Memo

Prepared by the North Dakota Legislative Council
staff for the Legislative Council
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STATUTORY AND TRADITIONAL RESPONSIBILITIES OF LEGISLATIVE COUNCIL INTERIM COMMITTEES

In addition to conducting studies pursuant to concurrent resolutions or bills, the Legislative Council performs a number of statutory and traditional duties and responsibilities. This memorandum outlines those duties and responsibilities.

STATUTORY INTERIM COMMITTEES

Seven Legislative Council interim committees are created by statute:

1. Legislative Audit and Fiscal Review Committee [North Dakota Century Code (NDCC) Section 54-35-02.1].
2. Employee Benefits Programs Committee (NDCC Section 54-35-02.3).
3. Administrative Rules Committee (NDCC Section 54-35-02.5).
4. Garrison Diversion Overview Committee (NDCC Section 54-35-02.7).
5. Legislative Ethics Committee (NDCC Section 54-35-02.8).
6. Electric Industry Competition Committee (NDCC Section 54-35-18.1).
7. Education Finance Committee [1997 Session Laws (S.L.), Chapter (ch.) 174, Section 4].

Legislative Audit and Fiscal Review Committee

Under NDCC Section 54-35-02.1, the Legislative Audit and Fiscal Review Committee is created for the purposes of studying and reviewing the financial transactions of the state, assuring the collection and expenditures of revenues and moneys are in compliance with law and legislative intent and sound financial practices, and providing the Legislative Assembly with formal, objective information on revenue collections and expenditures for a basis of legislative action to improve the fiscal structure and transactions of the state. Section 54-35-02.1 was amended in 1997 to remove the Lieutenant Governor as chairman of the Legislative Audit and Fiscal Review Committee.

Under NDCC Section 4-02.1-18, the State Fair Association is to submit annually to the Legislative Audit and Fiscal Review Committee an audit report prepared by a certified public accountant based upon an audit of all records and accounts of the association.

Under NDCC Section 10-23-03.2, any corporation that produces agricultural ethyl alcohol or methanol and receives a production subsidy from the state is required to submit an annual audit report to the Legislative Audit and Fiscal Review Committee. In addition, the committee may request the State Auditor to audit the accounts of any corporation required to submit an annual report under the section.

Under NDCC Section 10-32-156, any limited liability company that produces agricultural ethyl alcohol or methanol in this state and which receives a production subsidy from the state is required to submit an annual audit report to the Legislative Audit and Fiscal Review Committee.

Under NDCC Section 25-04-17, the reduction or writeoff of a patient's past due account from the financial records of the Developmental Center at Westwood Park, Grafton, is authorized. A detailed report is to be presented to the Legislative Audit and Fiscal Review Committee by September 1 after the close of each fiscal year.

Under NDCC Section 50-06.3-08, the Department of Human Services may authorize the reduction or writeoff of a recipient's or patient's past due account from the financial records of the department. The department is to present a detailed report to the Legislative Audit and Fiscal Review Committee by September 1 after the close of each fiscal year.

Under NDCC Section 52-02-18, the executive director of Job Service North Dakota and the auditor are required to present to the Legislative Audit and Fiscal Review Committee the report of the biennial performance audit of the divisions of Job Service.

Under NDCC Section 54-10-01, the State Auditor is vested with the responsibility to audit state agencies once every two years. Audits may be conducted at more frequent intervals if requested by the Legislative Audit and Fiscal Review Committee. The State Auditor also is to perform or provide for performance audits as determined necessary by the Legislative Audit and Fiscal Review Committee.

Under NDCC Section 54-10-13, the State Auditor is required to perform audits of political subdivisions in accordance with NDCC Section 54-10-14 unless otherwise ordered by the Legislative Audit and Fiscal Review Committee.

Under NDCC Section 54-10-15, the Legislative Audit and Fiscal Review Committee is authorized to order the State Auditor to audit or review the accounts of any political subdivision.

Under NDCC Section 54-35-02.2, the Legislative Audit and Fiscal Review Committee is required to

study and review audit reports submitted by the State Auditor.

Under NDCC Section 54-44.2-12, the Information Services Division is to report to the Legislative Audit and Fiscal Review Committee with respect to state entity noncompliance with statewide information technology policies and standards.

Under NDCC Section 65-02-03.3, the director of the Workers Compensation Bureau and the chairman of the Workers Compensation Board of Directors are required to provide an annual report to the Legislative Audit and Fiscal Review Committee.

Under NDCC Section 65-02-29, the director of the Workers Compensation Bureau and the auditor are required to present to the Legislative Audit and Fiscal Review Committee the report of the biennial performance audit of the bureau.

