

APPROPRIATIONS

CHAPTER 1

HOUSE BILL NO. 1001

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the office of the governor; to amend and reenact sections 54-07-04 and 54-08-03 of the North Dakota Century Code, relating to the salaries of the governor and lieutenant governor; and to declare an emergency.

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 office of the governor for the purpose of defraying the expenses of the office of the governor, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$2,589,735 | \$410,036 | \$2,999,771 |
| Operating expenses | 426,787 | 0 | 426,787 |
| Contingencies | 10,000 | 0 | 10,000 |
| Roughrider awards | 10,800 | 0 | 10,800 |
| Presidential electors | 500 | (500) | 0 |
| Transition in | 15,000 | (15,000) | 0 |
| Transition out | 50,000 | (50,000) | 0 |
| Prevention and advisory council | 100,000 | (100,000) | 0 |
| Total all funds | \$3,202,822 | \$244,536 | \$3,447,358 |
| Less estimated income | 100,000 | (100,000) | 0 |
| Total general fund | \$3,102,822 | \$344,536 | \$3,447,358 |
| Full-time equivalent positions | 18.00 | 0.00 | 18.00 |

SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the governor for transfer to other agencies or funds for programs and purposes designated by the sixty-first legislative assembly, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|--|---------------|
| Fiscal stabilization - Education | \$85,644,337 |
| Fiscal stabilization - Other government services | 19,055,342 |
| Total federal funds | \$104,699,679 |

The governor may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act funds are no longer available.

SECTION 3. APPROPRIATION - AUTHORIZATION - LIMITATION - GOVERNOR'S OFFICE. In addition to the amounts appropriated to the governor's office in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2009, and ending June 30, 2011. Any federal funds made available to the governor's office under the federal American Recovery and Reinvestment Act of 2009 may be accepted under this section but may not be spent until appropriated by the legislative assembly or approved by the emergency commission and budget section under chapter 54-16.

SECTION 4. AMENDMENT. Section 54-07-04 of the North Dakota Century Code is amended and reenacted as follows:

54-07-04. Salary of governor. The annual salary of the governor is ~~ninety-six one hundred five thousand one hundred eighty-three and thirty-four~~ ninety-six one hundred five thousand one hundred eighty-three and thirty-four dollars through June 30, ~~2008~~ 2010, and one hundred ~~ten thousand thirty-one two~~ ten thousand thirty-one two hundred eighty-five dollars thereafter.

SECTION 5. AMENDMENT. Section 54-08-03 of the North Dakota Century Code is amended and reenacted as follows:

54-08-03. Salary of lieutenant governor. The annual salary of the lieutenant governor is ~~seventy-four eighty-one thousand six five hundred sixty-eight~~ seventy-four eighty-one thousand six five hundred sixty-eight ~~thirty-eight~~ thirty-eight dollars through June 30, ~~2008~~ 2010, and ~~seventy-seven eighty-five~~ seventy-seven eighty-five thousand six hundred ~~fifty-five fifteen~~ fifty-five fifteen dollars thereafter.

SECTION 6. EMERGENCY. Section 2 of this Act is declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 2**HOUSE BILL NO. 1002**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the office of the secretary of state and public printing; to provide for a transfer; to provide legislative intent; to provide a contingent appropriation; to provide an exemption; and to amend and reenact sections 16.1-01-15 and 54-09-05 of the North Dakota Century Code, relating to interest earnings on the election fund and to the salary of the secretary of state.

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 secretary of state for the purpose of defraying the expenses of the secretary of state and public printing, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

SECRETARY OF STATE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$2,634,493 | \$495,016 | \$3,129,509 |
| Operating expenses | 2,059,181 | 1,123,769 | 3,182,950 |
| Petition review | 8,000 | 0 | 8,000 |
| Election reform | 5,489,230 | 2,854,877 | 8,344,107 |
| Bank of North Dakota loan | <u>2,920,000</u> | <u>(2,920,000)</u> | 0 |
| Total all funds | \$13,110,904 | \$1,553,662 | \$14,664,566 |
| Less estimated income | 8,873,865 | 41,113 | 8,914,978 |
| Total general fund | \$4,237,039 | \$1,512,549 | \$5,749,588 |
| Full-time equivalent positions | 27.00 | 1.00 | 28.00 |

Subdivision 2.

SECRETARY OF STATE - PUBLIC PRINTING

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------|-------------------|--|----------------------|
| Operating expenses | \$303,500 | \$33,500 | \$337,000 |
| Total general fund | \$303,500 | \$33,500 | \$337,000 |

Subdivision 3.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|-------------------|------------------------------------|----------------------|
| Grand total general fund | \$4,540,539 | \$1,571,049 | \$6,111,588 |
| Grand total special funds | <u>8,873,865</u> | <u>3,441,811</u> | <u>12,315,676</u> |
| Grand total all funds | \$13,414,404 | \$5,012,860 | \$18,427,264 |

SECTION 2. APPROPRIATION - TRANSFER. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000, which the office of management and budget shall transfer to the secretary of state election fund for imputed interest earnings allocable to the amount of nonfederal funds contained in the election fund, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. LOAN AUTHORIZATION - CONTINGENT APPROPRIATION - BUDGET SECTION APPROVAL. Subject to budget section approval, the secretary of state may borrow up to \$3,400,698 from the Bank of North Dakota, which is appropriated to the secretary of state for the purpose of implementing the North Dakota business development engine computer project, during the biennium beginning July 1, 2009, and ending June 30, 2011. The secretary of state may request budget section approval only if the revenues projected by the secretary of state and the office of management and budget to be generated as a result of provisions of chapter 102 of the 2007 Session Laws over the term of the proposed loan based on the trend of actual corporate charters granted are anticipated to be sufficient to repay the proposed loan, including interest over the term of the loan.

SECTION 4. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation of section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|--------------------------------------|----------------|----------------|
| Mainframe migration computer project | \$824,153 | \$780,000 |
| Transfer to election fund | <u>0</u> | <u>25,000</u> |
| Total general fund | \$824,153 | \$805,000 |

The 2009-11 one-time funding amounts are not part of the entity's base budget for the 2011-13 biennium. The secretary of state shall report to the appropriations committees of the sixty-second legislative assembly on the use of the one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. EXEMPTION - GENERAL SERVICES OPERATING FUND. Any unexpended and unobligated balance remaining in the secretary of state's general services operating fund on June 30, 2009, is not subject to the provisions of section 54-09-08, and any unexpended funds are available and may be expended by the secretary of state, during the biennium beginning July 1, 2009, and ending June 30, 2011, for the database and processing platform migration project.

SECTION 6. AMENDMENT. Section 16.1-01-15 of the North Dakota Century Code is amended and reenacted as follows:

16.1-01-15. Secretary of state to establish and maintain an election fund.

The secretary of state shall establish and maintain a fund, known as the election fund, in the state treasury for the purpose of depositing payments and grants made to

the state under the provisions of sections 101, 101(c), and 906, and title III of the Help America Vote Act of 2002 [Pub. L. 107-252; 116 Stat. 1666; 42 U.S.C. 15301, 42 U.S.C. 15545, 42 U.S.C. 15481-15502], and funds appropriated by the state. The moneys in the election fund and any interest earnings on the election fund must be used for the exclusive purpose of carrying out activities of the Help America Vote Act of 2002 and are subject to chapter 54-16.

SECTION 7. AMENDMENT. Section 54-09-05 of the North Dakota Century Code is amended and reenacted as follows:

54-09-05. Salary of secretary of state. The annual salary of the secretary of state is ~~seventy-six~~ eighty-three thousand five hundred ~~eleven~~ fifty dollars through June 30, ~~2008~~ 2010, and ~~seventy-nine~~ eighty-seven thousand ~~five~~ seventy-nine hundred ~~seventy-one~~ twenty-eight dollars thereafter.

Approved May 4, 2009

Filed May 5, 2009

CHAPTER 3**HOUSE BILL NO. 1003**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the attorney general; to amend and reenact subsection 1 of section 53-12.1-04 and section 54-12-11 of the North Dakota Century Code, relating to the lottery commission and the salary of the attorney general; to provide for a legislative council study; to provide legislative intent; and to declare an emergency.

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 attorney general for the purpose of defraying the expenses of the attorney general, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$22,427,935 | \$3,351,102 | \$25,779,037 |
| Operating expenses | 10,596,526 | 3,513,279 | 14,109,805 |
| Capital assets | 1,126,891 | 1,264,296 | 2,391,187 |
| Grants | 4,197,000 | (744,775) | 3,452,225 |
| Litigation fees | 50,000 | 0 | 50,000 |
| Medical examinations | 500,000 | (250,000) | 250,000 |
| North Dakota lottery | 3,930,589 | (346,201) | 3,584,388 |
| Arrest and return of fugitives | 10,000 | 0 | 10,000 |
| Gaming commission | 6,141 | 0 | 6,141 |
| Computerized registrations | 1,046,080 | (1,046,080) | 0 |
| Total all funds | \$43,891,162 | \$5,741,621 | \$49,632,783 |
| Less estimated income | <u>20,901,921</u> | <u>1,167,232</u> | <u>22,069,153</u> |
| Total general fund | \$22,989,241 | \$4,574,389 | \$27,563,630 |
| Full-time equivalent positions | 188.50 | 4.00 | 192.50 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|----------------|----------------|
| Crime lab construction | \$1,442,840 | \$0 |
| Total general fund | \$1,442,840 | \$0 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The attorney general shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND - LOCAL GAMING ENFORCEMENT GRANTS. The grants line item in section 1 of this Act includes \$510,000 for local gaming enforcement grants.

SECTION 4. FIRE AND TORNADO FUND - FEES. The attorney general shall charge and collect fees for services provided by the state fire marshal program to entities covered by the fire and tornado fund under chapter 26.1-22. Fees under this section may be collected in amounts of up to a total of \$310,000 for the biennium beginning July 1, 2009, and ending June 30, 2011. All fees collected under this section must be deposited in the attorney general's operating fund.

SECTION 5. PETROLEUM RELEASE COMPENSATION FUND - FEES. The attorney general shall charge and collect fees for services provided by the state fire marshal program to entities covered by the petroleum release compensation fund under chapter 23-37. Fees under this section may be collected in amounts of up to a total of \$35,000 for the biennium beginning July 1, 2009, and ending June 30, 2011. All fees collected under this section must be deposited in the attorney general's operating fund.

SECTION 6. ADDITIONAL FEDERAL FUNDS - EMERGENCY COMMISSION APPROVAL - LIMIT ON GENERAL FUND EXPENDITURES. If the attorney general receives federal funding in excess of federal funding amounts appropriated for the 2009-11 biennium, the attorney general may spend the additional federal funds, subject to emergency commission approval, but may not spend funding appropriated from the general fund or the multijurisdictional task force grant fund for similar purposes for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. LEGISLATIVE COUNCIL STUDY - FELONY PENALTIES. During the 2009-10 interim, the legislative council shall consider studying whether penalties for felonies are suitable to the felonious behavior. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

¹ **SECTION 8. AMENDMENT.** Subsection 1 of section 53-12.1-04 of the North Dakota Century Code is amended and reenacted as follows:

1. There is created the lottery advisory commission, which is composed of five members, three of whom are legislators selected by the chairman of the legislative council and two of whom are selected by the attorney general. The term of office is three years, expiring on June thirtieth with no more than two terms expiring in any one year. ~~No member may be appointed to more than two consecutive terms.~~ Each member must be a citizen of the United States and a resident of this state. A chairman of the commission must be chosen annually from the membership of the commission by a majority of its members at the first meeting of the commission each fiscal year. A member may serve as chairman for more than one year.

¹ Section 53-12.1-04 was also amended by section 97 of House Bill No. 1436, chapter 482.

SECTION 9. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general. The annual salary of the attorney general is ~~eighty-three~~ ninety-one thousand nine ~~seven~~ hundred ninety-one ~~nineteen~~ dollars through June 30, ~~2008~~ 2010, and ~~eighty-seven~~ ninety-six ~~thousand~~ three hundred fifty-one ~~four~~ dollars through December 31, ~~2010~~, one hundred thirteen thousand two hundred sixty-six ~~dollars~~ dollars through June 30, ~~2011~~, and one hundred thirty thousand two hundred twenty-eight ~~dollars~~ dollars thereafter.

SECTION 10. LEGISLATIVE INTENT - LEGAL SERVICE STAFF TRAVEL. It is the intent of the sixty-first legislative assembly that the office of the attorney general continue the practice of state agencies paying directly for requested legal service staff travel.

SECTION 11. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the attorney general, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|--|----------------|
| Edward Byrne memorial justice assistance grant program funding | \$1,652,426 |
| Internet crimes against children grant program funding | 216,174 |
| Rural Law Enforcement Assistance Act funding | <u>390,588</u> |
| Total federal funds | \$2,259,188 |
| Full-time equivalent positions | 8.00 |

The attorney general may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

The attorney general may accept federal fiscal stimulus funding for programs that continue into the biennium beginning July 1, 2011, and ending June 30, 2013. Any federal fiscal stimulus funding received in the 2011-13 biennium is not a part of the agency's 2013-15 base budget.

SECTION 12. FEDERAL FISCAL STIMULUS FUNDS - COMMUNITY ORIENTED POLICING SERVICES GRANTS - APPROVAL. The attorney general shall seek emergency commission and budget section approval under chapter 54-16 for authority to accept and spend federal funds received under the federal American Recovery and Reinvestment Act of 2009 for the community oriented policing services grant program, for the period beginning with the effective date of this Act and ending June 30, 2011. The attorney general may seek authority to hire up to two additional full-time equivalent positions with funding authorized under this section.

SECTION 13. ATTORNEY GENERAL REFUND FUND TRANSFER TO THE GENERAL FUND - EXCEPTION. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2009.

SECTION 14. EMERGENCY. Sections 11, 12, and 13 of this Act are declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 4

HOUSE BILL NO. 1004

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state auditor; to provide legislative intent; and to amend and reenact section 54-10-10 of the North Dakota Century Code, relating to the salary of the state auditor.

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 auditor for the purpose of defraying the expenses of the state auditor, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|------------------------------------|--------------------|--|----------------------|
| Salaries and wages | \$7,321,241 | \$593,805 | \$7,915,046 |
| Operating expenses | 810,549 | (564) | 809,985 |
| Capital assets | 10,000 | 90,000 | 100,000 |
| Information technology consultants | 100,000 | 50,000 | 150,000 |
| Total all funds | <u>\$8,241,790</u> | <u>\$733,241</u> | <u>\$8,975,031</u> |
| Less estimated income | 2,585,774 | <u>(272,972)</u> | 2,312,802 |
| Total general fund | \$5,656,016 | \$1,006,213 | \$6,662,229 |
| Full-time equivalent positions | 54.80 | (3.00) | 51.80 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|----------------|----------------|
| Electronic working papers | \$0 | \$150,000 |
| Total general fund | \$0 | \$150,000 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The state auditor shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. AMENDMENT. Section 54-10-10 of the North Dakota Century Code is amended and reenacted as follows:

54-10-10. Salary of state auditor. The annual salary of the state auditor is ~~seventy-six~~ eighty-three thousand five hundred ~~eleven~~ fifty dollars through June 30, ~~2008~~ 2010, and ~~seventy-nine~~ eighty-seven thousand ~~five~~ seven hundred ~~seventy-one~~ twenty-eight dollars thereafter.

Approved May 7, 2009

Filed May 19, 2009

CHAPTER 5

HOUSE BILL NO. 1005

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state treasurer; to amend and reenact section 54-11-13 of the North Dakota Century Code, relating to the salary of the state treasurer; and to provide for a legislative council study.

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 treasurer for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|--------------------|--|----------------------|
| Salaries and wages | \$825,455 | \$121,052 | \$946,507 |
| Operating expenses | 134,787 | (3,309) | 131,478 |
| In lieu of tax payments | 1,365,000 | (214,000) | 1,151,000 |
| Total general fund | <u>\$2,325,242</u> | <u>(\$96,257)</u> | <u>\$2,228,985</u> |
| Full-time equivalent positions | 7.00 | 0.00 | 7.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|------------------|----------------|
| Rewrite tax distribution programs | <u>\$768,228</u> | <u>\$0</u> |
| Total general fund | <u>\$768,228</u> | <u>\$0</u> |

SECTION 3. AMENDMENT. Section 54-11-13 of the North Dakota Century Code is amended and reenacted as follows:

54-11-13. Salary of state treasurer. The annual salary of the state treasurer is ~~seventy-two~~ seventy-eight thousand ~~two~~ nine hundred ~~thirty-three~~ forty-five dollars through June 30, ~~2008~~ 2010, and ~~seventy-five~~ eighty-two thousand ~~one~~ eight hundred ~~forty-three~~ forty-five dollars thereafter.

SECTION 4. LEGISLATIVE COUNCIL STUDY - ELECTED OFFICIALS' SALARIES. During the 2009-10 interim, the legislative council shall consider studying the salaries of state elected officials. The study must include a comparison of salaries, the number of full-time equivalent and temporary employees supervised by the elected official, and the complexity of each elected official's responsibilities. The study must also include a comparison to similar positions in other states. The legislative council shall report its findings and recommendations, together with any

legislation required to implement the recommendations, to the sixty-second legislative assembly.

Approved May 4, 2009
Filed May 5, 2009

CHAPTER 6

HOUSE BILL NO. 1006

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the office of the state tax commissioner and for payment of state reimbursement under the homestead tax credit; to provide for a transfer; to amend and reenact section 57-01-04 of the North Dakota Century Code, relating to the tax commissioner's salary; to provide an exemption from the provisions of section 54-44.1-11 of the North Dakota Century Code; to provide legislative intent; and to provide for a report to the legislative assembly.

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 tax commissioner for the purpose of defraying the expenses of the state tax commissioner and paying the state reimbursement under the homestead tax credit, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------------------|---------------------|--|----------------------|
| Salaries and wages | \$14,728,637 | \$2,181,888 | \$16,910,525 |
| Operating expenses | 6,030,814 | 2,049,000 | 8,079,814 |
| Capital assets | 18,000 | 40,000 | 58,000 |
| Homestead tax credit | 8,104,000 | (2,140,000) | 5,964,000 |
| Property tax relief administration | 1,100,000 | (1,100,000) | 0 |
| Integrated tax system repayment | 0 | 10,230,247 | 10,230,247 |
| Total all funds | <u>\$29,981,451</u> | <u>\$11,261,135</u> | <u>\$41,242,586</u> |
| Less special funds | <u>2,800,000</u> | <u>(2,604,000)</u> | <u>196,000</u> |
| Total general fund | \$27,181,451 | \$13,865,135 | \$41,046,586 |
| Full-time equivalent positions | 133.00 | 0.00 | 133.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|----------------|----------------|
| Integrated tax system loan payment | \$5,356,702 | \$10,230,247 |
| On-site support-GenTax | 0 | 1,234,000 |
| Oil and gas integration to GenTax | 0 | 1,500,000 |
| Total all funds | \$5,356,702 | \$12,964,247 |
| Total special funds | 0 | 100,000 |
| Total general fund | \$5,356,702 | \$12,864,247 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The tax commissioner shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. TRANSFER. There is transferred to the general fund in the state treasury, out of motor vehicle fuel tax revenue, collected pursuant to section 57-43.1-02, the sum of \$1,288,000 for the purpose of reimbursing the general fund for expenses incurred in the collection of the motor vehicle fuels and special fuels taxes and the administration of these taxes.

SECTION 4. LEGISLATIVE INTENT - INDIVIDUAL INCOME TAX SIMPLIFICATION. It is the intent of the sixty-first legislative assembly, as it considers proposals to offer individual income tax relief through tax rate reductions, that it work toward restoring the simplicity originally intended for tax form ND-1 by eliminating or reducing the number of tax deductions and credits in a way that minimizes any negative impact for those individuals who currently claim those tax deductions and credits.

SECTION 5. EXEMPTION. The amount appropriated for the integrated tax system, as contained in section 1 of this Act, is not subject to the provisions of section 54-44.1-11 and the funds are available for continued work on the integrated tax system during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. AMENDMENT. Section 57-01-04 of the North Dakota Century Code is amended and reenacted as follows:

57-01-04. Salary. The annual salary of the state tax commissioner is ~~eighty-three~~ thirty-nine thousand ~~thirty-nine~~ six hundred ~~seventy-eight~~ seventy-eight dollars through June 30, ~~2008~~ 2010, and ~~eighty-six~~ eighty-six thousand ~~three~~ two hundred ~~sixty~~ twelve dollars thereafter.

Approved May 1, 2009
Filed May 5, 2009

CHAPTER 7**HOUSE BILL NO. 1007**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the labor commissioner.

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 labor commissioner for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$1,241,361 | \$270,643 | \$1,512,004 |
| Operating expenses | 309,230 | (6,900) | 302,330 |
| Total all funds | \$1,550,591 | \$263,743 | \$1,814,334 |
| Less estimated income | 401,341 | 11,410 | 412,751 |
| Total general fund | \$1,149,250 | \$252,333 | \$1,401,583 |
| Full-time equivalent positions | 11.00 | 1.00 | 12.00 |

Approved May 1, 2009
Filed May 5, 2009

CHAPTER 8

HOUSE BILL NO. 1008

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the public service commission; to provide legislative intent; to provide for a report to the budget section; to provide an exemption; and to amend and reenact section 49-01-05 of the North Dakota Century Code, relating to the salary of public service commissioners.

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 that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---|-------------------|--|----------------------|
| Salaries and wages | \$5,674,928 | \$1,073,033 | \$6,747,961 |
| Operating expenses | 1,635,856 | 309,090 | 1,944,946 |
| Capital assets | 68,500 | 59,000 | 127,500 |
| Grants | 8,000 | 2,000 | 10,000 |
| Abandoned mined lands contractual services | 4,500,000 | 2,000,000 | 6,500,000 |
| Rail rate complaint case | <u>900,000</u> | <u>0</u> | <u>900,000</u> |
| Total all funds | \$12,787,284 | \$3,443,123 | \$16,230,407 |
| Less estimated income | <u>8,003,309</u> | <u>2,623,933</u> | <u>10,627,242</u> |
| Total general fund | \$4,783,975 | \$819,190 | \$5,603,165 |
| Full-time equivalent positions | 41.00 | 2.00 | 43.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|----------------|----------------|
| Videoconferencing equipment | \$20,000 | \$0 |
| Weights and measures equipment | 39,000 | 0 |
| High-flow dispenser prover | <u>30,484</u> | <u>0</u> |
| Total general fund | \$89,484 | \$0 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The public service commission shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. LEGISLATIVE INTENT - METROLOGY PROGRAM - BUDGET

SECTION REPORT. It is the intent of the sixty-first legislative assembly that the public service commission discontinue providing metrology program services during the biennium beginning July 1, 2009, and ending June 30, 2011. It is further the intent of the legislative assembly that the public service commission and the department of commerce collaborate to assist with the transition of metrology services from a public to a private service by contracting with the private sector for services on a short-term basis, assisting with equipment acquisition, and providing referrals. The public service commission shall report to the budget section during the 2009-10 interim on the status of the metrology program.

SECTION 4. EXEMPTION. If the public service commission transitions metrology services from a public to a private service, the public service commission may sell or transfer property related to the metrology services in a manner that is determined by the commission to be of the greatest advantage to the state. The sale or transfer of the metrology equipment is not subject to the provisions of North Dakota Century Code section 54-44-04.6.

SECTION 5. AMENDMENT. Section 49-01-05 of the North Dakota Century Code is amended and reenacted as follows:

49-01-05. Salary of commissioners. The annual salary of a commissioner is ~~seventy-eight~~ eighty-five thousand ~~five~~ eight hundred ~~ninety-nine~~ thirty dollars through June 30, ~~2008~~ 2010, and ~~eighty-one~~ ninety thousand ~~seven~~ one hundred ~~forty-three~~ twenty-two dollars thereafter. All fees received or charged by any commissioner for any act or service rendered in any official capacity must be accounted for and paid over by the commissioner monthly to the state treasurer and must be credited to the general fund of the state.

Approved May 7, 2009

Filed May 19, 2009

CHAPTER 9**HOUSE BILL NO. 1009**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the agriculture commissioner; to provide for a livestock health permit inspection program; to amend and reenact sections 4-01-19 and 4-01-21 and subdivision d of subsection 1 of section 19-18-04 of the North Dakota Century Code, relating to marketing program revenue, the salary of the agriculture commissioner, and pesticide registration fees; to provide for a legislative council study; and to declare an emergency.

