seventh legislative assembly that the veterans' home governing board increase the number of days a resident is authorized to be absent from the veterans' home without incurring a per diem cost from seven consecutive days to fourteen consecutive days. It is further the intent of the sixty-seventh legislative assembly that any future funding requests from the veterans' home for this purpose be requested from the Melvin Norgard memorial fund.

²¹ **SECTION 5. AMENDMENT.** Section 54-59-05 of the North Dakota Century Code is amended and reenacted as follows:

54-59-05. Powers and duties of department. (Effective through July 31, 2023)

The department:

1. Shall provide, supervise, and regulate information technology of all executive branch state entities, excluding the institutions under the control of the board of higher education and the veterans' home.
2. Shall provide network services in a way that ensures the network requirements of a single entity do not adversely affect the functionality of the whole network, facilitates open communications with the citizens of the state, minimizes the state's investment in human resources, accommodates an ever-increasing amount of traffic, supports rapid detection and resolution of problems, protects the network infrastructure from damage and security breaches, provides for the aggregation of data, voice, video, and multimedia into a statewide transport mechanism or backbone, and provides for the network support for the entity to carry out its mission.
3. May review and approve additional network services that are not provided by the department.
4. May purchase, finance the purchase, or lease equipment, software, or implementation services or replace, including by trade or resale, equipment or software as may be necessary to carry out this chapter. With the exception of agreements entered related to the statewide interoperable radio network, an agreement to finance the purchase of software, equipment, or implementation services may not exceed a period of five years. The department shall submit any intended financing proposal for the purchase of software, equipment, or implementation services under this subsection, which is in excess of one

²¹ Section 54-59-05 was also amended by section 1 of House Bill No. 1417, chapter 444, and section 6 of Senate Bill No. 2021, chapter 49.

million dollars, to the legislative assembly or the budget section if the legislative assembly is not in session before executing a financing agreement. Any request considered by the budget section must comply with section 54-35-02.9. If the legislative assembly or the budget section does not approve the execution of a financing agreement, the department may not proceed with the proposed financing arrangement. With the exception of financing for the statewide interoperable radio network, the department may finance the purchase of software, equipment, or implementation services only to the extent the purchase amount does not exceed seven and one-half percent of the amount appropriated to the department during that biennium.

5. Shall review requests for lease, purchase, or other contractual acquisition of information technology as required by this subsection. Each executive branch agency or institution, excluding the institutions under the control of the board of higher education, shall submit to the department, in accordance with guidelines established by the department, a written request for the lease, purchase, or other contractual acquisition of information technology. The department shall review requests for conformance with the requesting entity's information technology plan and compliance with statewide policies and standards. If the request is not in conformance or compliance, the department may disapprove the request or require justification for the departure from the plan or statewide policy or standard.
6. Shall provide information technology, including assistance and advisory service, to the executive, legislative, and judicial branches. If the department is unable to fulfill a request for service from the legislative or judicial branch, the information technology may be procured by the legislative or judicial branch within the limits of legislative appropriations.
7. Shall request and review information, including project startup information summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout information summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, regarding any major information technology project of an executive branch agency. The department shall present the information to the information technology committee on request of the committee.
8. May request and review information regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five hundred thousand dollars as determined necessary by the department. The department shall present the information to the information technology committee on request of the committee.
9. Shall study emerging technology and evaluate its impact on the state's system of information technology.
10. Shall develop guidelines for reports to be provided by each agency of the executive, legislative, and judicial branches, excluding the institutions under the control of the board of higher education, on information technology in those entities.
11. Shall collaborate with the state board of higher education on guidelines for reports to be provided by institutions under control of the state board of higher education on information technology in those entities.

12. Shall perform all other duties necessary to carry out this chapter.
13. May provide wide area network services to a state agency, city, county, school district, or other political subdivision of this state. The information technology department may not provide wide area network service to any private, charitable, or nonprofit entity except the information technology department may continue to provide the wide area network service the department provided to the private, charitable, and nonprofit entities receiving services from the department on January 1, 2003.
14. Shall assure proper measures for security, firewalls, and internet protocol addressing at the state's interface with other facilities.
15. Notwithstanding subsection 13, may provide wide area network services for a period not to exceed four years to an occupant of a technology park associated with an institution of higher education or to a business located in a business incubator associated with an institution of higher education.
16. Shall advise and oversee cybersecurity strategy for all executive branch state agencies, including institutions under the control of the state board of higher education, counties, cities, school districts, or other political subdivisions. For purposes of this subsection, the department shall consult with the attorney general and the veterans' home on cybersecurity strategy.
17. Shall advise and consult with the legislative and judicial branches regarding cybersecurity strategy.

Powers and duties of department. (Effective after July 31, 2023)

The department:

1. Shall provide, supervise, and regulate information technology of all executive branch state entities, excluding the institutions under the control of the board of higher education and the veterans' home.
2. Shall provide network services in a way that ensures the network requirements of a single entity do not adversely affect the functionality of the whole network, facilitates open communications with the citizens of the state, minimizes the state's investment in human resources, accommodates an ever-increasing amount of traffic, supports rapid detection and resolution of problems, protects the network infrastructure from damage and security breaches, provides for the aggregation of data, voice, video, and multimedia into a statewide transport mechanism or backbone, and provides for the network support for the entity to carry out its mission.
3. May review and approve additional network services that are not provided by the department.
4. May purchase, finance the purchase, or lease equipment, software, or implementation services or replace, including by trade or resale, equipment or software as may be necessary to carry out this chapter. An agreement to finance the purchase of software, equipment, or implementation services may not exceed a period of five years. The department shall submit any intended financing proposal for the purchase of software, equipment, or implementation services under this subsection, which is in excess of one million dollars, to the legislative assembly or the budget section if the legislative assembly is not in

session before executing a financing agreement. Any request considered by the budget section must comply with section 54-35-02.9. If the legislative assembly or the budget section does not approve the execution of a financing agreement, the department may not proceed with the proposed financing arrangement. The department may finance the purchase of software, equipment, or implementation services only to the extent the purchase amount does not exceed seven and one-half percent of the amount appropriated to the department during that biennium.

5. Shall review requests for lease, purchase, or other contractual acquisition of information technology as required by this subsection. Each executive branch agency or institution, excluding the institutions under the control of the board of higher education, shall submit to the department, in accordance with guidelines established by the department, a written request for the lease, purchase, or other contractual acquisition of information technology. The department shall review requests for conformance with the requesting entity's information technology plan and compliance with statewide policies and standards. If the request is not in conformance or compliance, the department may disapprove the request or require justification for the departure from the plan or statewide policy or standard.
6. Shall provide information technology, including assistance and advisory service, to the executive, legislative, and judicial branches. If the department is unable to fulfill a request for service from the legislative or judicial branch, the information technology may be procured by the legislative or judicial branch within the limits of legislative appropriations.
7. Shall request and review information, including project startup information summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout information summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, regarding any major information technology project of an executive branch agency. The department shall present the information to the information technology committee on request of the committee.
8. May request and review information regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five hundred thousand dollars as determined necessary by the department. The department shall present the information to the information technology committee on request of the committee.
9. Shall study emerging technology and evaluate its impact on the state's system of information technology.
10. Shall develop guidelines for reports to be provided by each agency of the executive, legislative, and judicial branches, excluding the institutions under the control of the board of higher education, on information technology in those entities.
11. Shall collaborate with the state board of higher education on guidelines for reports to be provided by institutions under control of the state board of higher education on information technology in those entities.
12. Shall perform all other duties necessary to carry out this chapter.

13. May provide wide area network services to a state agency, city, county, school district, or other political subdivision of this state. The information technology department may not provide wide area network service to any private, charitable, or nonprofit entity except the information technology department may continue to provide the wide area network service the department provided to the private, charitable, and nonprofit entities receiving services from the department on January 1, 2003.
14. Shall assure proper measures for security, firewalls, and internet protocol addressing at the state's interface with other facilities.
15. Notwithstanding subsection 13, may provide wide area network services for a period not to exceed four years to an occupant of a technology park associated with an institution of higher education or to a business located in a business incubator associated with an institution of higher education.
16. Shall advise and oversee cybersecurity strategy for all executive branch state agencies, including institutions under the control of the state board of higher education, counties, cities, school districts, or other political subdivisions. For purposes of this subsection, the department shall consult with the attorney general and the veterans' home on cybersecurity strategy.
17. Shall advise and consult with the legislative and judicial branches regarding cybersecurity strategy.

SECTION 6. AMENDMENT. Section 54-59-22 of the North Dakota Century Code is amended and reenacted as follows:

54-59-22. Required use of electronic mail, file and print server administration, database administration, application server, and hosting services.

Each state agency and institution, excluding the legislative and judicial branches, the institutions under the control of the state board of higher education, the attorney general, the veterans' home, and any entity exempted by the office of management and budget after advisement by the information technology department, shall obtain electronic mail, file and print server administration, database administration, storage, application server, and hosting services through a delivery system established by the information technology department in conjunction with the office of management and budget. The office of management and budget, after receiving advice from the information technology department, shall establish policies and guidelines for the delivery of services, including the transition from existing systems to functional consolidation, with consideration given to the creation of efficiencies, cost-savings, and improved quality of service.

SECTION 7. EXEMPTION - SKILLED CARE FLOORING PROJECT. The \$138,700 appropriated from the soldiers' home fund for a skilled care flooring project in section 1 of chapter 7 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unspent funds may be continued and is available for defraying the expenses of completing the project during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 8. EXEMPTION - EQUIPMENT. The amount of \$20,700 appropriated from the soldiers' home fund in the capital assets line item for a dryer in section 1 of chapter 7 of the 2019 Session Laws is not subject to section 54-44.1-11 and is

available for the purchase of a dryer for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 9. EXEMPTION - ADMINISTRATOR'S RESIDENCE - CAPITAL ASSETS. Of the \$233,450 appropriated from the soldiers' home fund in the administrator's residence line item for the demolition of the administrator's residence in section 1 of chapter 7 of the 2019 Session Laws, \$54,925 is not subject to section 54-44.1-11 and is available for the purpose of defraying capital assets costs of the veterans' home for the biennium beginning July 1, 2021, and ending June 30, 2023.

Approved April 16, 2021

Filed April 16, 2021

CHAPTER 36

SENATE BILL NO. 2008

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of financial institutions; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from other income, to the department of financial institutions for the purpose of defraying the expenses of the department of financial institutions, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$7,022,655	\$392,443	\$7,415,098
Operating expenses	1,641,912	29,497	1,671,409
Contingency	<u>20,000</u>	<u>0</u>	<u>20,000</u>
Total special funds	\$8,684,567	\$421,940	\$9,106,507
Full-time equivalent positions	31.00	0.00	31.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Website redesign	<u>\$451,305</u>	<u>\$0</u>
Total special funds	\$451,305	\$0

SECTION 3. EXEMPTION - LINE ITEM TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority among the line items in section 1 of this Act as requested by the commissioner of the department of financial institutions during the biennium beginning July 1, 2021, and ending June 30, 2023. The department of financial institutions shall notify the legislative council of any transfers made pursuant to this section.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 37

SENATE BILL NO. 2009

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the state fair association.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of moneys in the general fund in the state treasury, not otherwise appropriated, to the state fair association for the purpose of defraying the expenses of the state fair association, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Premiums	\$542,833	\$0	\$542,833
Total general fund	\$542,833	\$0	\$542,833

Approved April 12, 2021

Filed April 13, 2021

CHAPTER 38

SENATE BILL NO. 2010

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the council on the arts.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the council on the arts for the purpose of defraying the expenses of the council on the arts, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$968,858	\$113,761	\$1,082,619
Operating expenses	285,774	771	286,545
Grants	<u>2,090,494</u>	<u>(7,970)</u>	<u>2,082,524</u>
Total all funds	\$3,345,126	\$106,562	\$3,451,688
Less estimated income	<u>1,738,922</u>	<u>50,000</u>	<u>1,788,922</u>
Total general fund	\$1,606,204	\$56,562	\$1,662,766
Full-time equivalent positions	5.00	0.00	5.00

SECTION 2. APPROPRIATION - CULTURAL ENDOWMENT FUND. All income from the cultural endowment fund is appropriated to the council on the arts for the furthering of the cultural arts in the state for the biennium beginning July 1, 2021, and ending June 30, 2023.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 39

SENATE BILL NO. 2011

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the highway patrol; to provide a report; to repeal subdivision b of subsection 5 of section 39-08-13 of the North Dakota Century Code, relating to accident report forms; to provide for a transfer; to provide an exemption; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the highway patrol for the purpose of defraying the expenses of the highway patrol, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Highway patrol	\$59,586,945	\$4,224,469	\$63,811,414
Total all funds	\$59,586,945	\$4,224,469	\$63,811,414
Less estimated income	15,373,370	12,110,282	27,483,652
Total general fund	\$44,213,575	(\$7,885,813)	\$36,327,762
Full-time equivalent positions	197.00	(4.00)	193.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Aircraft engine overhaul	\$81,830	\$0
Drone purchase	96,228	0
Shooting range addition	1,729,100	0
Hard body armor	0	265,000
Body and in-car cameras	0	1,158,000
Commercial motor carrier system	0	275,000
Total all funds	\$1,907,158	\$1,698,000
Less estimated income	1,825,328	1,698,000
Total general fund	\$81,830	\$0

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The highway patrol shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - 2019-21 BIENNIUM - FEDERAL CORONAVIRUS RELIEF FUND - SPENDING RESTRICTION. There is appropriated from federal funds derived from the federal coronavirus relief fund, not otherwise

appropriated, the sum of \$8,100,000, or so much of the sum as may be necessary, to the highway patrol for law enforcement officer payroll costs for the period beginning January 1, 2021, and ending June 30, 2021. The funding appropriated in this section replaces existing legislative appropriations. The highway patrol may not spend the funding appropriated from the general fund and highway tax distribution fund for law enforcement payroll costs during the period identified.

SECTION 4. ESTIMATED INCOME - FEDERAL CORONAVIRUS RELIEF FUND.

The estimated income line item in section 1 of this Act includes the sum of \$8,100,000, or so much of the sum as may be necessary, from the federal coronavirus relief fund for law enforcement officer payroll costs for the period beginning July 1, 2021, and ending December 31, 2021.

SECTION 5. ESTIMATED INCOME - TRANSFER - HIGHWAY TAX DISTRIBUTION FUND. The estimated income line item in section 1 of this Act includes the sum of \$9,346,781, or so much of the sum as may be necessary, from the state highway tax distribution fund which may be transferred at the direction of the superintendent of the highway patrol for defraying the expenses of the highway patrol during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 6. SALARY EQUITY. Section 1 of this Act includes the sum of \$2,092,500 for salary equity funding, on-call pay, and location incentive pay. This amount, along with any funding available from agency operational savings that may be reallocated, may be used for:

1. Salary equity adjustments that may not exceed \$1,532,000 in total for the biennium;
2. Law enforcement officer on-call pay that may not exceed 25 percent of the officer's hourly salary for regular on-call duties and may not exceed 50 percent of the officer's hourly salary for emergency on-call duties; and
3. Location incentive pay based on existing agency policies.