Under NDCC Section 65-02-30, the director of the Workers Compensation Bureau, the chairman of the Workers Compensation Board of Directors, and the auditor are required to present to the Legislative Audit and Fiscal Review Committee the report of the biennial performance audit of the bureau.

Employee Benefits Programs Committee

Under NDCC Section 18-11-15, as amended in 1997, a firefighters relief association may pay monthly service benefits under a special schedule with the consent of the governing body of the city, upon the advice of its actuary, and upon notice to the Employee Benefits Programs Committee.

Under NDCC Section 54-35-02.3, the Legislative Council is to appoint five members of the House of Representatives and four members of the Senate to an Employee Benefits Programs Committee.

Under NDCC Section 54-35-02.4, the committee is to make a thorough review of legislative measures and proposals that affect the retirement programs and health and retiree health plans of state employees and employees of political subdivisions.

Under NDCC Section 54-52.1-08.2, the Public Employees Retirement Board may adopt appropriate terminology for the uniform group insurance program to comply with federal requirements, subject to the approval of the committee.

Section 18 of 1997 S.L., ch. 15, declares legislative intent that during the 1997-98 interim the Office of Management and Budget and the Public Employees Retirement System report to the Employee Benefits Programs Committee on pension portability.

Administrative Rules Committee

Under NDCC Section 28-32-03.3, the Administrative Rules Committee is authorized to hold an administrative rule to consider whether to void the rule, find the rule void, and subsequently suspend that rule, if the committee makes specific findings with regard to that rule.

Under NDCC Section 54-35-02.5, the Legislative Council is to appoint an Administrative Rules Committee. As the result of 1997 legislation, the committee must include at least one member from each of the standing committees of either the House or the Senate.

Under NDCC Section 54-35-02.6, the committee is to study and review administrative rules and related statutes.

Under NDCC Section 65-02-08, the Workers Compensation Bureau is to adopt rules to carry out Title 65 (workers' compensation). All fees on claims for legal, medical, and hospital services rendered under Title 65 to any claimant must be in accordance with schedules of fees adopted or to be adopted by the bureau. Fee schedules for medical and hospital services must incorporate cost-saving measures and must be submitted to and approved by the Administrative Rules Committee before submission to the Legislative Council for publication.

Garrison Diversion Overview Committee

Under NDCC Section 54-35-02.7, the membership of the Garrison Diversion Overview Committee consists of the majority and minority leaders and their assistants from the House and Senate, the Speaker of the House, the President Pro Tempore of the Senate selected at the end of the immediately preceding legislative session, the chairmen of the House and Senate standing Committees on Natural Resources, and the chairmen of the House and Senate standing Committees on Agriculture.

Under NDCC Section 54-35-02.7, the Garrison Diversion Overview Committee is responsible for legislative overview of the Garrison Diversion Project and related matters.

Legislative Ethics Committee

Under NDCC Section 54-35-02.8, the Legislative Council is to appoint an ethics committee to consider or prepare a legislative code of ethics. During the 1995-96 interim, the Legislative Management Committee was designated the Legislative Ethics Committee.

Electric Utilities Committee

Under NDCC Section 54-35-18.1, the Legislative Council is required to appoint an Electric Industry Competition Committee of three or four members of the House and three or four members of the Senate, with no more than two members of each house to be from the same political party. The chairman of the Legislative Council is to name one of the members as chairman of the committee. The committee is to

study the impact of competition on the generation, transmission, and distribution of electric energy within this state. The law providing for the committee and its responsibilities is effective through August 1, 2003, and after that date is ineffective.

Education Finance Committee

Under Section 4 of 1997 S.L., ch. 174, the Legislative Council is to appoint a committee during the 1997-98 interim to study the financing of elementary and secondary schools and availability of state support for school construction. The committee is to review the formulas used to equalize state aid including formulas for student transportation and special education, funding sources that would be alternatives to property tax, and any other issues related to financing of elementary and secondary schools. The Legislative Council is to ensure that the committee contains a balanced representation.

OTHER COMMITTEE-RELATED DUTIES PROVIDED BY STATUTE

Many statutory duties or responsibilities of the Legislative Council traditionally have been delegated to various interim committees. In addition, although not created by statute, several statutes refer to the Budget Section of the Legislative Council.

Legislative Council

Permanent or Continuing Requirements

Several responsibilities of the Legislative Council are codified in the Century Code because they are "general and permanent." In addition, some responsibilities continue past the biennium for which the original responsibility was provided. These are of a limited duration and are found in the Session Laws, rather than the Century Code.

Under NDCC Section 4-05.1-19, enacted in 1997, the Agricultural Research Board is required to annually evaluate research activities and expenditures and report the findings to the Legislative Council.