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 agriculture commissioner for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$6,984,840 | \$1,581,356 | \$8,566,196 |
| Operating expenses | 4,714,383 | 1,380,220 | 6,094,603 |
| Capital assets | 5,000 | 0 | 5,000 |
| Grants | 1,849,225 | 1,120,600 | 2,969,825 |
| Board of animal health | 2,299,702 | 263,623 | 2,563,325 |
| Wildlife services | 1,209,000 | (141,600) | 1,067,400 |
| Crop harmonization board | 25,000 | 25,000 | 50,000 |
| Total all funds | \$17,087,150 | \$4,229,199 | \$21,316,349 |
| Less estimated income | 11,388,326 | 2,706,140 | 14,094,466 |
| Total general fund | \$5,698,824 | \$1,523,059 | \$7,221,883 |
| Full-time equivalent positions | 67.50 | 7.00 | 74.50 |

SECTION 2. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION FUND. The estimated income line item in section 1 of this Act includes the sum of \$3,888,578, or so much of the sum as may be available, from the environment and rangeland protection fund for the purpose of defraying the expenses of various agriculture department programs, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. ANHYDROUS AMMONIA STORAGE INSPECTION FUND. The estimated income line item in section 1 of this Act includes the sum of \$40,000, or so much of the sum as may be available, from the anhydrous ammonia storage inspection fund for the purpose of defraying the expenses of regulating anhydrous ammonia storage facilities, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. ESTIMATED INCOME - GAME AND FISH FUND. The estimated income line item in section 1 of this Act includes the sum of \$968,800, or

so much of the sum as may be necessary, from the game and fish department operating fund for the purpose of defraying the expenses of various agriculture department programs for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|----------------|----------------|
| Animal tracking database | \$90,836 | \$0 |
| Total general fund | \$90,836 | \$0 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The agriculture commissioner shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. LEGISLATIVE COUNCIL STUDY - WILDLIFE SERVICES. During the 2009-10 interim, the legislative council shall consider studying the cooperative agreement between the agriculture commissioner and the United States department of agriculture wildlife services program. The study, if conducted, must include a review of current program funding sources and a review of wildlife damage control programs in other states, including South Dakota. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 7. LIVESTOCK HEALTH PERMIT INSPECTION PROGRAM. The state board of animal health shall increase the number of health permit inspections on livestock entering the state for the biennium beginning July 1, 2009, and ending June 30, 2011. As part of the program, the board shall provide public information on the results of the livestock health permit inspections.

SECTION 8. OFFICE SPACE LEASE FUNDING - BUDGET SECTION APPROVAL. The operating expenses line item in section 1 of this Act includes the sum of \$120,000 from the general fund which the agriculture commissioner may use to lease additional office space for department purposes, subject to budget section approval.

SECTION 9. PROJECT SAFE SEND - 2009 FLOOD PESTICIDE CLEANUP. The operating expenses line item in section 1 of this Act includes the sum of \$40,000 from the environment and rangeland protection fund which the agriculture commissioner shall use for the collection of damaged pesticides resulting from 2009 flooding under the project safe send program for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 10. AMENDMENT. Section 4-01-19 of the North Dakota Century Code is amended and reenacted as follows:

4-01-19. Marketing bureau. The agriculture commissioner shall establish and maintain a marketing bureau for the purpose of gathering and disseminating statistical information on agricultural marketing problems of the state and engaging in marketing services of agricultural products. Any moneys received or generated by

the pride of Dakota program must be deposited in the general agriculture department operating fund in the state treasury.

SECTION 11. AMENDMENT. Section 4-01-21 of the North Dakota Century Code is amended and reenacted as follows:

4-01-21. Salary of agriculture commissioner. The annual salary of the agriculture commissioner is ~~seventy-eight~~ eighty-five thousand ~~five~~ eight hundred ~~ninety-nine~~ thirty dollars through June 30, ~~2008~~ 2010, and ~~eighty-one~~ ninety thousand ~~seven~~ one hundred ~~forty-three~~ twenty-two dollars thereafter.

SECTION 12. AMENDMENT. Subdivision d of subsection 1 of section 19-18-04 of the North Dakota Century Code is amended and reenacted as follows:

- d. Be accompanied by a registration fee of three hundred fifty dollars for each product to be registered. At the close of each calendar month, the commissioner shall transmit to the state treasurer all moneys received for the registrations. The state treasurer shall credit ~~fifty dollars for each registered product to the general fund in the state treasury~~ and the remainder of the registration fee for each registered product to the environment and rangeland protection fund.

SECTION 13. FULL-TIME EQUIVALENT POSITION - EMERGENCY COMMISSION APPROVAL. The agriculture commissioner may request from the emergency commission an additional full-time equivalent position for the state meat inspection program if demand for the program increases sufficient to require the position for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 14. EMERGENCY. The sum of \$40,000 for project safe send included in the operating expenses line item in section 1 of this Act is declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 10

HOUSE BILL NO. 1010

(Appropriations Committee)
 (At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the insurance commissioner; to provide for fund transfers; to provide for making payments of insurance premiums tax collections to fire departments; to create and enact a new subsection to section 26.1-36-23 of the North Dakota Century Code, relating to the continuation of group hospital, surgical, and medical coverage after termination of employment; to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the commissioner's salary; and to declare an emergency.

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 from special funds derived from federal funds and other income, to the insurance commissioner for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$5,786,747 | \$548,923 | \$6,335,670 |
| Operating expenses | 2,178,377 | (115,113) | 2,063,264 |
| Capital assets | 0 | 170,000 | 170,000 |
| Grants | <u>6,490,000</u> | <u>500,000</u> | <u>6,990,000</u> |
| Total special funds | \$14,455,124 | \$1,103,810 | \$15,558,934 |
| Full-time equivalent positions | 46.50 | (1.00) | 45.50 |

SECTION 2. APPROPRIATION - TRANSFER - STATE BONDING FUND. There is appropriated out of any moneys in the insurance regulatory trust fund in the state treasury, not otherwise appropriated, the sum of \$500,000, which the office of management and budget shall transfer to the state bonding fund, for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 3. INSURANCE PREMIUM TAX DISTRIBUTION FUND PAYMENTS - USES. Section 1 of this Act includes \$6,820,000 from the insurance premium tax distribution fund, of which \$6,200,000 is for the purpose of making payments to fire departments and \$620,000 is for the purpose of making two equal payments to the North Dakota firefighter's association, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. BONDING FUND. Section 1 of this Act includes \$41,518 from the state bonding fund to pay bonding fund administrative expenses for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. FIRE AND TORNADO FUND. Section 1 of this Act includes \$1,624,159 from the state fire and tornado fund, including \$170,000 for a grant to the North Dakota firefighter's association and \$1,454,159 to pay fire and tornado fund

administrative expenses, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. UNSATISFIED JUDGMENT FUND. Section 1 of this Act includes \$24,087 from the state unsatisfied judgment fund to pay unsatisfied judgment fund administrative expenses for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. PETROLEUM TANK RELEASE COMPENSATION FUND. Section 1 of this Act includes \$96,238 from the petroleum tank release compensation fund to pay petroleum tank release compensation fund administrative expenses for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. ANHYDROUS AMMONIA STORAGE FACILITY INSPECTION FUND. Section 1 of this Act includes \$150,000 from the anhydrous ammonia storage facility inspection fund to pay for anhydrous ammonia tank inspection costs for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. AMENDMENT. Section 26.1-01-09 of the North Dakota Century Code is amended and reenacted as follows:

26.1-01-09. Salary of commissioner. The annual salary of the commissioner is ~~seventy-six~~ eighty-three thousand five hundred ~~eleven~~ fifty dollars through June 30, ~~2008~~ 2010, and ~~seventy-nine~~ eighty-seven thousand ~~five~~ seven hundred ~~seventy-one~~ twenty-eight dollars thereafter.

SECTION 10. A new subsection to section 26.1-36-23 of the North Dakota Century Code is created and enacted as follows:

- a. Notwithstanding any other provision of this section, an employee or member who does not have an election of continuation coverage as described in this section in effect on the effective date of the American Recovery and Reinvestment Act of 2009 [Pub. L. 111-5], but who would be an assistance-eligible individual under title III of division B of the Act if the election were in effect, may elect continuation coverage. The employer or the group policyholder shall provide employees or members with additional written notice of the right to elect coverage under this subsection within sixty days of the date of enactment of the American Recovery and Reinvestment Act of 2009 or within fourteen days of the effective date of this Act, whichever is later. The employee or member may make the election in writing no later than sixty days after the date the employer or the group policyholder provides the notice to the employee or member.
- b. Continuation coverage elected under this subsection commences with the first period of coverage beginning after February 16, 2009, and may not extend beyond the period of continuation coverage that would have been required if the coverage had instead been elected under subsection 4.
- c. The period beginning on the date that the employee or member was involuntarily terminated and ending when the continuation coverage starts must be disregarded for the purpose of determining whether a preexisting condition exclusion period applies.

- d. An employee or member electing continuation under this subsection shall pay to the group policyholder or the employer, on a monthly basis in advance, the amount of contribution required by the policyholder or employer, but not more than the group rate for the insurance being continued under the group policy on the due date of each payment. The employee's or member's written election of continuation, together with the contribution required to establish contributions on a monthly basis in advance, must be given to the policyholder or employer within thirty-one days of the date the employee's or member's election of continuation coverage.
- e. Continuation of insurance under this subsection terminates at the earlier of the date when the person fails to satisfy subsection 2 or when the person fails to satisfy any requirement of subsection 6.
- f. The notification described in subsection 7 is not required for continuation coverage elected under this subsection.
- g. Except as otherwise provided in this subsection, the provisions of this section apply to an employee or member electing continuation coverage.

SECTION 11. EMERGENCY. Sections 2 and 10 of this Act are declared to be an emergency measure.

Approved May 4, 2009
Filed May 5, 2009

CHAPTER 11**HOUSE BILL NO. 1011**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the securities commissioner; and to provide for a legislative council study.

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 other income, to the securities commissioner of the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$1,265,243 | \$133,877 | \$1,399,120 |
| Operating expenses | 558,435 | 148,006 | 706,441 |
| Total all funds | \$1,823,678 | \$281,883 | \$2,105,561 |
| Less estimated income | 217,199 | 100,000 | 317,199 |
| Total general fund | \$1,606,479 | \$181,883 | \$1,788,362 |
| Full-time equivalent positions | 9.00 | 0.00 | 9.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---------------------------------------|----------------|----------------|
| Document storage and retrieval system | \$16,876 | \$0 |
| Total general fund | \$16,876 | \$0 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The securities commission shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. LEGISLATIVE COUNCIL STUDY - SECURITIES COMMISSIONER FEES. During the 2009-10 interim, the legislative council shall consider studying the structure and appropriateness of the level of fees charged by the securities commissioner. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

Approved May 1, 2009
Filed May 4, 2009

CHAPTER 12

HOUSE BILL NO. 1012

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the department of human services; to provide a contingent appropriation; to provide for legislative council studies; to provide statements of legislative intent; to create and enact a new subsection to section 50-25.1-05 of the North Dakota Century Code, relating to the adoption of rules regarding the recording of interviews in child abuse or neglect cases; to amend and reenact sections 25-04-05, 50-24.1-02.6, 50-24.5-04, 50-29-04, and 50-30-02 of the North Dakota Century Code, relating to developmental center admission screenings, the personal needs allowance for individuals in basic care facilities, eligibility under the state children's health insurance program, and use of the health care trust fund; to repeal section 4 of chapter 422 of the 2007 Session Laws, relating to the effective date of the expansion of medical assistance benefits; and to declare an emergency.

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 department of human services for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

MANAGEMENT

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|--|----------------------|
| Salaries and wages | \$11,512,358 | \$2,520,060 | \$14,032,418 |
| Operating expenses | 60,110,356 | (13,567,566) | 46,542,790 |
| Capital assets | 285 | (285) | 0 |
| Total all funds | \$71,622,999 | (\$11,047,791) | \$60,575,208 |
| Less estimated income | 50,663,834 | (16,290,983) | 34,372,851 |
| Total general fund | \$20,959,165 | \$5,243,192 | \$26,202,357 |

Subdivision 2.

PROGRAM AND POLICY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$25,411,041 | \$16,090,648 | \$41,501,689 |
| Operating expenses | 67,811,802 | 4,966,224 | 72,778,026 |
| Capital assets | 399 | 12,601 | 13,000 |
| Grants | 344,019,216 | 111,831,588 | 455,850,804 |
| Grants - Medical assistance | 1,117,187,821 | 171,985,015 | 1,289,172,836 |
| State administrative child support | 12,488,292 | (12,488,292) | 0 |
| Total all funds | \$1,566,918,571 | \$292,397,784 | \$1,859,316,355 |

| | | | |
|-----------------------|----------------------|--------------------|----------------------|
| Less estimated income | <u>1,126,663,567</u> | <u>250,532,515</u> | <u>1,377,196,082</u> |
| Total general fund | \$440,255,004 | \$41,865,269 | \$482,120,273 |

Subdivision 3.

HUMAN SERVICE CENTERS AND INSTITUTIONS

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|------------------------------------|--------------------|--|----------------------|
| Northwest human service center | \$7,493,897 | \$958,104 | \$8,452,001 |
| North central human service center | 16,782,604 | 2,425,414 | 19,208,018 |
| Lake region human service center | 9,817,355 | 1,080,022 | 10,897,377 |
| Northeast human service center | 22,107,349 | 3,661,082 | 25,768,431 |
| Southeast human service center | 26,061,630 | 4,086,258 | 30,147,888 |
| South central human service center | 14,683,811 | 883,684 | 15,567,495 |
| West central human service center | 20,687,272 | 4,003,786 | 24,691,058 |
| Badlands human service center | 9,798,789 | 1,058,549 | 10,857,338 |
| State hospital | 57,391,944 | 11,226,902 | 68,618,846 |
| Developmental center | <u>46,793,933</u> | <u>7,019,985</u> | <u>53,813,918</u> |
| Total all funds | \$231,618,584 | \$36,403,786 | \$268,022,370 |
| Less estimated income | <u>112,757,229</u> | <u>15,503,656</u> | <u>128,260,885</u> |
| Total general fund | \$118,861,355 | \$20,900,130 | \$139,761,485 |

Subdivision 4.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|----------------------|--|----------------------|
| Grand total general fund | \$580,075,524 | \$68,008,591 | \$648,084,115 |
| Grand total special funds | <u>1,290,084,630</u> | <u>342,634,393</u> | <u>1,632,719,023</u> |
| Grand total all funds | \$1,870,160,154 | \$410,642,984 | \$2,280,803,138 |
| Full-time equivalent positions | 2223.38 | (6.50) | 2216.88 |

SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the department of human services, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|--|--------------|
| Federal medical assistance percentage | \$66,500,000 |
| Elderly nutrition services | 485,000 |
| Child support incentive matching funds | 3,200,000 |
| Rehabilitation services and disability assistance and independent living | 2,043,000 |
| Individuals With Disabilities Education Act - Part C | 2,140,000 |
| Supplemental nutrition assistance program benefits and administration | 9,874,747 |
| Senior employment program | 143,288 |

| | |
|---------------------|--------------|
| Older blind | <u>3,170</u> |
| Total federal funds | \$84,389,205 |

The department of human services may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section, except for the funding of \$66,500,000 relating to the federal medical assistance percentage and funding of \$2,763,082 of child support incentive matching funds, are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. GENERAL FUND TRANSFER TO BUDGET STABILIZATION FUND - EXCEPTION - USE OF GENERAL FUND AMOUNTS. Notwithstanding section 54-27.2-02, the state treasurer and the office of management and budget may not include in the amount used to determine general fund transfers to the budget stabilization fund at the end of the 2007-09 biennium under chapter 54-27.2 any general fund amounts resulting from the increased federal share of medical assistance payments resulting from federal medical assistance percentage changes under the federal American Recovery and Reinvestment Act of 2009. The state treasurer and the office of management and budget shall separately account for these amounts and 2009-11 biennium general fund amounts resulting from federal medical assistance percentage changes under the federal American Recovery and Reinvestment Act of 2009 and use these amounts to defray the expenses of continuing program costs of the department of human services from the general fund, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | |
|--|-------------------|
| Inflationary increases for human service providers | \$27,345,292 |
| Rate increases for selected medicaid services due to rebasing | 21,788,982 |
| Rate increases for nursing homes due to property limit changes and other nursing home increases | 7,788,572 |
| Wage increases for employees of nursing homes, basic care, and developmental disabilities services providers and qualified service providers | 16,229,317 |
| Salary increases for department of human services employees | <u>14,293,872</u> |
| Total | \$87,446,035 |

SECTION 4. BANK OF NORTH DAKOTA LOAN AUTHORIZATION - BUDGET SECTION APPROVAL - CONTINGENT APPROPRIATION. If the caseload/utilization of medical services, long-term care, and developmental disabilities services is more than anticipated by the sixty-first legislative assembly, the department of human services, subject to budget section approval, may borrow the sum of \$8,500,000, or so much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated for the purpose of providing the state matching share of additional medical assistance grants for medical services, long-term care, and developmental disabilities services, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of human services shall request funding from the sixty-second legislative assembly to repay any loan obtained pursuant to provisions of this section, including accrued interest.

SECTION 5. 2009-11 SPENDING LEVEL - AUTHORIZATION. If department of human services expenditures exceed funding levels, including loan

proceeds appropriated in section 4 of this Act, approved by the sixty-first legislative assembly during the 2009-11 biennium due to caseload/utilization of programs exceeding the level anticipated by the legislative assembly, the department may continue to spend at the increased level and may seek a deficiency appropriation from the sixty-second legislative assembly.

SECTION 6. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|--|----------------|----------------|
| Medicaid management information system project (MMIS) | \$3,643,133 | \$0 |
| State hospital - Sex offender treatment addition project | 3,100,000 | 0 |
| State hospital - Capital improvements | 3,062,757 | 0 |
| State hospital - Extraordinary repairs | 1,153,500 | 0 |
| Developmental center - Capital improvements | 300,000 | 0 |
| Developmental center - Extraordinary repairs | 547,092 | 0 |
| Developmental center - Equipment | 80,782 | 0 |
| Supplemental payment | 0 | 400,000 |
| Extraordinary repairs | 0 | 3,443,692 |
| Equipment over \$5,000 | 0 | <u>352,606</u> |
| Total general fund | \$11,887,264 | \$4,196,298 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The department of human services shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.

Notwithstanding section 54-16-04, the department of human services may transfer appropriation authority between line items within each subdivision of section 1 of this Act and between subdivisions within section 1 of this Act for the biennium beginning July 1, 2009, and ending June 30, 2011. The department shall notify the office of management and budget of any transfer made pursuant to this section. The department shall report to the budget section after June 30, 2010, any transfers made in excess of \$50,000 and to the appropriations committees of the sixty-second legislative assembly regarding any transfers made pursuant to this section.

SECTION 8. ESTIMATED INCOME - LIMIT - HEALTH CARE TRUST

FUND. The estimated income line item in subdivision 2 of section 1 of this Act includes \$4,124,506 from the health care trust fund for nursing facilities. The department of human services expenditures from this fund may not exceed this amount for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. LEGISLATIVE COUNCIL STUDY - CHILD SUPPORT

ENFORCEMENT. During the 2009-10 interim, the legislative council shall consider studying the department of human services' child support enforcement program. The study should include the review of arrearages in terms of total owed and interest accrued and child support enforcement activities in other states. The legislative council shall report its findings and recommendations, together with any legislation

required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 10. LEGISLATIVE COUNCIL STUDY - LONG-TERM CARE.

During the 2009-10 interim, the legislative council shall study long-term care services in the state. The study must include a review of the department of human services' payment system and a review of the state department of health's survey and inspection programs and processes. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 11. SUPPLEMENTAL PAYMENTS - BASIC CARE AND NURSING HOME FACILITY SALARY AND BENEFIT INCREASES.

The funding appropriated in subdivision 2 of section 1 of this Act includes \$17,977,513, of which \$5,512,441 is from the general fund, \$800,000 is from the health care trust fund, and \$11,665,072 is from federal funds, for providing supplemental payments to basic care and skilled nursing care facilities to allow for a salary and benefit increase for employees beginning July 1, 2009. Basic care and skilled nursing care facilities may not use the money received under this section for providing salary and benefit enhancements to administrators or directors of nursing.

SECTION 12. SUPPLEMENTAL PAYMENTS - DEVELOPMENTAL DISABILITIES PROVIDER SALARY AND BENEFIT INCREASES.

The funding appropriated in subdivision 2 of section 1 of this Act includes \$21,639,106, of which \$7,086,807 is from the general fund and \$14,552,299 is from federal funds, for providing supplemental payments to developmental disabilities providers to allow for a salary and benefit increase for employees beginning July 1, 2009. Developmental disabilities service providers may not use the money received under this section for providing salary and benefit enhancements to administrators.

SECTION 13. LEGISLATIVE INTENT - MEDICAID PROVIDER PAYMENTS.

It is the intent of the legislative assembly that the department of human services establish a goal to set medicaid payments for hospitals, physicians, chiropractors, and ambulances at 100 percent of cost.

SECTION 14. SUPPLEMENTAL PAYMENT - CRITICAL ACCESS HOSPITALS.

The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes the sum of \$400,000 of one-time funding from the general fund that the department of human services shall use for providing a supplemental payment to eligible critical access hospitals. A critical access hospital is eligible for a payment under this section only if its percentage of medical payments exceeds 25 percent of its total annual revenue in its most recent audited financial statements and is located in a city with a population that does not exceed 1,450. The department shall seek federal medicaid funding to provide a portion of the \$400,000 supplemental payment. If federal medicaid funding is not available for a portion of the payment, the department may spend the \$400,000 from the general fund for making the supplemental payment only if the action will not result in a reduction in federal medicaid funding to the state.

SECTION 15. LEGISLATIVE INTENT - DEMENTIA CARE SERVICES.

It is the intent of the sixty-first legislative assembly that the department of human services integrate the dementia care services program established in House Bill No. 1043, as approved by the sixty-first legislative assembly, with the home and community-based care services programs of the department.

SECTION 16. LEGISLATIVE COUNCIL STUDY - TRAUMATIC BRAIN INJURY. During the 2009-11 interim, the legislative council shall consider studying the impact of individuals with traumatic brain injury, including veterans who are returning from wars, on the state's human services system. The study must include an analysis of the estimated cost of providing human service-related services to the individuals with traumatic brain injury. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 17. LEGISLATIVE INTENT - CHILDREN'S HEALTH INSURANCE PROGRAM OUTREACH. It is the intent of the sixty-first legislative assembly that the department of human services award a contract for outreach services for the state children's health insurance program to an entity other than an insurance company, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 18. UNSPENT 2007-09 BIENNIUM GENERAL FUND APPROPRIATIONS - EXCEPTION. The amount of \$270,000 of the \$3,100,000 for a sexual offender treatment addition at the state hospital appropriated in subdivision 3 of section 3 of 2007 Senate Bill No. 2012 is not subject to section 54-44.1-11 and may be spent during the 2009-11 biennium for completing roof repairs at the state hospital.

SECTION 19. AMENDMENT. Section 25-04-05 of the North Dakota Century Code is amended and reenacted as follows:

25-04-05. Qualifications for admission to state facility - Temporary Screening required prior to admission or readmission - Educational or related services without charge for persons twenty-one years of age and under.

1. The superintendent may admit a person to the developmental center at westwood park, Grafton when all of the following conditions have been met:
 - a. Application for admission has been made on behalf of the person by a parent or guardian or the person or agency having legal custody, or by the person seeking admission, in accordance with procedures established by the department of human services.
 - b. A comprehensive evaluation of the person has been made within three months of the date of application, a report of which has been filed with the superintendent and which, together with such other information or reviews as the department of human services may require, indicates to the superintendent's satisfaction that the person is eligible for admission to the developmental center at westwood park, Grafton.
 - c. The person may be admitted without exceeding the resident capacity of the facility as specified in the professional standards adopted by the department of human services.
2. The superintendent No person may admit be admitted or readmitted to the developmental center at westwood park, Grafton, temporarily for the purposes of observation, without commitment, unless that person has undergone a screening process at the developmental center to determine whether the admission or readmission is appropriate. Length

of stay criteria may be established under rules as the department of human services may adopt; ~~any~~. Any person who is suspected of being able to benefit from the services offered at the center, may be screened to ascertain whether or not that person is actually a proper case for care, treatment, and training ~~in at the state facility~~ developmental center. If in the opinion of the superintendent the person ~~temporarily admitted to the developmental center at westwood park, Grafton~~ screened under this subsection is a proper subject for institutional care, treatment, and training at the developmental center, that person may remain as a voluntary resident at ~~such~~ the center at the discretion of the superintendent if all other conditions for admission required by this section are met.

3. Notwithstanding any other provision of this chapter, no handicapped patient, twenty-one years of age or under, or the estate or the parent of such patient, may be charged for educational or related services provided at the developmental center at westwood park, Grafton. Except as provided in subsection 4, the department of human services has prior claim on all benefits accruing to such patients for medical and medically related services under entitlement from the federal government, medical or hospital insurance contracts, workforce safety and insurance, or medical care and disability programs. For purposes of this subsection, "related services" means transportation and such developmental, corrective, and other supportive services, as determined by the department of public instruction, as are required to assist a handicapped patient to benefit from special education. The cost of related services other than medical and medically related services must be paid by the developmental center at westwood park, Grafton, the school district of residence of the handicapped child, and other appropriate state agencies and political subdivisions of this state. The department of public instruction, the department of human services, the school district of residence, and other appropriate state agencies and political subdivisions, as determined by the department of public instruction, shall determine and agree to that portion of related services, other than medical and medically related services, for which each agency and political subdivision is liable. The department of public instruction may adopt rules necessary to implement this section.
4. Parents of a handicapped patient, twenty-one years of age or under, are not required to file, assist in filing, agree to filing, or assign an insurance claim when filing the claim would pose a realistic threat that the parents would suffer a financial loss not incurred by similarly situated parents of nonhandicapped children. Financial losses do not include incidental costs such as the time needed to file or assist in filing an insurance claim or the postage needed to mail the claim. Financial losses include:
 - a. A decrease in available lifetime coverage or any other benefit under an insurance policy.
 - b. An increase in premiums or the discontinuation of a policy.
 - c. An out-of-pocket expense such as the payment of a deductible amount incurred in filing a claim unless the developmental center pays or waives the out-of-pocket expense.

SECTION 20. AMENDMENT. Section 50-24.1-02.6 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-02.6. (Contingent effective date - See note) Medical assistance benefits - Eligibility criteria.