SECTION 7. ESTIMATED INCOME - MOTOR CARRIER ELECTRONIC PERMIT TRANSACTION FUND. The estimated income line item in section 1 of this Act includes \$3,147,244 from the motor carrier electronic permit transaction fund for defraying various expenses associated with the issuance of permits and other nonenforcement motor carrier and administrative activities.

SECTION 8. EXEMPTION. The sum of \$50,530 from the general fund appropriated in section 1 of chapter 11 of the 2019 Session Laws is not subject to section 54-44.1-11 and may be continued into the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 9. PAYMENTS TO HIGHWAY PATROL OFFICERS. Each patrol officer of the state highway patrol is entitled to receive from funds appropriated in section 1 of this Act an amount not to exceed \$200 per month for the biennium beginning July 1, 2021, and ending June 30, 2023. The payments are in lieu of reimbursement for meals and other expenses, except lodging, while in travel status within the state of North Dakota or while at the patrol officers' respective home stations. The amounts must be paid at the time and in the same manner as salaries are paid to members of the highway patrol and may be paid without the presentation of receipts or other memorandums.

SECTION 10. REPEAL. Subdivision b of subsection 5 of section 39-08-13 of the North Dakota Century Code is repealed.

SECTION 11. EMERGENCY. Sections 3 and 10 of this Act are declared to be an emergency measure.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 40

SENATE BILL NO. 2012

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of transportation; to create and enact section 24-02-02.5 of the North Dakota Century Code, relating to cooperative agreements for rest areas; to provide for a contingent loan authorization; to provide a contingent appropriation; to provide for transfers; to provide an exemption; to provide a statement of legislative intent; to provide for a report; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the department of transportation for the purpose of defraying the expenses of the department of transportation, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$197,827,038	\$6,282,547	\$204,109,585
Operating expenses	235,037,785	45,510,403	280,548,188
Capital assets	859,725,944	87,705,400	947,431,344
Grants	<u>95,854,637</u>	<u>22,230,973</u>	<u>118,085,610</u>
Total special funds	\$1,388,445,404	\$161,729,323	\$1,550,174,727
Full-time equivalent positions	982.00	0.00	982.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Driver's license system project	\$22,500,000	\$0
Minot and Williston driver's license facility maintenance	1,300,000	0
Short line railroad program	2,500,000	0
Contingent Bank of North Dakota loan	50,000,000	0
Infrastructure improvements	0	45,000,000
Management systems replacement	<u>0</u>	<u>9,660,000</u>
Total all funds	\$76,300,000	\$54,660,000
Less estimated income	<u>73,800,000</u>	<u>54,660,000</u>
Total general fund	\$2,500,000	\$0

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The department of transportation shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. EXEMPTION - LINE ITEM TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority among the salaries and wages, operating expenses, capital assets, and grants line items in section 1 of this Act as requested by the director of the department of transportation when it is cost-effective for construction and maintenance of highways. The department of transportation shall notify the legislative council of any transfers made pursuant to this section.

SECTION 4. APPROPRIATION - STATE DISASTER RELIEF FUND - DEPARTMENT OF TRANSPORTATION - EMERGENCY ROAD REPAIR GRANTS. There is appropriated out of any moneys in the state disaster relief fund in the state treasury, not otherwise appropriated, the sum of \$750,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of providing grants to townships for emergency township road repairs for the period beginning with the effective date of this Act, and ending June 30, 2023. To be eligible for a grant under this section, a township must certify to the department of transportation that the township does not have sufficient funds from any local source to complete emergency repairs to any of its roads. The department shall develop criteria for the application process. The funding provided in this section is considered a one-time funding item.

SECTION 5. FEDERAL FUNDS - TRAFFIC MANAGEMENT CENTER - AVAILABLE STATE FUNDS. Section 1 of this Act includes \$5,000,000 of federal funds for the creation of a traffic management center during the biennium beginning July 1, 2021, and ending June 30, 2023. If available, the department of transportation may use up to \$5,000,000 of state funds appropriated in section 1 of this Act for the creation of a traffic management center and to match the federal funds identified in this section.

SECTION 6. CONTINGENT LOAN AUTHORIZATION - CONTINGENT APPROPRIATION - HIGHWAY IMPROVEMENT PROJECTS. The department of transportation may borrow from the Bank of North Dakota, \$50,000,000, or so much of the sum as may be necessary, which is appropriated to the department of transportation for matching federal funds that may become available, for the biennium beginning July 1, 2021, and ending June 30, 2023. The funds authorized in this section may be borrowed and spent only upon certification by the director of the department of transportation to the director of the office of management and budget that the department has been awarded additional federal grants related to United States highway 85 during the biennium beginning July 1, 2021, and ending June 30, 2023, and that other state funds from bond proceeds are not available for this purpose. The department of transportation shall request from the sixty-eighth legislative assembly an appropriation to repay any outstanding loans authorized in this section. The appropriation in this section is considered a one-time funding item.

SECTION 7. EXEMPTION - ENHANCED STATE HIGHWAY INVESTMENT FUNDING. Section 54-44.1-11 does not apply to the remaining \$26,200,669 of the \$503,115,558 in the capital assets line item relating to enhanced state highway investments in section 1 of chapter 12 of the 2015 Session Laws. Any funds continued into the 2021-23 biennium but not spent by June 30, 2023, must be continued into the biennium beginning July 1, 2023, and ending June 30, 2025, and may be expended only for enhanced state highway investments.

SECTION 8. EXEMPTION - DRIVER'S LICENSE SYSTEM PROJECT. Section 54-44.1-11 does not apply to the \$22,500,000 in the operating expenses line item relating to the driver's license system project in section 1 of chapter 12 of the 2019 Session Laws and any unexpended funds must be continued into the biennium

beginning July 1, 2021, and ending June 30, 2023, and may be expended only for the driver's license system project.

SECTION 9. Section 24-02-02.5 of the North Dakota Century Code is created and enacted as follows:

24-02-02.5. Rest area cooperative agreement.

Notwithstanding any other provision of law, the director may enter a cooperative agreement with the Theodore Roosevelt national park painted canyon visitor center for the joint administration and operation of a rest area facility for use by the traveling public. The director may expend moneys from the state highway fund within the limits of legislative appropriations for administration and operational support of the rest area facility.

SECTION 10. LEGISLATIVE INTENT - DEPARTMENT OF TRANSPORTATION - BIOLOGICAL AND OTHER RENEWABLE PRODUCTS. It is the intent of the sixty-seventh legislative assembly that the department of transportation use gasoline fuel with fifteen percent ethanol and the highest compatible percentage of biodiesel or renewable diesel for all department and state fleet vehicles when these products are available and result in cost-savings. It is further the intent of the sixty-seventh legislative assembly that state fleet vehicles refueling at nonstate fuel sites use renewable fuels when available.

SECTION 11. EMERGENCY. Section 4 of this Act is declared to be an emergency measure.

Approved April 19, 2021

Filed April 20, 2021

CHAPTER 41

SENATE BILL NO. 2013

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the commissioner of university and school lands; to provide for distributions from permanent funds; to provide a report; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys from special funds derived from the state lands maintenance fund in the state treasury, to the commissioner of university and school lands for the purpose of defraying the expenses of the commissioner of university and school lands, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$5,725,379	\$747,748	\$6,473,127
Operating expenses	2,283,022	(53,150)	2,229,872
Capital assets	0	1,600,000	1,600,000
Contingencies	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Total special funds	\$8,108,401	\$2,294,598	\$10,402,999
Full-time equivalent positions	28.00	2.00	30.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Oil and gas impact grants	\$2,000,000	\$0
Mineral valuation study	350,000	0
Information technology project	<u>0</u>	<u>1,600,000</u>
Total special funds	\$2,350,000	\$1,600,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The commissioner of university and school lands shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. DISTRIBUTIONS TO STATE INSTITUTIONS. Pursuant to article IX of the Constitution of North Dakota, the board of university and school lands shall distribute during the biennium beginning July 1, 2021, and ending June 30, 2023, the following amounts, from the permanent funds managed for the benefit of the following entities:

Common schools	\$421,020,000
North Dakota state university	6,620,000
University of North Dakota	5,084,000
Youth correctional center	2,228,000
School for the deaf	2,014,000
North Dakota state college of science	1,941,000
State hospital	1,673,000
Veterans' home	795,000
Valley City state university	1,178,000
North Dakota vision services - school for the blind	1,375,000
Mayville state university	742,000
Dakota college at Bottineau	285,000
Dickinson state university	285,000
Minot state university	<u>285,000</u>
Total	\$445,525,000

SECTION 4. EXEMPTION - OIL AND GAS IMPACT GRANT FUND. The amounts previously appropriated from the oil and gas impact grant fund and identified in sections 2 and 9 of chapter 13 of the 2019 Session Laws related to the oil and gas impact grant fund, including any grant awards returned to the fund, are not subject to section 54-44.1-11. Any unexpended amounts are available for grants and administrative expenses associated with the fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. EXEMPTION - INFORMATION TECHNOLOGY PROJECT - REPORT. The \$3,600,000 appropriated from the state lands maintenance fund in section 1 of chapter 38 of the 2017 Session Laws and identified in section 10 of chapter 13 of the 2019 Session Laws is not subject to section 54-44.1-11, and any unexpended funds are available to complete the information technology project during the biennium beginning July 1, 2021, and ending June 30, 2023. During the 2021-22 interim, the commissioner of university and school lands shall provide at least one report to the information technology committee regarding the status of the information technology project.

Approved April 23, 2021

Filed April 23, 2021

CHAPTER 42

SENATE BILL NO. 2014

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the industrial commission and the agencies under its control; to create and enact subsections 7 and 8 of section 54-17-07.3 of the North Dakota Century Code, relating to housing finance agency programs; to amend and reenact subsection 1 of section 6-09-49, as amended by section 1 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, section 6-09-49, the new section to chapter 6-09, as created by section 2 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, section 6-09.4-05.1, section 6-09.4-06, as amended by section 3 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, section 15-11-40, subsection 6 of section 17-05-08, subsection 1 of section 38-22-14, subsection 1 of section 38-22-15, and sections 54-17-40 and 57-51.1-07.9 of the North Dakota Century Code and section 7 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, relating to the infrastructure revolving loan fund, the water infrastructure revolving loan fund, the state energy research center, transmission authority projects, public finance authority bonding, carbon dioxide storage fees, the housing incentive fund, and a bond issue limitation; to repeal section 54-17-07.12 of the North Dakota Century Code, relating to the housing finance agency participating as a wholesale servicing mortgage lender; to provide for a transfer; to provide an exemption; to provide a statement of legislative intent; to provide for a study; to provide for a legislative management report; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the industrial commission and agencies under its control for the purpose of defraying the expenses of the industrial commission and the agencies under its control, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

INDUSTRIAL COMMISSION

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$23,409,450	\$288,669	\$23,698,119
Operating expenses	5,830,227	(704,669)	5,125,558
Capital assets	0	100,660	100,660
Grants - bond payments	10,508,767	11,531,954	22,040,721
Contingencies	<u>229,544</u>	<u>(229,544)</u>	<u>0</u>
Total all funds	\$39,977,988	\$10,987,070	\$50,965,058
Less estimated income	<u>12,723,790</u>	<u>11,645,395</u>	<u>24,369,185</u>
Total general fund	\$27,254,198	(\$658,325)	\$26,595,873
Full-time equivalent positions	112.25	(4.00)	108.25

Subdivision 2.

BANK OF NORTH DAKOTA

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Bank of North Dakota operations	\$62,847,799	\$3,433,380	\$66,281,179
Capital assets	<u>1,510,000</u>	0	<u>1,510,000</u>
Total special funds	\$64,357,799	\$3,433,380	\$67,791,179
Full-time equivalent positions	181.50	(8.50)	173.00

Subdivision 3.

HOUSING FINANCE AGENCY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$8,509,015	\$1,047,257	\$9,556,272
Operating expenses	5,346,276	797,784	6,144,060
Capital assets	0	150,000	150,000
Grants	33,466,600	9,508,600	42,975,200
Housing finance agency contingencies	<u>100,000</u>	0	<u>100,000</u>
Total special funds	\$47,421,891	\$11,503,641	\$58,925,532
Full-time equivalent positions	44.00	5.00	49.00

Subdivision 4.

MILL AND ELEVATOR ASSOCIATION

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$46,447,824	\$4,112,385	\$50,560,209
Operating expenses	29,837,000	6,980,000	36,817,000
Contingencies	500,000	0	500,000
Agriculture promotion	<u>210,000</u>	<u>290,000</u>	<u>500,000</u>
Total special funds	\$76,994,824	\$11,382,385	\$88,377,209
Full-time equivalent positions	156.00	0.00	156.00

Subdivision 5.

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$27,254,198	(\$658,325)	\$26,595,873
Grand total special funds	<u>201,498,304</u>	<u>37,964,801</u>	<u>239,463,105</u>
Grand total all funds	\$228,752,502	\$37,306,476	\$266,058,978

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Temporary employees	\$175,000	\$0
Rare earth elements study	160,000	0

Fracturing sand study	110,000	0
Oil database software upgrade	5,000,000	0
High-level radioactive fund	20,000	0
Housing finance agency - housing incentive fund	7,500,000	0
Housing finance agency - housing assessment	0	35,000
Paleontology and geological equipment	0	<u>106,206</u>
Total all funds	\$12,965,000	\$141,206
Less estimated income	5,270,000	35,000
Total general fund	\$7,695,000	\$106,206

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The industrial commission shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. BOND PAYMENTS. The amount of \$22,040,721 included in subdivision 1 of section 1 of this Act in the grants - bond payments line item must be paid from the following funding sources, during the biennium beginning July 1, 2021, and ending June 30, 2023:

North Dakota university system	\$17,204,639
North Dakota university system - energy conservation projects	415,114
Department of corrections and rehabilitation	492,354
Department of corrections and rehabilitation - energy conservation projects	8,181
State department of health	341,365
Job service North Dakota	230,600
Office of management and budget	564,515
Attorney general's office	648,055
State historical society	1,179,015
Parks and recreation department	66,165
Research and extension service	483,447
Veterans' home	<u>407,271</u>
Total	\$22,040,721

SECTION 4. APPROPRIATION - HOUSING FINANCE AGENCY - ADDITIONAL INCOME. In addition to the amount appropriated to the housing finance agency in subdivision 3 of section 1 of this Act, there is appropriated any additional income or unanticipated income from federal or other funds which may become available to the agency, for the biennium beginning July 1, 2021, and ending June 30, 2023. The housing finance agency shall notify the office of management and budget and the legislative council of any additional income or unanticipated income that becomes available to the agency resulting in an increase in appropriation authority.

