

**Fifty-eighth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 7, 2003**

HOUSE BILL NO. 1015  
(Appropriations Committee)  
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state industrial commission and the agencies under the management of the industrial commission; to provide a continuing appropriation; to provide for an industrial commission review; to provide an exemption; 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 state industrial commission and agencies under its control for the purpose of defraying the expenses of their various divisions, for the biennium beginning July 1, 2003, and ending June 30, 2005, as follows:

Subdivision 1.

INDUSTRIAL COMMISSION

Salaries and wages	\$6,244,663
Operating expenses	1,904,767
Capital assets	68,300
Grants	16,270,000
Bond payments	19,830,990
Total all funds	\$44,318,720
Less estimated income	<u>37,291,836</u>
Total general fund appropriation	\$7,026,884

Subdivision 2.

BANK OF NORTH DAKOTA - OPERATIONS

Salaries and wages	\$16,527,614
Operating expenses	10,925,665
Capital assets	825,000
Contingencies	<u>1,500,000</u>
Total appropriation from Bank of North Dakota fund	\$29,778,279

Subdivision 3.

BANK OF NORTH DAKOTA - ECONOMIC DEVELOPMENT

Partnership in assisting community expansion fund	\$5,700,000
Agriculture partnership in assisting community expansion fund	1,425,000
Beginning farmer	<u>950,000</u>
Total general fund appropriation	\$8,075,000

Subdivision 4.

MILL AND ELEVATOR ASSOCIATION

Salaries and wages	\$16,690,956
Operating expenses	12,991,196
Contingencies	250,000
Agriculture promotion	<u>50,000</u>
Total appropriation from mill and elevator fund	\$29,982,152

Subdivision 5.

## HOUSING FINANCE AGENCY

Salaries and wages	\$3,929,907
Operating expenses	2,391,480
Grants	27,168,380
HFA contingencies	<u>100,000</u>
Total appropriation from housing finance agency fund	\$33,589,767
Grand total general fund appropriation H.B. 1015	\$15,101,884
Grand total special funds appropriation H.B. 1015	\$130,642,034
Grand total all funds appropriation H.B. 1015	\$145,743,918

**SECTION 2. APPROPRIATION.** In addition to the amount appropriated to the housing finance agency in subdivision 5 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, 2003, and ending June 30, 2005.

**SECTION 3. APPROPRIATION - EMERGENCY COMMISSION APPROVAL.** In addition to the amount appropriated to the industrial commission in subdivision 1 of section 1 of this Act, there is appropriated, with the approval of the emergency commission, funds that may become available to the commission from bonds authorized by law to be issued by the industrial commission under chapters 4-36 and 54-17.2 and section 54-17-25, for the biennium beginning July 1, 2003, and ending June 30, 2005.

**SECTION 4. TRANSFER.** The sum of \$66,407, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, is from the North Dakota mill and elevator association. The moneys must be transferred during the biennium beginning July 1, 2003, and ending June 30, 2005, upon order of the industrial commission.

**SECTION 5. TRANSFER.** The sum of \$86,656, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, is from the accumulated and undivided profits of the Bank of North Dakota. The moneys must be transferred during the biennium beginning July 1, 2003, and ending June 30, 2005, upon order of the industrial commission.

**SECTION 6. TRANSFER.** The sum of \$57,760, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, is from the housing finance agency fund. The moneys must be transferred during the biennium beginning July 1, 2003, and ending June 30, 2005, upon order of the industrial commission.

**SECTION 7. TRANSFER.** The sum of \$20,248, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, is from the revenues of the municipal bond bank. The available moneys must be transferred during the biennium beginning July 1, 2003, and ending June 30, 2005, upon order of the industrial commission.

**SECTION 8. INCOME AUTHORIZATION - STUDENT LOAN TRUST.** There is authorized the receipt of fees by the industrial commission in the sum of \$76,655, or so much of the sum as is owed, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, from the student loan trust for administrative services rendered by the industrial commission to the extent permitted by sections 54-17-24 and 54-17-25. The fees must be received during the biennium beginning July 1, 2003, and ending June 30, 2005, upon order of the industrial commission.