1. The department shall provide medical assistance benefits to otherwise eligible persons who are:
 - a. Medically needy persons who have countable income that does not exceed an amount determined under subsection 2; and
 - b. Minors who have countable income that does not exceed an amount determined under subsection 3.
2. The department of human services shall establish an income level for medically needy persons at an amount, no less than required by federal law, that, consistent with the requirements of subsection 3, is the greatest income level achievable without exceeding legislative appropriations for that purpose.
3. The department of human services shall establish income levels for minors, based on the age of the minors, at amounts, no less than required by federal law, that provide an income level for all minors born before September 30, 1983, equal to one hundred percent of the federal poverty level in the month for which eligibility for medical assistance benefits is being determined and that do not exceed legislative appropriations for that purpose.
4. The department of human services shall provide medical assistance benefits to children and families coverage groups and pregnant women without consideration of assets.

(Contingent effective date - See note) Medical assistance benefits - Eligibility criteria.

1. The department shall provide medical assistance benefits to otherwise eligible persons who are:
 - a. Medically needy persons who have countable income that does not exceed an amount determined under subsection 2; and
 - b. Minors who have countable income that does not exceed an amount determined under subsection 3.
2. The department of human services shall establish an income level for medically needy persons at an amount, no less than required by federal law, that, consistent with the requirements of subsection 3, is the greatest income level achievable without exceeding legislative appropriations for that purpose.
3. The department of human services shall establish income levels for minors, based on the age of the minors, at amounts, no less than required by federal law, that provide an income level for all individuals from birth through age eighteen equal to one hundred thirty-three

~~percent of the federal poverty level in the month for which eligibility for medical assistance benefits is being determined.~~

4. The department of human services shall provide medical assistance benefits to children and families coverage groups and pregnant women without consideration of assets.

² **SECTION 21. AMENDMENT.** Section 50-24.5-04 of the North Dakota Century Code is amended and reenacted as follows:

50-24.5-04. Services provided - Limit on cost. Services provided under this chapter must be treated as necessary remedial care to the extent those services are not covered under the medical assistance program. The cost of the services provided under this chapter to a person residing in a basic care or adult family foster care facility for which the rate charged includes room and board is limited to the rate set for services in that facility, plus ~~sixty~~ seventy-five dollars, less that person's total income.

SECTION 22. A new subsection to section 50-25.1-05 of the North Dakota Century Code is created and enacted as follows:

The department shall adopt guidelines for case referrals to a children's advocacy center. When cases are referred to a children's advocacy center, all interviews of the alleged abused or neglected child conducted at the children's advocacy center under this section shall be audio-recorded or video-recorded.

SECTION 23. AMENDMENT. Section 50-29-04 of the North Dakota Century Code is amended and reenacted as follows:

50-29-04. Plan requirements. The plan:

1. Must be provided through private contracts with insurance carriers;
2. Must allow conversion to another health insurance policy;
3. Must be based on an actuarial equivalent of a benchmark plan;
4. Must incorporate every state-required waiver approved by the federal government;
5. Must include community-based eligibility outreach services; and
6. Must provide:
 - a. A net income eligibility limit of one hundred ~~fifty~~ sixty percent of the poverty line;
 - b. A copayment requirement for each pharmaceutical prescription and for each emergency room visit;

² Section 50-24.5-04 was also amended by section 16 of House Bill No. 1015, chapter 15.

- c. A deductible for each inpatient hospital visit;
- d. Coverage for:
 - (1) Inpatient hospital, medical, and surgical services;
 - (2) Outpatient hospital and medical services;
 - (3) Psychiatric and substance abuse services;
 - (4) Prescription medications;
 - (5) Preventive screening services;
 - (6) Preventive dental and vision services; and
 - (7) Prenatal services; and
- e. A coverage effective date that is the first day of the month, following the date of application and determination of eligibility.

SECTION 24. AMENDMENT. Section 50-30-02 of the North Dakota Century Code is amended and reenacted as follows:

50-30-02. North Dakota health care trust fund created - Uses - Continuing appropriation.

1. There is created in the state treasury a special fund known as the North Dakota health care trust fund. The fund consists of revenue received from government nursing facilities for remittance to the fund under former section 50-24.4-30. The department shall administer the fund. The state investment board shall invest moneys in the fund in accordance with chapter 21-10, and the income earned must be deposited in the North Dakota health care trust fund. All moneys deposited in the North Dakota health care trust fund are available to the department for:
 - a. Transfer to the long-term care facility loan fund, as authorized by legislative appropriation, for making loans pursuant to the requirements of this chapter.
 - b. Payment, as authorized by legislative appropriation, of costs of other programs authorized by the legislative assembly.
 - c. Repayment of federal funds, which are appropriated and may be spent if the United States department of health and human services determines that funds were inappropriately claimed under former section 50-24.4-30.
2. The department shall continue to access the intergovernmental transfer program if permitted by the federal government and if use of the program is found to be beneficial.
3. Moneys in the fund may not be included in draft appropriation acts under section 54-44.1-06.

SECTION 25. REPEAL. Section 4 of chapter 422 of the 2007 Session Laws is repealed.

SECTION 26. EMERGENCY. Sections 2 and 18 of this Act are declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 13**HOUSE BILL NO. 1013**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the department of public instruction, the school for the deaf, North Dakota vision services - school for the blind, and the state library; to provide an appropriation; to provide for the distribution of funding for gifted and talented programs and other grants; to provide a contingent appropriation; to provide for the development and implementation of a future services plan for the school for the deaf; to amend and reenact section 15.1-02-02 and subsection 6 of section 15.1-29-14 of the North Dakota Century Code, relating to the salary of the superintendent of public instruction and special education cost reimbursements; to provide legislative intent; to provide an exemption; and to declare an emergency.

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 including federal fiscal stimulus funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009 and other income, to the department of public instruction, the school for the deaf, North Dakota vision services - school for the blind, and the state library for the purpose of defraying the expenses of those agencies, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

DEPARTMENT OF PUBLIC INSTRUCTION

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---|------------------------|--|------------------------|
| Salaries and wages | \$11,415,534 | \$1,936,388 | \$13,351,922 |
| Operating expenses | 19,738,294 | 11,313,692 | 31,051,986 |
| Grants - State school aid | 726,165,879 | 82,204,416 | 808,370,295 |
| Grants - Special education contracts | 17,500,000 | (2,000,000) | 15,500,000 |
| Grants - Supplemental one-time | 0 | 85,644,337 | 85,644,337 |
| Grants - Supplemental operations | 0 | 16,795,584 | 16,795,584 |
| Grants - Transportation | 33,500,000 | 10,000,000 | 43,500,000 |
| Grants - Other grants | 227,701,806 | 15,287,915 | 242,989,721 |
| Transportation efficiency | 30,000 | 0 | 30,000 |
| National board certification | 40,000 | 62,500 | 102,500 |
| Total all funds | <u>\$1,036,091,513</u> | <u>\$221,244,832</u> | <u>\$1,257,336,345</u> |
| Less estimated income | <u>325,668,238</u> | <u>120,187,517</u> | <u>445,855,755</u> |
| Total general fund | \$710,423,275 | \$101,057,315 | \$811,480,590 |
| Full-time equivalent positions | 94.75 | 5.00 | 99.75 |

Subdivision 2.

STATE LIBRARY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|------------------------------------|----------------------|
| Salaries and wages | \$2,628,494 | \$565,297 | \$3,193,791 |
| Operating expenses | 1,477,772 | 4,801 | 1,482,573 |
| Grants | 1,752,500 | 100,000 | 1,852,500 |
| Total all funds | \$5,858,766 | \$670,098 | \$6,528,864 |
| Less estimated income | 1,881,253 | 46,583 | 1,927,836 |
| Total general fund | \$3,977,513 | \$623,515 | \$4,601,028 |
| Full-time equivalent positions | 29.75 | 0.00 | 29.75 |

Subdivision 3.

SCHOOL FOR THE DEAF

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|------------------------------------|----------------------|
| Salaries and wages | \$4,765,173 | \$664,825 | \$5,429,998 |
| Operating expenses | 1,514,283 | 124,320 | 1,638,603 |
| Capital assets | 50,000 | 1,849,140 | 1,899,140 |
| Deferred maintenance | 0 | 98,605 | 98,605 |
| Total all funds | \$6,329,456 | \$2,736,890 | \$9,066,346 |
| Less estimated income | 1,039,018 | 1,127,432 | 2,166,450 |
| Total general fund | \$5,290,438 | \$1,609,458 | \$6,899,896 |
| Full-time equivalent positions | 43.94 | 0.00 | 43.94 |

Subdivision 4.

VISION SERVICES - SCHOOL FOR THE BLIND

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|------------------------------------|----------------------|
| Salaries and wages | \$2,978,895 | \$552,369 | \$3,531,264 |
| Operating expenses | 640,798 | 39,854 | 680,652 |
| Capital assets | 142,100 | (115,100) | 27,000 |
| Deferred maintenance | 0 | 64,500 | 64,500 |
| Total all funds | \$3,761,793 | \$541,623 | \$4,303,416 |
| Less estimated income | 843,857 | (27,955) | 815,902 |
| Total general fund | \$2,917,936 | \$569,578 | \$3,487,514 |
| Full-time equivalent positions | 28.00 | 1.50 | 29.50 |

Subdivision 5.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|-------------------|------------------------------------|----------------------|
| Grand total general fund | \$722,609,162 | \$103,859,866 | \$826,469,028 |
| Grand total special funds | \$329,432,366 | \$189,058,976 | \$518,491,342 |
| Grand total all funds | \$1,052,041,528 | \$292,918,842 | \$1,344,960,370 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|----------------|----------------|
| Department of public instruction | | |
| STARS school data collection system rewrite | \$0 | \$500,000 |
| Geographic alliance endowment | 0 | 226,000 |

| | | |
|--|-----------|-------------|
| Total department of public instruction - General fund | \$0 | \$726,000 |
| School for the deaf | | |
| Deferred maintenance | \$100,000 | \$0 |
| Facility master plan | 0 | 41,000 |
| Trades building remodel | 0 | 835,000 |
| Virtual services business plan | 0 | 25,000 |
| Total school for the deaf - General fund | \$100,000 | \$901,000 |
| School for the blind - Vision services | | |
| Equipment | \$0 | \$39,200 |
| Window replacement | 0 | 31,000 |
| Total school for the blind - Vision services - General fund | \$0 | \$70,200 |
| Grand total - General fund | \$100,000 | \$1,697,200 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The department of public instruction, school for the deaf, and school for the blind - vision services shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the superintendent of public instruction, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|---|--------------|
| Title I - Part A | \$27,415,262 |
| Title I - School improvement | 7,145,000 |
| Title II - Part D - Technology | 3,209,375 |
| Individuals With Disabilities Education Act | 27,413,988 |
| McKinney-Vento Homeless Assistance Act | 150,000 |
| National school lunch program | 230,000 |
| The emergency food assistance program | 85,426 |
| Clean diesel (passthrough from the state department of health) | 1,730,000 |
| Total federal funds | \$67,379,051 |

The superintendent of public instruction may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the superintendent of public instruction,

for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|---|---------------|
| Department of public instruction administrative costs relating to federal fiscal stimulus payment to schools, including salaries (\$152,533) and operating expenses (\$173,815) | \$326,348 |
| Early childhood learning council operating expenses | <u>20,000</u> |
| Total federal funds from governor's office | \$346,348 |

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 5. SUPERINTENDENT'S SALARY - LINE ITEM TRANSFERS - SCHOOL FOR THE DEAF. The monthly salary for the superintendent of the school for the deaf for the 2009-11 biennium may not exceed the monthly salary level in effect for this position in January 2009. Notwithstanding section 54-16-04, the director of the office of management and budget and the state treasurer shall transfer funds from the salaries and wages line item to the operating expenses line item contained in subdivision 3 of section 1 of this Act of up to \$100,000 and to the capital assets line item as requested by the superintendent of public instruction to provide funding for a future services plan and implementation for the school for the deaf and for the remodel of the trades building, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. DEFERRED MAINTENANCE - TRANSFERS - SCHOOL FOR THE DEAF. The school for the deaf is authorized to transfer from the deferred maintenance line to the capital assets line, contained in subdivision 3 of section 1 of this Act, amounts necessary to address extraordinary repair needs. Any amounts transferred must be reported to the director of the office of management and budget.

SECTION 7. DEFERRED MAINTENANCE - TRANSFERS - SCHOOL FOR THE BLIND - VISION SERVICES. The school for the blind - vision services is authorized to transfer from the deferred maintenance line to the capital assets line, contained in subdivision 4 of section 1 of this Act, amounts necessary to address extraordinary repair needs. Any amounts transferred must be reported to the director of the office of management and budget.

SECTION 8. APPROPRIATION. There is appropriated from special funds derived from federal funds and other income the sum of \$20,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for grants for the period beginning with the effective date of this Act and ending June 30, 2009.

SECTION 9. APPROPRIATION - TUITION APPORTIONMENT. The sum of \$86,300,000, included in the grants - state school aid line item in subdivision 1 of section 3 of this Act, is from the state tuition fund in the state treasury. Any additional amount in the state tuition fund that becomes available for distribution to public schools is appropriated to the department of public instruction for that purpose for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. STATE SCHOOL AID AND SPECIAL EDUCATION CONTRACTS EXPENDITURE AUTHORITY. The superintendent of public instruction may expend funds included in the grants - state school aid and grants - special education contracts line items in subdivision 1 of section 1 of this Act in

payment of grants for educational services that were due in the 2007-09 biennium but which were not filed, claimed, or properly supported by the education provider until after June 30, 2009.

SECTION 11. GIFTED AND TALENTED PROGRAM - FUNDING - DISTRIBUTION. The sum of \$800,000, included in the grants - state school aid line item in subdivision 1 of section 1 of this Act, must be distributed to reimburse school districts or special education units for gifted and talented programs upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction. The superintendent of public instruction shall encourage cooperative efforts for gifted and talented programs among school districts and special education units. State school aid payments for special education must be reduced by the amount of matching funds required to be paid by school districts or special education units for students participating in the medicaid program. Special education funds equal to the amount of the matching funds required to be paid by the school district or special education unit must be paid by the superintendent of public instruction to the department of human services on behalf of the school district or unit.

SECTION 12. TEACHER OF THE YEAR PROGRAM - FUNDING. The department of public instruction shall administer a teacher of the year program for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of public instruction shall assign responsibility to its department staff to coordinate the annual event, including preparation of application materials, distribution of materials to the selection committee, publicity, and planning of the event at which the recipient of the award is announced. The selection committee appointed by the department of public instruction may not include more than one representative from any education-related organization or association.

SECTION 13. INDIRECT COST ALLOCATION. Notwithstanding section 54-44.1-15, the department of public instruction may deposit indirect cost recoveries in its operating account.

SECTION 14. STATE AID TO PUBLIC LIBRARIES. The line item entitled grants in subdivision 2 of section 1 of this Act includes \$1,300,000 for aid to public libraries, of which no more than one-half is to be expended during the fiscal year ending June 30, 2010.

SECTION 15. FEES DEPOSITED IN VISION SERVICES - SCHOOL FOR THE BLIND OPERATING FUND. Any moneys included in the estimated income line item in subdivision 4 of section 1 of this Act, collected for subscription fees or braille fees, must be deposited in the North Dakota vision services - school for the blind operating fund in the state treasury and may be spent subject to appropriation by the legislative assembly.

SECTION 16. CONTINGENT APPROPRIATION - SUPPLEMENTAL TRANSPORTATION AID PAYMENTS.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing supplemental transportation aid payments, for the biennium beginning July 1, 2009, and ending June 30, 2011.

2. If the office of management and budget determines by July 31, 2010, that the June 30, 2011, ending balance of the state general fund will be more than \$30,000,000 in excess of the amount predicted by the office of management and budget at the conclusion of the 2009 legislative session, the superintendent of public instruction shall provide \$5,000,000 as supplemental transportation aid payments to school districts.
3. If the general fund balance requirements of subsection 2 are not met and if the office of management and budget determines by April 30, 2011, that the June 30, 2011, ending balance of the state general fund will be more than \$30,000,000 in excess of the amount predicted by the office of management and budget at the conclusion of the 2009 legislative session, the superintendent of public instruction shall provide \$5,000,000 as supplemental transportation aid payments to school districts.
4. The superintendent of public instruction shall pro rate the supplemental transportation payments according to the percentage of the total transportation formula amount that each school district is entitled to receive under 2009 House Bill No. 1400 as approved by the sixty-first legislative assembly.

SECTION 17. FUTURE SERVICES PLAN AND IMPLEMENTATION - SCHOOL FOR THE DEAF. The department of public instruction and school for the deaf shall develop a plan for future services to be offered by the school for the deaf and begin implementing the plan for the biennium beginning July 1, 2009, and ending June 30, 2011. As part of the plan, the department of public instruction and school for the deaf shall:

1. Review the needs of all deaf and hearing-impaired persons throughout the state and develop a plan to provide comprehensive outreach services to all North Dakota citizens who are deaf or hearing-impaired.
2. Explore the development of partnerships with other states relating to the provision of residential and educational services to individuals who are deaf or hearing-impaired.
3. Review current research and national trends in the provision of services to students who are deaf or hearing-impaired.
4. Meet regularly with a transition team appointed by the superintendent of public instruction consisting of representation from the legislative assembly, parents of school for the deaf students, school for the deaf employees, members of the Devils Lake community, school for the deaf alumni, and others.
5. Explore the feasibility of implementing revenue-generating activities at the school for the deaf.
6. Develop a long-range site and facility plan for the school for the deaf campus.

SECTION 18. AMENDMENT. Section 15.1-02-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-02. Salary. The annual salary of the superintendent of public instruction is ~~eighty-seven~~ ninety-five thousand one hundred ~~three~~ sixteen dollars through June 30, ~~2008~~ 2010, and ~~ninety~~ ninety-nine thousand ~~five~~ eight hundred ~~eighty-seven~~ seventy-two dollars thereafter.

SECTION 19. AMENDMENT. Subsection 6 of section 15.1-29-14 of the North Dakota Century Code is amended and reenacted as follows:

6. a. An amount equal to the state average per student elementary or high school cost, depending on the student's grade of enrollment, is payable to the admitting district or facility as part of the cost of educating the student for the school year. The payment may not exceed the actual per student cost incurred by the admitting district or facility.
- b. The remainder of the actual cost of educating the student not covered by other payments or credits must be paid by the state, within the limits of legislative appropriations, from funds appropriated for the payment of special education contract charges in the case of a student with disabilities or from state aid payments to schools in all other cases. For purposes of this subdivision, "actual costs" includes the cost of a summer program if the program is a condition of placement at a residential facility that has been determined by a placing agency or entity to be an appropriate placement for a student.

SECTION 20. BANK OF NORTH DAKOTA LOAN AUTHORIZATION. The school for the deaf may borrow the sum of \$835,000, or so much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated in subdivision 3 of section 1 of this Act for the purpose of remodeling the trades building on the campus of the school for the deaf for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 21. EXEMPTION. The amount appropriated for the school for the deaf in subdivision 3 of section 3 of chapter 40 of the 2007 Session Laws is not subject to section 54-44.1-11 and any unexpended funds relating to this amount are available for the remodel of the trades building during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 22. EMERGENCY. The amount of \$1,670,000, of which \$835,000 is from the general fund, included in the capital assets line item in subdivision 3 of section 1 of this Act and sections 3, 4, 8, 20, and 21 of this Act are declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 14**HOUSE BILL NO. 1014**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the committee on protection and advocacy.

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 committee on protection and advocacy for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Total all funds | \$4,053,516 | \$489,802 | \$4,543,318 |
| Less estimated income | <u>3,140,229</u> | <u>(152,726)</u> | <u>2,987,503</u> |
| Total general fund | \$913,287 | \$642,528 | \$1,555,815 |
| Full-time equivalent positions | 27.50 | 1.00 | 28.50 |

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 15**HOUSE BILL NO. 1015**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to provide an exemption; to provide for various transfers; to create and enact section 8 to chapter 160 of the 2007 Session Laws, a new section to chapter 54-27, and paragraph 5 to subdivision b of subsection 2 of section 57-62-02 of the North Dakota Century Code, relating to contingent distributions of grant assistance money, the allocation of funds to certain coal-producing counties, and vacant state employee positions; to amend and reenact sections 18-05.1-01, 18-05.1-02, and 18-05.1-03, subdivision s of subsection 3 of section 32-12.2-02, sections 50-24.5-04, 54-06-08.2, 54-21-24, and 54-24-21.1, and subdivision d of subsection 1 of section 62.1-04-03 of the North Dakota Century Code, relating to payment from the firefighters death benefit fund, the reciprocal licensure and classification system to carry a firearm or dangerous weapon concealed, the personal needs allowance for individuals in basic care facilities, leasing of office space by state entities, liability of the state, and credit card fees charged by state agencies; to amend and reenact sections 1 and 2 of House Bill No. 1350 and subsection 1 of section 3 of Senate Bill No. 2012, as approved by the sixty-first legislative assembly, relating to the Great Plains applied energy technology center and weather-related transportation funding; to provide an appropriation for a statewide salary equity pool; to establish a statewide salary equity pool; to provide for budget section reports; to provide for a transfer of appropriation authority; to limit the number of full-time equivalent positions; to provide legislative intent; to provide for a legislative council study; to provide an appropriation to the department of emergency services; to provide an appropriation to the department of public instruction; to provide an appropriation for the tobacco prevention and control executive committee; to provide for a biennial budget; to restrict expenditures from the water development trust fund; to provide for a report to the legislative council; to provide for retroactive application; to provide an effective date; and to declare an emergency.

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 office of management and budget for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------|-------------------|--|----------------------|
| Salaries and wages | \$15,213,766 | \$1,989,620 | \$17,203,386 |
| Operating expenses | 11,692,136 | 2,796,958 | 14,489,094 |
| Capital assets | 1,645,019 | 3,625,279 | 5,270,298 |
| Grants | 54,000 | 1,000 | 55,000 |

| | | | |
|-----------------------------------|--------------|----------------|--------------|
| Prairie public broadcasting | 1,337,138 | 2,016,200 | 3,353,338 |
| State student internship program | 0 | 200,000 | 200,000 |
| Centers of excellence | 10,300,000 | (10,300,000) | 0 |
| Heritage center expansion project | 1,500,000 | (1,500,000) | 0 |
| Statewide equity plan | 10,000,000 | (10,000,000) | 0 |
| State transfers | 43,150,000 | (43,150,000) | 0 |
| Total all funds | \$94,892,059 | (\$54,320,943) | \$40,571,116 |
| Less estimated income | 25,229,115 | (16,390,195) | 8,838,920 |
| Total general fund | \$69,662,944 | (\$37,930,748) | \$31,732,196 |
| Full-time equivalent positions | 132.50 | 0.00 | 132.50 |

SECTION 2. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES FUNDS - ADDITIONAL FUNDING APPROVAL.

The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the office of management and budget, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|--|-----------|
| Information technology, accounting, and verification | \$289,494 |
| Total federal funds | \$289,494 |

The office of management and budget may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. APPROPRIATION - PERMANENT OIL TAX TRUST FUND - WEATHER-RELATED ASSISTANCE.

There is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of matching federal United States department of agriculture funds to assist North Dakota ranchers affected by severe winter weather and flooding, for the period beginning with the effective date of this Act and ending June 30, 2009.

SECTION 4. APPROPRIATION - TRANSFER - CENTERS OF EXCELLENCE FUND.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$4,450,000, which the office of management and budget shall transfer to the centers of excellence fund for the purpose of providing funding for 2007-09 centers of excellence awarded projects, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. TRANSFER - PERMANENT OIL TAX TRUST FUND. During the biennium beginning July 1, 2009, and ending June 30, 2011, the office of management and budget shall transfer \$140,000,000 from the permanent oil tax trust fund to the general fund.

SECTION 6. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|----------------|----------------|
| Maintenance | \$3,000,000 | \$0 |
| Prairie public broadcasting | 686,000 | 2,016,200 |
| Centers of excellence | 15,000,000 | 0 |
| ConnectND | 0 | 1,000,000 |
| Facility management repairs and equipment | 0 | 2,850,000 |
| Administration projects | 0 | 126,041 |
| Total all funds | \$18,686,000 | \$5,992,241 |
| Total special funds | 15,000,000 | 1,008,100 |
| Total general fund | \$3,686,000 | \$4,984,141 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The information technology department shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. PERMANENT OIL TAX TRUST FUND. The estimated income line item in section 1 of this Act includes \$1,008,100 from the permanent oil tax trust fund for the prairie public broadcasting digital conversion, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. EXEMPTION. The amount appropriated for the fiscal management division, as contained in section 3 of chapter 27 of the 2007 session laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for continued development and operating costs of the accounting, management, and payroll systems, during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. INTENT. Within the authority included in section 1 of this Act are the following grants and special items:

| | |
|--|-------------|
| Boys and girls clubwork | \$53,000 |
| State contingencies | \$700,000 |
| State memberships and related expenses | \$611,000 |
| Unemployment insurance | \$1,500,000 |
| Capitol grounds planning commission | \$25,000 |

SECTION 10. STATE STUDENT INTERNSHIP PROGRAM. The human resources division of the office of management and budget may transfer to each eligible agency appropriated general fund spending authority from the state student internship program line item contained in section 1 of this Act.

SECTION 11. INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES. It is the intent of the sixty-first legislative assembly that 2009-11 compensation adjustments for regular state employees are to vary based on documented performance and equity and are not necessarily to be five percent annual increases for each employee. General increases based on legislative appropriations are to be given beginning with the month of July 2009, to be paid in August 2009, and beginning with the month of July 2010, to be paid in

August 2010. Each agency appropriation is increased by five percent for the first year of the 2009-11 biennium and five percent for the second year of the 2009-11 biennium.

