

**Sixty-fifth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2017**

HOUSE BILL NO. 1008
(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the public service commission; to amend and reenact section 57-43.2-19 of the North Dakota Century Code, relating to the special fuels excise taxes distribution of funds; to provide for a legislative management study; and to authorize transfers.

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, 2017, and ending June 30, 2019, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,643,095	(\$445,811)	\$9,197,284
Operating expenses	1,877,562	(47,736)	1,829,826
Capital assets	26,400	(16,400)	10,000
Grants	20,000	0	20,000
Abandoned mined lands contractual	8,000,000	(2,000,000)	6,000,000
Rail rate complaint case	900,000	0	900,000
Railroad safety program	523,345	41,323	564,668
Specialized legal services	<u>150,000</u>	<u>380,000</u>	<u>530,000</u>
Total all funds	\$21,140,402	(\$2,088,624)	\$19,051,778
Less estimated income	<u>13,964,575</u>	<u>(1,543,559)</u>	<u>12,421,016</u>
Total general fund	\$7,175,827	(\$545,065)	\$6,630,762
Full-time equivalent positions	46.00	(1.00)	45.00

SECTION 2. HEALTH INSURANCE INCREASE. The appropriation in section 1 of this Act includes the sum of \$116,809, of which \$70,945 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month.

SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2015-17 biennium and the 2017-19 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
Specialized legal services	<u>\$575,624</u>	<u>\$436,000</u>
Total all funds	\$575,624	\$436,000
Total special funds	<u>336,000</u>	<u>436,000</u>
Total general fund	\$239,624	\$0

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The public service commission shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 4. 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, 2017, and ending June 30, 2019, 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 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.

The estimated income line item in section 1 of this Act includes \$100,000, of one-time funding from the strategic investment and improvements fund for specialized legal service costs during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 6. AMENDMENT. Section 57-43.2-19 of the North Dakota Century Code is amended and reenacted as follows:

57-43.2-19. (Effective July 1, 2015, through June 30, 2019) Transfer, deposit, and distribution of funds.

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 ~~seventy-five~~eighty-five thousand dollars per year must be transferred to the 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.

(Effective after June 30, 2019) Transfer, deposit, and distribution of funds. 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 7. LEGISLATIVE MANAGEMENT STUDY - IMPACT OF WIND ENERGY.

1. During the 2017-18 interim, the legislative management shall consider studying the impact of wind energy development on the environment, addressing and researching issues common to North Dakota landowners, and identifying potential issues for legislation. The study may include consideration of:
 - a. The impact of wind energy development on the environment, including aesthetic impacts;
 - b. The impact of wind energy development on property values;
 - c. The impact of wind energy development on agriculture;
 - d. The advantages and disadvantages of implementing legislation for pooling or unitization of wind resources similar to that of the oil and gas industry in chapter 38-08; and
 - e. The necessary processes for the decommissioning of a wind energy project.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-sixth legislative assembly.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-fifth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1008.

House Vote: Yeas 65 Nays 26 Absent 3

Senate Vote: Yeas 46 Nays 0 Absent 1

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2017.

Approved at _____ M. on _____, 2017.

Governor

Filed in this office this _____ day of _____, 2017,

at _____ o'clock _____ M.

Secretary of State