Under NDCC Section 15-10-14.2, the State Board of Higher Education is to meet in October 1996 and every six years thereafter with the Legislative Council and the Governor to review the status of the university system and to establish the long-term goals and objectives that will best serve the citizens of the state. In October 1997, and every six years thereafter, the board is to meet with the Legislative Council and the Governor and present the directions, criteria, and timelines the board developed for the goals. During each intervening year the board is to meet at least once with the Legislative Council and the Governor and present a progress report regarding its goals and objectives.

Under NDCC Section 15-22-01.1, a board of county commissioners may choose not to employ a county superintendent of schools and may assign the statutory duties of the superintendent to qualified persons. The assignment must be in accordance with a written plan, which must be filed with the Legislative Council. During the 1995-96 interim, the responsibility to acknowledge receipt of plans was assigned to the Education Services Committee.

Under NDCC Section 15-34.1-12.1, effective until July 1, 1999, the Superintendent of Public Instruction is required to provide to the Legislative Council a report and recommendations regarding the home schooling of children with autism.

Under NDCC Section 26.1-45.1-07, the Commissioner of Insurance is to annually report to the Legislative Council and to the Governor on the progress of the partnership for long-term care program, by which private insurance and Medicaid funds may be combined to finance long-term care. During the 1995-96 interim, this responsibility was assigned to the Insurance and Health Care Committee.

Under NDCC Section 26.1-50-05, enacted in 1997, the governing body of the North Dakota low-risk incentive fund is required to provide annually an audited financial statement and report to the Legislative Council, the Governor, and the Insurance Commissioner.

Under NDCC Section 28-32-02, an administrative agency must adopt any rule change to implement a statutory change within nine months after the effective date of the statutory change. If the agency needs additional time, a request for additional time must be made to the Legislative Council. The Legislative Council may extend the time if the request by the agency is supported by evidence that the agency needs more time through no deliberate fault of its own. During the 1995-96 interim, this authority was assigned to the Administrative Rules Committee.

Also, under NDCC Section 28-32-02, the Legislative Council is to establish a procedure whereby any person may request and receive mailed copies of all filings made by administrative agencies with respect to notice of proposed adoption, amendment, or repeal of agency rules. During the 1995-96 interim, this authority was assigned to the Administrative Rules Committee.

Also, under NDCC Section 28-32-02, the Legislative Council is to establish standard procedures for administrative agencies to follow in providing notice of proposed rulemaking. During the 1995-96 interim, this authority was assigned to the Administrative Rules Committee.

Under NDCC Section 28-32-03.3, an agency whose rule has been found void by the Administrative Rules Committee may petition the Legislative Council

chairman for a review of the committee's decision by the Legislative Council. If the Legislative Council does not disapprove by motion the finding of the committee within 60 days after receipt of the petition, the rule is void.

Under NDCC Section 28-32-15, notice of an appeal of an administrative agency's rulemaking action must be given to the Legislative Council. During the 1995-96 interim, this responsibility was assigned to the Administrative Rules Committee.

Under NDCC Section 36-01-08.3, the Board of Animal Health is to conduct performance evaluations of the State Veterinarian and assistant veterinarians, review alternatives for enhancing and delivering services provided by the board, and evaluate the consolidation and cooperation with the Department of Agriculture. The board is to report to the Legislative Council each year. During the 1995-96 interim, the responsibility to receive the report was assigned to the Budget Committee on Agriculture and Information Services.

Under NDCC Section 46-02-04, contracts for the printing of legislative bills, resolutions, and journals are to be in accordance with the rules of the Senate and the House of the previous legislative session, or as directed by the Legislative Council. During the 1995-96 interim, this responsibility was assigned to the Legislative Management Committee.

Under NDCC Section 48-08-04, the committee rooms, halls, passageways, and other space in the Capitol used by the Legislative Assembly may not be used during the interim between legislative sessions without authorization of the Legislative Council or its designee. This responsibility has been assigned to the director of the Legislative Council.

Under NDCC Section 49-21-22.1, effective until December 31, 1998, the chairman of the Legislative Council is to designate the chairman and vice chairman of the Regulatory Reform Review Commission from the legislative members of the commission. (The commission consists of one member of the Public Service Commission who has responsibility for telecommunications regulation, two members of the Senate appointed by the President of the Senate, and two members of the House of Representatives appointed by the Speaker.) The Legislative Council provides staff services to the Regulatory Reform Review Commission. The Regulatory Reform Review Commission is to report to the Legislative Council in 1996 and 1998.

Under NDCC Section 50-06-01.8, as amended in 1997, the Department of Human Services, subject to the approval of the Legislative Council, is authorized to terminate any waiver obtained for the training, education, employment, and management (TEEM) program or the demonstration project to combine the benefits under the aid to families with dependent children, temporary assistance for needy families, fuel assistance, and food stamp programs.