Employees whose overall documented performance level does not meet standards are not eligible for any salary increase. Each employee whose documented performance meets all standards is to receive a minimum increase of \$100 on July 1, 2009, and \$100 on July 1, 2010.

Probationary employees are not entitled to the general increases. However, probationary employees may be given all or a portion of the increases effective in July, paid in August, or upon completion of probation, at the discretion of the appointing authority.

During the biennium, no salary increase other than the \$100 minimum increase or a temporary increase may be given to an employee whose salary exceeds or would exceed the salary range maximum.

SECTION 12. AMENDMENT. Section 18-05.1-01 of the North Dakota Century Code is amended and reenacted as follows:

18-05.1-01. Firefighters death benefit fund Payments to deceased firefighter's survivor. The firefighters death benefit fund is a special fund in the state treasury. The revenue provided in section 26.1-03-17 must be deposited in the fund and is appropriated on a continuing basis to the insurance commissioner for disbursement as provided in this chapter. The insurance commissioner shall administer the fund.

SECTION 13. AMENDMENT. Section 18-05.1-02 of the North Dakota Century Code is amended and reenacted as follows:

18-05.1-02. Payments from firefighters death benefit fund. ~~The governing body of a municipality having a paid fire department or the governing body of a city or rural fire protection district having no paid fire department may request that the insurance commissioner pay ten thousand dollars from the firefighters death benefit fund to the estate of a firefighter who dies from an injury sustained while responding to, during, or within forty-eight hours after a fire emergency or training activity. The insurance commissioner shall pay ten thousand dollars to the a deceased firefighter's estate survivor upon receipt of the a request for payment and upon receipt of evidence that the of a line of duty death occurred from an injury sustained while responding to, during, or within forty-eight hours after a fire emergency from the fire chief or the fire chief's designee of a city fire department, rural fire department, or rural fire protection district.~~

SECTION 14. AMENDMENT. Section 18-05.1-03 of the North Dakota Century Code is amended and reenacted as follows:

18-05.1-03. Definition Definitions. For purposes of this chapter, ~~firefighter:~~

1. "Firefighter" means an individual who is a member of a paid or volunteer fire department that is a part of or is administered by this state, any political subdivision of this state, or a rural fire protection district.
2. "Line of duty death" means a death that was due to an injury sustained while performing firefighter duties if the death occurred within forty-eight hours of participating in an emergency response or training event.

Death from a heart attack or stroke is deemed to be a line of duty death if it occurs within forty-eight hours of an emergency response or training event.

3. "Survivor" means the spouse of a deceased firefighter who died in the line of duty. If there is no spouse, the term means the individual designated in writing by the deceased firefighter as beneficiary of the Public Safety Officers' Benefit Act [42 U.S.C. 3796 et seq.] death benefit, or if no beneficiary is designated, the deceased firefighter's estate.

SECTION 15. AMENDMENT. Subdivision s of subsection 3 of section 32-12.2-02 of the North Dakota Century Code is amended and reenacted as follows:

- s. A claim for liability assumed under contract, except this exclusion does not apply to liability arising from a state employee's operation of a rental vehicle if the ~~vehicle is rented for a period of thirty days or less and~~ the loss is not covered by the state employee's personal insurance or by the vehicle rental company.

³ **SECTION 16. AMENDMENT.** Section 50-24.5-04 of the North Dakota Century Code as amended in section 21 of House Bill No. 1012, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

50-24.5-04. Services provided - Limit on cost. Services provided under this chapter must be treated as necessary remedial care to the extent those services are not covered under the medical assistance program. The cost of the services provided under this chapter to a person residing in a basic care or adult family foster care facility for which the rate charged includes room and board is limited to the rate set for services in that facility, plus ~~seventy-five~~ eighty-five dollars, less that person's total income.

SECTION 17. AMENDMENT. Section 54-06-08.2 of the North Dakota Century Code is amended and reenacted as follows:

54-06-08.2. Payment by credit or debit card or by electronic fund transfer - State credit card processor - Fees.

1. A state agency, board, or commission, the judicial branch, or any political subdivision may accept payment by credit or debit card or by electronic fund transfer of any fee, interest, penalty, tax, or other payment that is due or collectible by the agency, board, or commission. The judicial branch may accept payment by credit or debit card or by electronic fund transfer for any fees, costs, or other assessments required or imposed under state law or court rule.
2. The Bank of North Dakota is the state credit card administrator for credit card transactions of state agencies, boards, or commissions. The Bank of North Dakota shall select a credit card processor or processors to provide credit card services to state agencies, boards, and commissions. All funds from credit card transactions must be deposited

³ Section 50-24.5-04 was also amended by section 21 of House Bill No. 1012, chapter 12.

in the respective entity's account in the Bank of North Dakota. ~~If on January 1, 1997, any state agency, board, or commission uses a credit card processor other than a credit card processor selected by the Bank of North Dakota, it may continue using that processor until June 30, 1999, or until transition to the state processor is available with minimal fee or penalty, whichever is earlier. The judicial branch may accept payment by credit card for any fees, costs, or other assessments required or imposed under state law or court rule.~~

3. Except as otherwise provided under section 20.1-03-32, in accordance with rules adopted by the office of management and budget, an executive branch agency may charge a fee to be added to a payment as a service charge for the acceptance of a payment made by a credit or debit card or an electronic fund transfer. The office of management and budget shall adopt rules establishing the terms under which executive agencies may charge a service fee under this subsection.

SECTION 18. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - STATEWIDE SALARY EQUITY POOL. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$9,000,000, or so much of the sum as may be necessary, and from special funds, derived from federal funds or other income, the sum of \$6,984,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing statewide salary equity adjustments for state employees of the executive branch in accordance with provisions of section 19 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 19. STATEWIDE SALARY EQUITY POOL FOR EXECUTIVE BRANCH STATE EMPLOYEES. The statewide salary equity pool appropriation included in section 18 of this Act must be used for market equity compensation adjustments for state employees of executive branch agencies, institutions, and departments, excluding entities under the control of the state board of higher education. The market equity adjustments are to begin with the month of July 2009, to be paid in August 2009. The market equity adjustments must be given after any July 2009 general compensation increases authorized by the sixty-first legislative assembly. The market equity adjustments are independent of any general salary increase provided by the legislative assembly.

The market equity increases are to be prioritized based on a statewide plan to address occupational market disparities, economic growth areas, recruitment and retention challenges, and internal and external pay inequities for employees who are critical to the mission of the agency. The plan must give priority to employees who have been employed by the state for the greatest length of time and are furthest below their salary range midpoint. The office of management and budget, in developing the plan, shall consider employee pay comparisons to similar occupational classifications of other North Dakota employers and employers in Montana, South Dakota, and Wyoming.

Probationary employees are eligible for the market equity increases. Employees whose documented performance levels do not meet standards are not eligible for the market equity increases.

Human resource management services shall provide a model base plan to each agency. Agencies may adopt the model plan, adopt the model plan with exceptions, or offer an alternative plan that meets the intent outlined in this section.

Notwithstanding any other provisions of law relating to the allocation of funds from this statewide salary equity pool, the office of management and budget shall transfer appropriation authority from the statewide salary equity pool appropriation included in section 18 of this Act to eligible agencies as determined by the office of management and budget based on each agency's submission and approval by the office of management and budget of a salary equity plan for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 20. AMENDMENT. Section 54-21-24 of the North Dakota Century Code is amended and reenacted as follows:

54-21-24. Additional office space may be obtained outside state capitol.

~~In the event that~~ If office space in the state capitol ~~building~~ becomes insufficient to accommodate the various state departments, agencies, and boards, the director of the office of management and budget ~~may upon request of the department, agency, or board shall negotiate for, contract for, and obtain such~~ additional office space outside the state capitol in the city of Bismarck or in the Bismarck area as is necessary in order to provide accommodations for all state departments, agencies, and boards. When office space is obtained in this manner, ~~any~~ the department, agency, or board ~~which that~~ occupies ~~such the~~ office space ~~must be~~ is deemed to be located at the state capitol for purposes of statutes ~~which that~~ require that a department, agency, or board must be maintained at the state capitol, and the director shall charge an amount equal to the fair value of the office space and other services rendered to all departments ~~which that~~ receive and expend moneys from other than the general fund, except that for good cause the amounts charged may be waived by the director for a one-year period of time with ~~such the~~ waiver being subject to further annual renewals after proper application has been filed with the director. The department, agency, or board for which the office space is sought must approve the office space before the director may finalize a contract or lease for the office space.

SECTION 21. AMENDMENT. Section 54-21-24.1 of the North Dakota Century Code is amended and reenacted as follows:

54-21-24.1. Lease of additional space by state agencies, departments, offices, officers, boards, and institutions. ~~No~~ A lease or rental agreement or renewal of ~~such the~~ lease or rental agreement for the lease or rental of buildings or portions of buildings for use by ~~the state may be entered into by~~ state agencies, departments, offices, officers, boards, and institutions, other than institutions under the board of higher education, the adjutant general and department of transportation office and storage space for field engineering and maintenance crews, unless approved may be entered by the director of the office of management and budget ~~and unless the attorney general has determined subject to a determination of the legal sufficiency of such the~~ lease or rental agreement. ~~To assure ensure~~ economy, efficiency, and cooperation between the state and its political subdivisions, and to limit the number of locations of state offices for the convenience of ~~persons~~ individuals traveling to ~~such the~~ offices, the director shall promulgate ~~rules and regulations~~ governing the lease or rental of additional buildings or portions ~~thereof of the buildings~~ by ~~such~~ state agencies, departments, offices, officers, boards, and institutions other than those under the board of higher education, the adjutant general, and department of transportation office and storage space for field engineering and maintenance crews. The department, agency, or board for which the office space is sought must approve the office space before the director may finalize a contract or lease for the office space.

SECTION 22. LEGISLATIVE COUNCIL STUDY - CAPITOL GROUNDS.

During the 2009-10 interim, the legislative council shall consider studying the capitol complex master plan, including a review of parking needs on the capitol grounds. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

* **SECTION 23.** A new section to chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

Vacant state employee positions salary savings - Budget section reports - Budget section review and approval. The head of each executive branch agency, department, and institution shall report each month to the office of management and budget the number of vacant full-time equivalent employee positions and related salary and fringe benefit savings. The office of management and budget shall report at each budget section meeting on the cumulative savings resulting from the vacant positions. Agencies, departments, and institutions reporting vacant positions under this section may spend funds available as a result of these vacant positions, subject to approval by the office of management and budget in an amount that does not exceed a cumulative amount of two million dollars for a biennium for payment of accrued annual leave and sick leave balances for eligible employees upon retirement or resignation, employee workload increases, employee reclassifications, and unanticipated overtime. The office of management and budget shall report periodically to the budget section on the amounts spent for each of these purposes by agency. Agencies, departments, and institutions may not spend any remaining savings from these vacant positions without prior approval of the office of management and budget and the budget section.

⁴ **SECTION 24.** Paragraph 5 to subdivision b of subsection 2 of section 57-62-02 of the North Dakota Century Code is created and enacted as follows:

- (5) The state treasurer shall allocate funds provided by legislative appropriation to cities, the county general fund, and school districts within a coal-producing county according to the allocation method provided in subdivision a in an amount to offset fifty percent of the loss of that county's share of coal severance tax revenue allocated to a non-coal-producing county under this subdivision in the previous calendar year. The state treasurer shall make the allocation, within the limits of legislative appropriations, under this paragraph at the time and in the manner funds are distributed under this section. The state treasurer shall include in each biennial budget request the amounts estimated to be necessary for the biennium for purposes of this paragraph, based on the allocations under this subdivision in the most recent calendar years.

⁴ Section 57-62-02 was also amended by section 1 of Senate Bill No. 2377, chapter 585.

⁵ **SECTION 25. AMENDMENT.** Subdivision d of subsection 1 of section 62.1-04-03 of the North Dakota Century Code as amended in section 1 of Senate Bill No. 2415, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

- d. The applicant has the written approval for the issuance of a license from the sheriff of the applicant's county of residence, and, if the city has one, the chief of police or a designee of the city in which the applicant resides. The approval by the sheriff may not be given until the applicant has successfully completed a background investigation in that county and has successfully completed the testing procedure conducted by a certified firearm or dangerous weapon instructor. The person conducting the testing may assess a charge of up to fifty dollars for conducting this testing. The attorney general may certify a firearm or dangerous weapon instructor based upon criteria and guidelines prescribed by the director of the bureau of criminal investigation.

SECTION 26. AMENDMENT. Subsection 1 of section 3 of Senate Bill No. 2012, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

1. Ten million dollars to townships in accordance with the ~~formula~~ provisions used to distribute funds to townships under section 54-27-19.1, except that organized townships are not required to provide matching funds to receive distributions under this section.

SECTION 27. ELECTRONIC BUDGET PRESENTATION - PILOT PROJECT. The office of management and budget shall select two agencies to present their proposed 2011-13 budgets and related information electronically to the appropriations committees of the sixty-second legislative assembly. Each state agency selected shall use an electronic format to present and distribute any information regarding its budget, including testimony, supporting documentation, and related materials.

* **SECTION 28. AMENDMENT.** Section 1 of House Bill No. 1350, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing a grant for construction of a great plains applied energy ~~research~~ technology center on the Bismarck state college campus, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of commerce may spend the general fund appropriation only when the department certifies to the office of management and budget that:

1. The center has completed a detailed business plan demonstrating positive outcomes relating to the development of end-use products and

⁵ Section 62.1-04-03 was also amended by section 1 of Senate Bill No. 2415, chapter 605.

the public policy required to support the products; the use of technology developed at regional research universities; and the testing, development, and application of products and technology to address problems relating to the transmission and storage of electricity;

2. Other nonstate matching funds of three dollars for each one dollar of grant funds are available for all costs of the center, a portion of which must be from the private sector;
- ~~2-~~ 3. The state will be a proportionate owner in the center based on the state's contribution percentage of all costs of the center;
- ~~3-~~ 4. The state will not be responsible for any future operational costs, including property tax, of the center; ~~and~~
- 4- 5. The center will be subject to local property tax assessments at the discretion of the local taxing authority;
6. The grant recipient is a state entity or private nonprofit entity; and
7. The department has completed an independent comprehensive commercialization study, developed a business and operational plan for the center with a clearly defined mission and objectives, and received budget section approval.

* **SECTION 29. AMENDMENT.** Section 2 of House Bill No. 1350, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

SECTION 2. REPORT REPORTS TO THE BUDGET SECTION. The department of commerce shall present the independent comprehensive commercialization study and related business and operational plan for the center to the budget section for approval. The department shall also provide a report to the budget section at its first meeting after September 1, 2009, and at its first meeting after March 1, 2010, regarding the status of the construction of a great ~~plains~~ plains applied energy ~~research~~ technology center, including the extent to which nonstate matching funds have been made available for the project.

SECTION 30. Section 8 to chapter 160 of the 2007 Session Laws is created and enacted as follows:

SECTION 8. CONTINGENT MONEY. If any money appropriated to the state board of higher education for grant assistance to tribally controlled community colleges remains after the board complies with all statutory payment obligations imposed under this Act, the state board shall distribute a prorated amount per full-time equivalent nonbeneficiary student.

* **SECTION 31. STATE EMPLOYEE ACCRUED LEAVE PAYMENTS - BUDGET SECTION REPORT.** The office of management and budget shall prepare and report to the budget section alternative methods of budgeting for the compensation of state employee accrued annual leave and sick leave. The information presented must include the number of employees compensated and the total amount paid by agency for the 2007-09 and 2005-07 bienniums. The office of management and budget shall present this report to the budget section at its first meeting after December 1, 2009. The budget section shall determine the method to

be used for providing funding for these items in the preparation of the 2011-13 executive budget.

*** SECTION 32. 2011-13 BIENNIUM BUDGET REQUESTS - RECOMMENDATION - FULL-TIME EQUIVALENT POSITIONS.** Notwithstanding any other provision of law, the office of management and budget, in preparation of the 2011-13 executive budget, shall limit the total number of full-time equivalent positions for executive branch agencies, departments, and institutions included in agency budget requests and the executive budget recommendation to the same level approved by the sixty-first legislative assembly in total for these entities, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 33. APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000, or so much of the sum as may be necessary, to the department of public instruction for the development and customization of a North Dakota personal finance schoolbook, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 34. APPROPRIATION - DEPARTMENT OF EMERGENCY SERVICES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the sum as may be necessary, to the department of emergency services for the purpose of providing grants to eligible political subdivisions for up to fifty percent of the costs incurred by the political subdivisions in meeting the local cost-share required by the federal emergency management agency for disaster, emergency response, and recovery costs, and for up to fifty percent of the costs incurred by the political subdivisions for disaster, emergency response, and recovery costs not covered by the federal emergency management agency, for the period beginning with the effective date of this Act and ending June 30, 2011. For the purposes of this section, an eligible political subdivision is one that experienced damage or destruction due to a tornado during the summer of 2007.

SECTION 35. 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 tobacco prevention and control trust fund, not otherwise appropriated, to the tobacco prevention and control executive committee for the purpose of defraying the expenses of the committee, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | Base Level | Adjustments or Enhancements | Appropriation |
|--------------------------------|---------------|--------------------------------|---------------------|
| Comprehensive tobacco control | \$0 | <u>\$12,882,000</u> | <u>\$12,882,000</u> |
| Total special funds | \$0 | \$12,882,000 | \$12,882,000 |
| Full-time equivalent positions | 0.00 | 4.00 | 4.00 |

SECTION 36. APPROPRIATION. There is appropriated out of any moneys in the tobacco prevention and control trust fund, not otherwise appropriated, the sum of \$62,403, or so much of the sum as may be necessary, to the tobacco prevention and control executive committee for the purpose of defraying the expenses of the committee; developing, implementing, and administering the comprehensive tobacco control and prevention plan; and contracting with a consultant to facilitate the development of the comprehensive plan, for the period beginning January 1, 2009, and ending June 30, 2009.

SECTION 37. LEGISLATIVE INTENT. It is the intent of the sixty-first legislative assembly that any act of the tobacco prevention and control executive

committee or its employees is an act of the state of North Dakota functioning in its sovereign and governmental capacity. As a state entity the committee is subject to accountability requirements, including laws relating to state audits, fiscal management, records retention, and procurement. Employees of the committee are part of the state classified system.

SECTION 38. REPORTS TO THE BUDGET SECTION. The tobacco prevention and control executive committee shall report to the budget section quarterly on the implementation of the comprehensive tobacco prevention and control plan and outcomes achieved, for the 2009-10 interim.

SECTION 39. Water development trust fund expenditures. Any moneys deposited in the water development trust fund under section 54-27-25 may be spent only pursuant to legislative appropriations.

SECTION 40. Biennial budget. The tobacco prevention and control executive committee shall prepare and submit a biennial budget to the office of management and budget as required by section 54-44.1-04.

SECTION 41. RETROACTIVE APPLICATION. Section 36 of this Act is retroactive to January 1, 2009.

SECTION 42. EFFECTIVE DATE. Section 24 of this Act is effective for taxable events occurring after June 30, 2011.

SECTION 43. EMERGENCY. Sections 2, 3, 30, 34, 36, and 41 of this Act are declared to be an emergency measure.

Approved May 11, 2009
Filed May 11, 2009

* Sections 23, 28, 29, 31, and 32 of House Bill No. 1015 were vetoed, see chapter 632.

CHAPTER 16**HOUSE BILL NO. 1016**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the office of the adjutant general; to provide statements of legislative intent; to provide an appropriation; to provide for transfers; to provide an exemption; to amend and reenact subsections 3 and 4 of section 37-29-03 as created by section 1 of House Bill No. 1181, as approved by the sixty-first legislative assembly, and section 54-06-27 of the North Dakota Century Code, relating to job protections for volunteer emergency responders of the adjutant general's office and leave for emergency service volunteers; to provide for a report to the budget section; and to declare an emergency.

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 office of the adjutant general for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

NATIONAL GUARD

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|------------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$4,216,409 | \$625,027 | \$4,841,436 |
| Operating expenses | 3,848,828 | (171,937) | 3,676,891 |
| Capital assets | 213,667 | 10,003 | 223,670 |
| Grants | 449,514 | 500,000 | 949,514 |
| Civil air patrol | 160,091 | 62,745 | 222,836 |
| Tuition, recruiting, and retention | 2,407,500 | 0 | 2,407,500 |
| Air guard contract | 9,474,114 | 77,429 | 9,551,543 |
| Army guard contract | 66,423,926 | (6,365,827) | 60,058,099 |
| Reintegration program | 295,218 | 1,082,191 | 1,377,409 |
| Veterans' cemetery | 354,635 | 134,506 | 489,141 |
| Total all funds | \$87,843,902 | (\$4,045,863) | \$83,798,039 |
| Less estimated income | 74,786,605 | (6,499,373) | 68,287,232 |
| Total general fund | \$13,057,297 | \$2,453,510 | \$15,510,807 |

Subdivision 2.

DEPARTMENT OF EMERGENCY SERVICES

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|----------------------|-------------------|--|----------------------|
| Salaries and wages | \$7,788,202 | \$1,595,403 | \$9,383,605 |
| Operating expenses | 3,829,400 | 287,657 | 4,117,057 |
| Capital assets | 440,377 | 1,576,970 | 2,017,347 |
| Grants | 40,794,635 | 3,607,632 | 44,402,267 |
| Radio communications | 0 | 3,745,000 | 3,745,000 |

| | | | |
|-----------------------|--------------|--------------|--------------|
| Total all funds | \$52,852,614 | \$10,812,662 | \$63,665,276 |
| Less estimated income | 46,889,068 | 4,711,801 | 51,600,869 |
| Total general fund | \$5,963,546 | \$6,100,861 | \$12,064,407 |

Subdivision 3.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------------------|-------------------|--|----------------------|
| Grand total general fund | \$19,020,843 | \$8,954,371 | \$27,975,214 |
| Grand total special funds | 121,675,673 | 51,996,198 | 173,671,871 |
| Grand total all funds | \$140,696,516 | \$60,950,569 | \$201,647,085 |
| Full-time equivalent positions | 232.00 | 0.00 | 232.00 |

SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the adjutant general, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|---|-------------|
| Military energy-related maintenance and repairs | \$2,522,270 |
|---|-------------|

The adjutant general may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES. There is appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$1,261,500, or so much of the sum as may be necessary, to the adjutant general for the purpose of replacing boilers, constructing an operations center, and enhancing security relating to the national crime information center, for the biennium beginning July 1, 2009, and ending June 30, 2011. Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget.

SECTION 4. APPROPRIATION - FLOOD-RELATED COSTS. There is appropriated from special funds derived from federal funds or other income the sum of \$50,000,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of defraying expenses relating to 2009 flood disasters, for the period beginning with the effective date of this Act through June 30, 2011.

SECTION 5. APPROPRIATION - VOLUNTEER MANAGEMENT GRANT PROGRAM. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$400,000, or so much of the sum as may be necessary, to the department of emergency services to provide grants to political subdivisions for payments to entities that have provided volunteer management services within that political subdivision for a particular disaster in an

amount that may not exceed \$50,000 for each disaster, for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 6. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|----------------|----------------|
| Computer-aided dispatch project | \$980,000 | \$0 |
| Motorola lease purchase payment (general fund portion) | 1,084,970 | 1,525,347 |
| Special assessments | 92,000 | 0 |
| Deferred maintenance | 625,000 | 0 |
| Veterans' bonus multiple deployments | 0 | 500,000 |
| Technology projects | 0 | 3,600,000 |
| Technology equipment and software purchases | 0 | 160,000 |
| Total general fund | \$2,781,970 | \$5,785,347 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The adjutant general shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. VETERANS' CEMETERY MAINTENANCE FUND - APPROPRIATION. In addition to the amount appropriated to the adjutant general in the veterans' cemetery line item in subdivision 1 of section 1 of this Act, there is appropriated any additional funds which are received and deposited in the veterans' cemetery maintenance fund pursuant to sections 37-03-14 and 39-04-10.10 for the operation of the North Dakota veterans' cemetery for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. MAINTENANCE AND REPAIRS - TRANSFERS. The adjutant general may transfer to the operating expenses and capital assets line items contained in section 1 of this Act up to the sum of \$500,000 from the various other line items contained in section 1 of this Act, as determined necessary by the adjutant general to provide for the maintenance and repair of state-owned armories in this state during the biennium beginning July 1, 2009, and ending June 30, 2011. Any amounts transferred pursuant to this section must be reported to the director of the office of management and budget.

SECTION 9. EXEMPTION. Funding of \$980,000 from the general fund appropriated for the computer-aided dispatch project, as contained in subdivision 2 of section 3 of chapter 42 of the 2007 Session Laws, is not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or related revenues are available and may be expended during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. LEGISLATIVE INTENT - REINTEGRATION PROGRAM. It is the intent of the sixty-first legislative assembly that the adjutant general use all federal funds available for the reintegration program before using the \$1,377,409 appropriated for the program in subdivision 1 of section 1 of this Act. The funding for the program is to be used for providing support for all service members and their families for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 11. REINTEGRATION PROGRAM - REPORT TO THE BUDGET

SECTION. The adjutant general shall provide a report to the budget section during the 2009-10 interim regarding reintegration program expenditures and the program's impact on service members.

SECTION 12. LEGISLATIVE INTENT - STATE RADIO COMMUNICATIONS

COVERAGE. It is the intent of the sixty-first legislative assembly that the funding of \$500,000 appropriated in the radio communications line item in subdivision 2 of section 1 of this Act is for improving state radio communications coverage in the state. Of the \$500,000, \$100,000 is for conducting a study of the effects of next generation 911, \$75,000 is for alternatives to constructing new state radio towers, and \$325,000 is for implementing a new state radio tower site near Wales.

