

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state department
2 of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century
3 Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota
4 Century Code, relating to the community health grant program; and to declare an emergency.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
7 as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the state department of health for the purpose of defraying the expenses of the
10 state department of health, for the biennium beginning July 1, 2017, and ending June 30, 2019,
11 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
14 Salaries and wages	\$62,805,918	\$0	\$62,805,918
15 Operating expenses	40,598,335	0	40,598,335
16 Capital assets	2,895,232	0	2,895,232
17 Grants	57,096,760	0	57,096,760
18 Tobacco prevention	6,910,177	0	6,910,177
19 Women, infants, and children food	20,200,000	0	20,200,000
20 payments			
21 Total all funds	\$190,506,422	\$0	\$190,506,422
22 Less estimated income	141,970,854	0	141,970,854
23 Total general fund	\$48,535,568	\$0	\$48,535,568
24 Full-time equivalent positions	365.00	0.00	365.00

Sixty-fifth
Legislative Assembly

1	Salaries and wages	\$62,805,918	\$1,610,189	\$64,416,107
2	Operating expenses	40,598,335	(2,203,877)	38,394,458
3	Capital assets	2,895,232	551,508	3,446,740
4	Grants	57,096,760	(961,090)	56,135,670
5	Tobacco prevention	6,910,177	5,237,564	12,147,741
6	Women, infants, and children food	20,200,000	0	20,200,000
7	payments			
8	Medical marijuana	0	6,236,376	6,236,376
9	Total all funds	\$190,506,422	\$10,470,670	\$200,977,092
10	Less estimated income	141,970,854	13,917,350	155,888,204
11	Total general fund	\$48,535,568	(\$3,446,680)	\$45,088,888
12	Full-time equivalent positions	365.00	12.00	377.00

SECTION 2. 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 as adjusted for the 2015-17 biennium and the 2017-19 one-time funding items included in the appropriation in section 1 of this Act:

17	One-Time Funding Description	2015-17	2017-19
18	Environmental equipment	\$780,000	\$0
19	Forensic examiner digital x-ray equipment	44,000	0
20	Women, infants, and children system upgrade	1,712,110	0
21	Total all funds	\$2,536,110	\$0
22	Less estimated income	2,200,110	0
23	Total general fund	\$336,000	\$0
24	Environmental equipment	\$780,000	\$0
25	Forensic examiner digital x-ray equipment	44,000	0
26	Women, infants, and children system upgrade	1,712,110	1,739,220
27	Medical marijuana	0	1,197,903
28	Total all funds	\$2,536,110	\$2,937,123
29	Less estimated income	2,200,110	2,937,123
30	Total general fund	\$336,000	\$0

31 The 2017-19 one-time funding amounts are not a part of the entity's base budget for the

1 2019-21 biennium. The state department of health shall report to the appropriations committees
2 of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium
3 beginning July 1, 2017, and ending June 30, 2019.

4 **SECTION 3. ENVIRONMENT AND RANGELAND PROTECTION FUND.** The estimated
5 income line item included in section 1 of this Act includes \$250,000, or so much of the sum as
6 may be necessary, to be made available to the state department of health from the environment
7 and rangeland protection fund, for the biennium beginning July 1, 2017, and ending June 30,
8 2019. This amount includes \$50,000 for a grant to the North Dakota stockmen's association
9 environmental services program.

10 **SECTION 4. INSURANCE TAX DISTRIBUTION FUND.** The estimated income line item
11 included in section 1 of this Act includes \$1,250,000 from the insurance tax distribution fund for
12 rural emergency medical services grants.

13 **SECTION 5. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated
14 income line item included in section 1 of this Act includes \$500,000 from the strategic
15 investment and improvements fund for legal fees related to an environmental protection agency
16 lawsuit.

17 **SECTION 6. STUDENT LOAN TRUST FUND.** The estimated income line item in section 1
18 of this Act includes \$360,000 from the student loan trust fund for dental loan repayment
19 program grants.

20 **SECTION 7. TOBACCO PREVENTION AND CONTROL TRUST FUND.** The estimated
21 income line item in section 1 of this Act includes \$11,078,195 from the tobacco prevention and
22 control trust fund for tobacco prevention and related health programs.

23 **SECTION 8. AMENDMENT.** Subsection 1 of section 54-27-25 of the North Dakota Century
24 Code is amended and reenacted as follows:

- 25 1. There is created in the state treasury a tobacco settlement trust fund. The fund
26 consists of the tobacco settlement dollars obtained by the state under subsection IX(c)
27 (1) of the master settlement agreement and consent agreement adopted by the east
28 central judicial district court in its judgment entered December 28, 1998 [Civil
29 No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc.
30 Except as provided in subsection 2, moneys received by the state under
31 subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be

1 credited to the fund and deposited in the fund. The principal and interest of the fund
2 may be appropriated to the attorney general for the purpose of enforcing the master
3 settlement agreement and any disputes with the agreement. All remaining principal
4 and interest of the fund must be allocated as follows:

- 5 a. Transfers to a community health trust fund to be administered by the state
6 department of health. The state department of health may use funds as
7 appropriated for community-based public health programs and other public health
8 programs, including programs with emphasis on preventing or reducing tobacco
9 usage in this state. Transfers under this subsection must equal ten percent of
10 total annual transfers from the tobacco settlement trust fund ~~of which a minimum
11 of eighty percent must be used for tobacco prevention and control.~~
- 12 b. Transfers to the common schools trust fund to become a part of the principal of
13 that fund. Transfers under this subsection must equal forty-five percent of total
14 annual transfers from the tobacco settlement trust fund.
- 15 c. Transfers to the water development trust fund to be used to address the
16 long-term water development and management needs of the state. Transfers
17 under this subsection must equal forty-five percent of the total annual transfers
18 from the tobacco settlement trust fund.

19 **SECTION 9. REPEAL.** Chapter 23-38 of the North Dakota Century Code is repealed.

20 **SECTION 10. EMERGENCY.** The funding included in the medical marijuana line item in
21 section 1 of this Act is declared to be an emergency measure.