Under NDCC Section 50-09-29, enacted in 1997, the Department of Human Services, subject to approval of the Legislative Council, is authorized to administer the temporary assistance for needy families program in a manner that avoids expending or committing all funds appropriated for that purpose earlier than June 30, 1999, or in a manner different from that provided by the section, or in a manner that avoids causing eligible individuals to become charges upon the counties.

Under NDCC Section 54-03-19.2, the expenses of the Legislative Compensation Commission are to be paid from appropriations for the Legislative Assembly. The commission may solicit the assistance of the Legislative Council staff. (The Legislative Council staff also provides staff services to the Regulatory Reform Review Commission and to the Advisory Commission on Intergovernmental Relations.)

Under NDCC Section 54-03-26, enacted in 1997, a legislator assigned a personal computer is authorized to use that computer for any use not in violation of NDCC Section 16.1-10-02 (political purposes) upon payment of a computer usage fee established by the Legislative Council.

Under NDCC Section 54-06-25, the chairman of the Legislative Council is to appoint four members of the Legislative Assembly to a nine-member State Employees Compensation Commission. The commission is to meet at least once each year and is to consider proper levels of compensation and fringe benefits for state employees. The commission is to make its recommendations on these issues to the Governor in time for consideration and preparation of the executive budget to be submitted to the next Legislative Assembly. The commission is also to submit its recommendations to the Legislative Council at the biennial meeting at which the Council receives reports of its interim committees.

Under NDCC Section 54-34.3-04, the director of the Department of Economic Development and Finance is to report at least annually to an interim committee designated by the Legislative Council on loan performance and performance of the department, including evaluations of the divisions of finance, marketing and technical assistance, and science and technology. A report must include a comparison of dollars spent to the jobs created of all programs administered or supervised by the director and a review of the timeliness of the loan processing practices, including a log of activities from application to final determination. During the 1995-96 interim, this responsibility was assigned to the Commerce Committee.

Under NDCC Section 54-35-02(4), the Legislative Council is to receive, review, and make recommendations on uniform and model laws recommended to it by the State Commission on Uniform State Laws. During the 1995-96 interim, this responsibility was assigned to the Judiciary Committee.

Under NDCC Section 54-35-02(8), the Legislative Council is to establish guidelines for the use of the legislative chambers and displays in Memorial Hall. During the 1995-96 interim, this responsibility was assigned to the Legislative Management Committee.

Under NDCC Section 54-35-02(9), the Legislative Council has authority to determine access to legislative information services and impose fees for providing legislative information services and copies of legislative documents. During the 1995-96 interim, this responsibility was assigned to the Legislative Management Committee.

Under NDCC Section 54-35-11, the Legislative Council is authorized to make all necessary arrangements for the legislative session. During the 1995-96 interim, this responsibility was assigned to the Legislative Management Committee.

Under NDCC Section 54-35-15, as amended in 1997, the Legislative Council or its designee is required to study emerging technology and evaluate its impact on the state's system of information technology and report to the Legislative Council and the Legislative Assembly regarding information technology in state government. The Council is to provide information technology research and staff services to the legislative branch. The Council or its designee is to develop guidelines for reports on information technology which are to be provided by all executive branch agencies and institutions, judicial branch agencies, and legislative branch agencies. The Council or its designee is to audit the implementation of information technology systems or applications of state entities. The Council is to make recommendations to the Legislative Council and the Legislative Assembly regarding information technology of state government.

Under NDCC Section 54-40-01, as amended in 1997, before any agreement between a state entity and South Dakota to form a bistate authority becomes effective, it must be approved by the Legislative Assembly, or by the Legislative Council or its designated committee if the Legislative Assembly is not in session.

Under NDCC Section 54-44.1-07, the director of the budget is to present budget information to the Legislative Assembly at the organizational session in December in the form as may be prescribed by the Legislative Council. During the 1995-96 interim, the responsibility to determine the form of the information was assigned to the Budget Section.

Under NDCC Section 54-44.2-02, as amended in 1997, the Information Services Division is required to report annually to the Legislative Council or its designated committee regarding the coordination of information technology services with political subdivisions. Executive branch entities, except institutions under the control of the State Board of Higher Education, are required to submit to the Information Services Division and the Legislative Council or its designee a written request for lease, purchase, or other acquisition of information technology services or equipment. The Information Services Division is to inform the Legislative Council or its designee of any requests disapproved or additional justification received relating to a request.

Under NDCC Section 54-44.2-09, enacted in 1997, the Information Services Division, in consultation with the Legislative Council, is to develop statewide information technology standards and guidelines.