SECTION 13. LEGISLATIVE INTENT - DISASTER FUNDING.

It is the intent of the sixty-first legislative assembly that 2009 flood disaster payments to political subdivisions be made allowing for a six percent local share. The difference between current federal funding and anticipated federal funding is to be made by the state until federal reimbursement funds are received for the period beginning with the effective date of this Act through June 30, 2011.

⁶ **SECTION 14. AMENDMENT.** Subsections 3 and 4 of section 37-29-03 of the North Dakota Century Code as created by section 1 of House Bill No. 1181, as approved by the sixty-first legislative assembly, are amended and reenacted as follows:

3. Subsection 1 does not apply if due to serving as a volunteer emergency responder, the employee is absent or tardy from the employee's place of employment for a period that exceeds ~~ten~~ twenty regular ~~business~~ working days in a calendar year.
4. In order to receive the protections of subsection 1, an employee who will be absent or tardy from the employee's place of employment while serving as a volunteer emergency responder in the case of a disaster or emergency shall make reasonable efforts to notify the employer of that service ~~and shall continue to make those reasonable notification efforts over the course of the absence.~~

⁷ **SECTION 15. AMENDMENT.** Section 54-06-27 of the North Dakota Century Code as amended in section 2 of House Bill No. 1181, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

54-06-27. Emergency service volunteers - Leave. Upon issuance of an order or proclamation declaring a state of disaster or emergency pursuant to chapter 37-17.1, a search emergency by the air force rescue coordination center or by the department of emergency services, or a declaration of at least a level II disaster by the American red cross in this or any other state, the executive officer in charge of a state agency or the governing body of any political subdivision may grant a leave of absence to any full-time employee of that governmental entity who is an emergency medical service provider, a member of the civil air patrol, a firefighter, police officer,

⁶ Section 37-29-03 was created by section 1 of House Bill No. 1181, chapter 313.

⁷ Section 54-06-27 was also amended by section 2 of House Bill No. 1181, chapter 313.

volunteer member of the North Dakota army or air national guard, or emergency radio operator, or who performs other services necessary in an emergency. The leave of absence must be for the purpose of allowing that employee to provide voluntary emergency services. An individual on leave under this section is not deemed to be an employee of the governmental entity for the purposes of workforce safety and insurance. The cumulative leave granted under this section may not exceed ~~ten~~ twenty working days during any calendar year. The leave may not result in a loss of compensation, seniority, annual leave, sick leave, or accrued overtime for which the employee is otherwise eligible.

SECTION 16. EMERGENCY. Sections 2, 3, 4, 5, 13, 14, and 15 are declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 17**HOUSE BILL NO. 1017**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the game and fish department; to create and enact a new section to chapter 20.1-04 of the North Dakota Century Code, relating to permits for exempt training areas for gun dogs; and to amend and reenact section 20.1-02-05.1 and subsection 5 of section 20.1-17-01 of the North Dakota Century Code, relating to game and fish department land acquisitions and agency rules adopted under the Nonindigenous Aquatic Nuisance Prevention and Control Act.

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 game and fish fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the game and fish department for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---|---------------------|--|----------------------|
| Salaries and wages | \$19,013,463 | \$2,566,824 | \$21,580,287 |
| Operating expenses | 11,690,087 | 1,109,913 | 12,800,000 |
| Capital assets | 3,284,241 | 680,759 | 3,965,000 |
| Grants | 6,652,184 | (108,184) | 6,544,000 |
| Land habitat and deer depredation | 12,786,351 | (1,706,189) | 11,080,162 |
| Noxious weed control | 450,000 | 100,000 | 550,000 |
| Recruitment and retention study | 30,000 | (30,000) | 0 |
| Grants, gifts, and donations | 500,000 | (100,000) | 400,000 |
| Nongame wildlife conservation | 120,000 | 0 | 120,000 |
| Lonetree reservoir | 1,594,713 | 60,976 | 1,655,689 |
| Wildlife services | 680,000 | 88,800 | 768,800 |
| Ramp improvements and marina development | 1,040,000 | (1,040,000) | 0 |
| Total special funds | <u>\$57,841,039</u> | <u>\$1,622,899</u> | <u>\$59,463,938</u> |
| Full-time equivalent positions | 155.00 | 2.00 | 157.00 |

⁸ **SECTION 2. AMENDMENT.** Section 20.1-02-05.1 of the North Dakota Century Code is amended and reenacted as follows:

20.1-02-05.1. Land acquisitions - Statewide land acquisition plan. The director shall establish a comprehensive statewide land acquisition plan that must be approved by the budget section of the legislative council. Every land acquisition

⁸ Section 20.1-02-05.1 was also amended by section 98 of House Bill No. 1436, chapter 482.

made by the department exceeding ten acres [4.05 hectares] or ten thousand dollars must be approved by the budget section. Prior to any land acquisition, the department shall have the land in question appraised by a certified appraiser. The department may not acquire any land for an amount that exceeds the appraised value except for parcels or tracts of land less than forty acres [16.19 hectares] which may be acquired for up to two hundred percent of the appraised value.

SECTION 3. A new section to chapter 20.1-04 of the North Dakota Century Code is created and enacted as follows:

Gun dog training area - Permit. Notwithstanding section 20.1-04-12, a professional trainer may apply to and obtain from the department a permit designating a specific training area, not to exceed forty acres [16.19 hectares], as an exempt training area.

1. In the exempt training area, a professional trainer may train or run any gun dog or allow the gun dog to run loose at any time.
2. The fee for the permit may not exceed ten dollars per year.

SECTION 4. AMENDMENT. Subsection 5 of section 20.1-17-01 of the North Dakota Century Code is amended and reenacted as follows:

5. Develop rules to prevent the movement of aquatic nuisance species into or within the state. In addition to requirements under chapter 28-32, the department shall conduct a cost-benefit analysis for any rule proposed for adoption under this chapter.

Approved May 1, 2009
Filed May 4, 2009

CHAPTER 18**HOUSE BILL NO. 1018**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state historical society; and to declare an emergency.

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 historical society for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---|-------------------|--|----------------------|
| Salaries and wages | \$7,166,385 | \$1,202,290 | \$8,368,675 |
| Operating expenses | 1,913,911 | 445,299 | 2,359,210 |
| Capital assets | 3,423,581 | 472,631 | 3,896,212 |
| Grants | 1,000,000 | 0 | 1,000,000 |
| Cultural heritage grants | 375,000 | 129,500 | 504,500 |
| Yellowstone-Missouri-Fort Union Commission | 4,492 | 0 | 4,492 |
| Snow angel project | 10,000 | (10,000) | 0 |
| Total all funds | \$13,893,369 | \$2,239,720 | \$16,133,089 |
| Less estimated income | 5,318,766 | (1,659,929) | 3,658,837 |
| Total general fund | \$8,574,603 | \$3,899,649 | \$12,474,252 |
| Full-time equivalent positions | 60.00 | 2.00 | 62.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|----------------|----------------|
| Lincoln bicentennial | \$50,000 | \$0 |
| Capital projects and deferred maintenance | 1,298,000 | 0 |
| Marketing | 85,000 | 75,000 |
| Chateau de Mores interpretive center | 195,000 | 0 |
| Medal of honor monument | 30,000 | 0 |
| New exhibit development | 0 | 330,000 |
| Compact shelving for archives | 0 | 350,000 |
| Extraordinary repairs and small capital projects | 0 | 666,500 |
| Total general fund | \$1,658,000 | \$1,421,500 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The state historical society shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. REVOLVING FUND - APPROPRIATION. All fees collected by the state historical society and deposited in the revolving fund established pursuant to section 55-03-04 are appropriated to the state historical society for the purposes provided in chapter 55-03, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. GIFTS, GRANTS, AND BEQUESTS - APPROPRIATION. All gifts, grants, devises, bequests, donations, and assignments received by the state historical society and deposited with the state treasurer pursuant to section 55-01-04 are appropriated to the state historical society for the purposes provided in section 55-01-04, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the state historical society, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|--|----------------|
| Protective structure for locomotive at Camp Hancock | \$150,000 |
| Fort Totten commissary storehouse exhibit and signage | 385,000 |
| Geographic information system scanning and integration | <u>150,000</u> |
| Total federal funds (from department of transportation transportation enhancement funds) | \$685,000 |

The state historical society may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 6. EMERGENCY. Section 5 of this Act is declared to be an emergency measure.

Approved May 4, 2009
Filed May 5, 2009

CHAPTER 19

HOUSE BILL NO. 1019

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the parks and recreation department and the International Peace Garden; to provide for a transfer; to amend and reenact subsection 5 of section 55-08-05 and section 55-08-14.1 of the North Dakota Century Code, relating to recreational grants and concession agreements; to provide legislative intent; and to declare an emergency.

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 parks and recreation department for the purpose of defraying the expenses of the parks and recreation department and the International Peace Garden, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Administration | \$1,949,169 | \$233,516 | \$2,182,685 |
| Natural resources | 10,898,861 | 2,775,814 | 13,674,675 |
| Recreation | 8,636,524 | (575,725) | 8,060,799 |
| Deferred maintenance | 0 | 835,400 | 835,400 |
| Total all funds | \$21,484,554 | \$3,269,005 | \$24,753,559 |
| Less estimated income | <u>13,348,117</u> | <u>(1,200,063)</u> | <u>12,148,054</u> |
| Total general fund | \$8,136,437 | \$4,469,068 | \$12,605,505 |
| Full-time equivalent positions | 50.50 | 2.50 | 53.00 |

Subdivision 2.

INTERNATIONAL PEACE GARDEN

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---|-------------------|--|----------------------|
| International Peace Garden | \$736,854 | \$1,991,600 | \$2,728,454 |
| International music camp contingency | 400,000 | (400,000) | 0 |
| Total all funds | \$1,136,854 | \$1,591,600 | \$2,728,454 |
| Less estimated income | <u>200,000</u> | <u>(200,000)</u> | <u>0</u> |
| Total general fund | \$936,854 | \$1,791,600 | \$2,728,454 |

Subdivision 3.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|-------------------|--|----------------------|
| Grand total general fund | \$9,073,291 | \$6,260,668 | \$15,333,959 |
| Grand total special funds | 13,548,117 | (600,063) | 12,948,054 |
| Grand total all funds | \$22,621,408 | \$5,660,605 | \$28,282,013 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|--|----------------|----------------|
| Parks capital projects and deferred maintenance | \$2,295,000 | \$2,359,768 |
| Park signage and maps | 0 | 20,000 |
| Online reservation system and equipment replacement | 660,000 | 0 |
| International Peace Garden capital projects and deferred maintenance | 2,433,000 | 86,600 |
| International Peace Garden loan repayment | 0 | 1,850,000 |
| Parks community grant program | 0 | 400,000 |
| International Peace Garden equipment | 0 | 55,000 |
| Total general fund | \$5,388,000 | \$4,771,368 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. DEFERRED MAINTENANCE - TRANSFERS. The parks and recreation department may transfer from the deferred maintenance line to other lines contained in subdivision 1 of section 1 of this Act, amounts necessary to address extraordinary repair needs. Any amounts transferred must be reported to the director of the office of management and budget.

SECTION 4. GAME AND FISH OPERATING FUND - TRANSFER. The sum of \$222,000, or so much of the sum as may be necessary, included in the estimated income line item in subdivision 1 of section 1 of this Act, is from the game and fish operating fund, or federal or other funds available to the game and fish department, and must be transferred to the parks and recreation department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. EXEMPTION. Up to \$400,000 of the recreation line item contained in subdivision 1 of section 1 of this Act is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be expended during the biennium beginning July 1, 2011, and ending June 30, 2013, for the purposes provided in section 55-08-14.1.

SECTION 6. AMENDMENT. Subsection 5 of section 55-08-05 of the North Dakota Century Code is amended and reenacted as follows:

5. Provide facilities for the sale to the public of food, nonintoxicating beverages, except beer and wine sales as provided in subsections 6

and 7, and other merchandise and personal services of a suitable nature, and make buildings, structures, and other recreational facilities available for use and occupancy by the public, or contract for the lease of the buildings, structures, and facilities to a concessionaire to be operated on the terms and compensation basis as the director determines to be in the best interest of the state. The duration of a concession agreement may not exceed twenty years. A bond must be required of each concessionaire in the amount the director determines, conditioned upon the faithful performance of all duties under the lease and proper accounting for all funds.

SECTION 7. AMENDMENT. Section 55-08-14.1 of the North Dakota Century Code is amended and reenacted as follows:

55-08-14.1. Leadership and facilities grants. The parks and recreation department shall administer the funds made available to provide for recreational leadership grants and facilities grants in the following manner:

1. ~~One-fourth~~ Up to twenty-five percent of all moneys made available to the department for the grants ~~must~~ may be used for a leadership grant program. ~~This program shall provide enhanced recreational opportunities to state residents, particularly in~~ with priority given to communities with a population of thirteen thousand or less, regardless of age or state of health. ~~Moneys.~~ Within the availability of legislative appropriations, moneys must be provided to grant recipients over a three-year period on a ~~three to one~~ seventy-five percent matching basis for the first year of a grant, ~~one to one~~ fifty percent matching basis for the second year of a grant, and ~~one to three~~ twenty-five percent matching basis for the third year of the grant, after which the program must be fully funded locally.
2. ~~Three-fourths~~ No less than seventy percent of all moneys made available to the department for the grants must be used for a facilities grant program. This program must provide funds, on a fifty percent matching basis, for political subdivisions to improve, renovate, or construct any type of facility primarily used for ~~community,~~ park, and recreation purposes.
3. Up to five percent of all moneys made available to the department biennially for the recreational and facilities grants program may be used by the department for administration of leadership and facilities grants and to ensure completion of the projects funded.

SECTION 8. LEGISLATIVE INTENT - FEDERAL FISCAL STIMULUS FUNDS. It is the intent of the sixty-first legislative assembly that the Fort Abraham Lincoln foundation be encouraged to seek federal fiscal stimulus funds for architectural and archeological services at Fort Abraham Lincoln.

SECTION 9. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the parks and recreation department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|--|------------------|
| Turtle River state park pedestrian bridge | \$300,000 |
| Turtle Mountain scenic byway acquisition/trails | 200,000 |
| Fort Abraham Lincoln CCC building rehabilitation | <u>300,000</u> |
| Total federal funds | <u>\$800,000</u> |

The parks and recreation department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 10. EMERGENCY. Section 9 of this Act is declared to be an emergency measure.

Approved May 1, 2009
Filed May 5, 2009

CHAPTER 20**HOUSE BILL NO. 1020**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state water commission; to provide legislative intent; to provide exemptions; and to declare an emergency.

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 water commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-------------------------------------|----------------------|--|----------------------|
| Administrative and support services | \$2,454,866 | \$522,808 | \$2,977,674 |
| Water and atmospheric resources | 170,544,397 | 137,223,637 | 307,768,034 |
| Total all funds | <u>\$172,999,263</u> | <u>\$137,746,445</u> | <u>\$310,745,708</u> |
| Less estimated income | <u>162,122,016</u> | <u>134,799,793</u> | <u>296,921,809</u> |
| Total general fund | \$10,877,247 | \$2,946,652 | \$13,823,899 |
| Full-time equivalent positions | 84.00 | 2.00 | 86.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 and are not a part of the entity's base budget for the 2009-11 biennium:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---------------------------------------|--------------------|----------------|
| Red River Valley water supply project | <u>\$3,000,000</u> | <u>\$0</u> |
| Total general fund | <u>\$3,000,000</u> | <u>\$0</u> |

SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. There is appropriated out of any federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$12,000,000, or so much of the sum as may be necessary, to the state water commission for the purpose of providing funding for the southwest pipeline project, for the period beginning with the effective date of this Act and ending June 30, 2011.

The state water commission may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. SOVEREIGN LANDS ENFORCEMENT GRANT. The administrative and support services line item in section 1 of this Act includes \$200,000 from the general fund that the state water commission shall provide as a grant to the game and fish department for law enforcement activities on sovereign lands in the state, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. ADDITIONAL INCOME - APPROPRIATION. In addition to the amounts included in the estimated income line item in section 1 of the Act, any additional amounts in the resources trust fund and water development trust fund that become available are appropriated to the state water commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. GRANTS - WATER-RELATED PROJECTS - CARRYOVER AUTHORITY. Section 54-44.1-11 does not apply to funding for grants or water-related projects included in the water and atmospheric resources line item in section 1 of this Act. However, this exclusion is only in effect for two years after June 30, 2011. Any unexpended funds appropriated from the resources trust fund after that period has expired must be transferred to the resources trust fund and any unexpended funds appropriated from the water development trust fund after that period has expired must be transferred to the water development trust fund.

SECTION 7. FARGO FLOOD CONTROL PROJECT FUNDING - EXEMPTION. Of the funds appropriated in the water and atmospheric resources line item in section 1 of this Act, \$45,000,000 is for Fargo flood control projects, for the biennium beginning July 1, 2009, and ending June 30, 2011. Any funds not spent by June 30, 2011, are not subject to section 54-44.1-11 and must be continued into the next or subsequent bienniums and may be expended only for Fargo flood control projects. These funds may be used only for land purchases and construction; may not be used for administration, engineering, legal, planning, or other similar purposes; and are not subject to the sixty-five percent funding requirement contained in Senate Bill No. 2316 (2009).

SECTION 8. LEGISLATIVE INTENT - FARGO FLOOD CONTROL. It is the intent of the sixty-first legislative assembly that a total of \$75,000,000 be committed by the state to match a grant of federal funds for Fargo flood control, of which \$45,000,000 is appropriated in section 1 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. LEGISLATIVE INTENT - STATE WATER COMMISSION PROJECTS. It is the intent of the sixty-first legislative assembly that of the funds appropriated in the water and atmospheric resources line item in section 1 of this Act, the state water commission provide funding for the following projects, for the biennium beginning July 1, 2009, and ending June 30, 2011:

| | |
|--|-----------|
| Digital elevation mapping project | \$300,000 |
| Enhancement of the local share of funding for the Renwick dam in Pembina County | \$100,000 |
| Evaluate, in conjunction with state, local, and federal officials and entities, | \$500,000 |

long-term flood control solutions in
the Red River valley
Michigan spillway in Nelson County

\$500,000

SECTION 10. LEGISLATIVE INTENT - NELSON COUNTY WATER RESOURCE DISTRICT. It is the intent of the sixty-first legislative assembly that the state water commission assist the Nelson County water resource district by providing engineering and permitting services, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 11. EMERGENCY. Section 3 of this Act is declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 21**HOUSE BILL NO. 1021**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of workforce safety and insurance; to authorize and provide an appropriation for additional full-time equivalent positions for workforce safety and insurance; and to create and enact a new section to chapter 65-02 of the North Dakota Century Code, relating to providing a continuing appropriation for litigation expenses relating to employer and medical provider issues.

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 from special funds derived from the workforce safety and insurance fund in the state treasury, not otherwise appropriated, to workforce safety and insurance, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Total special funds | \$53,241,155 | \$2,281,450 | \$55,522,605 |
| Full-time equivalent positions | 237.14 | 0.00 | 237.14 |

SECTION 2. WORKFORCE SAFETY AND INSURANCE FULL-TIME EQUIVALENT EMPLOYEE POSITIONS AUTHORIZATION - APPROPRIATION. The director of workforce safety and insurance may hire, upon a determination that employees are needed to facilitate the economic and efficient administration of the entity's vocational rehabilitation program, up to ten full-time equivalent employee positions in addition to the full-time equivalent employee positions authorized in section 1 of this Act for the biennium beginning July 1, 2009, and ending June 30, 2011. There is appropriated out of any moneys in the workers' compensation fund, not otherwise appropriated, the sum of \$1,355,000, or so much of the sum as may be necessary, to workforce safety and insurance for the purpose of defraying the expenses of any additional full-time equivalent positions authorized under this section, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. A new section to chapter 65-02 of the North Dakota Century Code is created and enacted as follows:

Litigation expenses - Continuing appropriation. Money in the workforce safety and insurance fund is appropriated to the organization on a continuing basis for payment of organization expenses associated with litigating employer-related issues arising under this title and for payment of organization expenses associated with litigating medical provider-related issues identified under sections 65-02-23 and 65-02-20.

Approved April 24, 2009
Filed April 29, 2009

CHAPTER 22**HOUSE BILL NO. 1022**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of various state retirement and investment agencies; to provide a transfer; to amend and reenact subsection 1 of section 15-39.1-09 of the North Dakota Century Code, relating to teachers' fund for retirement employer contributions; to provide for application; to provide an effective date; and to provide an expiration date.

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 from special funds derived from income, to the retirement and investment agencies listed in this section for the purpose of defraying their expenses, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

RETIREMENT AND INVESTMENT OFFICE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$2,334,909 | \$339,171 | \$2,674,080 |
| Operating expenses | 935,999 | (11,429) | 924,570 |
| Contingencies | 82,000 | 0 | 82,000 |
| Total special funds | \$3,352,908 | \$327,742 | \$3,680,650 |
| Full-time equivalent positions | 17.00 | 0 | 17.00 |

Subdivision 2.

PUBLIC EMPLOYEES RETIREMENT SYSTEM

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$3,746,283 | \$490,206 | \$4,236,489 |
| Operating expenses | 11,247,019 | (9,587,020) | 1,659,999 |
| Contingencies | 250,000 | 0 | 250,000 |
| Total all funds | \$15,243,302 | (\$9,096,814) | \$6,146,488 |
| Less estimated income | <u>15,243,302</u> | <u>(9,109,814)</u> | <u>6,133,488</u> |
| Total general fund | \$0 | \$13,000 | \$13,000 |
| Full-time equivalent positions | 33.00 | 0 | 33.00 |

Subdivision 3.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Grand total general fund | \$0 | \$13,000 | \$13,000 |
| Grand total special funds | <u>18,596,210</u> | <u>(8,757,072)</u> | <u>9,839,138</u> |
| Grand total all funds | \$18,596,210 | (\$8,744,072) | \$9,852,138 |
| Full-time equivalent positions | 50.00 | 0 | 50.00 |

SECTION 2. APPROPRIATION LINE ITEM TRANSFERS. Upon approval of the respective boards, the retirement and investment office and the public employees retirement system may transfer from their respective contingencies line items in subdivisions 1 and 2 of section 1 of this Act to all other line items. The agencies shall notify the office of management and budget of each transfer made pursuant to this section.

SECTION 3. APPROPRIATION. If Senate Bill No. 2277 is approved by the sixty-first legislative assembly and becomes effective, there is appropriated out of any moneys in the teachers' fund for retirement, not otherwise appropriated, the sum of \$25,000, or so much of the sum as may be necessary, to the retirement and investment office for the purpose of implementing Senate Bill No. 2277, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. AMENDMENT. If Senate Bill No. 2277 is approved by the sixty-first legislative assembly and becomes effective, subsection 1 of section 15-39.1-09 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as otherwise provided by law, every teacher is a member of the fund and must be assessed upon the teacher's salary seven and seventy-five hundredths percent per annum, which must be deducted, certified, and paid monthly to the fund by the disbursing official of the governmental body by which the teacher is employed. Except as otherwise provided by law, every governmental body employing a teacher shall pay to the fund eight and ~~twenty-five~~ seventy-five hundredths percent per annum of the salary of each teacher employed by it. The disbursing official of the governmental body shall certify the governmental body payments and remit the payments monthly to the fund.

SECTION 5. APPLICATION. Section 4 of this Act applies to salaries earned after June 30, 2010.

SECTION 6. EFFECTIVE DATE. Section 4 of this Act becomes effective on July 1, 2010.

SECTION 7. EXPIRATION DATE. Section 4 of this Act is effective until the ratio of the actuarial value of assets to the actuarial accrued liability of the teachers' fund for retirement increases to ninety percent based upon the actuarial value of assets and expires on the July first that follows the first valuation that shows a ninety percent funded ratio. The board of trustees of the teachers' fund for retirement shall notify the legislative council of the expiration date of section 4 of this Act.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 23**HOUSE BILL NO. 1023**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of various state departments and institutions; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sums as hereinafter provided or so much of the sums as may be necessary. These sums increase the general fund authority enacted by the sixtieth legislative assembly to the stated departments and institutions of the state of North Dakota for the purpose of defraying their expenses, for the period beginning January 1, 2009, and ending June 30, 2009, as follows:

Subdivision 1.

OFFICE OF THE ATTORNEY GENERAL

| | |
|----------------------------------|----------------|
| Litigation fees | \$20,000 |
| Capital assets | 340,000 |
| Operating expenses | <u>74,000</u> |
| Total all funds | \$434,000 |
| Less estimated income | <u>340,000</u> |
| Total general fund appropriation | \$94,000 |

Subdivision 2.

OFFICE OF THE ADJUTANT GENERAL

| | |
|----------------------------------|-------------|
| Operating expenses | \$4,822,553 |
| Total general fund appropriation | \$4,822,553 |

Subdivision 3.

UNIVERSITY OF NORTH DAKOTA

| | |
|----------------------------------|-------------|
| 1997 flood expenditures | \$2,858,771 |
| Total general fund appropriation | \$2,858,771 |

Subdivision 4.

NORTH DAKOTA STATE UNIVERSITY

| | |
|----------------------------------|-----------|
| 2000 flood expenditures | \$527,842 |
| Total general fund appropriation | \$527,842 |

Subdivision 5.

MAIN RESEARCH CENTER

| | |
|----------------------------------|-----------|
| Main research center | \$100,499 |
| Total general fund appropriation | \$100,499 |

Subdivision 6.