SECTION 5. APPROPRIATION - GENERAL FUND - TRANSFER TO HOUSING INCENTIVE FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$9,500,000, which the office of management and budget shall transfer to the housing incentive fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 6. TRANSFER STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO OIL AND GAS RESEARCH FUND. The office of management and budget shall transfer the sum of \$9,500,000 from the strategic investment and improvements fund to the oil and gas research fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 7. TRANSFER - ENTITIES UNDER THE CONTROL OF THE INDUSTRIAL COMMISSION TO INDUSTRIAL COMMISSION FUND. The sum of \$1,214,768, or so much of the sum as may be necessary, included in the appropriation in subdivision 1 of section 1 of this Act, may be transferred from the entities within the control of the industrial commission or entities directed to make payments to the industrial commission fund for administrative services rendered by the commission. Transfers must be made during the biennium beginning July 1, 2021, and ending June 30, 2023, upon order of the commission. Transfers from the student loan trust fund must be made to the extent permitted by sections 54-17-24 and 54-17-25.

SECTION 8. TRANSFER - BANK OF NORTH DAKOTA PROFITS TO GENERAL FUND. The industrial commission shall transfer to the general fund \$140,000,000 from the current earnings and the accumulated profits of the Bank of North Dakota during the biennium beginning July 1, 2021, and ending June 30, 2023. The moneys must be transferred in the amounts and at the times requested by the director of the office of management and budget after consultation with the Bank of North Dakota president. For legislative council budget status reporting purposes, the transfer under this section is considered an ongoing revenue source.

SECTION 9. TRANSFER - PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION. The Bank of North Dakota shall transfer the sum of \$26,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the partnership in assisting community expansion fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 10. TRANSFER - AGRICULTURE PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION. The Bank of North Dakota shall transfer the sum of \$5,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the agriculture partnership in assisting community expansion fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 11. TRANSFER - BIOFUELS PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION. The Bank of North Dakota shall transfer the sum of \$1,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the biofuels partnership in assisting community expansion fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 12. TRANSFER - BEGINNING FARMER REVOLVING LOAN FUND. The Bank of North Dakota shall transfer the sum of \$8,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the beginning farmer revolving loan fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 13. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM - LIGNITE MARKETING FEASIBILITY STUDY. The amount of \$4,500,000 from the lignite research fund, or so much of the amount as may be necessary, may be used for the purpose of contracting for an independent, nonmatching lignite marketing feasibility study or studies that determine those focused priority areas where near-term, market-driven projects, activities, or processes will generate matching private industry investment and have the most potential of preserving existing lignite production and industry jobs or that will lead to increased development of lignite and its products and create new lignite industry jobs and economic growth for the general welfare of this state. Moneys appropriated

pursuant to this section also may be used for the purpose of contracting for nonmatching studies and activities in support of advanced energy technology and other technology development programs; for litigation that may be necessary to protect and promote the continued development of lignite resources; for nonmatching externality studies and activities in externality proceedings; or other marketing, environmental, or transmission activities that assist with marketing of lignite-based electricity and lignite-based byproducts. Moneys needed for the purposes stated in this section are available to the industrial commission for funding projects, processes, or activities under the lignite research, development, and marketing program.

SECTION 14. OIL AND GAS RESEARCH FUND - UNDERGROUND ENERGY STORAGE STUDY - REPORT TO LEGISLATIVE MANAGEMENT. Pursuant to the continuing appropriation under section 57-51.1-07.3, the industrial commission shall use up to \$9,500,000, or so much of the sum as may be necessary, from the oil and gas research fund to contract with the energy and environmental research center for an underground energy storage study. The study must include consideration of the potential capacity of salt caverns in geological formations in North Dakota for the development of underground storage of energy resources, including natural gas, liquified natural gas, natural gas liquids, and hydrogen. The energy and environmental research center may collaborate with other entities as needed on the study. Prior to contracting with the energy and environmental research center, the commission must receive from at least one nonstate entity assurance of financial or other types of support that demonstrate a commitment to the study. During the 2021-22 interim, the energy and environmental research center shall provide quarterly reports to the industrial commission and at least one report to the legislative management regarding the results and recommendations of the study.

SECTION 15. OIL AND GAS RESEARCH FUND - EXEMPTION - ENERGY AND ENVIRONMENTAL RESEARCH CENTER - STUDY OF HYDROGEN. Pursuant to the continuing appropriation in section 57-51.1-07.3 and notwithstanding any policies developed by the oil and gas research council requiring matching funds, the industrial commission shall use \$500,000, or so much of the sum as may be necessary, from the oil and gas research fund to contract with the energy and environmental research center for a study regarding the development and implementation of hydrogen energy in the state. The study must include a plan for the development and implementation of hydrogen energy and must include consideration of existing resources, methods of production and delivery, and potential uses of hydrogen. The study may include estimates of the cost and timeline to develop infrastructure for hydrogen energy and the use of public and private partnerships to assist in the development of infrastructure for hydrogen energy. During the 2021-22 interim, the energy and environmental research center shall provide at least one report to the legislative management regarding the study.

²² **SECTION 16. AMENDMENT.** Subsection 1 of section 6-09-49 of the North Dakota Century Code, as amended by section 1 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

1. The infrastructure revolving loan fund is a special fund in the state treasury from which the Bank of North Dakota shall provide loans to political subdivisions, the Garrison Diversion Conservancy District, and the Lake Agassiz water authority for essential infrastructure projects. The Bank shall administer the infrastructure revolving loan fund. The maximum term of a loan made under this section is thirty years. A loan made from the fund under this

²² Section 6-09-49 was also amended by section 1 of House Bill No. 1431, chapter 80, and section 17 of Senate Bill No. 2014, chapter 42.

~~section must have an interest rate starting at two percent per year and increasing by one percent every five years, up to a maximum rate of five percent per year that does not exceed two percent per year.~~

²³ **SECTION 17. AMENDMENT.** Section 6-09-49 of the North Dakota Century Code is amended and reenacted as follows:

6-09-49. Infrastructure revolving loan fund - Continuing appropriation.

1. The infrastructure revolving loan fund is a special fund in the state treasury from which the Bank of North Dakota shall provide loans to political subdivisions, the Garrison Diversion Conservancy District, and the Lake Agassiz water authority for essential infrastructure projects. The Bank shall administer the infrastructure revolving loan fund. The maximum term of a loan made under this section is the lesser of thirty years or the useful life of the project. A loan made from the fund under this section must have an interest rate that does not exceed two percent per year.
2. For purposes of this section, "essential infrastructure projects" means capital construction projects ~~for to construct new infrastructure or replace existing infrastructure, which provide the fixed installations necessary for the function of a political subdivision. Capital construction projects exclude routine maintenance and repair projects, but include the following:~~
 - a. The Red River valley water supply project;
 - b. ~~New or replacement of existing water~~Water treatment plants;
 - c. ~~New or replacement of existing wastewater~~Wastewater treatment plants;
 - d. ~~New or replacement of existing sewer lines and water lines~~Sewerlines and waterlines, including lift stations and pumping systems; and
 - e. ~~New or replacement of existing storm water and transportation~~Storm water infrastructure, including curb and gutter construction;
 - f. Water storage systems, including dams, water tanks, and water towers;
 - g. Road and bridge infrastructure, including paved and unpaved roads and bridges;
 - h. Airport infrastructure;
 - i. Electricity transmission infrastructure;
 - j. Natural gas transmission infrastructure;
 - k. Communications infrastructure;
 - l. Emergency services facilities, excluding hospitals; and
 - m. Critical political subdivision buildings and infrastructure.

²³ Section 6-09-49 was also amended by section 1 of House Bill No. 1431, chapter 80, and section 16 of Senate Bill No. 2014, chapter 42.

3. In processing political subdivision loan applications under this section, the Bank shall calculate the maximum outstanding loan amount ~~for which a per qualified applicant may qualify, not to exceed fifteen million dollars per loan. A qualified applicant under this section may have a maximum combined total of forty million dollars in outstanding loans under this section and section 6-09-49.1.~~ The Bank shall consider the applicant's ability to repay the loan when processing the application and shall issue loans only to applicants that provide reasonable assurance of sufficient future income to repay the loan.
4. The Bank shall deposit in the infrastructure revolving loan fund all payments of interest and principal paid under loans made from the infrastructure revolving loan fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs which may not exceed one-half of one percent of the amount of the interest payment. All moneys transferred to the fund, interest upon moneys in the fund, and payments to the fund of principal and interest are appropriated to the Bank on a continuing basis for administrative costs and for loan disbursement according to this section.
5. The Bank may adopt policies and establish guidelines to administer this loan program in accordance with the provisions of this section and to supplement and leverage the funds in the infrastructure revolving loan fund. Additionally, the Bank may adopt policies allowing participation by local financial institutions.
6. If a political subdivision applies for a loan under this section for a county road or bridge project, the department of transportation shall review and approve the project before the Bank may issue a loan. If a political subdivision applies for a loan under this section for a water-related project, the state water commission shall review and approve the project before the Bank may issue a loan. The department of transportation and state water commission may develop policies for reviewing and approving projects under this section.

²⁴ **SECTION 18. AMENDMENT.** The new section to chapter 6-09 of the North Dakota Century Code, as created by section 2 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

Water infrastructure revolving loan fund - State water commission - Continuing appropriation.

1. There is created in the state treasury the water infrastructure revolving loan fund to provide loans for water supply, flood protection, or other water development and water management projects. The fund consists of moneys transferred into the fund, interest earned on moneys in the fund, and principal and interest payments to the fund. All moneys in the fund are appropriated to the Bank of North Dakota on a continuing basis for loan disbursements and administrative costs.
2. The state water commission shall approve eligible projects for loans from the water infrastructure loan fund. The state water commission shall consider the following when evaluating eligible projects:
 - a. A description of the nature and purposes of the proposed infrastructure project, including an explanation of the need for the project, the reasons

²⁴ Section 6-09-49.2 was created by section 2 of House Bill No. 1431, chapter 80.

- why the project is in the public interest, and the overall economic impact of the project.
- b. The estimated cost of the project, the amount of loan funding requested, and other proposed sources of funding.
 - c. The extent to which completion of the project will provide a benefit to the state or regions within the state.
3. Projects not eligible for the state revolving funds under chapters 61-28.1 and 61-28.2 must be given priority for loans from the water infrastructure revolving loan fund.
 4. In consultation with the state water commission, the Bank of North Dakota shall develop policies for the review and approval of loans under this section. Loans made under this section must be made at the same interest rate as the revolving loan funds established under chapters 61-28.1 and 61-28.2.
 5. The Bank of North Dakota shall manage and administer loans from the water infrastructure loan fund. The Bank shall deposit in the fund all principal and interest paid on loans made from the fund. Annually, the Bank may deduct ~~one-quarter~~one-half of one percent of the outstanding loan balance as a service fee for administering the water infrastructure revolving loan fund. The Bank shall contract with a certified public accounting firm to audit the fund. The cost of the audit must be paid from the fund.

SECTION 19. AMENDMENT. Section 6-09.4-05.1 of the North Dakota Century Code is amended and reenacted as follows:

6-09.4-05.1. Administrative agreements with state agencies.

The public finance authority and any state agency authorized by state or federal law to make an allocation of bonds or bonding authority or to make loans, or to issue bonds to obtain funds for the purpose of making loans, ~~to political subdivisions or grants,~~ may enter into an administrative agreement, which may authorize the public finance authority to administer the loan or bond program for the state agency. The agreement may delegate to the public finance authority the authority to make loans, or to issue bonds to obtain funds for the purpose of making loans, ~~to political subdivisions or grants.~~

²⁵ **SECTION 20. AMENDMENT.** Section 6-09.4-06 of the North Dakota Century Code, as amended by section 3 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

6-09.4-06. Lending and borrowing powers generally.

1. The public finance authority may lend money to political subdivisions or other contracting parties through the purchase or holding of municipal securities which, in the opinion of the attorney general, are properly eligible for purchase or holding by the public finance authority under this chapter or chapter 40-57 and for purposes of the public finance authority's capital financing program the principal amount of any one issue does not exceed five hundred thousand dollars. However, the public finance authority may lend money to political

²⁵ Section 6-09.4-06 was also amended by section 3 of House Bill No. 1431, chapter 80.

subdivisions through the purchase of securities issued by the political subdivisions through the capital financing program without regard to the principal amount of the bonds issued, if the industrial commission approves a resolution that authorizes the public finance authority to purchase the securities. The capital financing program authorizing resolution must state that the industrial commission has determined that private bond markets will not be responsive to the needs of the issuing political subdivision concerning the securities or, if it appears that the securities can be sold through private bond markets without the involvement of the public finance authority, the authorizing resolution must state reasons for the public finance authority's involvement in the bond issue. The public finance authority may hold such municipal securities for any length of time it finds to be necessary. The public finance authority, for the purposes authorized by this chapter or chapter 40-57, may issue its bonds payable solely from the revenues available to the public finance authority which are authorized or pledged for payment of public finance authority obligations, and to otherwise assist political subdivisions or other contracting parties as provided in this chapter or chapter 40-57.

2. The public finance authority may lend money to the Bank of North Dakota under terms and conditions requiring the Bank to use the proceeds to make loans for agricultural improvements that qualify for assistance under the revolving loan fund program established by chapter 61-28.2.
3. The public finance authority may transfer money to the Bank of North Dakota for allocations to infrastructure projects and programs. Bonds issued for these purposes are payable in each biennium solely from amounts the legislative assembly may appropriate for debt service for any biennium or from a reserve fund established for the bonds. ~~This section may not be construed to require the state to appropriate funds sufficient to make debt service payments with respect to the bonds or to replenish a related reserve fund. The bonds are not a debt of the Bank of North Dakota or the state. The full faith, credit, and taxing powers of the state are not pledged to the payment of the bonds. As of the date appropriated funds and reserves are not sufficient to pay debt service on the bonds, the obligation of the public finance authority with respect to the bonds must terminate, and the bonds are no longer outstanding. In addition to providing funds for the transfers, the public finance authority may use the bond proceeds to pay the costs of issuance of the bonds and establish a reserve fund for the bonds. Neither the obligation of the state to pay the bonds nor the obligation of the issuer to pay debt service will constitute a debt of the state or any agency or political subdivision of the state within the meaning of any constitutional or statutory provision. The issuance of the bond does not directly or contingently obligate the state to pay the bond payments beyond the appropriation for the current biennium of the state. The issuer has no taxing power. In addition to providing funds for the transfers, the public finance authority may use the bond proceeds to pay the costs of issuance of the bonds, capitalized interest, and establish a reserve fund for the bonds.~~
4. Bonds of the public finance authority issued under this chapter or chapter 40-57 are not in any way a debt or liability of the state and do not constitute a loan of the credit of the state or create any debt or debts, liability or liabilities, on behalf of the state, or constitute a pledge of the faith and credit of the state, but all such bonds are payable solely from revenues pledged or available for their payment as authorized in this chapter. Each bond must contain on its face a statement to the effect that the public finance authority is obligated to pay such principal or interest, and redemption premium, if any, and that

neither the faith and credit nor the taxing power of the state is pledged to the payment of the principal of or the interest on such bonds. Specific funds pledged to fulfill the public finance authority's obligations are obligations of the public finance authority.

