

Sixty-fifth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1024

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide ~~an appropriation~~ appropriations for defraying the expenses of
2 various state departments and institutions; to provide a contingent appropriation; to amend and
3 reenact section 4 of chapter 552 of the 2015 Session Laws, relating to Bank of North Dakota
4 transfers to the state general fund; to provide for borrowing authority; to provide for transfers; to
5 provide statements of legislative intent; and to declare an emergency.

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

7 **SECTION 1. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS**

8 **FUND - 2015-17 BIENNIUM.** There is appropriated out of any moneys in the strategic
9 investment and improvements fund, the sums as hereinafter provided or so much of the sums
10 as may be necessary. These sums increase the special fund authority enacted by the sixty-
11 fourth legislative assembly to the stated departments and institutions of the state of North
12 Dakota for the purpose of defraying their expenses, for the period beginning with the effective
13 date of this Act, and ending June 30, 2017, as follows:

14 Subdivision 1.

15 STATE TREASURER

16	<u>Property tax relief credits</u>	<u>\$8,100,000</u>
17	<u>Total special funds</u>	<u>\$8,100,000</u>

18 Subdivision 2.

19 COMMISSION ON LEGAL COUNSEL FOR INDIGENTS

20	<u>Commission on legal counsel for indigents</u>	<u>\$189,000</u>
21	<u>Total special funds</u>	<u>\$189,000</u>

22 Subdivision 3.

23 STATE DEPARTMENT OF HEALTH

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1 Operating expenses \$250,000
2 Total special funds \$250,000

3 Subdivision ~~2.4.~~

4 DEPARTMENT OF HUMAN SERVICES

5 ~~Grants – Medical assistance~~ ~~\$5,000,000~~

6 ~~Total special funds~~ ~~\$5,000,000~~

7 Grants - Medical assistance \$9,000,000

8 Total special funds \$9,000,000

9 Subdivision ~~3.5.~~

10 ADJUTANT GENERAL

11 Disaster costs \$79,500

12 Total special funds \$79,500

13 Subdivision 6.

14 STATE HISTORICAL SOCIETY

15 Litigation expenses \$50,000

16 Total special funds \$50,000

17 SECTION 1 TOTAL

18 ~~Grand total special funds~~ ~~\$5,329,500~~

19 Grand total special funds \$17,668,500

20 ~~SECTION 2. BORROWING AUTHORITY - APPROPRIATION - JUDICIAL BRANCH -~~

21 ~~DEPARTMENT OF EMERGENCY SERVICES FUNDING REQUEST.~~ The judicial branch may
22 borrow the sum of \$1,500,000, or so much of the sum as may be necessary, from the Bank of
23 North Dakota, for court costs related to unlawful activity associated with the construction of the
24 Dakota access pipeline, for the period beginning with the effective date of this Act and ending
25 June 30, 2019. The proceeds of the loan authorized in this section are appropriated to the
26 judicial branch for the purpose of defraying expenses of the judicial branch related to unlawful
27 activity associated with the construction of the Dakota access pipeline for the period beginning
28 with the effective date of this Act and ending June 30, 2019. The department of emergency
29 services shall include any amounts borrowed under this section in the request for
30 reimbursement from federal or other sources related to the state's expenses incurred due to
31 unlawful activity associated with the construction of the Dakota access pipeline.

~~SECTION 3. BORROWING AUTHORITY -- APPROPRIATION -- COMMISSION ON LEGAL
COUNSEL FOR INDIGENTS -- DEPARTMENT OF EMERGENCY SERVICES FUNDING~~

~~REQUEST. The commission on legal counsel for indigents may borrow the sum of \$859,000, or
so much of the sum as may be necessary, from the Bank of North Dakota, for legal costs
related to unlawful activity associated with the construction of the Dakota access pipeline, for
the period beginning with the effective date of this Act and ending June 30, 2019. The proceeds
of the loan authorized in this section are appropriated to the commission on legal counsel for
indigents for the purpose of defraying expenses of the commission on legal counsel for
indigents related to unlawful activity associated with the construction of the Dakota access
pipeline for the period beginning with the effective date of this Act and ending June 30, 2019.
The department of emergency services shall include any amounts borrowed under this section
in the request for reimbursement from federal or other sources related to the state's expenses
incurred due to unlawful activity associated with the construction of the Dakota access pipeline.~~

SECTION 2. APPROPRIATION - SPECIAL FUNDS FROM ADJUTANT GENERAL LOAN

PROCEEDS - THROUGH JUNE 30, 2019. There is appropriated from special funds received
from the adjutant general, the sums as hereinafter provided, or so much of the sums as may be
necessary, to the agencies listed below for the purpose of defraying expenses of law
enforcement support which were incurred after June 30, 2015, related to unlawful activity
associated with the construction of the Dakota access pipeline, for the period beginning with the
effective date of this Act, and ending June 30, 2019.