Under NDCC Section 54-44.2-10, enacted in 1997, each state entity is to prepare an information technology strategic plan based on these standards and guidelines. The Information Services Division is to prepare a statewide information technology strategic plan and is to distribute a copy of the plan to members of the Legislative Assembly as requested by the Legislative Council.

Under NDCC Section 54-44.2-11, enacted in 1997, the director of the Information Services Division and the commissioner of the State Board of Higher Education are required to meet at least twice yearly to consider areas for coordinated information technology systems and to report their findings to the Legislative Council or its designated committee before November of each year.

Under NDCC Section 65-06.2-09, enacted in 1997 and effective until July 1, 2003, the Workers Compensation Bureau is required to submit to a Legislative Council interim committee no later than 30 days before commencement of each regular session of the Legislative Assembly a report and any recommendations based on its safety audit of the Roughrider Industries work programs and its performance audit of the modified workers' compensation coverage program.

Section 1 of 1989 S.L., ch. 25, appropriates funds to the Legislative Assembly for improvements to the legislative wing and grounds of the State Capitol. The Legislative Council or its designee is to administer the Act. During the 1995-96 interim, the responsibility to administer the legislative wing renovation appropriations provided in 1985, 1987, and 1989 was assigned to the Legislative Management Committee.

Temporary or Limited Requirements

Section 7 of 1997 S.L., ch. 12, declares legislative intent that the human service centers, the State Hospital, and the Developmental Center report to the Legislative Council or its designee (and to the Budget Section) on the hiring of any additional full-time equivalent positions in addition to those authorized by the Legislative Assembly during the 1997-99 biennium.

Section 31 of 1997 S.L., ch. 12, requires the Department of Human Services to periodically report to the Legislative Council or its designee regarding the evaluation of welfare reform during the 1997-98 interim.

Section 10 of 1997 S.L., ch. 13, declares legislative intent to provide a grant to the Leadership in Education Consortium to develop training programs in cooperation with teacher learning centers. No later than September 30, 1998, the consortium is to present a report to the Legislative Council or its designated committee on training programs for teachers and education administrators developed in cooperation with the teacher learning centers.

Section 17 of 1997 S.L., ch. 15, declares legislative intent that during the 1997-98 interim the Office of Management and Budget report to a Legislative Council interim committee on state employee compensation issues.

Section 17 of 1997 S.L., ch. 32, requires the State Board for Vocational and Technical Education to provide, during the 1997-98 interim, periodic reports to the Legislative Council or its designated committee on the board's progress in coordinating statewide access to work force training programs.

Section 7 of 1997 S.L., ch. 49, requires the State Board for Vocational and Technical Education to provide, during the 1997-98 interim, periodic reports to the Legislative Council or its designated committee on the board's progress in coordinating statewide access to work force training programs.

Section 1 of 1997 S.L., ch. 56, requires the Agricultural Experiment Station to study the feasibility and desirability of industrial hemp production in this state and present its report to the Legislative Council before August 1, 1998.

Section 7 of 1997 S.L., ch. 527, requires the Workers Compensation Bureau to study its wage-loss benefits structure during the 1997-98 interim and report on the progress of this study to a Legislative Council interim committee.

Budget Section

Permanent or Continuing Requirements

Several responsibilities of the Budget Section are codified in the Century Code because they are "general and permanent." In addition, some responsibilities continue past the biennium for which the original appropriation or responsibility was provided. These are of a limited duration and are found in the Session Laws, rather than the Century Code.

Under NDCC Section 4-19-01.2, all moneys received for charges in excess of the cost of production of seedlings from the State Nursery must be deposited in the State Forester reserve account. The State Forester is authorized to use the reserve account after receiving approval from the Budget Section.

Under NDCC Section 15-03-04, Budget Section or Legislative Assembly approval is required for any purchase of commercial or residential property by the Board of University and School Lands as sole owner. This requirement was enacted by 1997 legislation.

Under NDCC Section 15-10-12.1, the State Board of Higher Education, with the approval of the Budget Section, may authorize the use of land under the control of the board and construct improvements financed by gifts. The Budget Section is authorized to establish guidelines regarding the types of gifts which do not require the approval of the Budget Section. In 1997 this section was amended to require a specific dollar amount for each project.

Under NDCC Section 15-10-18, the State Board of Higher Education is required to obtain the approval of the Budget Section for nonresident student tuition fees.

Under NDCC Section 20.1-02-05.1, the director of the Game and Fish Department is to establish a comprehensive statewide land acquisition plan that must be approved by the Budget Section. Every land acquisition made by the department exceeding 10 acres or $10,000 must be approved by the Budget Section.

Under NDCC Section 25-04-02.2, the Developmental Center at Westwood Park, Grafton, may provide any service, not otherwise authorized by law, under contract with a governmental or nongovernmental person, upon approval of the Budget Section. The Budget Section may approve the provision of a service only after determining that the service is not otherwise being provided by either the private or public sector.