5. All expenses incurred in carrying out the purposes of this chapter or chapter 40-57 are payable solely from revenues or funds provided or to be provided under this chapter or chapter 40-57 and nothing in this chapter may be construed to authorize the public finance authority to incur any indebtedness or liability on behalf of or payable by the state.

SECTION 21. AMENDMENT. Section 15-11-40 of the North Dakota Century Code is amended and reenacted as follows:

15-11-40. State energy research center - Report. (Effective through June 30, 20232027)

1. The state energy research center at the university of North Dakota energy and environmental research center is created for the purpose of conducting exploratory, transformational, and innovative research that advances future energy opportunities and benefits the state's economy and environment through:
 - a. Exploratory research of technologies and methodologies that facilitate the prudent development, and clean and efficient use, of the state's energy resources;
 - b. Greater access to energy experts for timely scientific and engineering studies to support the state's interests; and
 - c. Education and outreach related to the state's energy resources.
2. The state energy research center shall report all research activities and accomplishments annually to the interim legislative energy development and transmission committee and to the industrial commission. Upon request, the state energy research center shall report all research activities and accomplishments to the appropriations committees of the legislative assembly.
3. To effectuate the purposes of this section, the energy and environmental research center may:
 - a. Select the research topics and projects to be pursued;
 - b. Enter contracts or agreements with other North Dakota institutions of higher education to support select research topics and projects;
 - c. Enter contracts or agreements with federal, private, and nonprofit organizations to carry out selected research topics and projects; and
 - d. Accepting donations, grants, contributions, and gifts from any source to carry out the selected research topics and projects.
4. The state energy research center may not conduct research or pursue projects that will result in the exploration, storage, treatment, or disposal of high-level radioactive waste in North Dakota.

SECTION 22. AMENDMENT. Subsection 6 of section 17-05-08 of the North Dakota Century Code is amended and reenacted as follows:

6. The commission may approve a resolution for the issuance of bonds as provided in this section which states in substance that this subsection is applicable to any required debt service reserve for bonds issued under that resolution in an aggregate amount not to exceed two hundred forty million dollars plus costs of issuance, credit enhancement, and any reserve funds required by agreements with or for the benefit of holders of the evidences of indebtedness for the purposes for which the authority is created under this chapter. The amount of any refinancing, however, may not be counted toward the two hundred forty million dollar limitation to the extent the amount does not exceed the outstanding amount of the obligations being refinanced. No more than thirty percent of the total project costs or the appraised value, whichever is greater, for any single transmission facility project may be financed by bonds issued under this section which are supported by the debt service reserve fund approved by the commission under this subsection. To ensure the maintenance of the required debt service reserve fund approved by the commission under this subsection, the legislative assembly shall appropriate and pay to the authority for deposit in the reserve fund any sum, certified by the commission as necessary to restore the reserve fund to an amount equal to the required debt service reserve fund approved by the commission.

SECTION 23. AMENDMENT. Subsection 1 of section 38-22-14 of the North Dakota Century Code is amended and reenacted as follows:

1. Storage operators shall pay the commission a fee on each ton of carbon dioxide injected for storage. The fee must be in the amount set by commission rule. The amount must be based on the contribution of the storage facility and the source of the carbon dioxide to the energy and agriculture production economy of North Dakota and the commission's anticipated expenses that it will incur in regulating storage facilities during their construction, operational, and preclosure phases.

SECTION 24. AMENDMENT. Subsection 1 of section 38-22-15 of the North Dakota Century Code is amended and reenacted as follows:

1. Storage operators shall pay the commission a fee on each ton of carbon dioxide injected for storage. The fee must be in the amount set by commission rule. The amount must be based on the contribution of the storage facility and the source of the carbon dioxide to the energy and agriculture production economy of North Dakota and the commission's anticipated expenses associated with the long-term monitoring and management of a closed storage facility.

SECTION 25. Subsections 7 and 8 of section 54-17-07.3 of the North Dakota Century Code are created and enacted as follows:

7. Residential mortgage program. A program or programs to originate residential mortgages if private sector mortgage loan services are not reasonably available. Under this program, a local financial institution or credit union may assist the agency with receiving loan applications, gathering required documents, ordering legal documents, and maintaining contact with borrowers. The applicant must be referred to the agency by a local financial institution or credit union. The agency shall provide all regulatory disclosures, process and underwrite loans, prepare closing documents, and distribute loan

funds. A loan under this program may be issued only for an owner-occupied primary residence.

8. The housing finance agency may purchase, service, and sell residential real estate loans secured by a first mortgage lien on real property originated by financial institutions. The loans may be held in the agency's portfolio or sold on the secondary market with servicing retained. All loans with a loan-to-value ratio exceeding eighty percent and not guaranteed by a federal agency must be insured by an approved mortgage insurance company.

SECTION 26. AMENDMENT. Section 54-17-40 of the North Dakota Century Code is amended and reenacted as follows:

54-17-40. Housing incentive fund - Continuing appropriation - Report to budget section.

1. The housing incentive fund is created as a special revolving fund at the Bank of North Dakota. The housing finance agency may direct disbursements from the fund and a continuing appropriation from the fund is provided for that purpose.
2.
 - a. After a public hearing, the housing finance agency shall create an annual allocation plan for the distribution of the fund as authorized under subsection 3. At least fifteen percent of the fund must be used to assist developing communities to address an unmet housing need or alleviate a housing shortage. At least ten percent of the fund must be made available to prevent homelessness as authorized by subdivision d of subsection 3.
 - b. The annual allocation plan must give priority to provide housing for individuals and families of low or moderate income. For purposes of this priority, eligible income limits are determined as a percentage of median family income as published in the most recent federal register notice. Under this priority, the annual allocation plan must give preference to projects that benefit households with the lowest income and to projects that have rent restrictions at or below department of housing and urban development published federal fair market rents or department of housing and urban development section 8 payment standards.
3. The housing finance agency shall adopt guidelines for the fund so as to address unmet housing needs in this state. Assistance from the fund may be used solely for:
 - a. New construction, rehabilitation, preservation, or acquisition of a multifamily housing project;
 - b. Gap assistance, matching funds, and accessibility improvements;
 - c. Assistance that does not exceed the amount necessary to qualify for a loan using underwriting standards acceptable for secondary market financing or to make the project feasible; and
 - d. Rental assistance, emergency assistance, barrier mitigation, or targeted supportive services designated to prevent homelessness.
4. Eligible recipients include units of local, state, and tribal government; local and tribal housing authorities; community action agencies; regional planning

councils; and nonprofit organizations and for-profit developers of multifamily housing. Individuals may not receive direct assistance from the fund.

5. Except for subdivision d of subsection 3, assistance is subject to repayment or recapture under the guidelines adopted by the housing finance agency. Any assistance that is repaid or recaptured must be deposited in the fund and is appropriated on a continuing basis for the purposes of this section.
6. The agency may collect a reasonable administrative fee from the fund, project developers, applicants, or grant recipients. The origination fee assessed to grant recipients may not exceed five percent of the project award.
7. Upon request, the housing finance agency shall report to the industrial commission regarding the activities of the housing incentive fund.
8. At least once per biennium, the housing finance agency shall provide a report to the budget section of the legislative management regarding the activities of the housing incentive fund.

SECTION 27. AMENDMENT. Section 57-51.1-07.9 of the North Dakota Century Code is amended and reenacted as follows:

57-51.1-07.9. State energy research center fund - Continuing appropriation. (Effective through June 30, 2023~~2027~~)

The state energy research center fund is a special fund in the state treasury. Before depositing oil and gas gross production tax and oil extraction tax revenues under section 57-51.1-07.5, one percent of the revenues must be deposited monthly into the state energy research center fund, up to five million dollars per biennium. All moneys deposited in the state energy research center fund and interest on all such moneys are appropriated on a continuing basis to the industrial commission for distribution to the state energy research center. The state energy research center shall use the funds in accordance with section 15-11-40.

SECTION 28. AMENDMENT. Section 7 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

SECTION 7. PUBLIC FINANCE AUTHORITY - BOND ISSUE LIMITATION - BANK OF NORTH DAKOTA - APPROPRIATION.

1. Pursuant to the bonding authority under section 6-09.4-06, the public finance authority only may issue bonds under this Act to provide up to \$680,000,000 of bonds for transfer to the Bank of North Dakota for allocations to infrastructure projects and programs, for the biennium beginning July 1, 2021, and ending June 30, 2023.
2. The term of any bonds issued under this section may not exceed twenty years. The public finance authority may issue bond anticipation notes or borrow from the Bank to support the allocations to infrastructure projects and programs prior to a bond issue. ~~The public finance authority shall make available up to ten percent of the bonds for sale directly to North Dakota residents and financial institutions.~~ The state investment board may purchase the bonds as investments for the funds under its management.
3. After payment of any issuance costs, capitalized interest, or any transfers to a reserve fund, \$680,000,000 from the bond proceeds issued by the

public finance authority is appropriated to the Bank of North Dakota for allocations to infrastructure projects and programs, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

- a. \$435,500,000 for the Fargo diversion project;
- b. \$74,500,000 to the resources trust fund;
- c. \$50,000,000 to the infrastructure revolving loan fund under section 6-09-49;
- d. \$70,000,000 to the highway fund; and
- e. \$50,000,000 to North Dakota state university, which is appropriated to North Dakota state university, for an agriculture products development center including a northern crops institute project.

SECTION 29. REPEAL. Section 54-17-07.12 of the North Dakota Century Code is repealed.

SECTION 30. EXEMPTION - OIL AND GAS TAX REVENUE ALLOCATIONS - NORTH DAKOTA OUTDOOR HERITAGE FUND. Notwithstanding the provisions of section 57-51-15 relating to the allocations to the North Dakota outdoor heritage fund, for the period beginning September 1, 2021, and ending August 31, 2023, the state treasurer shall allocate eight percent of the oil and gas gross production tax revenue available under subsection 1 of section 57-51-15 to the North Dakota outdoor heritage fund, but not in an amount exceeding \$7,500,000 per fiscal year.

SECTION 31. EXEMPTION - OIL AND GAS TAX REVENUE ALLOCATIONS - OIL AND GAS RESEARCH FUND. Notwithstanding the provisions of section 57-51.1-07.3 relating to the allocations to the oil and gas research fund, for the period beginning August 1, 2021, and ending July 31, 2023, the state treasurer shall deposit two percent of the oil and gas gross production tax and oil extraction tax revenues, up to \$14,500,000, into the oil and gas research fund before depositing oil and gas tax revenues under sections 57-51.1-07.5 and 57-51.1-07.9.

SECTION 32. EXEMPTION - SCHOOL CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND. Notwithstanding the requirements under section 15.1-36-08 to use the moneys in the fund for loan disbursements and administrative expenses and pursuant to the continuing appropriation authority under section 15.1-36-08, \$2,500,000, or so much of the sum as may be necessary, is available from the school construction assistance revolving loan fund to the Bank of North Dakota to provide interest rate buydowns associated with loans issued under section 15.1-36-06, for the biennium beginning July 1, 2021, and ending June 30, 2023. In addition, subject to sufficient funding being available for loans to local school districts, the Bank of North Dakota may utilize funding from the school construction assistance revolving loan fund to repay a portion of the outstanding principal balance of loans issued under section 15.1-36-06 for the purpose of transferring a portion of the loans issued under that section from the Bank of North Dakota to the school construction assistance revolving loan fund, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 33. EXEMPTION - SURVEY REVIEW - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The amount of \$800,000 appropriated from the strategic investment and improvements fund in section 2 of chapter 426 of the 2017 Session Laws and continued into the 2019-21 biennium pursuant to section 27 of

chapter 14 of the 2019 Session Laws is not subject to section 54-44.1-11. Any unexpended funds from this appropriation are available to the industrial commission for expert legal testimony associated with the survey review until June 30, 2023.

SECTION 34. EXEMPTION - INDUSTRIAL COMMISSION FUND. The amount of \$1,172,603 appropriated to the industrial commission in subdivision 1 of section 1 of chapter 14 of the 2019 Session Laws and transferred pursuant to section 8 of chapter 14 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the industrial commission for administrative services rendered by the commission during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 35. LEGISLATIVE MANAGEMENT STUDY - LONG-TERM CARE FACILITY DEBT.

1. During the 2021-22 interim, the legislative management shall consider studying the levels of debt associated with long-term care facilities in the state. The study must include consideration of the following:
 - a. The current debt of long-term care facilities and the potential debt that may be incurred in the next ten years by long-term care facilities;
 - b. The status of existing loan programs to assist long-term care facilities, including Bank of North Dakota loan programs and the United States department of agriculture rural loan program; and
 - c. Any potential cost-savings for the state and private payers resulting from lower interest rates associated with loans to long-term care facilities.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 36. BANK OF NORTH DAKOTA LOAN PROGRAMS - REPORT TO LEGISLATIVE MANAGEMENT. During the 2021-22 interim, the Bank of North Dakota shall provide at least one report to the legislative management regarding the status of the infrastructure revolving loan fund under section 6-09-49, the legacy infrastructure loan fund under section 6-09-49.1, and the water infrastructure revolving loan fund under section 16 of this Act. The report must include information regarding the types of projects funded with the loans, outstanding loans, and new loans issued, and the report must identify outstanding loans and new loans by communities with a population of less than five thousand and by communities with a population of at least five thousand.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 43

SENATE BILL NO. 2015

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of corrections and rehabilitation; to provide for a report; to provide a statement of legislative intent; to provide for a legislative management study; to provide an exemption; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of corrections and rehabilitation for the purpose of defraying the expenses of the department of corrections and rehabilitation, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Adult services	\$236,657,747	\$23,570,832	\$260,228,579
Youth services	<u>31,753,268</u>	<u>(7,168,423)</u>	<u>24,584,845</u>
Total all funds	\$268,411,015	\$16,402,409	\$284,813,424
Less estimated income	<u>40,124,189</u>	<u>26,523,426</u>	<u>66,647,615</u>
Total general fund	\$228,286,826	(\$10,121,017)	\$218,165,809
FTE positions	899.79	8.00	907.79

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation by the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Equipment	\$298,700	\$191,000
Kitchen equipment	0	115,000
Roughrider industries equipment	0	1,281,988
Roughrider industries storage warehouse	0	500,000
Elite servers replacement	40,000	0
Extraordinary repairs	1,332,250	0
Youth correctional center campus infrastructure study	75,000	0
Department of corrections and rehabilitation study	400,000	0
Scan and screen device	230,000	0
Redundant fence	160,000	0
Portable x-ray machine	22,000	0
Oracle software upgrade	165,000	0
Contracts and payments processing system	100,000	0
Inmate tracking system	160,000	0
Intake and legal movement system	<u>240,000</u>	<u>0</u>
Total all funds	\$3,222,950	\$2,087,988

Less estimated income	<u>1,831,700</u>	<u>1,781,988</u>
Total general fund	\$1,391,250	\$306,000

The 2021-23 biennium one-time funding amounts are not part of the entity's base budget for the 2023-25 biennium. The department of corrections and rehabilitation shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - 2019-21 BIENNIUM - FEDERAL CORONAVIRUS RELIEF FUND - SPENDING RESTRICTION. There is appropriated out of any moneys from federal funds derived from the federal coronavirus relief fund, not otherwise appropriated, the sum of \$43,689,050, or so much of the sum as may be necessary, to the department of corrections and rehabilitation for law enforcement payroll costs, for the period beginning March 2020 and ending June 2021. The funding appropriated in this section replaces existing legislative appropriations. The department of corrections and rehabilitation may not spend the funding appropriated from the general fund for law enforcement payroll costs during the period identified.