Subdivision 1.

ATTORNEY GENERAL

Salaries and wages	<u>\$200,000</u>
Total special funds	\$200,000

Subdivision 2.

JUDICIAL BRANCH

Pipeline protest trials	<u>\$1,500,000</u>
Total special funds	\$1,500,000

Subdivision 3.

COMMISSION ON LEGAL COUNSEL FOR INDIGENTS

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1	Pipeline protest trials	<u>\$1,027,000</u>
2	Total special funds	\$1,027,000
3	Subdivision 4.	
4		
	STATE DEPARTMENT OF HEALTH	
5	Operating expenses	<u>\$1,420,000</u>
6	Total special funds	\$1,420,000
7	Subdivision 5.	
8		
	HIGHWAY PATROL	
9	Field operations	<u>\$3,234,000</u>
10	Total special funds	\$3,234,000
11	Subdivision 6.	
12		
	DEPARTMENT OF CORRECTIONS AND REHABILITATION	
13	Adult services	<u>\$500,000</u>
14	Total special funds	\$500,000
15	Subdivision 7.	
16		
	GAME AND FISH DEPARTMENT	
17	Salaries and wages	\$221,795
18	Operating expenses	<u>201,929</u>
19	Total special funds	\$423,724
20	Subdivision 8.	
21		
	PARKS AND RECREATION DEPARTMENT	
22	Natural resources	<u>\$200,000</u>
23	Total special funds	\$200,000
24	Subdivision 9.	
25		
	DEPARTMENT OF TRANSPORTATION	
26	Salaries and wages	\$287,000
27	Operating expenses	<u>422,000</u>
28	Total special funds	\$709,000
29		
	SECTION 2 TOTAL	
30	Grand total special funds	\$9,213,724

1 **SECTION 3. BORROWING AUTHORITY - APPROPRIATION - THROUGH JUNE 30, 2019**
2 **- ADJUTANT GENERAL - DEPARTMENT OF EMERGENCY SERVICES FUNDING**

3 **REQUEST.** The office of the adjutant general may borrow the sum of \$10,000,000, or so much
4 of the sum as may be necessary, from the Bank of North Dakota, for law enforcement support
5 costs that were incurred after June 30, 2015, related to unlawful activity associated with the
6 construction of the Dakota access pipeline, for the period beginning with the effective date of
7 this Act, and ending June 30, 2019. The proceeds of the loan authorized in this section are
8 appropriated to the office of the adjutant general for the purpose of defraying expenses of law
9 enforcement support which were incurred after June 30, 2015, related to unlawful activity
10 associated with the construction of the Dakota access pipeline, for the period beginning with the
11 effective date of this Act, and ending June 30, 2019. The department of emergency services
12 shall include any amounts borrowed under this section in the request for reimbursement from
13 the federal government related to the state's expenses incurred due to unlawful activity
14 associated with the construction of the Dakota access pipeline.

15 **SECTION 4. CONTINGENT APPROPRIATION - STRATEGIC INVESTMENT AND**
16 **IMPROVEMENTS FUND - ATTORNEY GENERAL - THROUGH JUNE 30, 2019.** There is

17 appropriated out of any moneys in the strategic investment and improvements fund in the state
18 treasury, not otherwise appropriated, the sum of \$15,872,000, or so much of the sum as may be
19 necessary, to the attorney general for the purpose of providing any court-ordered payments to a
20 bankruptcy estate or payments to be made pursuant to the terms of a settlement agreement
21 approved by order of the court, for the period beginning with the effective date of this Act, and
22 ending June 30, 2019. The funding provided in this section may be expended only upon an
23 order of the court pending the outcome of PW Enterprises, Inc. v. State of North Dakota or
24 pursuant to the terms of a settlement agreement approved by order of the court. The funding
25 provided in this section is considered a one-time funding item and is not a part of the entity's
26 base budget for the 2019-21 biennium.