**SECTION 9. TRANSFER - INDUSTRIAL COMMISSION REPORT.** The industrial commission shall transfer to the general fund in the state treasury, the sum of \$5,000,000 from the North Dakota mill and elevator association. The moneys must be transferred in amounts and at such times as requested by the director of the office of management and budget during the biennium beginning July 1, 2003, and ending June 30, 2005. The cumulative transfers during the 2003-05 biennium may not exceed the mill and elevator association's estimated net income for the 2003-05 biennium as projected by the industrial commission. The industrial commission shall report to the fifty-ninth legislative assembly

regarding the mill and elevator association's net income to date and estimated net income for the remainder of the 2003-05 biennium.

**SECTION 10. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM - APPROPRIATION - LIGNITE MARKETING FEASIBILITY STUDY.** The amount of \$1,300,000, or so much of the amount as may be necessary, included in the grants and special funds appropriation line items in subdivision 1 of section 1 of this Act, is appropriated from the lignite research fund for the purpose of contracting for 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 jobs or that will lead to increased development of lignite and its products and create new jobs and economic growth for the general welfare of this state. Moneys appropriated pursuant to this section may also be used for the purpose of contracting for nonmatching studies and activities in support of the Lignite Vision 21 project; for nonmatching externality studies and activities in externality proceedings; or other marketing or environmental activities that assist with marketing of lignite-based electricity and lignite-based byproducts. Moneys not needed for the purposes stated herein are available to the commission for funding projects, processes, or activities under the lignite research, development, and marketing program.

**SECTION 11. LEGISLATIVE INTENT - LEASE PAYMENTS.** The amount of \$19,830,990 included in subdivision 1 of section 1 of this Act in the bond payments line item must be paid from the following funding sources during the biennium beginning July 1, 2003, and ending June 30, 2005:

Higher education institutions	\$12,790,689
Department of corrections and rehabilitation - State penitentiary	2,117,009
Department of corrections and rehabilitation - Youth correctional center	554,598
State department of health	387,673
Job service North Dakota	553,594
Department of human services - Southeast human service center	589,075
Department of human services - State hospital	547,608
Department of human services - Developmental center at westwood park, Grafton	627,582
Adjutant general	60,987
Veterans' home improvement fund	<u>235,050</u>
Total	\$18,463,865
University system energy conservation projects	<u>\$1,367,125</u>
Total	\$19,830,990

**SECTION 12. APPROPRIATION - TRANSFER.** The funds appropriated by subdivision 3 of section 1 of this Act must be transferred by the Bank of North Dakota to the partnership in assisting community expansion fund established by section 6-09.14-02; the agriculture partnership in assisting community expansion fund established by section 6-09.13-04; and the beginning farmer loan fund established by section 6-09-15.5 in the amounts set out in that subdivision. The Bank of North Dakota may not be construed to be a general fund agency because of the appropriation made by subdivision 3 of section 1 of this Act.

**SECTION 13. EXEMPTION.** The Bank of North Dakota contingencies appropriation contained in subdivision 2 of section 1 of chapter 40 of the 2001 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the continued development and implementation of systems that provide the Bank of North Dakota and student loans of North Dakota customers with the ability to perform business activity electronically during the biennium beginning July 1, 2003, and ending June 30, 2005.

**SECTION 14. INDUSTRIAL COMMISSION REVIEW - OIL AND GAS DIVISION AND GEOLOGICAL SURVEY MERGER - BUDGET SECTION REPORT.** The industrial commission shall

review the implementation of the merger of the oil and gas division and the geological survey to be accomplished by July 1, 2005. In conducting the review, the industrial commission shall consider allowing the oil and gas director to appoint the state geologist, recommend a name change for the merged oil and gas division and geological survey, and identify efficiencies and savings that will result from the merger. Before November 1, 2004, the industrial commission shall present a report to the budget section regarding the recommendations for the oil and gas division and geological survey merger. The industrial commission shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

**SECTION 15. OIL AND GAS DIVISION AND GEOLOGICAL SURVEY EMPLOYEE POSITIONS.** Any full-time equivalent employee position in the oil and gas division and geological survey that becomes vacant because of an employee retirement or an employee resignation must remain vacant for the remainder of the 2003-05 biennium.

\_\_\_\_\_  
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 Fifty-eighth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1015.

House Vote:      Yeas    55      Nays    36      Absent    3

Senate Vote:    Yeas    46      Nays    0      Absent    1

\_\_\_\_\_  
Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2003.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2003.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2003,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State