Under NDCC Section 25-04-20, any sale, lease, or other management of the property of Westwood Park by the Westwood Park Assets Management Committee must be approved by the Budget Section.

Under NDCC Section 50-06-05.1, the Department of Human Services is authorized to administer the federal food stamp and energy assistance programs, but with the consent of the Budget Section the

department may terminate either program upon any decrease or limit on federal financial participation.

Under NDCC Section 52-02-17, the job insurance trust fund balance is to be maintained at a level of at least $40 million. If the fund balance is projected to go below $40 million, Job Service North Dakota is to notify the members of the Budget Section. At the next meeting of the Budget Section, Job Service North Dakota is to report on the condition of the fund, the circumstances leading to the decrease in the fund balance, and a proposal on how to increase the fund balance back to the required minimum.

Under NDCC Section 54-14-03.1, the Office of the Budget is to report irregularities in the fiscal practices of state agencies and institutions to the Budget Section.

Under NDCC Section 54-16-04, the Emergency Commission needs Budget Section approval before authorizing these transfers:

1. Any transfer of moneys or spending authority which would eliminate or make impossible the accomplishment of a program or objective funded by the Legislative Assembly.
2. Any transfer exceeding $50,000 from one fund or line item to another unless the transfer is necessary to comply with a court order or to avoid an imminent threat to safety or an imminent financial loss to the state.

Under NDCC Section 54-16-04.1, the Emergency Commission, with the approval of the Budget Section, may authorize any state officer to spend federal moneys not appropriated by the Legislative Assembly and which the Legislative Assembly has not indicated an intent to reject.

Under NDCC Section 54-16-04.2, the Emergency Commission, with the approval of the Budget Section, may authorize a state officer to receive moneys from any source not otherwise appropriated by the Legislative Assembly and which the Legislative Assembly has not indicated an intent to reject.

Under NDCC Section 54-27-22, state agencies may receive funds from the preliminary planning revolving fund for designs and cost estimates relating to capital improvements only upon receiving authorization from the Budget Section.

Under NDCC Section 54-27-23, the Office of Management and Budget is authorized to issue certificates in anticipation of revenue. The certificates are not to offset projected deficits in state finances unless first approved by the Budget Section. The Budget Section is also authorized to approve additional cash flow financing not to exceed 80 percent of the estimated general fund revenues relating to sales or production occurring prior to June 30, to be collected in July and August after the end of the biennium.

Under NDCC Section 54-27.2-03, any transfer from the budget stabilization fund ordered by the Governor must be reported to the Budget Section.

NDCC Section 54-35-02.1 was amended in 1997 to remove the Lieutenant Governor from the Budget Section (and as chairman of the Legislative Audit and Fiscal Review Committee).

Under NDCC Section 54-35.2-02.1, the Advisory Commission on Intergovernmental Relations is to report annually to the Budget Section with respect to the planning grants distributed by the commission to county or city governments.

Under NDCC Section 54-44.1-12.1, the Budget Section may object to any allotment by the director of the budget, any expenditure of a budget unit, or any failure to make an allotment or expenditure if the action or failure to act is contrary to legislative intent as recorded in any reliable legislative records. The objection must be filed in a permanent register in the Legislative Council office. A copy is to be transmitted to the director of the budget and the affected budget unit. The affected budget unit is to respond in writing within 14 days. After receipt of that response, the Budget Section may withdraw or modify its objection. After the filing of an objection, the burden of persuasion is on the budget unit with respect to any judicial review of whether the allotment or expenditure is contrary to law.

Under NDCC Section 54-44.1-13.1, the director of the budget is authorized to reduce budgets affected by initiative or referendum action by a percentage sufficient to cover the estimated losses caused by the initiative or referendum action, subject to the approval of the Budget Section.

Under NDCC Section 54-56-03, Budget Section approval is required for grants, not otherwise specifically approved by the Legislative Assembly, distributed by the Children's Services Coordinating Committee to children's services organizations and programs. This requirement was enacted by 1997 legislation.

Under NDCC Section 65-02-13.1, the Workers Compensation Bureau must report annually to the Budget Section on any contract negotiated between the bureau and an insurer for reinsurance.

Under NDCC Section 65-08.1-02, the Workers Compensation Bureau may establish a casualty insurance organization for the purpose of offering extraterritorial workers' compensation insurance coverage or other states' insurance. The organization may be established only upon the director's determination that the organization is needed to provide sufficient workers' compensation coverage for the employees and employers of this state and upon approval of the Budget Section.

Temporary or Limited Requirements

Section 4 of 1997 S.L., ch. 4, requires Budget Section approval before certain transfers between various line items by the State Auditor.