SECTION 4. ESTIMATED INCOME - FEDERAL CORONAVIRUS RELIEF FUND. The estimated income line item in section 1 of this Act includes the sum of \$18,371,718, or so much of the sum as may be necessary, from the federal coronavirus relief fund for law enforcement payroll costs for the period beginning July 1, 2021, and ending December 31, 2021.

SECTION 5. LEGISLATIVE INTENT - COMMUNITY BEHAVIORAL HEALTH SERVICES. It is the intent of the sixty-seventh legislative assembly that the department of corrections and rehabilitation be considered the payer of last resort whenever any other benefit or source of third-party payment, excluding the substance use disorder treatment voucher program, is available for community-based behavioral health services for the biennium beginning July 1, 2021, and ending June 30, 2023. It is further the intent of the sixty-seventh legislative assembly that the funding appropriated to the department of corrections and rehabilitation for community-based behavioral health services be utilized prior to utilizing substance use disorder treatment voucher program funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 6. LEGISLATIVE MANAGEMENT STUDY - DEPARTMENT OF CORRECTIONS AND REHABILITATION LAND USE. During the 2021-22 interim, the legislative management shall consider studying the use of land owned by the department of corrections and rehabilitation, including the potential to sell land owned by the department to finance the construction of new correctional facilities. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 7. DEPARTMENT OF CORRECTIONS AND REHABILITATION OPERATING FUND REVENUES. Any moneys received by the department of corrections and rehabilitation from correctional supervision, electronic monitoring, and detention; reimbursements from other agencies; profits received from department of corrections and rehabilitation commissary; miscellaneous revenue, including offender fines, fees, restitution, and medical copayments; and from the youth correctional center permanent fund, may be deposited in the department of corrections and rehabilitation operating fund and expended pursuant to legislative appropriation for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 8. EXEMPTION - COMMUNITY BEHAVIORAL HEALTH PROGRAM.

The amount of \$7,000,000 from the general fund appropriated for the community behavioral health program in section 1 of chapter 15 of the 2019 Session Laws is not subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used for the community behavioral health program during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 9. EXEMPTION - DEFERRED MAINTENANCE AND EXTRAORDINARY REPAIRS.

Notwithstanding any amount continued under section 4 of this Act, up to \$6,000,000 from the general fund appropriated to the department of corrections and rehabilitation in section 1 of chapter 15 of the 2019 Session Laws is not subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used for deferred maintenance, capital planning, and extraordinary repairs projects by the department of corrections and rehabilitation during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 10. EMERGENCY. Section 3 of this Act is declared to be an emergency measure.

Approved April 27, 2021

Filed April 28, 2021

CHAPTER 44**SENATE BILL NO. 2016**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of job service North Dakota; to amend and reenact subsection 4 of section 52-06-01 of the North Dakota Century Code, relating to conditions required to be eligible for unemployment benefits; to provide for a report; to provide for a statement of legislative intent; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to job service North Dakota for the purpose of defraying the expenses of job service North Dakota, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$30,572,221	(\$1,577,279)	\$28,994,942
Operating expenses	17,840,895	(676,522)	17,164,373
Capital assets	20,000	0	20,000
Grants	6,166,112	2,114,939	8,281,051
Reed Act - unemployment insurance computer modernization	<u>10,475,114</u>	<u>470,012</u>	<u>10,945,126</u>
Total all funds	\$65,074,342	\$331,150	\$65,405,492
Less estimated income	<u>64,643,718</u>	<u>351,545</u>	<u>64,995,263</u>
Total general fund	\$430,624	(\$20,395)	\$410,229
Full-time equivalent positions	172.61	(16.00)	156.61

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Unemployment insurance modernization project	<u>\$611,852</u>	<u>\$0</u>
Total other funds	<u>\$611,852</u>	<u>\$0</u>

SECTION 3. ADDITIONAL INCOME - APPROPRIATION. All federal funds received by job service North Dakota in excess of those funds appropriated in section 1 of this Act are appropriated to job service North Dakota for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 4. ESTIMATED INCOME - REED ACT FUNDS - UNEMPLOYMENT INSURANCE COMPUTER MODERNIZATION. The estimated income line item in section 1 of this Act includes the sum of \$10,945,126 from federal Reed Act funds made available to the state by the federal Reed Act distributions made in federal fiscal years 1957, 1958, 1999, and 2002, pursuant to section 903 of the federal Social

Security Act. This sum, or so much of the sum as may be necessary, is for the purpose of developing a modernization unemployment insurance computer system.

SECTION 5. AMENDMENT. Subsection 4 of section 52-06-01 of the North Dakota Century Code is amended and reenacted as follows:

4. The individual has been unemployed for a waiting period of one week. The executive director may suspend the waiting period during periods of time when federal reimbursement for benefit charges incurred for the suspended waiting period is made available to the bureau. Any suspension of the waiting period applies to all new initial claims filed with an effective date within the time period in which the waiting period is suspended. No week may be counted as a week of unemployment for the purposes of this subsection:
 - a. Unless it occurs within the benefit year which includes the week with respect to which the individual claims payment of benefits;
 - b. If benefits have been paid with respect thereto; and
 - c. Unless the individual was eligible for benefits, with respect thereto as provided in this section and section 52-06-02; and

SECTION 6. INFORMATION TECHNOLOGY UNIFICATION - LEGISLATIVE INTENT - LEGISLATIVE MANAGEMENT REPORT. The information technology department may not charge state agencies selected to participate in the 2021-23 biennium information technology unification initiative an amount in excess of the salaries and wages and related operating expenses of any full-time equivalent positions transferred to the information technology department during the 2021-23 biennium. It is the intent of the sixty-seventh legislative assembly that any full-time equivalent positions transferred to the information technology department for the 2021-23 biennium information technology unification initiative be transferred to the agency employing the positions during the 2019-21 biennium, unless the sixty-eighth legislative assembly is presented with sufficient evidence of efficiencies gained and cost-savings realized by the state as a result of the 2021-23 biennium information technology unification initiative. During the 2021-22 interim, the information technology department shall report annually to the legislative management regarding any efficiencies gained and cost-savings realized as a result of the 2021-23 biennium information technology unification initiative.

SECTION 7. EMERGENCY. Section 5 of this Act is declared to be an emergency measure.

Approved April 28, 2021

Filed April 29, 2021

CHAPTER 45

SENATE BILL NO. 2017

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the office of administrative hearings.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from income, to the office of administrative hearings for the purpose of defraying the expenses of the office of administrative hearings, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,248,330	\$50,314	\$1,298,644
Operating expenses	<u>1,582,334</u>	<u>551</u>	<u>1,582,885</u>
Total special funds	\$2,830,664	\$50,865	\$2,881,529
Full-time equivalent positions	5.00	0.00	5.00

Approved April 16, 2021

Filed April 16, 2021

CHAPTER 46

SENATE BILL NO. 2018

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of commerce; to provide an appropriation to the department of transportation; to create and enact a new section to chapter 4.1-01 of the North Dakota Century Code, relating to the transfer of the international business and trade office from the department of commerce to the agriculture commissioner; to amend and reenact sections 54-34.3-13 and 54-60-29 of the North Dakota Century Code, relating to the rural growth incentive program and the unmanned aircraft systems program fund; to repeal section 54-60-16 of the North Dakota Century Code, relating to the international business and trade office; to provide a continuing appropriation; to provide for a transfer; to provide for a report; to provide an exemption; to provide a statement of legislative intent; and to provide for a legislative management study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of commerce for the purpose of defraying the expenses of the department of commerce, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$13,217,286	(\$381,855)	\$12,835,431
Operating expenses	14,873,203	9,009,989	23,883,192
Grants	52,638,527	35,193,803	87,832,330
Discretionary funds	2,150,000	0	2,150,000
North Dakota trade office	1,600,000	(1,600,000)	0
Partner programs	1,562,531	0	1,562,531
Entrepreneurship grants and vouchers	<u>948,467</u>	<u>0</u>	<u>948,467</u>
Total all funds	\$86,990,014	\$42,221,937	\$129,211,951
Less estimated income	<u>54,123,293</u>	<u>41,421,086</u>	<u>95,544,379</u>
Total general fund	\$32,866,721	\$800,851	\$33,667,572
Full-time equivalent positions	61.80	(3.00)	58.80

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Unmanned aircraft system	\$2,225,000	\$1,000,000
Beyond visual line of sight unmanned aircraft system	0	20,000,000
Enhanced use lease grant	3,000,000	7,000,000
Workforce grants to tribally controlled community colleges	500,000	500,000

Census 2020 program	1,000,000	0
Workforce safety grant	1,000,000	1,500,000
Entrepreneurship grants and vouchers	2,000,000	0
Sculpture maintenance grants	75,000	0
Nonresident nurse employment recruitment	500,000	0
Intermodal container transportation shipping fees	1,300,000	0
Job development and economic growth grant	25,000	1,500,000
Tourism marketing	0	7,000,000
Technical skills training grants	0	1,000,000
Motion picture production and recruitment grant	0	100,000
Travel agent and tour operator emergency resiliency grants	0	2,000,000
Event center emergency resiliency grants	0	2,000,000
Tourism transportation improvement grant	0	565,432
Total all funds	\$11,625,000	\$44,165,432
Less estimated income	4,300,000	42,000,000
Total general fund	\$7,325,000	\$2,165,432

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The department of commerce shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - DEPARTMENT OF TRANSPORTATION - BEYOND VISUAL LINE OF SIGHT UNMANNED AIRCRAFT SYSTEM PROGRAM - ONE-TIME FUNDING. There is appropriated from special funds, derived from grant funds received from the department of commerce pursuant to section 14 of this Act, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of defraying infrastructure construction expenses of the beyond visual line of sight unmanned aircraft system program, for the biennium beginning July 1, 2021, and ending June 30, 2023. The department of transportation may bid, award, and administer any contracts necessary to complete the construction of the infrastructure. This funding is considered a one-time funding item.

SECTION 4. TRANSFER - INTERNSHIP FUND. The office of management and budget shall transfer \$755,000 of the amount appropriated in the operating expenses line item in section 1 of this Act to the internship fund for the purpose of administering the operation intern program, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM. The entrepreneurship grants and voucher line item in section 1 of this Act includes \$948,467, of which \$740,956 is from the general fund and \$207,511 is from the economic development fund, for the purpose of defraying the expenses of the entrepreneurship grants and voucher program. The department shall establish guidelines to provide grants to entrepreneurial centers certified by the department. The department also shall establish guidelines to award vouchers to entrepreneurs to procure business development assistance from certified entrepreneurial centers or to provide grants to entrepreneurs working with an entrepreneurial center.

SECTION 6. RURAL HEALTH CARE GRANT PROGRAM - MATCHING FUNDS REQUIREMENT. The grants line item in section 1 of this Act includes \$250,000 from the general fund for providing matching funds to an organization assisting in the recruitment, distribution, and supply, and enhancing the quality and efficiency of personnel providing health services in rural areas of the state. The department of

commerce may spend the funds appropriated in this section only to the extent the organization has secured matching funds from nonstate sources on a dollar-for-dollar basis.

SECTION 7. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ONE-TIME FUNDING. The estimated income line item in section 1 of this Act includes the sum of \$29,000,000 from the strategic investment and improvements fund, of which \$19,000,000 is for beyond visual line of sight unmanned aircraft system grants, \$7,000,000 is for enhanced use lease grants, \$1,500,000 is for a job development grant to an organization dedicated to promoting job development and economic growth, and \$1,500,000 is for a workforce safety grant to an organization that provides workforce safety. This funding is considered a one-time funding item.

SECTION 8. ESTIMATED INCOME - FEDERAL CORONAVIRUS RELIEF FUND - ONE-TIME FUNDING. The estimated income line item in section 1 of this Act includes the sum of \$12,000,000 from the federal coronavirus relief fund, which is provided for the purposes identified in this section. The department of commerce shall establish guidelines for awarding funding under this section. This funding is considered a one-time funding item and is available for the following:

1. \$7,000,000 for tourism marketing and branding initiatives, of which \$6,565,432 is for tourism marketing and branding operating expenses and \$434,568 is for the tourism transportation improvement grant program for a grant to be provided to an organization dedicated to preserving and promoting a historic, tourism destination North Dakota city.
2. \$1,000,000 for technical skills training grants.
3. \$2,000,000 for travel agent and tour operator emergency resiliency grants. Grants may be awarded only to travel agents that book commission-based travel for private individuals or companies, tour companies that schedule tour details and itineraries in North Dakota, or transportation companies providing transportation services to tour planners for tours originating in North Dakota or operators bringing tours into North Dakota. The department of commerce shall establish additional eligibility requirements for the program. The following organizations are ineligible for a grant under this subsection:
 - a. National companies that provide travel services to individuals in North Dakota but do not employ at least one individual in the state;
 - b. Corporations with staff dedicated to purchasing and arranging travel for employees;
 - c. Military-based travel agents or other individuals employed by government entities; and
 - d. Organizations that only offer guided services and tours of their attraction.
4. \$2,000,000 for event center emergency resiliency grants.

SECTION 9. BEYOND VISUAL LINE OF SIGHT UNMANNED AIRCRAFT SYSTEM PROGRAM - MATCHING FUND REQUIREMENT - ONE-TIME FUNDING. The grants line item in section 1 of this Act includes \$1,000,000 from the general fund for grants to an organization dedicated to expanding workforce opportunities, training, and education related to the beyond visual line of sight unmanned aircraft system

industry, which the department of commerce may provide only to the extent the organization provides one dollar of matching funds from private or other public sources for each one dollar provided by the department. This funding is considered a one-time funding item.