CENTRAL GRASSLANDS RESEARCH CENTER

| | |
|------------------------------------|----------|
| Central grasslands research center | \$13,560 |
| Total general fund appropriation | \$13,560 |

Subdivision 7.

NORTH CENTRAL RESEARCH CENTER

| | |
|--|-------------|
| North central research center | \$22,094 |
| Total general fund appropriation | \$22,094 |
| Grand total general fund appropriation | \$8,439,319 |
| Grand total special funds | \$340,000 |
| Grand total all funds | \$8,779,319 |

SECTION 2. EXEMPTION. The sum of \$3,422,553 contained in subdivision 2 of section 1 of this Act is not subject to the provisions of section 54-44.1-11 and any unexpended funds from this appropriation are available during the biennium beginning July 1, 2009, and ending June 30, 2011, for the purpose of providing state matching funds for public assistance and disaster hazard mitigation.

SECTION 3. UNSPENT APPROPRIATION AUTHORITY. The appropriation in subdivision 2 of section 1 of this Act includes \$1,400,000 for expenses incurred for the snow emergency in January 2009. Any unexpended funds from this appropriation may not be spent for other purposes and the appropriation authority must be canceled at the end of the biennium ending June 30, 2009, in accordance with section 54-44.1-11.

SECTION 4. UNSPENT APPROPRIATION AUTHORITY. The appropriation in subdivision 3 of section 1 of this Act is for paying the final university of North Dakota expenses relating to the 1997 flood disaster. Notwithstanding any other provision of law, any unexpended funds from this appropriation may not be spent for other purposes and the appropriation authority must be canceled at the end of the biennium ending June 30, 2011, in accordance with section 54-44.1-11.

SECTION 5. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 15, 2009
Filed April 15, 2009

CHAPTER 24**HOUSE BILL NO. 1231**

(Representatives Keiser, Kerzman, Weisz)
(Senators Kilzer, Krauter, J. Lee)

AN ACT to provide an appropriation to the state department of health for a mobile dental care service grant.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$196,000, or so much of the sum as may be necessary, to the state department of health for the purpose of providing a grant to a nonprofit organization for establishing a mobile dental care service to provide dental treatment, prevention, and education services to low-income and underserved children in areas of the state with limited or unavailable dental services, for the biennium beginning July 1, 2009, and ending June 30, 2011.

Approved April 21, 2009
Filed April 22, 2009

CHAPTER 25**HOUSE BILL NO. 1305**

(Representatives Skarphol, Rust)
(Senator Andrist)

AN ACT to provide an appropriation to the state water commission for water project grants; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of \$2,792,000, or so much of the sum as may be necessary, to the state water commission for the purpose of providing a grant of up to \$864,000 to assist in the local cost-share of the Ray and Tioga water supply project, providing a grant of up to \$985,000 to assist in the local cost-share of the Burke, Divide, and Williams water district water supply project, providing a grant of up to \$593,000 to assist in the local cost-share of the Wildrose water supply project, and providing a grant of up to \$350,000 to assist in the repayment of outstanding bonds associated with the Stanley water pipeline construction project, for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved May 4, 2009

Filed May 5, 2009

CHAPTER 26**HOUSE BILL NO. 1350**

(Representatives Keiser, Karls, Martinson)
(Senators Kilzer, Krauter, Potter)

AN ACT to provide an appropriation to the department of commerce for a grant for construction of a great plains applied energy research center; and to provide for a report to the budget section.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing a grant for construction of a great plains applied energy research center on the Bismarck state college campus, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of commerce may spend the general fund appropriation only when the department certifies to the office of management and budget that:

1. Other nonstate matching funds of three dollars for each one dollar of grant funds are available for all costs of the center, a portion of which must be from the private sector;
2. The state will be a proportionate owner in the center based on the state's contribution percentage of all costs of the center;
3. The state will not be responsible for any future operational costs, including property tax, of the center; and
4. The center will be subject to local property tax assessments at the discretion of the local taxing authority.

SECTION 2. REPORT TO THE BUDGET SECTION. The department of commerce shall provide a report to the budget section at its first meeting after September 1, 2009, and at its first meeting after March 1, 2010, regarding the status of the construction of a great plains applied energy research center, including the extent to which nonstate matching funds have been made available for the project.

Approved April 23, 2009
Filed April 23, 2009

CHAPTER 27**HOUSE BILL NO. 1475**

(Representatives Uglem, Berg, R. Kelsch, Mueller)
(Senators Hogue, Klein)

AN ACT providing an appropriation to the department of career and technical education for innovation grants.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the department of career and technical education for the purpose of providing additional funding for innovation grants, for the biennium beginning July 1, 2009, and ending June 30, 2011.

Approved April 8, 2009

Filed April 9, 2009

CHAPTER 28

HOUSE BILL NO. 1481
 (Representatives Carlson, Boucher)
 (Senators Stenehjem, O'Connell)
 (At the request of the Governor)

AN ACT providing an appropriation to the state historical society for a heritage center addition.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$39,700,000, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income to the state historical society, the sum of \$12,000,000, or so much of the sum as may be necessary, to the state historical society for the purpose of a heritage center addition.

SECTION 2. CONSTRUCTION AUTHORIZATION. Section 1 of this Act includes \$51,700,000, of which \$39,700,000 is from the general fund and \$12,000,000 is from federal or special funds to be raised by the state historical society, for construction of an addition to the North Dakota heritage center. Construction may not begin until the historical society certifies to the office of management and budget that of the federal or special funds required to complete the project, cash or pledges with a discounted cash value of at least \$6,000,000 has been received by the state historical society.

SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the 2009-11 one-time funding items included in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2009-11</u> |
|-------------------------------------|---------------------|
| Heritage center expansion | <u>\$51,700,000</u> |
| Total all funds | \$51,700,000 |
| Total special funds | 12,000,000 |
| Total general fund | \$39,700,000 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The state historical society shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. PROJECT MANAGER - HERITAGE CENTER ADDITION PROJECT. The director of the facility management division of the office of management and budget shall serve as the project construction manager for the heritage center addition project for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS. The state historical society shall seek federal funds under the federal American Recovery and Reinvestment Act of 2009 for the heritage center expansion project. Any funds received are appropriated to the state historical society for the purpose of

defraying the expenses of the project. The state historical society may not spend the general fund moneys appropriated in section 1 of this Act to the extent that federal fiscal stimulus funds are received and spent for the project under this section.

Approved May 5, 2009
Filed May 5, 2009

CHAPTER 29**SENATE BILL NO. 2001**(Appropriations Committee)
(At the request of the Legislative Council)

AN ACT providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for transfers; to create and enact a new subsection to section 54-03.1-03 and a new section to chapter 54-35 of the North Dakota Century Code, relating to the agenda of the organizational session and to a legislative budget committee; to amend and reenact subdivision c of subsection 7 of section 54-03-20, section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07 of the North Dakota Century Code, relating to legislative leaders' monthly compensation, budget requests, and drafts of appropriation bills; to provide for applications and transfers; to provide for a legislative council study; and to provide an effective date.

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 the insurance regulatory trust fund, not otherwise appropriated, to the legislative branch of state government for the purpose of defraying the expenses of that branch, for the fiscal period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Subdivision 1.

SIXTY-FIRST AND SIXTY-SECOND LEGISLATIVE ASSEMBLIES AND BIENNIUM

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|--------------------|--|----------------------|
| Salaries and wages | \$6,855,557 | \$1,077,949 | \$7,933,506 |
| Operating expenses | 2,648,431 | 294,130 | 2,942,561 |
| Capital assets | 206,000 | 794,000 | 1,000,000 |
| National conference of state legislatures | 206,314 | 21,346 | 227,660 |
| Legislative applications replacement | 0 | 3,910,827 | 3,910,827 |
| Total general fund | <u>\$9,916,302</u> | <u>\$6,098,252</u> | <u>\$16,014,554</u> |

Subdivision 2.

LEGISLATIVE COUNCIL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|--------------------|--|----------------------|
| Salaries and wages | \$5,802,975 | \$1,073,394 | \$6,876,369 |
| Operating expenses | 2,635,888 | 956,246 | 3,592,134 |
| Capital assets | 0 | 41,000 | 41,000 |
| Prison facility study | <u>250,000</u> | <u>(250,000)</u> | <u>0</u> |
| Total all funds | \$8,688,863 | \$1,820,640 | \$10,509,503 |
| Less estimated income | 70,000 | 0 | 70,000 |
| Total general fund | <u>\$8,618,863</u> | <u>\$1,820,640</u> | <u>\$10,439,503</u> |

| | | | |
|--------------------------------|-------|------|-------|
| Full-time equivalent positions | 33.00 | 1.00 | 34.00 |
|--------------------------------|-------|------|-------|

Subdivision 3.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|-------------------|------------------------------------|----------------------|
| Grand total general fund | \$18,535,165 | \$7,918,892 | \$26,454,057 |
| Grand total special funds | <u>70,000</u> | <u>0</u> | <u>70,000</u> |
| Grand total all funds | \$18,605,165 | \$7,918,892 | \$26,524,057 |

SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY.

The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|----------------|------------------|
| Legislative applications replacement system | \$3,910,827 | \$3,910,827 |
| Computer equipment replacement | 350,000 | 92,500 |
| Legislative wing equipment and improvements | <u>0</u> | <u>1,000,000</u> |
| Total general fund | \$4,260,827 | \$5,003,327 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The legislative assembly shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY.

The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation for the legislative council in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|----------------|----------------|
| Computer equipment replacement | \$104,579 | \$0 |
| Office equipment replacement | 25,000 | 20,000 |
| State employee compensation study | 0 | 100,000 |
| Office improvements | <u>0</u> | <u>50,000</u> |
| Total general fund | \$129,579 | \$170,000 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The legislative council shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget and the state treasurer shall make transfers of funds between line items of appropriations for the legislative council as may be requested by the chairman of the council or the chairman's designee upon the finding by the chairman or designee that the nature of studies and duties assigned to the council requires the transfers in properly carrying on the council's functions and duties. The director of the office of management and budget and the state treasurer shall similarly make transfers of funds between the line items for the sixty-first and sixty-second legislative assemblies, upon request by the chairman of the legislative

council or the chairman's designee upon the finding by the chairman or designee that the transfers are required for the legislative assembly to carry on its functions and duties.

SECTION 5. LEGISLATIVE WING EQUIPMENT AND IMPROVEMENT FUNDING - EXPENDITURE DETERMINATION. Any expenditure of funds relating to the sum of \$400,000 of the \$1,000,000 provided for legislative wing equipment and improvements in subdivision 1 of section 1 of this Act must be approved by a majority of the senate members of the legislative management committee, or its successor. Any expenditures relating to a separate sum of \$400,000 of the \$1,000,000 for legislative wing equipment and improvements must be approved by a majority of the house of representatives members of the legislative management committee, or its successor, and any expenditures relating to the remaining \$200,000 must be approved by a majority of all members of this committee, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. APPLICATION AND TRANSFER AUTHORITY. North Dakota Century Code sections 54-16-04 and 54-44.1-11 do not apply to chapter 1 of the 2007 Session Laws. The director of the office of management and budget and the state treasurer shall make transfers of funds between the line items and the agencies of the legislative branch within section 1 of that chapter as requested by the chairman of the legislative council or the chairman's designee.

SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE COMPENSATION. During the 2009-10 interim, the legislative council shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 8. ADDITIONAL LODGING REIMBURSEMENT FOR 2009 LEGISLATIVE ASSEMBLY. Notwithstanding the per calendar month lodging maximum provided in section 54-03-20 for members of the legislative assembly during a legislative session, a member of the sixty-first legislative assembly is entitled to lodging reimbursement as provided in section 44-08-04 for state officers and employees for each calendar day the sixty-first legislative assembly is in session during the month of April 2009 if the member submits a voucher indicating the actual amount expended for lodging during the month of April.

⁹ **SECTION 9. AMENDMENT.** Subdivision c of subsection 7 of section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

- c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in

⁹ Section 54-03-20 was also amended by section 40 of House Bill No. 1436, chapter 482, section 97 of House Bill No. 1436, chapter 482, section 10 of Senate Bill No. 2001, chapter 29, section 2 of Senate Bill No. 2064, chapter 386, section 3 of Senate Bill No. 2064, chapter 386, section 4 of Senate Bill No. 2064, chapter 386, section 5 of Senate Bill No. 2064, chapter 386, and section 6 of Senate Bill No. 2064, chapter 386.

addition to any other compensation or expense reimbursement provided by law, the sum of two hundred ~~seventy~~ eighty-four dollars per month during the biennium for their execution of public duties.

¹⁰ **SECTION 10. AMENDMENT.** Subdivision c of subsection 7 of section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

- c. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred ~~seventy~~ ninety-eight dollars per month during the biennium for their execution of public duties.

* **SECTION 11.** A new subsection to section 54-03.1-03 of the North Dakota Century Code is created and enacted as follows:

Presentation of the report of the legislative budget committee as provided in section 12 of this Act;

* **SECTION 12.** A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

Legislative budget committee - Creation - Duties. The legislative council, during each biennium, shall appoint a legislative budget committee consisting of sixteen members, eight of whom must be appointed by the majority leader of the senate and eight of whom must be appointed by the majority leader of the house of representatives. The committee shall coordinate and direct activities involved in the development of budget recommendations to assist the legislative assembly as the legislative assembly develops policy and provides appropriations for the operations of state government. The legislative budget committee, with the assistance of the legislative budget analyst and auditor:

1. Shall develop recommendations for the office of management and budget to consider including in its forms and guidelines for agencies to use in preparing budget requests;
2. Shall review, analyze, and evaluate budgets, budget requests, programs, and activities of state agencies, institutions, and departments;
3. Shall prepare drafts of appropriations acts for the next biennium providing funding at the same base level approved by the most recently adjourned special or regular session of the legislative assembly;

¹⁰ Section 54-03-20 was also amended by section 40 of House Bill No. 1436, chapter 482, section 97 of House Bill No. 1436, chapter 482, section 9 of Senate Bill No. 2001, chapter 29, section 2 of Senate Bill No. 2064, chapter 386, section 3 of Senate Bill No. 2064, chapter 386, section 4 of Senate Bill No. 2064, chapter 386, section 5 of Senate Bill No. 2064, chapter 386, and section 6 of Senate Bill No. 2064, chapter 386.

4. May meet up to four times between November tenth of each even-numbered year and the organizational session of the legislative assembly to develop budget-related recommendations pertaining to the state budget or any portion of that budget, including revenues and appropriations to assist the legislative assembly as the legislative assembly develops policy and provides appropriations for the operations of state government. The committee may prepare draft amendments for consideration by the legislative assembly necessary to implement budget-related recommendations of the committee; and
5. Shall prepare a report for presentation on the first day of organizational session.

* **SECTION 13. AMENDMENT.** Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

(Effective after June 30, 2009) Budget estimates of budget units filed with the office of the budget and the legislative council - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget and the legislative council, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget considering recommendations of the legislative council, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget, subject to approval by the legislative council, may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

* **SECTION 14. AMENDMENT.** Subsection 7 of section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2009, is amended and reenacted as follows:

7. Drafts of a proposed amendment to a general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. ~~The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.~~

* **SECTION 15. AMENDMENT.** Section 54-44.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-07. Presentation of budget data - How presented to the legislative assembly. The director of the budget or the director's designee shall

present the budget data information in section 54-44.1-06, except the drafts of ~~acts~~ amendments required by subsection 7 of that section, and make available sufficient copies thereof to the legislative assembly at the organizational session. The drafts of ~~acts~~ amendments required by subsection 7 of section 54-44.1-06 must be submitted to the legislative council within seven days after the day of adjournment of the organizational session. The budget data must be completed and made available to the legislative assembly in such form as may be prescribed by the legislative council. The legislative council shall set the time and place at which such budget data is to be presented.

SECTION 16. EFFECTIVE DATE. Section 9 of this Act becomes effective on July 1, 2009, and section 10 of this Act becomes effective on July 1, 2010.

Approved May 11, 2009
Filed May 11, 2009

* Sections 11 through 15 of Senate Bill No. 2001 were vetoed, see chapter 633.

CHAPTER 30

SENATE BILL NO. 2002
 (Appropriations Committee)
 (At the request of the Supreme Court)

AN ACT to provide an appropriation for defraying the expenses of the judicial branch; and to amend and reenact sections 27-02-02 and 27-05-03 of the North Dakota Century Code, relating to salaries of supreme and district court judges.

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 judicial branch for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

SUPREME COURT

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------|-------------------|--|----------------------|
| Salaries and wages | \$7,071,605 | \$1,118,391 | \$8,189,996 |
| Operating expenses | 2,149,185 | 48,191 | 2,197,376 |
| Capital assets | 96,000 | (83,451) | 12,549 |
| Judges retirement | 122,231 | 4,790 | 127,021 |
| Total general fund | \$9,439,021 | \$1,087,921 | \$10,526,942 |

Subdivision 2.

DISTRICT COURTS

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$42,102,619 | \$6,027,542 | \$48,130,161 |
| Operating expenses | 13,144,681 | 7,416,641 | 20,561,322 |
| Capital assets | 458,583 | 1,843,350 | 2,301,933 |
| Judges retirement | 605,749 | (72,044) | 533,705 |
| UND central legal research | 80,000 | 0 | 80,000 |
| Alternative dispute resolution | 20,000 | 0 | 20,000 |
| Mediation | 1,076,824 | (284,788) | 792,036 |
| Total all funds | \$57,488,456 | \$14,930,701 | \$72,419,157 |
| Less estimated income | 1,900,591 | (170,130) | 1,730,461 |
| Total general fund | \$55,587,865 | \$15,100,831 | \$70,688,696 |

Subdivision 3.

JUDICIAL CONDUCT COMMISSION AND DISCIPLINARY BOARD

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---|-------------------|--|----------------------|
| Judicial conduct commission and disciplinary board | \$717,291 | \$96,338 | \$813,629 |
| Total all funds | \$717,291 | \$96,338 | \$813,629 |

| | | | |
|-----------------------|-----------|----------|-----------|
| Less estimated income | 299,049 | 15,297 | 314,346 |
| Total general fund | \$418,242 | \$81,041 | \$499,283 |

Subdivision 4.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Grand total general fund | \$65,445,128 | \$16,269,793 | \$81,714,921 |
| Grand total special funds | 2,199,640 | (154,833) | 2,044,807 |
| Grand total all funds | \$67,644,768 | \$16,114,960 | \$83,759,728 |
| Full-time equivalent positions | 338.0 | 4.00 | 342.0 |

SECTION 2. APPROPRIATION. There are appropriated any funds received by the supreme court, district courts, and judicial conduct commission and disciplinary board, not otherwise appropriated, pursuant to federal acts and private gifts, grants, and donations for the purpose as designated in the federal acts or private gifts, grants, and donations for the period beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. TRANSFERS. The director of the office of management and budget and the state treasurer shall make such transfers of funds between line items of appropriation for the judicial branch of government as may be requested by the supreme court upon a finding by the court that the nature of the duties of the court and its staff requires the transfers to carry on properly the functions of the judicial branch of government.

SECTION 4. AMENDMENT. Section 27-02-02 of the North Dakota Century Code is amended and reenacted as follows:

27-02-02. Salaries of justices of supreme court. The annual salary of each justice of the supreme court is one hundred ~~thirteen~~ twenty-four thousand ~~five~~ hundred seventy-eight ~~twenty-seven~~ dollars through June 30, ~~2008~~ 2010, and one hundred ~~eighteen~~ thirty thousand ~~one~~ two hundred ~~twenty-one~~ twenty-eight dollars thereafter. The chief justice of the supreme court is entitled to receive an additional three thousand ~~two~~ five hundred sixty-two dollars per annum through June 30, ~~2008~~ 2010, and three thousand ~~three~~ seven hundred ~~ninety-two~~ forty dollars per annum thereafter.

SECTION 5. AMENDMENT. Section 27-05-03 of the North Dakota Century Code is amended and reenacted as follows:

27-05-03. Salaries and expenses of district judges. The annual salary of each district judge is one hundred ~~four~~ thirteen thousand ~~seventy-three~~ six hundred ~~forty-eight~~ dollars through June 30, ~~2008~~ 2010, and one hundred ~~eight~~ nineteen thousand ~~two~~ three hundred ~~thirty-six~~ thirty dollars thereafter. Each district judge is entitled to travel expenses, including mileage and subsistence while engaged in the discharge of official duties outside the city in which the judge's chambers are located. The salary and expenses are payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled to receive an additional three thousand ~~five~~ two hundred ~~eighty-two~~ dollars per annum through June 30, ~~2008~~ 2010, and three thousand ~~one~~ four hundred ~~twenty-six~~ forty-seven dollars thereafter.

SECTION 6. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for

the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|--|----------------|----------------|
| Unified case management system replacement project | \$1,375,000 | \$7,258,129 |
| Parenting coordinator training | 0 | 52,040 |
| Management reserve fund | 0 | 600,000 |
| Enhanced records management system | 115,750 | 0 |
| Office equipment and furniture | 0 | 288,124 |
| Information technology equipment | 0 | 109,088 |
| Total general fund | \$1,490,750 | \$8,307,381 |

The 2009-11 one-time funding amounts are not a part of the agency's base budget for the 2011-13 biennium. The supreme court shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

Approved May 1, 2009
Filed May 4, 2009

CHAPTER 31**SENATE BILL NO. 2003**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the North Dakota university system; to provide a contingent appropriation; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to provide for legislative council studies; to create and enact a new section to chapter 15-62.2 of the North Dakota Century Code, relating to reporting requirements of scholarship programs; to amend and reenact subsections 1 and 3 of section 15-10-37 and sections 15-62.2-02 and 15.1-01-02 of the North Dakota Century Code, relating to student financial assistance grants, technology grants, and joint meetings of the state's education boards; and to declare an emergency.

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 North Dakota university system office and to the various entities and institutions under the supervision of the state board of higher education for the purpose of defraying the expenses of the North Dakota university system office and to the various entities for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|-------------------|--|----------------------|
| Capital assets | \$15,754,112 | (\$3,740,064) | \$12,014,048 |
| Competitive research program | 5,650,000 | 1,400,000 | 7,050,000 |
| System governance | 6,281,894 | 903,718 | 7,185,612 |
| Title II | 695,600 | 0 | 695,600 |
| System information technology services | 25,983,293 | 4,246,745 | 30,230,038 |
| Professional liability insurance | 1,100,000 | 0 | 1,100,000 |
| Student financial assistance grants | 5,987,497 | 13,386,525 | 19,374,022 |
| Professional student exchange program | 2,722,946 | 614,154 | 3,337,100 |
| Academic and technical education scholarships | 0 | 3,000,000 | 3,000,000 |
| Two-year campus marketing | 0 | 800,000 | 800,000 |
| Scholars program | 1,478,566 | 635,018 | 2,113,584 |
| Native American scholarships | 380,626 | 666 | 381,292 |
| Security and emergency | 0 | 750,000 | 750,000 |

| | | | |
|---|--------------|--------------|--------------|
| preparedness | | | |
| Education incentive programs | 1,740,314 | 1,436,030 | 3,176,344 |
| Science, technology, engineering, and mathematics teacher education enhancement | 0 | 1,500,000 | 1,500,000 |
| Grants | 700,000 | (600,000) | 100,000 |
| Total all funds | \$68,474,848 | \$24,332,792 | \$92,807,640 |
| Less estimated income | 3,343,730 | 705,228 | 4,048,958 |
| Total general fund | \$65,131,118 | \$23,627,564 | \$88,758,682 |
| Full-time equivalent positions | 20.00 | 1.30 | 21.30 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$19,733,680 | \$4,470,325 | \$24,204,005 |
| Capital assets | 243,481 | 3,409,500 | 3,652,981 |
| Deferred maintenance | 0 | 340,637 | 340,637 |
| Total all funds | \$19,977,161 | \$8,220,462 | \$28,197,623 |
| Less estimated income | 0 | 409,500 | 409,500 |
| Total general fund | \$19,977,161 | \$7,810,962 | \$27,788,123 |
| Full-time equivalent positions | 105.38 | 5.55 | 110.93 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$6,511,348 | \$1,444,862 | \$7,956,210 |
| Capital assets | 43,662 | 2,609,920 | 2,653,582 |
| Deferred maintenance | 0 | 93,807 | 93,807 |
| Total all funds | \$6,555,010 | \$4,148,589 | \$10,703,599 |
| Less estimated income | 0 | 0 | 0 |
| Total general fund | \$6,555,010 | \$4,148,589 | \$10,703,599 |
| Full-time equivalent positions | 30.49 | 2.48 | 32.97 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$6,422,504 | \$1,274,495 | \$7,696,999 |
| Capital assets | 86,475 | 16,985,000 | 17,071,475 |
| Deferred maintenance | 0 | 382,002 | 382,002 |
| Total all funds | \$6,508,979 | \$18,641,497 | \$25,150,476 |
| Less estimated income | 0 | 15,375,000 | 15,375,000 |
| Total general fund | \$6,508,979 | \$3,266,497 | \$9,775,476 |
| Full-time equivalent positions | 39.80 | 1.30 | 41.10 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|--|----------------------|
| Operations | \$107,011,830 | \$18,024,953 | \$125,036,783 |
| Capital assets | 2,300,545 | 49,919,000 | 52,219,545 |
| Deferred maintenance | 0 | 7,178,674 | 7,178,674 |
| Total all funds | \$109,312,375 | \$75,122,627 | \$184,435,002 |
| Less estimated income | 0 | 49,919,000 | 49,919,000 |

| | | | |
|--------------------------------|---------------|--------------|---------------|
| Total general fund | \$109,312,375 | \$25,203,627 | \$134,516,002 |
| Full-time equivalent positions | 637.24 | (11.96) | 625.28 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$89,593,630 | \$18,773,992 | \$108,367,622 |
| Capital assets | 1,692,225 | 71,100,000 | 72,792,225 |
| Deferred maintenance | 0 | 5,355,817 | 5,355,817 |
| Total all funds | \$91,285,855 | \$95,229,809 | \$186,515,664 |
| Less estimated income | 0 | 58,100,000 | 58,100,000 |
| Total general fund | \$91,285,855 | \$37,129,809 | \$128,415,664 |
| Full-time equivalent positions | 498.12 | 17.64 | 515.76 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$27,390,368 | \$4,216,787 | \$31,607,155 |
| Capital assets | 753,332 | 12,836,000 | 13,589,332 |
| Deferred maintenance | 0 | 1,034,143 | 1,034,143 |
| Total all funds | \$28,143,700 | \$18,086,930 | \$46,230,630 |
| Less estimated income | 0 | 7,136,000 | 7,136,000 |
| Total general fund | \$28,143,700 | \$10,950,930 | \$39,094,630 |
| Full-time equivalent positions | 156.77 | 0.47 | 157.24 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$16,856,110 | \$4,367,627 | \$21,223,737 |
| Capital assets | 383,690 | 2,000,000 | 2,383,690 |
| Deferred maintenance | 0 | 1,662,172 | 1,662,172 |
| Total all funds | \$17,239,800 | \$8,029,799 | \$25,269,599 |
| Less estimated income | 0 | 350,000 | 350,000 |
| Total general fund | \$17,239,800 | \$7,679,799 | \$24,919,599 |
| Full-time equivalent positions | 121.60 | (30.50) | 91.10 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$10,115,065 | \$1,514,551 | \$11,629,616 |
| Capital assets | 208,994 | 8,626,825 | 8,835,819 |
| Deferred maintenance | 0 | 1,910,120 | 1,910,120 |
| Total all funds | \$10,324,059 | \$12,051,496 | \$22,375,555 |
| Less estimated income | 0 | 3,668,500 | 3,668,500 |
| Total general fund | \$10,324,059 | \$8,382,996 | \$18,707,055 |
| Full-time equivalent positions | 55.89 | (.50) | 55.39 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$30,095,122 | \$4,528,585 | \$34,623,707 |
| Capital assets | 596,870 | 26,000,000 | 26,596,870 |
| Deferred maintenance | 0 | 595,111 | 595,111 |
| Total all funds | \$30,691,992 | \$31,123,696 | \$61,815,688 |
| Less estimated income | 0 | 22,250,000 | 22,250,000 |
| Total general fund | \$30,691,992 | \$8,873,696 | \$39,565,688 |
| Full-time equivalent positions | 184.83 | 4.99 | 189.82 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$13,350,137 | \$3,017,864 | \$16,368,001 |
| Capital assets | 258,416 | 19,500,000 | 19,758,416 |
| Deferred maintenance | 0 | 1,304,921 | 1,304,921 |
| Total all funds | \$13,608,553 | \$23,822,785 | \$37,431,338 |
| Less estimated income | 0 | 18,500,000 | 18,500,000 |
| Total general fund | \$13,608,553 | \$5,322,785 | \$18,931,338 |
| Full-time equivalent positions | 78.15 | 8.71 | 86.86 |

Subdivision 12.