Section 9 of 1997 S.L., ch. 12, requires Budget Section approval before spending the welfare reform contingency.

Section 19 of 1997 S.L., ch. 12, requires Budget Section approval before the Department of Human Services can exceed authorized costs for certain computer development projects. If savings are projected for the projects, the department may request Budget Section approval to use the projected savings for other projects. Section 19 also provides that the Department of Human Services must meet the requirements of the United States Department of Health and Human Services communication dated February 12, 1997, in its reforming and enhancing services for the people of North Dakota (RESPOND) and TEEM projects, except as waived by approval of the Budget Section.

Section 29 of 1997 S.L., ch. 12, declares legislative intent to allow the Developmental Center to establish a traumatic brain injury program, subject to Emergency Commission and Budget Section approval.

Section 3 of 1997 S.L., ch. 15, requires Budget Section approval before the Office of Management and Budget may spend operating fund income in excess of $50,000.

Section 4 of 1997 S.L., ch. 15, requires Budget Section approval before the director of the Office of Management and Budget may make certain transfers between various line items.

Section 13 of 1997 S.L., ch. 15, requires Budget Section approval before any agency terminates, reprioritizes, or begins a program for which federal funding has been terminated, reduced, or started during the 1997-99 biennium.

Section 26 of 1997 S.L., ch. 15, requires Budget Section approval before any institution under the authority of the Board of Higher Education expends or transfers amounts greater than $50,000 from accumulated moneys in internal service funds except for mandatory transfers for servicing related debt and for routine operating expenditures associated with the funds.

Section 6 of 1997 S.L., ch. 23, requires Budget Section approval before the Parks and Recreation Department may make certain transfers between various line items.

Section 4 of 1997 S.L., ch. 40, requires Budget Section approval before certain line item transfers by the Highway Patrol.

Section 2 of 1997 S.L., ch. 41, requires Budget Section approval before certain transfers between various line items by the director of the Department of Transportation.

Section 4 of 1997 S.L., ch. 42, requires Budget Section approval before certain transfers between various line items by the commissioner of the Board of University and School Lands.

Section 2 of 1997 S.L., ch. 43, requires Budget Section approval of statewide grants, in addition to grants specifically approved by the Legislative Assembly, for services to children with serious emotional disorders.

Section 2 of 1997 S.L., ch. 45, requires Budget Section approval before the director of the Department of Corrections and Rehabilitation may transfer appropriation authority in the various subdivisions of the bill.

Section 3 of 1997 S.L., ch. 45, requires Budget Section approval of certain transfers between various line items by the Department of Corrections and Rehabilitation.

Section 8 of 1997 S.L., ch. 10, declares legislative intent that the Insurance Commissioner analyze the amount of insurance payments to fire departments distributed to fire districts in fiscal years 1996-98 and present a report to the Budget Section in December 1998 containing the commissioner's findings and the actions taken to stabilize the distribution of funds to each fire district.

Section 7 of 1997 S.L., ch. 12, declares legislative intent that the human service centers, the State Hospital, and the Developmental Center report to the Budget Section (and to the Legislative Council or its designee) on the hiring of any additional full-time equivalent positions in addition to those authorized by the Legislative Assembly during the 1997-99 biennium.

Section 19 of 1997 S.L., ch. 12, requires the Department of Human Services to report periodically to the Budget Section during the 1997-99 biennium on the status of the development of the RESPOND computer system.

Section 25 of 1997 S.L., ch. 12, declares legislative intent that the Department of Human Services seek federal waivers to develop a pilot project for low-income parents providing services to developmentally disabled adult children and that the department report to the Budget Section on the status of available federal waivers and recommendations for the 1999-2001 biennium.

Section 28 of 1997 S.L., ch. 12, requires the Department of Human Services to report to the Budget Section by June 30, 1998, regarding human service center, State Hospital, and Developmental Center block grant accountability.

Section 30 of 1997 S.L., ch. 12, requires the Department of Human Services to report periodically

to the Budget Section regarding the welfare fraud detection programs during the 1997-99 biennium.

Section 9 of 1997 S.L., ch. 13, declares legislative intent that if the Superintendent of Public Instruction transfers positions to the Division of Independent Study from other divisions of the Department of Public Instruction, the Superintendent report those transfers to the Budget Section at its next meeting.

Section 4 of 1997 S.L., ch. 22, declares legislative intent that the State Historical Board assess and evaluate the services, programs, and administrative structure of the State Historical Society and present its report to the Budget Section by June 30, 1998.

Section 3 of 1997 S.L., ch. 26, requires the Workers Compensation Bureau to report to the Budget Section on the expenditure of the $350,000 provided for critical salary adjustments.