SECTION 10. A new section to chapter 4.1-01 of the North Dakota Century Code is created and enacted as follows:

International business and trade office - Advisory board - Continuing appropriation.

1. The commissioner shall administer the international business and trade office. The purpose of the office is to assist North Dakota businesses to expand exports to international markets by:
 - a. Advocating for exporters;
 - b. Offering export educational opportunities to North Dakota businesses;
 - c. Researching and raising awareness of export opportunities, issues, and challenges impacting North Dakota businesses;
 - d. Assisting North Dakota businesses in identifying, developing, and cultivating international markets for products; and
 - e. Organizing and carrying out trade missions that seek to facilitate contact and communication between North Dakota businesses and international markets.
2. The commissioner may designate a nonprofit corporation incorporated in this state which has the primary purpose of assisting North Dakota exporters or contract with a third party for the provision of services for the international business and trade office. If the commissioner designates a nonprofit corporation or contracts with a third party under this subsection, all data and databases collected and created by the third party in performing services for the office are the property of the department and the third party.
3. The commissioner may seek and accept any gift, grant, or donation of funds, property, services, or other assistance from public or private sources for the purpose of furthering the objectives of the international business and trade office. Any funds accepted under this subsection are appropriated to the commissioner on a continuing basis.
4. The commissioner may establish an international business and trade office advisory board with whom the commissioner may consult in administering the international business and trade office. Each member of the advisory board is entitled to receive per diem compensation at a rate established by the director not exceeding sixty-two dollars and fifty cents and reimbursement of expenses as provided by law for state officers, while attending meetings or performing duties directly related to board membership, except that per diem compensation under this section may not be paid to any member who receives compensation or salary as a regular state employee or official.

SECTION 11. AMENDMENT. Section 54-34.3-13 of the North Dakota Century Code is amended and reenacted as follows:

54-34.3-13. Rural growth incentive program.

1. The department shall manage and administer the rural growth incentive program. A city with a population of less than two thousand five hundred may apply to the department to be designated as a rural growth incentive city. A rural growth incentive city may be eligible for a loan, grant, or both under this section.
2. The department shall designate an applicant city as a rural growth incentive city eligible for a loan if the city raises funds in the amount of a dollar-for-dollar match for the amount requested in the loan and meets any additional program requirements provided by rule. The source of city funds used for loan matching funds may be any combination of public and private funds. If the department designates a city as a rural growth incentive city eligible for a loan under this section, subject to the availability of funds, the state shall make a loan to the city in an amount not less than twenty-five thousand dollars and not more than seventy-five thousand dollars. The department shall establish the amount of the interest rate for loans provided to a city under this subsection. The funding source of the state loan is the North Dakota development fund. The city shall distribute the city and state funds to qualifying new or expanded ~~primary-sector~~ businesses in the city. A qualifying business in the city includes a business that provides essential services to the city. For purposes of this subsection, a business that provides essential services does not include a public utility. The governing body of the city determines whether a new or expanded ~~primary-sector~~ business qualifies for funding, and the director of the department determines whether a business that provides essential services to the city qualifies for funding. The state shall distribute a loan to a rural growth incentive city once the city establishes the city has chosen a specified qualified business to receive funding.
3. The department shall designate an applicant city as a rural growth incentive city eligible for a grant if the city raises funds in the amount of a dollar-for-dollar match for the amount requested in the grant application and meets any additional program requirements provided by rule. The source of city funds used for grant matching funds may be any combination of public and private funds. If the department designates a city as a rural growth incentive city eligible for a grant under this section, subject to availability of funds, the state shall make a grant to the city in an amount not to exceed ten thousand dollars. The recipient rural growth incentive city shall use the grant money received to conduct a feasibility study for the location of a new business, including an expansion of a business with the primary place of business outside the rural growth incentive city. ~~The business under this subsection is not limited to primary-sector businesses.~~ The funding source of the state grant is the North Dakota development fund. Total grants awarded by the department under this subsection may not exceed one hundred thousand dollars per biennium.
4. The city may not use city or state funds raised or provided under this section for costs associated with administering the rural growth incentive city. The department shall provide the rural growth incentive city with training to assist the city in expanding ~~primary-sector~~ businesses, locating new businesses, and working with state economic development programs.

SECTION 12. AMENDMENT. Section 54-60-29 of the North Dakota Century Code is amended and reenacted as follows:

54-60-29. Unmanned aircraft systems program fund - Continuing appropriation.

1. There is created in the state treasury a special fund known as the unmanned aircraft systems fund, which must be used to defray the expenses of the operations:
 - a. Operations of an unmanned aircraft systems test site officially designated by the federal aviation administration;
 - b. Beyond visual line of sight unmanned aircraft system program; and
 - c. Enhanced use lease grant program.
2. The fund consists of fees collected for the administration of the test site and other funds appropriated by the legislative assembly. All moneys in the fund are appropriated to the department of commerce on a continuing basis for the purpose of defraying the expenses of the ~~unmanned aircraft systems program~~ programs identified in subsection 1. Interest earned on moneys in the fund must be credited to the fund.

SECTION 13. REPEAL. Section 54-60-16 of the North Dakota Century Code is repealed.

SECTION 14. EXEMPTION - BEYOND VISUAL LINE OF SIGHT UNMANNED AIRCRAFT SYSTEM PROGRAM. Of the \$28,000,000 appropriated from the general fund in the grants line item for the beyond visual line of sight unmanned aircraft system program in section 27 of chapter 40 of the 2019 Session Laws is not subject to section 54-44.1-11, up to \$5,000,000 of unexpended funds may be continued and is available for the program during the biennium beginning July 1, 2021, and ending June 30, 2023. The department of commerce may provide grants of up to \$5,000,000, to the department of transportation, for the purpose of defraying infrastructure construction expenses of the beyond visual line of sight unmanned aircraft system program during the 2021-23 biennium.

SECTION 15. EXEMPTION - UNMANNED AIRCRAFT SYSTEM PROGRAM. The amount of \$2,250,000 appropriated from the general fund in the operating expenses line item for the unmanned aircraft system program in section 27 of chapter 40 of the 2019 Session Laws is not subject to section 54-44.1-11 and is available for the program during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 16. EXEMPTION - ENHANCED USE LEASE GRANT PROGRAM. The amount of \$3,000,000 appropriated from the general fund in the grants line item for the enhanced use lease grant program in section 27 of chapter 40 of the 2019 Session Laws is not subject to section 54-44.1-11 and is available for the program during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 17. EXEMPTION - NONRESIDENT NURSE EMPLOYMENT RECRUITMENT PROGRAM - ELIGIBILITY. Of the \$500,000 appropriated from the general fund in the grants line item for the nonresident nurse employment recruitment program in section 27 of chapter 40 of the 2019 Session Laws, \$320,000 is not subject to section 54-44.1-11 and is available for the program during the biennium beginning July 1, 2021, and ending June 30, 2023. In addition to the program eligibility guidelines established for the 2019-21 biennium, the department of commerce shall provide funding authorized in this section to eligible nursing students

in the state who have not been employed by a health care provider on a full-time basis in the year preceding the grant award.

SECTION 18. EXEMPTION - DISCRETIONARY FUNDS. The amount of \$2,150,000 appropriated from the general fund in the discretionary funds line item in section 27 of chapter 40 of the 2019 Session Laws is not subject to section 54-44.1-11 and is available for the program during the biennium beginning July 1, 2021, and ending June 30, 2023. Of this amount, up to \$200,000 must be used to retrain up to ten displaced energy industry workers to enhance programmer development and engineering skills.

SECTION 19. LEGISLATIVE INTENT - NORTHERN PLAINS UNMANNED AIRCRAFT SYSTEM TEST SITE. It is the intent of the sixty-seventh legislative assembly that the northern plains unmanned aircraft system test site maximize earned revenue to the extent possible while operating and conducting business of the test site.

SECTION 20. LEGISLATIVE MANAGEMENT STUDY - DATA STORAGE. During the 2021-22 interim, the legislative management shall consider studying data storage by state entities. The study must include input from the information technology department, North Dakota university system, and kindergarten through grade twelve education coordination council. The study must consider data security, geographical locations of storage, geographical locations of corporate contractors, state and federal laws that may affect North Dakota data, ownership and control of data storage, and current and estimated data storage costs related to cloud-based, out-of-state data storage of North Dakota state and local government data. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-eighth legislative assembly.

Approved May 10, 2021

Filed May 10, 2021

CHAPTER 47

SENATE BILL NO. 2019

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of career and technical education; and to provide a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of career and technical education for the purpose of defraying the expenses of the department of career and technical education, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,812,765	(\$168,859)	\$4,643,906
Operating expenses	2,357,796	(159,343)	2,198,453
Grants	9,207,349	300,000	9,507,349
Grants - secondary	24,587,780	2,250,000	26,837,780
Marketplace for kids	300,000	0	300,000
Science, technology, engineering, and mathematics initiative	0	100,000	100,000
Grants - postsecondary	256,982	(256,982)	0
Adult farm management	1,894,249	(188,111)	1,706,138
Workforce training	2,000,000	0	2,000,000
Center for distance education	<u>9,351,188</u>	<u>110,066</u>	<u>9,461,254</u>
Total all funds	\$54,768,109	\$1,986,771	\$56,754,880
Less estimated income	<u>14,703,121</u>	<u>316,696</u>	<u>15,019,817</u>
Total general fund	\$40,064,988	\$1,670,075	\$41,735,063
Full-time equivalent positions	52.30	(2.00)	50.30

SECTION 2. LEGISLATIVE INTENT - AREA CAREER AND TECHNICAL CENTERS - SECONDARY GRANTS. It is the intent of the sixty-seventh legislative assembly that school districts:

1. Use federal funds available from the elementary and secondary school emergency relief fund to effectively benefit students;
2. Prepare to provide for any future operating and maintenance costs relating to new or expanded programs resulting from the expenditure of these federal funds because state funds will not be provided to replace these federal funds; and
3. Prepare to provide increased local support for area career and technical centers since state secondary grant funding is limited and the share of state assistance for these programs may decrease if new or expanded programs are established.

Approved April 27, 2021

Filed April 28, 2021

CHAPTER 48**SENATE BILL NO. 2020**

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the North Dakota state university extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm; to provide for a report; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm, for the purpose of defraying the expenses of the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

Subdivision 1.

NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Extension service	\$54,396,305	\$2,133,919	\$56,530,224
Soil conservation committee	<u>1,091,520</u>	<u>120,000</u>	<u>1,211,520</u>
Total all funds	\$55,487,825	\$2,253,919	\$57,741,744
Less estimated income	<u>27,778,159</u>	<u>525,762</u>	<u>28,303,921</u>
Total general fund	\$27,709,666	\$1,728,157	\$29,437,823
Full-time equivalent positions	242.51	(0.74)	241.77

Subdivision 2.

NORTHERN CROPS INSTITUTE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Northern crops institute	<u>\$3,840,027</u>	<u>\$69,733</u>	<u>\$3,909,760</u>
Total all funds	\$3,840,027	\$69,733	\$3,909,760
Less estimated income	<u>1,896,217</u>	<u>26,401</u>	<u>1,922,618</u>
Total general fund	\$1,943,810	\$43,332	\$1,987,142
Full-time equivalent positions	12.80	0.75	13.55

Subdivision 3.

UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Upper great plains transportation institute	\$23,292,223	\$2,460,734	\$25,752,957
Total all funds	\$23,292,223	\$2,460,734	\$25,752,957
Less estimated income	<u>18,895,894</u>	<u>2,371,456</u>	<u>21,267,350</u>
Total general fund	\$4,396,329	\$89,278	\$4,485,607
Full-time equivalent positions	43.88	0.00	43.88

Subdivision 4.

MAIN RESEARCH CENTER

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Main research center	\$109,170,101	\$5,079,087	\$114,249,188
Total all funds	\$109,170,101	\$5,079,087	\$114,249,188
Less estimated income	<u>56,502,775</u>	<u>2,658,181</u>	<u>59,160,956</u>
Total general fund	\$52,667,326	\$2,420,906	\$55,088,232
Full-time equivalent positions	344.05	(9.49)	334.56

Subdivision 5.

BRANCH RESEARCH CENTERS

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Dickinson research center	\$7,015,862	\$62,976	\$7,078,838
Central grasslands research center	3,510,825	42,495	3,553,320
Hettinger research center	5,112,403	62,482	5,174,885
Langdon research center	3,052,060	39,250	3,091,310
North central research center	5,137,570	65,681	5,203,251
Williston research center	5,286,833	75,901	5,362,734
Carrington research center	<u>9,685,861</u>	<u>142,102</u>	<u>9,827,963</u>
Total all funds	\$38,801,414	\$490,887	\$39,292,301
Less estimated income	<u>20,600,388</u>	<u>122,430</u>	<u>20,722,818</u>
Total general fund	\$18,201,026	\$368,457	\$18,569,483
Full-time equivalent positions	109.81	(1.60)	108.21

Subdivision 6.

AGRONOMY SEED FARM

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Agronomy seed farm	\$1,565,975	\$13,680	\$1,579,655
Total special funds	\$1,565,975	\$13,680	\$1,579,655
Full-time equivalent positions	3.00	0.00	3.00

Subdivision 7.

SECTION 1 TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$104,918,157	\$4,650,130	\$109,568,287

Grand total other funds	<u>127,239,408</u>	<u>5,717,910</u>	<u>132,957,318</u>
Grand total all funds	\$232,157,565	\$10,368,040	\$242,525,605

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act.

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Deferred maintenance	\$0	\$500,000
Carrington research extension center capital projects	0	775,000
Central grasslands research extension center capital projects	0	525,000
Hettinger research extension center capital projects	0	300,000
Langdon research extension center capital projects	0	473,000
Remote sensing of infrastructure	0	2,225,000
Seed cleaning plant	750,000	0
Extraordinary repairs	940,465	0
Greenhouse	<u>500,000</u>	<u>0</u>
Total all funds	\$2,190,465	\$4,798,000
Total other funds	<u>1,440,465</u>	<u>4,298,000</u>
Total general fund	\$750,000	\$500,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The main research center shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. DICKINSON RESEARCH EXTENSION CENTER - MINERAL RIGHTS INCOME. The Dickinson research extension center may spend up to \$755,000 of revenues received during the 2021-23 biennium from mineral royalties, leases, or easements for ongoing operational expenses. Any revenues received in excess of \$755,000 may be spent only for one-time expenditures for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 4. WILLISTON RESEARCH EXTENSION CENTER - MINERAL RIGHTS INCOME - REPORT. The Williston research extension center shall report to the sixty-eighth legislative assembly on amounts received and spent from mineral royalties, leases, or easements in the biennium beginning July 1, 2019, and ending June 30, 2021, and the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 5. ADDITIONAL INCOME - APPROPRIATION. In addition to the amount included in the grand total other funds appropriation line item in section 1 of this Act, any other income, including funds from federal acts, private grants, gifts, and donations, or from other sources received by the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm, except as otherwise provided by law, is appropriated for the purpose designated in the act, grant, gift, or donation, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UPPER GREAT PLAINS TRANSPORTATION INSTITUTE - BRANCH RESEARCH CENTER PROJECTS. The estimated income line item in subdivision 3 of section 1 of this Act includes the sum of \$225,000 from

the strategic investment and improvements fund for remote sensing of infrastructure for the upper great plains transportation institute. The estimated income line item in subdivision 4 of section 1 of this Act includes the total sum of \$2,073,000 from the strategic investment and improvements fund for capital projects at the Carrington research center, central grasslands research center, Hettinger research center, and Langdon research center.