27 **SECTION 5. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
28 **GENERAL FUND - 2015-17 BIENNIUM.** The office of management and budget shall transfer

29 the sum of \$155,000,000 from the strategic investment and improvements fund to the general
30 fund during the period beginning with the effective date of this Act, and ending June 30, 2017.

31 **SECTION 6. LINE ITEM TRANSFERS - ATTORNEY GENERAL - 2015-17 BIENNIUM.**

1 1. The attorney general may transfer \$75,000 from the amount appropriated for the
2 continuation of contracted higher education legal services in section 6 of chapter 3 of
3 the 2015 Session Laws to the litigation fees line item in section 1 of chapter 37 of the
4 2015 Session Laws, for the period beginning with the effective date of this Act, and
5 ending June 30, 2017.

6 2. The attorney general may transfer \$5,000 from the amount appropriated for the
7 continuation of contracted higher education legal services in section 6 of chapter 3 of
8 the 2015 Session Laws to the arrest and return of fugitives line item in section 1 of
9 chapter 37 of the 2015 Session Laws, for the period beginning with the effective date
10 of this Act, and ending June 30, 2017.

11 **SECTION 7. LEGISLATIVE INTENT - COST REIMBURSEMENTS - LOAN**

12 **REPAYMENTS.** It is the intent of the sixty-fifth legislative assembly that the department of
13 emergency services seek reimbursement from the federal government for the costs of
14 responding to unlawful activity associated with the construction of the Dakota access pipeline. It
15 is further the intent of the sixty-fifth legislative assembly that these reimbursements be used to
16 repay the Bank of North Dakota loans authorized by the emergency commission and the
17 legislative assembly, including loans of \$17,000,000 previously authorized by the emergency
18 commission; loans in Senate Bill No. 2174, as approved by the sixty-fifth legislative assembly;
19 and loans authorized in section 3 of this Act, which were all obtained to provide the funding
20 necessary to respond to the unlawful activity associated with the construction of the Dakota
21 access pipeline. It is further the intent of the legislative assembly that provisions of
22 section 54-16-13 apply to the loans, except that emergency commission approval does not
23 apply.

24 **SECTION 8. LEGISLATIVE INTENT - COST REIMBURSEMENT - LOAN REPAYMENTS.**

25 It is the intent of the sixty-fifth legislative assembly that:

26 1. The department of emergency services and the governor accept reimbursement in the
27 form of land, cash, or other assets from nonstate sources for state costs incurred
28 relating to unlawful activity associated with the construction of the Dakota access
29 pipeline.

30 2. Any reimbursements received be used to repay the Bank of North Dakota loans
31 authorized by the emergency commission; loans in Senate Bill No. 2174, as approved

1 by the sixty-fifth legislative assembly; and loans authorized in section 3 of this Act,
2 which were all obtained to provide the funding necessary to respond to the unlawful
3 activity associated with the construction of the Dakota access pipeline.

- 4 3. If the department of emergency services or the governor receive land or other
5 noncash assets as reimbursement, the department of emergency services or the
6 governor request authorization from the sixty-sixth legislative assembly to convey the
7 land or noncash assets and use any proceeds for repayment of any remaining
8 outstanding loans.

9 **SECTION 9. AMENDMENT.** Section 4 of chapter 552 of the 2015 Session Laws is
10 amended and reenacted as follows:

11 **SECTION 4. ~~CONTINGENT BANK OF NORTH DAKOTA TRANSFERS TO~~**
12 **STATE GENERAL FUND.** ~~If, during~~ During the period beginning with the effective date
13 of this Act and ending June 30, 2017, ~~the director of the office of management and~~
14 ~~budget determines the state general fund will not have a projected positive June 30,~~
15 ~~2017, balance,~~ the industrial commission shall transfer \$100,000,000, ~~or so much of~~
16 ~~the sum as may be necessary,~~ from the earnings and accumulated and undivided
17 profits of the Bank of North Dakota to the state general fund. The moneys must be
18 transferred in amounts and at such times as requested by the director of the office of
19 management and budget. ~~The sum of the amounts transferred may not exceed the~~
20 ~~lesser of \$100,000,000 or the amount necessary to provide for a positive June 30,~~
21 ~~2017, general fund balance.~~

22 **SECTION 10. EMERGENCY.** This Act is declared to be an emergency measure.