MINOT STATE UNIVERSITY - BOTTINEAU

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$4,759,548 | \$1,102,824 | \$5,862,372 |
| Capital assets | 109,725 | 3,080,000 | 3,189,725 |
| Deferred maintenance | 0 | 97,021 | 97,021 |
| Total all funds | \$4,869,273 | \$4,279,845 | \$9,149,118 |
| Less estimated income | 0 | 2,000,000 | 2,000,000 |
| Total general fund | \$4,869,273 | \$2,279,845 | \$7,149,118 |
| Full-time equivalent positions | 31.11 | 0.64 | 31.75 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE
AND HEALTH SCIENCES

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$34,027,701 | \$7,087,700 | \$41,115,401 |
| Total all funds | \$34,027,701 | \$7,087,700 | \$41,115,401 |
| Less estimated income | 0 | 0 | 0 |
| Total general fund | \$34,027,701 | \$7,087,700 | \$41,115,401 |
| Full-time equivalent positions | 157.74 | (12.82) | 144.92 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|--|----------------------|
| Operations | \$3,352,828 | \$1,118,212 | \$4,471,040 |
| Capital assets | 36,638 | 300,000 | 336,638 |
| Deferred maintenance | 0 | 45,576 | 45,576 |
| Total all funds | \$3,389,466 | \$1,463,788 | \$4,853,254 |
| Less estimated income | 997,486 | 0 | 997,486 |

| | | | |
|--------------------------------|-------------|-------------|-------------|
| Total general fund | \$2,391,980 | \$1,463,788 | \$3,855,768 |
| Full-time equivalent positions | 19.47 | 7.53 | 27.00 |

Subdivision 15.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|-------------------|--|----------------------|
| Grand total general fund | \$440,067,556 | \$153,228,587 | \$593,296,143 |
| Grand total special funds | 4,341,216 | 197,223,148 | 201,564,364 |
| Grand total all funds | \$444,408,772 | \$350,451,735 | \$794,860,507 |

SECTION 2. CONTINGENT FUNDING - LAKE REGION STATE COLLEGE.

The capital assets line item in subdivision 3 of section 1 of this Act includes \$2,609,920 from the general fund for a wind energy project at lake region state college which may be spent only to the extent that federal funds appropriated in section 3 of this Act are not available for these purposes. Notwithstanding provisions of section 54-44.1-11 which authorize the North Dakota university system to continue appropriation authority, any unspent funds from the general fund appropriation provided for the lake region state college wind energy project must be returned to the general fund at the end of the 2009-11 biennium.

SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.

The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the North Dakota university system, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|---|--------------------|
| Lake region state college - Wind energy project | <u>\$2,609,920</u> |
| Total federal funds | <u>\$2,609,920</u> |

The North Dakota university system may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES FUNDS - ADDITIONAL FUNDING APPROVAL - PRIORITY.

The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the North Dakota university system, for the period beginning with the effective date of this Act and ending June 30, 2011, for the following capital construction project:

| | |
|---|---------------------|
| Minot state university Swain hall | \$5,000,000 |
| University of North Dakota education building | <u>11,200,000</u> |
| Total federal funds | <u>\$16,200,000</u> |

The North Dakota university system may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available. If the sum of federal fiscal stabilization - other government services funds appropriated by the sixty-first legislative assembly exceed funds available, the governor shall give priority for using the funds available for the Minot state university Swain hall project and the university of North Dakota education building project.

SECTION 5. ESTIMATED INCOME - PERMANENT OIL TAX TRUST FUND - WILLISTON STATE COLLEGE. The estimated income line item in subdivision 4 of section 1 of this Act includes \$5,000,000 from the permanent oil tax trust fund for the Williston state college virtual center for career and technical education. Williston state college may only use the funding provided from the permanent oil tax trust fund for the purpose of constructing a virtual center for career and technical education to provide secondary and postsecondary career and technical education programs.

SECTION 6. CONTINGENT APPROPRIATION - DICKINSON STATE UNIVERSITY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$8,800,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of the renovation and construction of the Dickinson state university Stoxen library, for the biennium beginning July 1, 2009, and ending June 30, 2011. Dickinson state university may spend this funding only if actual general fund revenues for the period from July 1, 2009, through December 31, 2009, exceed estimated general fund revenues for that period by at least \$25,000,000, as determined by the office of management and budget, based on the legislative estimates made at the close of the 2009 legislative session.

SECTION 7. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|--|----------------|----------------|
| Northern tier network infrastructure from permanent oil tax fund | \$2,773,800 | \$0 |
| ConnectND system support | 2,300,000 | 0 |
| Common information system pool parity funding | 420,000 | 0 |
| Campus initiatives | 960,800 | 0 |
| UND simulation lab | 200,000 | 0 |
| Williston state college oil rig program | 200,000 | 0 |
| Deferred maintenance - General fund | 10,893,033 | 20,000,000 |
| Capital projects - General fund | 13,808,235 | 39,008,248 |
| Capital projects - Special funds | 153,295,170 | 166,958,000 |
| Capital projects from permanent oil tax trust fund | 4,809,515 | 10,400,000 |
| Electronic medical records system UND | 0 | 225,000 |

| | | |
|---------------------|---------------|---------------|
| medical school | | |
| Total all funds | \$189,660,553 | \$236,591,248 |
| Total special funds | 161,078,485 | 177,358,000 |
| Total general fund | \$28,582,068 | \$59,233,248 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The North Dakota university system shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. PERMANENT OIL TAX TRUST FUND - DICKINSON STATE UNIVERSITY. The estimated income line item in subdivision 8 of section 1 of this Act includes \$350,000 from the permanent oil tax trust fund for operations of Dickinson state university, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. PERMANENT OIL TAX TRUST FUND - BISMARCK FAMILY PRACTICE CENTER. The estimated income line item in subdivision 5 of section 1 of this Act includes \$5,400,000 from the permanent oil tax trust fund for the construction of a building for the university of North Dakota school of medicine and health sciences Bismarck family practice center, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. CAPITAL ASSETS. The sum of \$12,014,048, or so much of the sum as may be necessary, included in the capital assets line item in subdivision 1 of section 1 of this Act, must be used by the state board of higher education to satisfy outstanding bond obligations.

SECTION 11. CAPITAL ASSETS - VALLEY CITY STATE UNIVERSITY. The sum of \$1,000,000, or so much of the sum as may be necessary, included in the capital assets line item in subdivision 11 of section 1 of this Act, may be used for development of a campuswide master plan and for maintenance and repair projects.

SECTION 12. CAPITAL ASSETS - DICKINSON STATE UNIVERSITY. The sum of \$2,000,000, or so much of the sum as may be necessary, included in the capital assets line item in subdivision 8 of section 1 of this Act, may be used for development of a campuswide master plan, an asbestos survey and removal and schematic design for Stoxen library, other campus repairs, and payoff of energy or construction loans.

SECTION 13. SYSTEM INFORMATION TECHNOLOGY SERVICES. The sum of \$30,230,038, or so much of the sum as may be necessary, included in the system information technology services line item in subdivision 1 of section 1 of this Act, must be used for the benefit of the institutions and entities under the control of the state board of higher education, as determined by the board. Funding allocations are to be made based on the North Dakota university system information technology plan and technology priorities. Funds allocated pursuant to this section must be used to support the system information technology services including the higher education computer network, the interactive video network, the on-line Dakota information network, ConnectND, and other related technology initiatives as determined by the board.

SECTION 14. NORTH DAKOTA FOREST SERVICE FEDERAL FUNDS. The sum of \$826,284 in section 1, subdivision 14, of this Act is available on a dollar-for-dollar basis to offset lost federal funds.

SECTION 15. STUDENT LOAN TRUST FUND. Subdivision 1 of section 1 of this Act includes the sum of \$2,011,570, or so much of the sum as may be necessary, from the student loan trust fund of which \$990,970 is for the professional student exchange program and \$1,020,600 ConnectND campus solution positions, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 16. FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION. All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources, including funding received through the federal American Recovery and Reinvestment Act of 2009 for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, received by the institutions and entities under the control of the state board of higher education are appropriated to those institutions and entities, for the biennium beginning July 1, 2009, and ending June 30, 2011. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2009, and ending June 30, 2011, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board.

SECTION 17. TRANSFER AUTHORITY. If, during the biennium beginning July 1, 2009, and ending June 30, 2011, the state board of higher education determines that funds allocated to operations in section 1 of this Act are needed for capital assets or deferred maintenance, the board may transfer funds from operations to capital assets or to deferred maintenance. The board shall report any transfer of funds under this section to the office of management and budget.

SECTION 18. DEFERRED MAINTENANCE - TRANSFERS. If, during the biennium beginning July 1, 2009, and ending June 30, 2011, the state board of higher education determines that funds allocated to deferred maintenance in section 1 of this Act are needed for capital assets, the board may transfer funds from deferred maintenance to capital assets or may transfer funds from capital assets to deferred maintenance. The board shall report any transfer of funds under this section to the office of management and budget.

SECTION 19. SECURITY AND EMERGENCY PREPAREDNESS TRANSFERS. The sum of \$750,000, or so much of the sum as may be necessary, included in the security and emergency preparedness line item in subdivision 1 of section 1 of this Act, must be used for the benefit of the institutions and entities under the control of the state board of higher education, as determined by the board for security and emergency preparedness needs.

SECTION 20. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control. The university system shall report any adjustments to the office of management and budget before the submission of the 2011-13 biennium budget request.

SECTION 21. EDUCATION INCENTIVE PROGRAMS. The funding appropriated for education incentive programs in subdivision 1 of section 1 of this Act may be allocated to education incentive programs as determined by the state board of higher education, including the reduction or elimination of specific programs, and the state board of higher education may determine the appropriate number of years of program eligibility for each education incentive program.

SECTION 22. CAPITAL ASSETS - MINOT STATE UNIVERSITY - GEOTHERMAL SYSTEM. The sum of \$2,500,000, or so much of the sum as may be necessary, included in the capital assets line item in subdivision 10 of section 1 of this Act, may be used to refurbish the existing coal boiler or in combination with or to match federal or other funds to design and install a geothermal energy system, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 23. CAPITAL ASSETS - MINOT STATE UNIVERSITY SWAIN HALL. The sum of \$1,250,000, or so much of the sum as may be necessary, included in the capital assets line item in subdivision 10 of section 1 of this Act, may be used for the Minot state university Swain hall renovation project, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 24. OPERATING EXPENSES - VALLEY CITY STATE UNIVERSITY. The sum of \$800,000, or so much of the sum as may be necessary, included in the operations line item in subdivision 11 of section 1 of this Act, may be used in support of strategic goals and initiatives, to offset enrollment impacts, and address other needs, including capital, as determined by Valley City state university.

SECTION 25. USE OF UNSPENT 2007-09 GENERAL FUND APPROPRIATIONS - CAMPUS MARKETING. The state board of higher education shall use \$200,000 of the North Dakota university system office unspent 2007-09 general fund appropriation authorized to continue under section 54-44.1-11 for marketing and student retention at Valley City state university, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 26. BOND ISSUANCE AUTHORIZATION - PURPOSES - APPROPRIATION. The state board of higher education, in accordance with chapter 15-55, may arrange for the funding of projects authorized in this section, declared to be in the public interest, through the issuance of self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, beginning with the effective date of this Act and ending June 30, 2011. Evidences of indebtedness issued pursuant to this section are not a general obligation of the state of North Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences of indebtedness may be issued and the proceeds are appropriated, for the biennium beginning July 1, 2009, and ending June 30, 2011, for the purpose of financing the following capital projects:

| | |
|---|------------------|
| Williston state college - New dormitory | \$9,375,000 |
| North Dakota state university - West dining services renovation and addition and auxiliary services renovation | 7,000,000 |
| North Dakota state university - Niskanen student apartments | 20,000,000 |
| North Dakota state school of science - Robertson hall renovation and addition and auxiliary services renovation | 6,000,000 |
| North Dakota state school of science - Parking lot | 1,136,000 |
| Mayville state university - Agassiz hall housing renovation | 3,668,500 |
| Minot state university - Wellness center | 10,000,000 |
| University of North Dakota - Hangar renovation and addition | 1,500,000 |
| Valley City state university - Snoeyenbos hall renovation | <u>3,500,000</u> |
| Total special funds | \$62,179,500 |

SECTION 27. LEGISLATIVE INTENT - NORTH DAKOTA UNIVERSITY SYSTEM EMPLOYEE COMPENSATION ADJUSTMENTS. It is the intent of the sixty-first legislative assembly that each North Dakota university system employee

whose documented performance meets all standards is to receive a minimum monthly salary increase of \$100 on July 1, 2009, and \$100 on July 1, 2010.

SECTION 28. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS TEACHER EDUCATION ENHANCEMENT. The sum of \$1,500,000 included in the science, technology, engineering, and mathematics teacher education line item in subdivision 1 of section 1 of this Act must be used for the benefit of institutions under the control of the state board of higher education, as determined by the board. Funding allocations are to be used to enhance the use of science, technology, engineering, and mathematics in existing teacher education program curriculums and may not be used for infrastructure projects.

SECTION 29. LEGISLATIVE INTENT - LOAN FORGIVENESS PROGRAM. It is the intent of the sixty-first legislative assembly that any qualified returning technology occupation loan forgiveness program applicants for the 2009-10 academic year and forward be eligible to receive \$1,500 per year, for up to four years, combined between the technology occupation loan forgiveness program and science, technology, engineering, and mathematics loan forgiveness program. All new applicants beginning with the 2009-10 academic year are eligible to receive \$1,500 per year, up to a maximum of \$6,000. It is also the intent of the sixty-first legislative assembly that the North Dakota university system make new and continuing loan forgiveness program awards in the 2009-11 biennium to ensure adequate program funding carryover to the 2011-13 biennium to continue the program with approximately the same number of new awards in the 2011-13 biennium without increased state program funding.

SECTION 30. TUITION RATE INCREASES - LIMIT - BUDGET SECTION APPROVAL. Notwithstanding any other provision of law, the state board of higher education shall limit any annual tuition increase for students attending institutions under its control for the 2009-10 and 2010-11 academic years to not more than four percent for each year unless the board receives prior budget section approval.

SECTION 31. LEGISLATIVE COUNCIL STUDY - COMPLETION-BASED FUNDING. During the 2009-10 interim, the legislative council shall consider studying options for funding higher education institutions. The study, if conducted, must include a review of the feasibility of implementing a higher education funding mechanism based on student completion rates. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 32. LEGISLATIVE COUNCIL STUDY - TUITION WAIVERS. During the 2009-10 interim, the legislative council shall consider studying the impact of tuition waivers on institutions under the control of the state board of higher education. The study if conducted must review the types of tuition waivers available, the number of tuition waivers granted, and the value of tuition waivers. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 33. LEGISLATIVE COUNCIL STUDY - EDUCATION GOVERNANCE. During the 2009-10 interim, the legislative council shall consider studying the feasibility and desirability of creating a department to oversee early childhood, elementary, secondary, and postsecondary education. The study if conducted must include a review of education governance in other states, the efficiency of combining governing agencies, and the potential governing structure of a combined education department. The legislative council shall report its findings

and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 34. LEGISLATIVE COUNCIL STUDY - HIGHER EDUCATION STUDENT TRUST FUND. During the 2009-10 interim, the legislative council shall consider studying the establishment of a higher education student trust fund, including available funding sources. The study if conducted must review best practices to include demonstrated in-migration patterns and long-term return on investment to the citizens of North Dakota by ensuring students are prepared to meet the changing needs of a global economy and to strengthen the economy of the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 35. AMENDMENT. Subsections 1 and 3 of section 15-10-37 of the North Dakota Century Code are amended and reenacted as follows:

1. The state board of higher education shall administer a science, technology, engineering, and mathematics occupations student loan program that encourages college students to pursue ~~technology-based~~ studies in these fields, to participate in ~~technology~~ internship programs, and to remain in the state after graduation. The board shall adopt rules to implement the program, including internship requirements, guidelines to determine which technology-related courses of study are eligible under the program, and standards for eligibility.
3. The state board of higher education shall distribute student loan grants directly to the Bank of North Dakota to repay outstanding student loan principal balances for eligible applicants. The maximum student loan grant amount for which an applicant may qualify is one thousand five hundred dollars per year and a total of ~~five~~ six thousand dollars, or a lesser amount established by rule adopted by the state board of higher education.

SECTION 36. AMENDMENT. Section 15-62.2-02 of the North Dakota Century Code is amended and reenacted as follows:

15-62.2-02. State board of higher education - Powers and duties. The state board of higher education shall:

1. Administer the North Dakota student financial assistance program and the North Dakota scholars program and adopt functional rules regarding the eligibility and selection of grant and scholarship recipients.
2. Determine the amount of individual grants, ~~but which may not to~~ which may not to exceed one thousand five hundred dollars per recipient per academic year, under the North Dakota student financial assistance program.
3. ~~Adopt for~~ For the North Dakota student financial assistance program, adopt criteria for substantial need, based upon the ability of the parents or guardian to contribute toward the applicant's educational expenses.
4. Establish the appropriate procedures for fiscal control, fund accounting, and necessary reports.

5. Apply for, receive, expend, and administer granted moneys from federal or private sources.

SECTION 37. A new section to chapter 15-62.2 of the North Dakota Century Code is created and enacted as follows:

Annual report. The state board of higher education shall provide to the legislative council an annual report regarding the number of North Dakota academic scholarships and career and technical education scholarships provided and demographic information pertaining to the recipients.

SECTION 38. AMENDMENT. Section 15.1-01-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-01-02. Joint meetings - State board of public school education - State board of higher education - Education standards and practices board - State board for career and technical education. The state board of public school education, the state board of higher education, the education standards and practices board, and the state board for career and technical education shall meet together at least once each year at the call of the superintendent of public instruction, the commissioner of higher education, the executive director of the education standards and practices board, and the director of career and technical education for the purposes of:

1. Coordinating elementary and secondary education programs, career and technical education programs, and higher education programs;
2. Establishing high standards and expectations of students at all levels of the education continuum;
3. Ensuring that all students have access to challenging curricula;
4. Ensuring that the individuals instructing students at all levels of the education continuum are highly qualified and capable;
5. Cooperating in the provision of professional growth and development opportunities for ~~elementary and secondary teachers and administrators.~~ individuals instructing students at all levels of the education continuum; and
6. Ensuring cooperation in any other jointly beneficial project or program.

SECTION 39. UNIVERSITY OF NORTH DAKOTA HANGAR PROJECT.

The state board of higher education may enter an agreement with a private entity to do all things necessary and proper to authorize construction of a hangar addition and renovation at the university of North Dakota aerospace complex at the Grand Forks international airport using current fees for flight operations, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 40. EMERGENCY.

The capital assets, deferred maintenance, and education incentive line items and \$317,000 of the operations line item in subdivision 11 contained in section 1 of this Act and sections 3, 4, 11, 12, 14, 21, 26, and 36 of this Act are declared to be an emergency measure.

Approved May 7, 2009

Filed May 19, 2009

CHAPTER 32**SENATE BILL NO. 2004**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state department of health; to provide for a grant from the state water commission; to provide legislative intent; to provide for a legislative council study; to provide for an exemption; to provide for a report to the legislative council; to provide for a contingent transfer; and to declare an emergency.

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 department of health for the purpose of defraying the expenses of the state department of health, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$37,709,131 | \$7,152,737 | \$44,861,868 |
| Operating expenses | 44,036,539 | 599,255 | 44,635,794 |
| Capital assets | 1,817,383 | (4,115) | 1,813,268 |
| Grants | 58,017,776 | 2,396,934 | 60,414,710 |
| Tobacco prevention | 8,919,346 | 160,339 | 9,079,685 |
| WIC food payments | 17,550,000 | 7,513,375 | 25,063,375 |
| Total all funds | \$168,050,175 | \$17,818,525 | \$185,868,700 |
| Less estimated income | 150,595,277 | 13,946,429 | 164,541,706 |
| Total general fund | \$17,454,898 | \$3,872,096 | \$21,326,994 |
| Full-time equivalent positions | 331.50 | 12.00 | 343.50 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---------------------------------------|----------------|----------------|
| Antiviral stockpile | \$2,010,135 | \$0 |
| Vaccines to public health | 2,000,000 | 0 |
| Legend prescription health | 22,000 | 0 |
| Emergency medical services assessment | 30,000 | 0 |
| Total general fund | \$4,062,135 | \$0 |

SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the state department of health, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|---|---------------|
| Water quality grants | \$194,300 |
| Superfund arsenic trioxide project grants | 7,000,000 |
| Clean diesel grants (provided to the department of public instruction) | 1,730,000 |
| Clean water state revolving loan fund administration | 769,564 |
| Drinking water state revolving loan fund administration | 780,000 |
| Stop violence against women | 511,661 |
| Women, infants, and children | <u>61,800</u> |
| Total federal funds | \$11,047,325 |

The state department of health may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. CONTINGENT APPROPRIATION - TRANSFER - COMMUNITY HEALTH TRUST FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,405,371, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the community health trust fund if moneys in the community health trust fund are not sufficient to provide for legislative appropriations, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. ENVIRONMENT AND RANGELAND PROTECTION FUND. The estimated income line item included in section 1 of this Act includes \$272,310, or so much of the sum as may be necessary, to be made available to the state department of health from the environment and rangeland protection fund, for the biennium beginning July 1, 2009, and ending June 30, 2011. This amount includes \$50,000 for a grant to the North Dakota stockmen's association environmental services program.

SECTION 6. EMERGENCY MEDICAL SERVICES OPERATIONS - FUNDING FROM INSURANCE TAX DISTRIBUTION FUND - REPORT TO LEGISLATIVE COUNCIL. The estimated income line item in section 1 of this Act includes \$2,750,000 from the insurance tax distribution fund for the biennium beginning July 1, 2009, and ending June 30, 2011. Of this amount, \$2,250,000 is for grants to emergency medical services operations as provided in chapter 23-40 and \$500,000 is for a grant to contract with an organization to:

- Develop, implement, and provide an access critical ambulance service operations assessment process for the purpose of improving emergency medical services delivery;
- Develop, implement, and provide leadership development training;
- Develop, implement, and provide a biennial emergency medical services recruitment drive; and

- Provide regional assistance to ambulance services to develop a quality review process for emergency medical services personnel and a mechanism to report to medical directors.