SECTION 7. EXEMPTION - TRANSFER AUTHORITY. Notwithstanding section 54-16-04, upon approval of the state board of agricultural research and education and appropriate branch research center directors, the director of the office of management and budget shall transfer appropriation authority within subdivisions 1, 2, 4, and 5 of section 1 of this Act.

SECTION 8. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the state board of higher education may adjust or increase full-time equivalent positions as needed for the entities in section 1 of this Act, subject to availability of funds. All full-time or part-time positions must be separate from North Dakota state university. Annually, the board shall report to the office of management and budget and to the budget section on any adjustments made pursuant to this section.

SECTION 9. EXEMPTION - UNEXPENDED GENERAL FUND - EXCESS INCOME. Any unexpended general fund appropriation authority available to and any excess income received by entities listed in section 1 of this Act are not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or revenues are available and may be expended by those entities, during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 10. EXEMPTION. The \$500,000 of other funds appropriated for the Williston research extension center greenhouse and the \$750,000 from the general fund appropriated for the Williston research extension center seed cleaning plant in subdivision 4 of section 1 of chapter 20 of the 2019 Session Laws and the \$1,500,000 of other funds appropriated for the Williston research extension center seed cleaning plant in subdivision 5 of section 1 of chapter 45 of the 2017 Session Laws continued into the 2019-21 biennium pursuant to section 10 of chapter 20 of the 2019 Session Laws are not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or related revenues are available and may be expended during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 11. CAPITAL PROJECTS - AMERICAN RESCUE PLAN ACT - BUDGET SECTION REPORT. During the 2021-22 interim, the director of the North Dakota state university main research center shall report to the legislative management regarding priority capital projects and other expenses that may be eligible for funding from the state fiscal recovery fund allocated to the state under the federal American Rescue Plan Act of 2021.

Approved April 30, 2021

Filed May 3, 2021

CHAPTER 49

SENATE BILL NO. 2021

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the information technology department; to amend and reenact section 54-59-05 as amended by section 5 of Senate Bill No. 2007, as approved by the sixty-seventh legislative assembly, and section 54-59-07 of the North Dakota Century Code, relating to the veterans' home information technology services and state information technology advisory committee; to repeal section 6 of Senate Bill No. 2016, as approved by the sixty-seventh legislative assembly, relating to the information technology unification initiative; to provide a transfer; to provide for a report; to provide an exemption; to provide for a statement of legislative intent; to provide for a legislative management study; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the information technology department for the purpose of defraying the expenses of the information technology department, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$81,374,501	\$20,360,128	\$101,734,629
Operating expenses	89,957,364	31,130,748	121,088,112
Capital assets	4,253,117	(809,208)	3,443,909
Statewide longitudinal data system	4,387,145	99,133	4,486,278
Edutech	9,645,773	46,166	9,691,939
K-12 wide area network	5,167,970	(488,252)	4,679,718
Geographic information system	1,052,629	49,177	1,101,806
Health information technology office	4,879,146	9,846,725	14,725,871
Statewide interoperable radio network	<u>12,330,000</u>	<u>1,863,796</u>	<u>14,193,796</u>
Total all funds	\$213,047,645	\$62,098,413	\$275,146,058
Less estimated income	<u>195,882,334</u>	<u>50,287,771</u>	<u>246,170,105</u>
Total general fund	\$17,165,311	\$11,810,642	\$28,975,953
Full-time equivalent positions	402.00	77.00	479.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Cybersecurity	\$15,400,000	\$6,500,000
Statewide land parcel project	1,150,000	0
Statewide interoperable radio network	120,000,000	0

Health information technology office	0	6,000,000
Total all funds	\$136,550,000	\$12,500,000
Less estimated income	<u>125,150,000</u>	<u>12,500,000</u>
Total general fund	\$11,400,000	\$0

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The information technology department shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. ESTIMATED INCOME - TRANSFER - HEALTH INFORMATION TECHNOLOGY PLANNING LOAN FUND TO ELECTRONIC HEALTH INFORMATION EXCHANGE FUND - LEGISLATIVE INTENT - ONE-TIME FUNDING. Notwithstanding section 6-09-43, the estimated income line item in section 1 of this Act includes the sum of \$6,000,000, or so much of the sum as may be necessary, which the Bank of North Dakota shall transfer, as requested by the chief information officer, from the health information technology planning loan fund to the electronic health information exchange fund for the purpose of defraying the expenses of the health information technology office and the health information network during the biennium beginning July 1, 2021, and ending June 30, 2023. It is the intent of the sixty-seventh legislative assembly that funding be transferred only to the extent federal funding is not available to defray the expenses of the health information technology office and the health information network during the 2021-23 biennium. This funding is considered a one-time funding item.

SECTION 4. EXEMPTION - LINE ITEM TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall make transfers of funds between line items in section 1 of this Act for the information technology department as may be requested by the chief information officer as determined necessary for the development and implementation of information technology projects. The department shall notify the legislative council of any transfers made pursuant to this section.

SECTION 5. ESTIMATED INCOME - FEDERAL CORONAVIRUS RELIEF FUND. The estimated income line item in section 1 of this Act includes the sum of \$6,500,000, or so much of the sum as may be necessary, from the federal coronavirus relief fund for cybersecurity operating expenses.

²⁶ **SECTION 6. AMENDMENT.** Section 54-59-05 of the North Dakota Century Code, as amended by Section 5 of Senate Bill No. 2007, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

54-59-05. Powers and duties of department. (Effective through July 31, 2023)

The department:

1. Shall provide, supervise, and regulate information technology of all executive branch state entities, excluding the institutions under the control of the board of higher education and the veterans' home.
2. Shall provide network services in a way that ensures the network requirements of a single entity do not adversely affect the functionality of the whole network, facilitates open communications with the citizens of the state,

²⁶ Section 54-59-05 was also amended by section 1 of House Bill No. 1417, chapter 444, and section 5 of Senate Bill No. 2007, chapter 35.

minimizes the state's investment in human resources, accommodates an ever-increasing amount of traffic, supports rapid detection and resolution of problems, protects the network infrastructure from damage and security breaches, provides for the aggregation of data, voice, video, and multimedia into a statewide transport mechanism or backbone, and provides for the network support for the entity to carry out its mission.

3. May review and approve additional network services that are not provided by the department.
4. May purchase, finance the purchase, or lease equipment, software, or implementation services or replace, including by trade or resale, equipment or software as may be necessary to carry out this chapter. With the exception of agreements entered related to the statewide interoperable radio network, an agreement to finance the purchase of software, equipment, or implementation services may not exceed a period of five years. The department shall submit any intended financing proposal for the purchase of software, equipment, or implementation services under this subsection, which is in excess of one million dollars, to the legislative assembly or the budget section if the legislative assembly is not in session before executing a financing agreement. Any request considered by the budget section must comply with section 54-35-02.9. If the legislative assembly or the budget section does not approve the execution of a financing agreement, the department may not proceed with the proposed financing arrangement. With the exception of financing for the statewide interoperable radio network, the department may finance the purchase of software, equipment, or implementation services only to the extent the purchase amount does not exceed seven and one-half percent of the amount appropriated to the department during that biennium.
5. Shall review requests for lease, purchase, or other contractual acquisition of information technology as required by this subsection. Each executive branch agency or institution, excluding the institutions under the control of the board of higher education, shall submit to the department, in accordance with guidelines established by the department, a written request for the lease, purchase, or other contractual acquisition of information technology. The department shall review requests for conformance with the requesting entity's information technology plan and compliance with statewide policies and standards. If the request is not in conformance or compliance, the department may disapprove the request or require justification for the departure from the plan or statewide policy or standard.
6. Shall provide information technology, including assistance and advisory service, to the executive, legislative, and judicial branches. If the department is unable to fulfill a request for service from the legislative or judicial branch, the information technology may be procured by the legislative or judicial branch within the limits of legislative appropriations.
7. Shall request and review information, including project startup information summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout information summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, regarding any major information technology project of an executive branch agency. The department shall present the information to the information technology committee on request of the committee.

8. May request and review information regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five hundred thousand dollars as determined necessary by the department. The department shall present the information to the information technology committee on request of the committee.
9. Shall study emerging technology and evaluate its impact on the state's system of information technology.
10. Shall develop guidelines for reports to be provided by each agency of the executive, legislative, and judicial branches, excluding the institutions under the control of the board of higher education, on information technology in those entities.
11. Shall collaborate with the state board of higher education on guidelines for reports to be provided by institutions under control of the state board of higher education on information technology in those entities.
12. Shall perform all other duties necessary to carry out this chapter.
13. May provide wide area network services to a state agency, city, county, school district, or other political subdivision of this state. The information technology department may not provide wide area network service to any private, charitable, or nonprofit entity except the information technology department may continue to provide the wide area network service the department provided to the private, charitable, and nonprofit entities receiving services from the department on January 1, 2003.
14. Shall assure proper measures for security, firewalls, and internet protocol addressing at the state's interface with other facilities.
15. Notwithstanding subsection 13, may provide wide area network services for a period not to exceed four years to an occupant of a technology park associated with an institution of higher education or to a business located in a business incubator associated with an institution of higher education.
16. Shall advise and oversee cybersecurity strategy for all executive branch state agencies, including institutions under the control of the state board of higher education, counties, cities, school districts, or other political subdivisions. For purposes of this subsection, the department shall consult with the attorney general and the veterans' home on cybersecurity strategy.
17. Shall advise and consult with the legislative and judicial branches regarding cybersecurity strategy.

Powers and duties of department. (Effective after July 31, 2023)

The department:

1. Shall provide, supervise, and regulate information technology of all executive branch state entities, excluding the institutions under the control of the board of higher education and the veterans' home.
2. Shall provide network services in a way that ensures the network requirements of a single entity do not adversely affect the functionality of the whole network, facilitates open communications with the citizens of the state,

minimizes the state's investment in human resources, accommodates an ever-increasing amount of traffic, supports rapid detection and resolution of problems, protects the network infrastructure from damage and security breaches, provides for the aggregation of data, voice, video, and multimedia into a statewide transport mechanism or backbone, and provides for the network support for the entity to carry out its mission.

3. May review and approve additional network services that are not provided by the department.
4. May purchase, finance the purchase, or lease equipment, software, or implementation services or replace, including by trade or resale, equipment or software as may be necessary to carry out this chapter. An agreement to finance the purchase of software, equipment, or implementation services may not exceed a period of five years. The department shall submit any intended financing proposal for the purchase of software, equipment, or implementation services under this subsection, which is in excess of one million dollars, to the legislative assembly or the budget section if the legislative assembly is not in session before executing a financing agreement. Any request considered by the budget section must comply with section 54-35-02.9. If the legislative assembly or the budget section does not approve the execution of a financing agreement, the department may not proceed with the proposed financing arrangement. The department may finance the purchase of software, equipment, or implementation services only to the extent the purchase amount does not exceed seven and one-half percent of the amount appropriated to the department during that biennium.
5. Shall review requests for lease, purchase, or other contractual acquisition of information technology as required by this subsection. Each executive branch agency or institution, excluding the institutions under the control of the board of higher education, shall submit to the department, in accordance with guidelines established by the department, a written request for the lease, purchase, or other contractual acquisition of information technology. The department shall review requests for conformance with the requesting entity's information technology plan and compliance with statewide policies and standards. If the request is not in conformance or compliance, the department may disapprove the request or require justification for the departure from the plan or statewide policy or standard.
6. Shall provide information technology, including assistance and advisory service, to the executive, legislative, and judicial branches. If the department is unable to fulfill a request for service from the legislative or judicial branch, the information technology may be procured by the legislative or judicial branch within the limits of legislative appropriations.
7. Shall request and review information, including project startup information summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout information summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, regarding any major information technology project of an executive branch agency. The department shall present the information to the information technology committee on request of the committee.

8. May request and review information regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five hundred thousand dollars as determined necessary by the department. The department shall present the information to the information technology committee on request of the committee.
9. Shall study emerging technology and evaluate its impact on the state's system of information technology.
10. Shall develop guidelines for reports to be provided by each agency of the executive, legislative, and judicial branches, excluding the institutions under the control of the board of higher education, on information technology in those entities.
11. Shall collaborate with the state board of higher education on guidelines for reports to be provided by institutions under control of the state board of higher education on information technology in those entities.
12. Shall perform all other duties necessary to carry out this chapter.
13. May provide wide area network services to a state agency, city, county, school district, or other political subdivision of this state. The information technology department may not provide wide area network service to any private, charitable, or nonprofit entity except the information technology department may continue to provide the wide area network service the department provided to the private, charitable, and nonprofit entities receiving services from the department on January 1, 2003.
14. Shall assure proper measures for security, firewalls, and internet protocol addressing at the state's interface with other facilities.
15. Notwithstanding subsection 13, may provide wide area network services for a period not to exceed four years to an occupant of a technology park associated with an institution of higher education or to a business located in a business incubator associated with an institution of higher education.
16. Shall advise and oversee cybersecurity strategy for all executive branch state agencies, including institutions under the control of the state board of higher education, counties, cities, school districts, or other political subdivisions. For purposes of this subsection, the department shall consult with the attorney general and the veterans' home on cybersecurity strategy.
17. Shall advise and consult with the legislative and judicial branches regarding cybersecurity strategy.

SECTION 7. AMENDMENT. Section 54-59-07 of the North Dakota Century Code is amended and reenacted as follows:

54-59-07. State information technology advisory committee.