Section 11 of 1997 S.L., ch. 32, authorizes local funds in excess of the local funds appropriations to the various higher education institutions to be spent subject to approval of the University System and a report to the Budget Section.

Section 16 of 1997 S.L., ch. 32, requires the State Board of Higher Education to report periodically to the Budget Section on the board's allocations for salaries and wages and technology.

Section 3 of 1997 S.L., ch. 36, requires the commandant of the Veterans Home to develop a corrective plan of action to improve the home's management, budget, and accounting functions and periodically report to the Budget Section regarding the plan.

Section 4 of 1997 S.L., ch. 41, declares legislative intent that the Department of Transportation evaluate the continued use of its 1978 Cessna airplane and report on its evaluation to the Budget Section by November 1998.

Section 6 of 1997 S.L., ch. 43, declares legislative intent that the Children's Services Coordinating Committee conduct an analysis and develop a plan to reduce, by consolidation, the administrative costs of the regional and tribal children's services coordinating committees. The committee is to present its report and recommendations to the Budget Section by October 1, 1998.

Section 4 of 1997 S.L., ch. 48, requires any ethanol plant receiving production incentives from the state to file with the Budget Section, within 90 days after the end of each fiscal year of the plant beginning after December 31, 1992, a statement as to whether the plant produced a profit from its operation in the preceding fiscal year.

Section 6 of 1997 S.L., ch. 50, declares legislative intent with respect to items to be considered by the vice president of agricultural affairs at North Dakota State University when making salary and wage allocations from the appropriation and requires the vice president of agricultural affairs to periodically report on the allocations to the Budget Section and make recommendations for the 1999-2001 biennium.

Section 1 of 1997 S.L., ch. 511, effective until July 2, 1999, requires the State Water Commission to notify the Budget Section if the conditions of that section are met for the commission to issue bonds to finance an outlet from Devils Lake and to finance the state water development program.

Chapter 582, 1997 S.L., authorizes the Budget Section to hold public legislative hearings required for the receipt of block grant or other federal moneys under federal statutes.

Regulatory Reform Review Commission

Under NDCC Section 49-21-22.1, the Regulatory Reform Review Commission consists of one member of the Public Service Commission, two members of the Senate appointed by the President of the Senate, and two members of the House of Representatives appointed by the Speaker. The commission is to review the operation and effect of North Dakota telecommunications law and may review the effect of taxation laws on telecommunications law on an ongoing basis and submit a report to the Legislative Council. The Public Service Commission is to provide technical assistance to the Regulatory Reform Review Commission and the Legislative Council is to provide staff services.

Advisory Commission on Intergovernmental Relations

Under NDCC Section 54-35.2-01, the Advisory Commission on Intergovernmental Relations consists of 11 members, four of whom are legislators appointed by the Legislative Council. The Legislative Council is also to designate the chairman and vice chairman of the commission and is to receive reports from the commission in the same manner as reports from interim Legislative Council committees. Under Section 54-35.2-05, the final report of the Legislative Council is to include the report of the commission. Under Section 54-35.2-03, the commission may request the provision of appropriate staff services from the Legislative Council. (The Legislative Council staff also provides staff services to the Legislative Compensation Commission and the Regulatory Reform Review Commission.)

Under NDCC Section 54-35.2-02.1, the Advisory Commission on Intergovernmental Relations is to administer planning grants not exceeding $25,000 per grant to county or city governments, which may be made upon approval of plans intended to increase the efficiency of local government through restructuring of the administration of county or city governments, changes in county boundaries including

consolidation of counties, or consolidation or sharing of county and city officials or services.

TRADITIONAL COMMITTEE RESPONSIBILITIES

In addition to the statutory committees and committee-related responsibilities, some committee assignments have become traditional.

Legislative Rules

The Legislative Management Committee has in recent years consisted of the leadership from both houses and has reviewed legislative rules.

Statutory and Constitutional Revision

An interim Judiciary Committee traditionally has been assigned the responsibility for continuing statutory revision and constitutional revision. Senate Concurrent Resolution No. 4003 (1977), recommended by the interim Committee on Constitutional Revision and approved by the Legislative Assembly, directed the Legislative Council to create a permanent interim committee to study the Constitution of North Dakota and to make recommendations regarding constitutional revision. During the 1995-96 interim, this responsibility was assigned to the Judiciary Committee.

Status of State Agency Appropriations

A budget committee traditionally has been assigned the responsibility to monitor the status of state agency and institution appropriations. During the 1995-96 interim this responsibility was assigned to the Budget Committee on Government Finance.

Budget Data

The Budget Section traditionally has been assigned the responsibility to review and report on budget data prepared by the director of the budget (and presented to the Legislative Assembly in December preceding the regular legislative session).