The state information technology advisory committee consists of the chief information officer; the commissioner of higher education or the commissioner's designee; the attorney general or the attorney general's designee; the secretary of state or the secretary of state's designee; the tax commissioner or the commissioner's designee; the chief justice of the supreme court or the chief justice's designee; two members of the legislative assembly appointed by the legislative management, of

~~which one member must be the chairman of the information technology committee; a minimum of eight members representing state agencies, appointed by the governor; and two members with technology management expertise representing private industry, appointed by the governor. The appointees of the governor serve at the pleasure of the governor. The governor shall designate the chairman chief information officer and chairman of the information technology committee shall serve as co-chairmen of the state information technology advisory committee. Additional members may be asked to participate at the request of the chairman chairmen. The department shall provide staff services to the committee. The members of the committee representing private industry are entitled to be compensated for time spent in attendance at meetings of the committee and for other travel as approved by the chairman chairmen of the committee at the rate of sixty-two dollars and fifty cents per day and are entitled to reimbursement for actual and necessary expenses incurred in the same manner as other state officials. The compensation and expenses are to be paid from appropriations for the department. The committee shall advise the department regarding statewide information technology planning and budgeting, services of the information technology department, and statewide information technology initiatives and policy and shall review reports on major information technology projects as required by this chapter and policies, standards, and guidelines developed by the department. The chief information officer shall submit recommendations of the committee regarding information technology issues to the information technology committee for its consideration.~~

SECTION 8. REPEAL. Section 6 of Senate Bill No. 2016, as approved by the sixty-seventh legislative assembly, is repealed.

SECTION 9. EXEMPTION - STATEWIDE INTEROPERABLE RADIO NETWORK. The \$20,000,000 appropriated from the strategic investment and improvements fund for the statewide interoperable radio network in section 8 of chapter 293 of the 2019 Session Laws is not subject to section 54-44.1-11 and is available for the statewide interoperable radio network project during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 10. INFORMATION TECHNOLOGY UNIFICATION - LEGISLATIVE INTENT - LEGISLATIVE MANAGEMENT REPORT. The information technology department shall charge a state agency selected to participate in the 2021-23 biennium information technology unification initiative a rate for the labor of any full-time equivalent position transferred to the information technology department during the 2021-23 biennium, that may not exceed the salaries and wages and related operating expenses of the full-time equivalent position for services the respective state agency was performing prior to the 2021-23 biennium. It is the intent of the sixty-seventh legislative assembly that any full-time equivalent positions transferred to the information technology department for the 2021-23 biennium information technology unification initiative be transferred to the agency employing the positions during the 2019-21 biennium, unless the sixty-eighth legislative assembly is presented with sufficient evidence of efficiencies gained and cost-savings realized by the state as a result of the 2021-23 biennium information technology unification initiative. During the 2021-22 interim, the information technology department shall report annually to the legislative management regarding any efficiencies gained and cost-savings realized as a result of the 2021-23 biennium information technology unification initiative.

SECTION 11. LEGISLATIVE INTENT - PHONE EQUIPMENT. It is the intent of the sixty-seventh legislative assembly that the information technology department:

1. Supply at least one physical phone in each state agency;

2. Give state agencies the option of having a physical phone for each employee in the agency; and
3. Allow the head of each agency to determine the number of phones provided to the agency.

SECTION 12. LEGISLATIVE INTENT - LEGISLATIVE MANAGEMENT STUDY - INFORMATION TECHNOLOGY DIRECTION. It is the intent of the sixty-seventh legislative assembly that the information technology department provide direction to executive branch agencies regarding information technology strategic planning and operations during the biennium beginning July 1, 2021, and ending June 30, 2023. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of the legislative branch and judicial branch receiving strategic planning and operational information technology direction from the information technology department beginning in the 2023-25 biennium. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 13. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT INFORMATION TECHNOLOGY BUDGETING AND APPROPRIATION PROCESS. During the 2021-22 interim, the legislative management shall consider studying the state government information technology budgeting and appropriations process. The study must include a review of the current process and the feasibility and desirability of providing a general fund appropriation to the information technology department rather than providing general fund appropriations to state agencies to pay the information technology department for information technology services. The study must include consideration of any cost or cost-savings that may result and any transparency benefits of the potential budgeting and appropriation changes. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - INFORMATION TECHNOLOGY UNIFICATION. During the 2021-22 interim, the legislative management shall consider studying the effectiveness, efficiency, cost, and any cost-savings of the 2019-21 biennium and 2021-23 biennium information technology unification initiatives and the feasibility and desirability of continuing these initiatives. The study must include a review of changes in fees, services, operations, processes, and systems. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - CYBERSECURITY. During the 2021-22 interim, the legislative management shall consider studying costs incurred by the information technology department to deliver core technology services and cybersecurity services to state agencies and political subdivisions. The study must consider the feasibility and desirability of political subdivisions paying their share of the cost of these services. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 16. LEGISLATIVE MANAGEMENT STUDY - IMPACT OF LARGE TECHNOLOGY COMPANIES. During the 2021-22 interim, the legislative management shall consider studying competitive fairness, economic development implications, and other economic and societal impacts of large technology companies

conducting business in North Dakota. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 17. LEGISLATIVE MANAGEMENT STUDY - VIRTUAL CURRENCY BUSINESS ACTIVITY. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of regulating special purpose depository institutions and regulating other entities engaged in virtual currency business activities. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 18. EMERGENCY. House Bill No. 1417, as approved by the sixty-seventh legislative assembly, is declared to be an emergency measure.

Approved May 7, 2021

Filed May 10, 2021

CHAPTER 50

SENATE BILL NO. 2022

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the commission on legal counsel for indigents.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the commission on legal counsel for indigents for the purpose of defraying the expenses of the commission on legal counsel for indigents, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Commission on legal counsel for indigents	\$20,374,662	\$589,551	\$20,964,213
Total all funds	\$20,374,662	\$589,551	\$20,964,213
Less estimated income	<u>1,990,035</u>	<u>4,815</u>	<u>1,994,850</u>
Total general fund	\$18,384,627	\$584,736	\$18,969,363
Full-time equivalent positions	40.00	0.00	40.00

Approved April 16, 2021

Filed April 16, 2021

CHAPTER 51

SENATE BILL NO. 2023

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the North Dakota racing commission; to provide for a legislative management study; and to provide for a report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, to the North Dakota racing commission for the purpose of defraying the expenses of the North Dakota racing commission, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Racing commission	\$565,037	\$9,458	\$574,495
Total all funds	\$565,037	\$9,458	\$574,495
Less estimated income	<u>165,965</u>	<u>636</u>	<u>166,601</u>
Total general fund	\$399,072	\$8,822	\$407,894
Full-time equivalent positions	2.00	0.00	2.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Internships	\$0	\$20,000
Total general fund	\$0	\$20,000

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The racing commission shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. LEGISLATIVE MANAGEMENT STUDY - RACING COMMISSION FUNDING. During the 2021-22 interim, the legislative management shall consider studying funding sources for the budget of the racing commission. The study must include consideration of the feasibility and desirability of changing the racing commission to a special funds only budget and the effect on general fund revenues. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

Approved April 16, 2021

Filed April 16, 2021

CHAPTER 52

SENATE BILL NO. 2024

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of environmental quality; to amend and reenact section 23.1-16-10 of the North Dakota Century Code, relating to certificate of inspection; to provide a statement of legislative intent; and to provide for a legislative management report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of environmental quality for the purpose of defraying the expenses of the department of environmental quality, for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$30,587,358	\$1,964,459	\$32,551,817
Operating expenses	9,962,180	809,718	10,771,898
Capital assets	1,263,429	983,743	2,247,172
Grants	<u>15,861,529</u>	<u>(801,411)</u>	<u>15,060,118</u>
Total all funds	\$57,674,496	\$2,956,509	\$60,631,005
Less estimated income	45,193,574	1,776,356	46,969,930
Total general fund	\$12,480,922	\$1,180,153	\$13,661,075
Full-time equivalent positions	165.50	0.50	166.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Air pollution program equipment	\$1,040,000	\$0
Laboratory information management system	0	1,000,000
Total all funds	\$1,040,000	\$1,000,000
Less estimated income	<u>1,040,000</u>	<u>0</u>
Total general fund	\$0	\$1,000,000

SECTION 3. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION FUND. The estimated income line item in section 1 of this Act includes the sum of \$250,000 from the environment and rangeland protection fund. This amount includes \$50,000 for a grant to the North Dakota stockmen's association environmental services program.

SECTION 4. ESTIMATED INCOME - PETROLEUM TANK RELEASE COMPENSATION FUND. The estimated income line item in section 1 of this Act includes the sum of up to \$773,983 from the petroleum tank release compensation fund for expenses related to the petroleum tank release program.

SECTION 5. AMENDMENT. Section 23.1-16-10 of the North Dakota Century Code is amended and reenacted as follows:

23.1-16-10. Certificate of inspection - Certificate to be posted.

The department shall issue a certificate of inspection for each boiler inspected upon receipt of an inspection report certifying that the boiler is in a safe condition to be operated. The department shall charge a fee of ~~twenty~~^{thirty-five} dollars per year for each year that a certificate is valid, or part of a year thereof, for each certificate of inspection issued as the result of inspections authorized under sections 23.1-16-07 and 23.1-16-08. The fees are the liability of the owner or user and must be paid in accordance with rules adopted by the department. A certificate may not be issued for any boiler not in a safe condition to be operated or for a boiler for which the inspection and certificate fees have not been paid in full. A certificate is not valid for a period of more than thirty-six months for power boilers described in subsection 2 of section 23.1-16-07, and no more than twelve months for other power boilers, twelve months for steam traction engines, and thirty-six months for low-pressure boilers except that a two-month grace period may be extended for any certificate. Upon written request from a special inspector, the chief boiler inspector may issue a short-term certificate. Each certificate of inspection must be posted conspicuously under glass in the boiler room or adjacent to the boiler inspected.

SECTION 6. LEGISLATIVE INTENT - FUNDING FOR WASTEWATER TESTING AND LABORATORY INFORMATION MANAGEMENT SYSTEM - EMERGENCY COMMISSION APPROVAL. It is the intent of the sixty-seventh legislative assembly that the department of environmental quality use federal COVID-19 relief funds or any funds for defraying the expenses of wastewater testing. It is further the intent of the sixty-seventh legislative assembly that the department of environmental quality use federal COVID-19 relief funds or other available funds for defraying the expenses of the laboratory information management system before accessing funding from the general fund. The department of environmental quality may seek emergency commission approval to adjust the source of funds if a non-general fund source is identified.

SECTION 7. LOW-CARBON FUTURE INITIATIVE - LEGISLATIVE MANAGEMENT REPORT. During the 2021-22 interim, the department of environmental quality shall gather information from private industry, private organizations, and government which relates to carbon reduction initiatives, rules, or policies that will affect North Dakota residents and industries. In gathering information, the department of environmental quality shall consider, review, and report, as appropriate, technologies, operational practices, and conservation opportunities directed at reducing the state's carbon intensity. The department of environmental quality shall present the report to the legislative management by September 1, 2022.

Approved April 16, 2021

Filed April 16, 2021

CHAPTER 53

SENATE BILL NO. 2025

(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of veterans' affairs; to provide for a report; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of veterans' affairs for the purpose of defraying the expenses of the department of veterans' affairs, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Veterans' affairs	\$1,200,129	\$301,821	\$1,501,950
State approving agency	285,658	6,366	292,024
Grants - transportation program	800,000	420,000	1,220,000
Transport vans	18,800	0	18,800
Service dogs	50,000	0	50,000
Veterans' home cemetery	<u>0</u>	<u>291,500</u>	<u>291,500</u>
Total all funds	\$2,354,587	\$1,019,687	\$3,374,274
Less estimated income	<u>1,085,657</u>	<u>717,993</u>	<u>1,803,650</u>
Total general fund	\$1,268,930	\$301,694	\$1,570,624
Full-time equivalent positions	7.00	1.00	8.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Grant database enhancements	\$7,500	\$0
Temporary loan and grant position	140,000	0
Veterans' home cemetery	<u>291,500</u>	<u>291,500</u>
Total all funds	\$439,000	\$291,500
Less estimated income	<u>291,500</u>	<u>291,500</u>
Total general fund	\$147,500	\$0

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The department of veterans' affairs shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. EXEMPTION - POSTTRAUMATIC STRESS DISORDER SERVICE DOG PROGRAM. The \$50,000 appropriated from the general fund for the

posttraumatic stress disorder service dog program in section 1 of chapter 25 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unspent funds from this program are available for the program during the biennium beginning July 1, 2021, and ending June 30, 2023.

Approved April 16, 2021

Filed April 16, 2021

CHAPTER 54

SENATE BILL NO. 2146

(Senators Burckhard, Heckaman, K. Roers)
(Representatives Bosch, Karls, Schreiber-Beck)

AN ACT to provide an appropriation to the office of management and budget for accessibility improvements on the state capitol grounds; to provide a statement of legislative intent; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the capitol building fund in the state treasury, not otherwise appropriated, the sum of \$750,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of accessibility improvements on the state capitol grounds for the period beginning with the effective date of this Act and ending June 30, 2023. Of the total, \$460,950 is for costs relating to improvements for compliance with the 2010 standards for accessible design adopted by the United States department of justice pursuant to the federal Americans with Disabilities Act of 1990, and the remaining \$289,050 is for costs relating to other accessibility improvements. The office of management and budget may spend the funds appropriated in this section only for the purpose of remodeling and improvements relating to accessibility on the state capitol grounds, including entrances, restrooms, legislative committee rooms and chambers, the cafeteria, the supreme court, and other public areas. The office of management and budget shall consult with the legislative management when considering changes to legislative branch areas and with the chief justice when considering changes to judicial branch areas.

SECTION 2. LEGISLATIVE INTENT. It is the intent of the sixty-seventh legislative assembly that the office of management and budget complete all accessibility improvements on the state capitol grounds as provided for in section 1 of this Act as soon as possible.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 19, 2021

Filed April 20, 2021

CHAPTER 55

SENATE BILL NO. 2245

(Senators Krebsbach, Burckhard, Hogue, Wanzek)
(Representatives Fisher, Louser)

AN ACT to provide an appropriation to the agriculture commissioner for an intermodal facility grant program; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - INTERMODAL FACILITY CONSTRUCTION GRANT PROGRAM - ONE-TIME FUNDING. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$2,000,000, or so much of the sum as may be necessary, to the agriculture commissioner for the purpose of an intermodal facility grant program for capital construction projects that will expand rail capacity to support economic and workforce development and growth and enhance the value of agriculture and commercial products exported through an intermodal facility in North Dakota for the period beginning with the effective date of this Act and ending June 30, 2023. This funding is considered a one-time funding item.

1. The agriculture commissioner shall establish guidelines for awarding grants under the program.
2. Grants may be awarded only to an organization dedicated to the expansion of rail capacity at an existing intermodal facility in the state connected to and served by a class I railroad. Grant funds may be used only to pay for capital costs associated with engineering, labor, equipment, and materials related to rail track expansion.
3. The funding provided under this section may be spent only to the extent the director of the office of management and budget certifies to the legislative management that the use of this funding complies with federal guidelines for the federal coronavirus capital projects fund.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 30, 2021

Filed May 3, 2021