The state department of health shall report to the legislative council on the use of the funding provided under this section. The department shall require recipients of grants under this section to provide information on the use of funds received as necessary to provide the report to the legislative council.

SECTION 7. FEDERAL 319 NONPOINT PROGRAM MATCHING FUNDS - STATE WATER COMMISSION GRANT TO THE STATE DEPARTMENT OF HEALTH. The state water commission shall provide a grant of \$200,000 from its 2009-11 biennium appropriation approved by the sixty-first legislative assembly to the state department of health to be used as matching funds for the federal 319 nonpoint program, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. INTENT - INDIRECT COST RECOVERIES. Notwithstanding section 54-44.1-14, the state department of health may deposit indirect cost recoveries in its operating account.

SECTION 9. EXEMPTION. The \$200,000, of which \$150,000 is from the community health trust fund and \$50,000 is from the general fund, appropriated for colorectal screening grants, as contained in section 3 of chapter 4 of the 2007 Session Laws, is not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations are available and may be expended during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. LEGISLATIVE COUNCIL STUDY - IMMUNIZATION PROGRAM. During the 2009-10 interim, the legislative council shall consider studying the state immunization program. The study, if conducted, must identify pharmacists' or other providers' ability and interest in immunizing children and include a review of the effect of the program on public health units, including billing, billing services, fee collections, and uncollectible accounts. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 11. EMERGENCY. Section 3 of this Act is declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 33**SENATE BILL NO. 2005**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the Indian affairs commission.

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 Indian affairs commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$485,363 | \$70,717 | \$556,080 |
| Operating expenses | 85,895 | 40,610 | 126,505 |
| Total all funds | \$571,258 | \$111,327 | \$682,585 |
| Less special funds | 5,000 | (5,000) | 0 |
| Total general fund | \$566,258 | \$116,327 | \$682,585 |
| Full-time equivalent positions | 4.00 | 0 | 4.00 |

Approved May 1, 2009
Filed May 5, 2009

CHAPTER 34

SENATE BILL NO. 2006

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the aeronautics commission; to amend and reenact section 57-43.3-06 of the North Dakota Century Code, relating to use of special funds received by the aeronautics commission; and to provide an expiration date.

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 aeronautics commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|--------------------|--|----------------------|
| Salaries and wages | \$802,732 | \$84,502 | \$887,234 |
| Operating expenses | 1,960,304 | (118,872) | 1,841,432 |
| Capital assets | 734,000 | (334,000) | 400,000 |
| Grants | 3,575,000 | 6,215,000 | 9,790,000 |
| Total all funds | <u>\$7,072,036</u> | <u>\$5,846,630</u> | <u>\$12,918,666</u> |
| Less estimated income | 6,522,036 | 5,846,630 | 12,368,666 |
| Total general fund | \$550,000 | \$0 | \$550,000 |
| Full-time equivalent positions | 6.00 | 0.00 | 6.00 |

SECTION 2. AMENDMENT. Section 57-43.3-06 of the North Dakota Century Code is amended and reenacted as follows:

57-43.3-06. Distribution of revenue. The tax collected by the commissioner pursuant to section 57-43.3-04 must be deposited by the commissioner in the office of the state treasurer, who shall deposit such moneys in a special fund known as the state aeronautics commission special fund. These funds are appropriated to the commission, and must be disbursed by warrant-check prepared by the office of management and budget upon vouchers submitted by the commission and approved by the office of management and budget, for commission administration and the purpose of ~~matching of any funds made available by political subdivisions or airport authorities of this state, the state, or the United States, only providing up to ninety percent of the project costs~~ if the political subdivision or airport authority is not qualified for or does not receive any funds under section 2-05-06.5. These funds must be used for airport construction or improvement projects, including airport administration and terminal buildings, hangars, landing strips for aircraft, and purchase of sites for airports or landing fields and easements and for maintenance, clearing of sites, marking, lighting, and engineering and navigational aids, all related to aeronautics in amounts as the commission may determine and upon projects as the commission may approve.

SECTION 3. EXPIRATION DATE. Section 2 of this Act is effective through June 30, 2011, and after that date is ineffective.

Approved May 1, 2009
Filed May 4, 2009

CHAPTER 35**SENATE BILL NO. 2007**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; to provide for contingent funding; to provide an exception to the moratorium on expansion of basic care bed capacity; to provide legislative intent; and to provide for a report to the budget section.

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 veterans' home and department of veterans' affairs for the purpose of defraying the expenses of the veterans' home and department of veterans' affairs, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

VETERANS' HOME

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$8,833,115 | \$2,705,740 | \$11,538,855 |
| Operating expenses | 3,512,000 | 1,049,857 | 4,561,857 |
| Capital assets | 14,945,777 | (14,685,871) | 259,906 |
| Life safety improvements | 0 | 0 | 0 |
| New veterans' home | 0 | 90,088 | 90,088 |
| Total all funds | \$27,290,892 | (\$10,840,186) | \$16,450,706 |
| Less estimated income | 23,431,326 | (12,397,937) | 11,033,389 |
| Total general fund | \$3,859,566 | \$1,557,751 | \$5,417,317 |
| Full-time equivalent positions | 92.37 | 28.35 | 120.72 |

Subdivision 2.

VETERANS' AFFAIRS

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Veterans' affairs | \$807,166 | \$204,321 | \$1,011,487 |
| Total general fund | \$807,166 | \$204,321 | \$1,011,487 |
| Full-time equivalent positions | 7.00 | 0 | 7.00 |

Subdivision 3.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|-------------------|--|----------------------|
| Grand total general fund | \$4,666,732 | \$1,762,072 | \$6,428,804 |
| Grand total special funds | 23,431,326 | (12,279,346) | 11,151,980 |
| Grand total all funds | \$28,098,058 | (\$10,517,274) | \$17,580,784 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|--|----------------|----------------|
| Veterans' home | | |
| Life safety improvements | \$265,700 | \$0 |
| New veterans' home | 6,483,226 | 0 |
| Electronic health record system | 0 | 98,400 |
| Construction project manager | 0 | 90,088 |
| General fund salary funding of new facility positions | 0 | 502,240 |
| Department of veterans' affairs | | |
| Electronic storage system | 21,356 | 0 |
| Secure filing system | 38,250 | 0 |
| Total all funds | \$6,808,532 | \$690,728 |
| Total general fund | \$325,306 | \$690,728 |
| Total special funds | \$6,483,226 | \$0 |

The 2009-11 one-time funding amounts are not a part of the agencies' base budget for the 2011-13 biennium. The veterans' home and department of veterans' affairs shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the veterans' home, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|--|-----------|
| Thermal imager (funds from the department of commerce) | \$5,500 |
| Electronic health records system | 98,400 |
| Bobcat utility vehicle | 14,691 |
| Total federal funds | \$118,591 |

The veterans' home may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. CONTINGENT FUNDING - EQUIPMENT AND PROJECTS. Section 1 of this Act includes \$5,500 for a thermal imager and \$98,400 for an electronic health care records system from the general fund which may be spent only to the extent that federal funds appropriated in section 3 of this Act are not available for these purposes.

SECTION 5. VETERANS' HOME SHARE OF SALARY EQUITY POOL. The office of management and budget shall provide three-fourths of one percent of any general fund salary equity pool that is appropriated for salary equity increases for classified state employees, for the biennium beginning July 1, 2009, and ending June 30, 2011, to the veterans' home.

SECTION 6. EXCEPTION TO THE MORATORIUM ON EXPANSION OF BASIC CARE BED CAPACITY. Notwithstanding North Dakota Century Code section 23-09.3-01.1, after completion of the veterans' home construction project, the veterans' home may add one bed to its licensed basic care facility capacity. This one bed is in addition to the authority granted the veterans' home in section 3 of chapter 55 of the 2007 Session Laws relating to converting fourteen beds from licensed basic care beds to licensed nursing facility beds and provides for a total of ninety-eight basic care beds and fifty-two licensed nursing facility beds.

SECTION 7. LEGISLATIVE INTENT - FULL-TIME EQUIVALENT POSITIONS AUTHORIZED FOR THE NEW VETERANS' HOME FACILITY. It is the intent of the sixty-first legislative assembly that the veterans' home not fill any of the twenty-four full-time equivalent positions for the new veterans' home authorized in subdivision 1 of section 1 of this Act prior to June 1, 2010.

SECTION 8. REPORT TO BUDGET SECTION - VETERANS' HOME CONSTRUCTION PROJECT. The veterans' home construction project manager shall provide a quarterly written summary report to the budget section regarding the status of the veterans' home construction project during the 2009-10 interim.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 36**SENATE BILL NO. 2008**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the department of financial institutions.

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 department of financial institutions for the purpose of defraying the expenses of the department of financial institutions, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$4,126,408 | \$635,817 | \$4,762,225 |
| Operating expenses | 1,031,014 | 273,249 | 1,304,263 |
| Contingency | <u>20,000</u> | <u>0</u> | <u>20,000</u> |
| Total special funds | \$5,177,422 | \$909,066 | \$6,086,488 |
| Full-time equivalent positions | 27.00 | 2.00 | 29.00 |

Approved May 7, 2009

Filed May 19, 2009

CHAPTER 37**SENATE BILL NO. 2009**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state fair association; and to provide legislative intent.

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, to the state fair association for the purpose of defraying the expenses of the state fair association, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|--|----------------------|
| Capital assets | \$725,000 | \$17,485,000 | \$18,210,000 |
| Premiums | 442,150 | 45,000 | 487,150 |
| Total all funds | \$1,167,150 | \$17,530,000 | \$18,697,150 |
| Less estimated income | 0 | 3,000,000 | 3,000,000 |
| Total general fund | \$1,167,150 | \$14,530,000 | \$15,697,150 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|----------------|----------------|
| Grandstand construction | \$0 | \$18,000,000 |
| Total all funds | \$0 | \$18,000,000 |
| Total special funds | 0 | 3,000,000 |
| Total general fund | \$0 | \$15,000,000 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The state fair shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

Approved May 8, 2009
Filed May 19, 2009

CHAPTER 38**SENATE BILL NO. 2010**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the council on the arts; and to declare an emergency.

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 council on the arts for the purpose of defraying the expenses of the council on the arts, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$591,977 | \$100,470 | \$692,447 |
| Operating expenses | 246,862 | 45,183 | 292,045 |
| Grants | 1,605,278 | 224,450 | 1,829,728 |
| Total all funds | \$2,444,117 | \$370,103 | \$2,814,220 |
| Less estimated income | 1,288,318 | 157,168 | 1,445,486 |
| Total general fund | \$1,155,799 | \$212,935 | \$1,368,734 |
| Full-time equivalent positions | 5.00 | 0.00 | 5.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|-------------------------------------|----------------|----------------|
| Grants | \$0 | \$57,450 |
| Lincoln bicentennial | 10,000 | 0 |
| Total general fund | \$10,000 | \$57,450 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The council on the arts shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. APPROPRIATION. All income from the cultural endowment fund is appropriated to the council on the arts for the furthering of the cultural arts in the state for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of

2009, not otherwise appropriated, to the council on the arts, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|---|-----------|
| Grants to arts organizations and administrative support | \$290,000 |
|---|-----------|

The council on the arts may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 5. EMERGENCY. Section 4 of this Act is declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 39**SENATE BILL NO. 2011**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the highway patrol; and to provide a statement of legislative intent.

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 highway patrol for the purpose of defraying the expenses of the highway patrol, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-------------------------------------|-------------------|--|----------------------|
| Administration | \$2,565,841 | \$360,578 | \$2,926,419 |
| Field operations | 34,298,998 | 3,079,356 | 37,378,354 |
| Law enforcement training academy | 1,400,689 | 96,253 | 1,496,942 |
| Deferred maintenance | 0 | 100,000 | 100,000 |
| Total all funds | \$38,265,528 | \$3,636,187 | \$41,901,715 |
| Less estimated income | 11,212,205 | (318,475) | 10,893,730 |
| Total general fund | \$27,053,323 | \$3,954,662 | \$31,007,985 |
| Full-time equivalent positions | 193.00 | 1.00 | 194.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|----------------|----------------|
| In-car video equipment | \$642,000 | \$0 |
| Capitol security software | 50,000 | 0 |
| Automated external defibrillators | 150,000 | 0 |
| Capitol security upgrade | 0 | 80,000 |
| Commercial vehicle information exchange window system | 0 | 100,000 |
| Weigh station repairs | 0 | 100,000 |
| Total general fund | \$842,000 | \$280,000 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The highway patrol shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. DEFERRED MAINTENANCE - TRANSFERS. The highway patrol may transfer from the deferred maintenance line to the other lines contained in section 1 of this Act, amounts necessary to address extraordinary repair needs. Any

amounts transferred must be reported to the director of the office of management and budget.

SECTION 4. SPECIAL FUNDS TRANSFER. The less estimated income line item in section 1 of this Act includes the sum of \$4,550,725, or so much of the sum as may be necessary, from the state highway tax distribution fund which may be transferred at the direction of the superintendent of the highway patrol for the purpose of defraying the expenses of the highway patrol during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. PAYMENTS TO HIGHWAY PATROL OFFICERS. Each patrol officer of the state highway patrol is entitled to receive from funds appropriated in section 1 of this Act an amount not to exceed \$200 per month for the biennium beginning July 1, 2009, and ending June 30, 2011. The payments are in lieu of reimbursement for meals and other expenses, except lodging, while in travel status within the state of North Dakota or while at their respective home stations. The amounts must be paid at the time and in the same manner as salaries are paid to members of the highway patrol and may be paid without the presentation of receipts or other memorandums.

SECTION 6. LEGISLATIVE INTENT - AUTOMATED PERMITS. It is the intent of the sixty-first legislative assembly that the highway patrol proceed with implementation of the commercial vehicle information exchange window system and with preparations to allow for the automated issuance of highway permits.

SECTION 7. COMMERCIAL VEHICLE INFORMATION EXCHANGE WINDOW SYSTEMS AND NETWORKS - USE OF FUNDING - BUDGET SECTION REPORT. The administration line item in section 1 of this Act includes \$100,000 from the general fund for the commercial vehicle information systems and networks. Any funds designated for the implementation of the system that are not used for this purpose may not be spent for other purposes and must be included in the agency's unspent general fund appropriation authority for the biennium beginning July 1, 2009, and ending June 30, 2011. The highway patrol shall report semiannually to the budget section regarding the status of implementation of this system and on the use of these funds.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 40**SENATE BILL NO. 2012**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the department of transportation; to provide an appropriation to the state treasurer; to provide for budget section reports; to provide for a state disaster relief fund; to create and enact a new section to chapter 24-01 and a new section to chapter 54-27 of the North Dakota Century Code, relating to the name of United States highway 85 and transportation funding reports; to amend and reenact sections 24-02-35.2, 24-02-44, 39-04-19, 54-27-19, 54-27-19.1, 57-40.3-10, 57-43.1-06, and 57-43.2-04.2 of the North Dakota Century Code, relating to authority to borrow for disasters, the proceeds from the sale of road materials, and the collection and distribution of highway funds; to repeal section 39-04.2-03 of the North Dakota Century Code, relating to the registration fee for the public transportation fund; to provide for transfers; to provide for legislative council studies; to provide an effective date; to provide an expiration date; and to declare an emergency.

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 department of transportation for the purpose of defraying the expenses of the department of transportation, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$127,326,239 | \$20,047,015 | \$147,373,254 |
| Operating expenses | 174,697,663 | 14,107,351 | 188,805,014 |
| Capital assets | 548,721,098 | 113,267,450 | 661,988,548 |
| Grants | 52,412,500 | 14,853,601 | 67,266,101 |
| Total special funds | \$903,157,500 | \$162,275,417 | \$1,065,432,917 |
| Full-time equivalent positions | 1,052.50 | 2.00 | 1,054.50 |

SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the department of transportation, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|----------------------------------|------------------|
| Highway infrastructure | \$170,126,497 |
| Grants to rural transit programs | <u>5,956,174</u> |
| Total federal funds | \$176,082,671 |

The department of transportation may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act

of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. APPROPRIATION - STATE TREASURER - WEATHER-RELATED COST-SHARING PROGRAM. There is appropriated out of any moneys in the general fund in the state treasury attributable to motor vehicle excise tax collections during the 2007-09 biennium, not otherwise appropriated, the sum of \$59,900,000, or so much of the sum as may be necessary, to the state treasurer for the purpose of providing weather-related cost-sharing funds, for the period beginning with the effective date of this Act and ending June 30, 2009. The state treasurer shall distribute the funds appropriated under this section before June 30, 2009, as follows:

1. Ten million dollars to townships in accordance with the formula used to distribute funds to townships under section 54-27-19.1, except that organized townships are not required to provide matching funds to receive distributions under this section.
2. Forty-one million four hundred thousand dollars to counties and cities in accordance with the formula used to distribute funds to counties and cities under subsection 2 of section 54-27-19.
3. Seven million five hundred thousand dollars to the state highway fund.
4. One million dollars to the public transportation fund to be distributed in accordance with section 39-04.2-04.

SECTION 4. State disaster relief fund - Creation - Uses. There is created in the state treasury a state disaster relief fund. Moneys in the fund are to be used subject to legislative appropriations for providing funding for defraying the expenses of state disasters, including providing funds required to match federal funds for expenses associated with presidential-declared disasters in the state. Any interest or other fund earnings must be deposited in the fund.

SECTION 5. APPROPRIATION - TRANSFER. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$43,000,000, which the office of management and budget shall transfer to the state disaster relief fund during the period beginning with the effective date of this Act and ending June 30, 2009.

SECTION 6. APPROPRIATION - ADJUTANT GENERAL - BUDGET SECTION APPROVAL. There is appropriated out of any moneys in the state disaster relief fund in the state treasury, not otherwise appropriated, the sum of \$43,000,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of providing emergency relief funding, for the period beginning with the effective date of this Act and ending June 30, 2011. The adjutant general may use up to \$20,000,000 of the funds appropriated in this section for the purpose of providing emergency snow removal grants to counties, cities, and townships in accordance with section 7 of this Act. The adjutant general may use up to \$23,000,000 of the funds appropriated in this section for paying costs relating to the

2009 flood disaster, snow removal damage to roads, and other disasters in accordance with section 8 of this Act.

SECTION 7. EMERGENCY SNOW REMOVAL GRANTS - GUIDELINES - BUDGET SECTION REPORT. A county, township, or city may apply to the department of emergency services for an emergency snow removal grant for reimbursement of up to fifty percent of the costs incurred by the county, township, or city for the period January 2009 through March 2009 that exceeds two hundred percent of the average costs incurred for these months in 2004 through 2008.

Each county, township, or city requesting reimbursement under this section shall submit the request in accordance with rules developed by the department of emergency services. The department of emergency services shall distribute these grants prior to June 30, 2009, and shall report to the budget section regarding the grants awarded under this section.

SECTION 8. EMERGENCY DISASTER RELIEF GRANTS - GUIDELINES - BUDGET SECTION REPORT - BUDGET SECTION APPROVAL. A political subdivision receiving federal emergency relief funding relating to disasters occurring from January 2009 through June 2009 may apply to the department of emergency services for an emergency relief grant of up to fifty percent of the local match required to receive the federal emergency relief funding. Each political subdivision requesting reimbursement under this section shall submit the request in accordance with rules developed by the department of emergency services. The department of emergency services may distribute up to \$13,000,000 of grants under this section. Any additional grant expenditures require budget section approval. The department of emergency services shall report to the budget section on grants awarded under this section in the fourth quarter of calendar year 2009 and the third quarter of calendar year 2010. Any funds provided for by the department of emergency services in this section which are not distributed to political subdivisions may be used to match federal disaster relief funds received for state purposes, subject to budget section approval.

SECTION 9. APPROPRIATION - EXEMPTION. There is appropriated out of any moneys in the state highway fund in the state treasury, not otherwise appropriated, the sum of \$7,500,000, or so much of the sum as may be necessary, and out of any moneys in the public transportation fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, to the department of transportation for highway projects and public transportation grants, for the period beginning with the effective date of this Act and ending June 30, 2009. Funds appropriated in this section are not subject to section 54-44.1-11 and any unexpended funds may be spent by the department of transportation during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. APPROPRIATION - TRANSFER - STATE HIGHWAY FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$4,600,000, which the office of management and budget shall transfer to the state highway fund for the purpose of defraying the expenses of highway projects in the Devils Lake area, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 11. USE OF HIGHWAY FUNDING - REPORT TO THE BUDGET SECTION. The department of transportation shall coordinate with the department of emergency services to compile information regarding the use of state, federal, emergency, and other highway funding by the department of transportation, counties,

cities, and townships during the period beginning with the effective date of this Act and ending June 30, 2011. The department of transportation shall provide periodic reports to the budget section regarding the use of funds during the 2009-10 interim.

SECTION 12. HIGHWAY FUNDING - ONE-TIME FUNDING. Any highway funding received by the state, counties, cities, and townships in excess of the amounts received through distributions from the highway tax distribution fund under section 54-27-19 or existing federal highway aid programs is considered one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 13. LINE ITEM TRANSFERS. The director of the department of transportation may transfer between the operating and capital assets line items in section 1 of this Act when it is cost-effective for construction and maintenance of highways. The department of transportation shall notify the office of management and budget and report to the legislative council any transfers made pursuant to this section.

SECTION 14. A new section to chapter 24-01 of the North Dakota Century Code is created and enacted as follows:

Theodore Roosevelt expressway - United States highway 85. Notwithstanding any previous designation, the department shall designate United States highway 85 from the South Dakota border to the junction of United States highway 2 and United States highway 2 from the Montana border to the junction of United States highway 85 as the Theodore Roosevelt expressway and at a minimum shall place signs along the highway designating that name and may use any appropriate signs donated to the department.

SECTION 15. AMENDMENT. Section 24-02-35.2 of the North Dakota Century Code is amended and reenacted as follows:

24-02-35.2. Deposit of sale proceeds - Continuing appropriation. The proceeds from any sale of road materials made under section 24-02-35.1 must be deposited in the department of transportation fund. An amount not to exceed the total sum of the sales under section 24-02-35.1, but not to exceed ~~two hundred thousand~~ one million dollars a year, may be withdrawn upon voucher of the department for purchasing road materials. All moneys deposited in the fund pursuant to this section are hereby appropriated to the department for the purposes of this section.

SECTION 16. AMENDMENT. Section 24-02-44 of the North Dakota Century Code is amended and reenacted as follows:

24-02-44. Authority to borrow funds for a disaster - Appropriation. The department of transportation, subject to the approval of the emergency commission, may borrow moneys from the Bank of North Dakota to advance and match federal emergency relief funds. Any moneys borrowed from the Bank of North Dakota pursuant to this section are appropriated. ~~If it appears to the department of transportation that at the end of the biennium the amount available to repay the amount borrowed plus interest is insufficient to totally repay the Bank of North Dakota, the department of transportation shall request from the legislative assembly a deficiency appropriation from the state highway fund sufficient for the repayment of the amount borrowed plus interest.~~

¹¹ **SECTION 17. AMENDMENT.** Section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

39-04-19. Motor vehicle registration fees and mile tax. Motor vehicles required to pay registration fees or a mile tax shall pay the following fees:

1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do so by the department, shall pay a fee of twenty dollars for a trip permit which is valid for a period of seventy-two hours. All fees collected under the provisions of this subsection must be credited to the highway construction fund.
2. Motor vehicles required to be registered in this state must be furnished license plates upon the payment of the following annual fees; however, if a motor vehicle, including a motorcycle or trailer, first becomes subject to registration other than at the beginning of the registration period, such fees must be prorated on a monthly basis. The minimum fee charged hereunder must be five dollars:
 - a. Passenger motor vehicles:

YEARS REGISTERED

| Gross Weights | 1st, 2nd, 3rd, 4th, 5th, and 6th Years | | 7th, 8th, and 9th Years | | 10th, 11th, and 12th Years | | 13th and Subsequent Years | |
|-----------------|--|----------------------|-------------------------|----------------------|----------------------------|----------------------|---------------------------|----------------------|
| | \$70 \$73 | \$68 \$71 | \$62 \$65 | \$60 \$63 | \$54 \$57 | \$56 \$59 | \$46 \$49 | \$44 \$47 |
| Less than 3,200 | 90 93 | 78 81 | 74 77 | 72 75 | 66 69 | 68 71 | 54 57 | 54 57 |
| 3,200 - 4,499 | 108 111 | 94 97 | 94 97 | 92 95 | 76 79 | 78 81 | 60 63 | 60 63 |
| 4,500 - 4,999 | 139 142 | 117 120 | 117 120 | 115 118 | 96 99 | 98 101 | 73 76 | 73 76 |
| 5,000 - 5,999 | 172 175 | 143 146 | 143 146 | 141 144 | 114 117 | 116 119 | 86 89 | 86 89 |
| 6,000 - 6,999 | 206 208 | 169 172 | 169 172 | 167 170 | 134 137 | 136 139 | 99 102 | 99 102 |
| 7,000 - 7,999 | 238 241 | 196 199 | 196 199 | 194 197 | 154 157 | 156 159 | 112 115 | 112 115 |
| 8,000 - 8,999 | 274 274 | 222 222 | 222 222 | 220 220 | 174 174 | 176 176 | 126 126 | 126 126 |
| 9,000 and over | 274 274 | 222 222 | 222 222 | 220 220 | 174 174 | 176 176 | 126 126 | 126 126 |

A house car is subject to registration at the rates prescribed for other vehicles under this subdivision modified by using the weight applicable to a vehicle whose weight is forty percent of that of the house car, but not using a weight of less than four thousand pounds [1814.35 kilograms].

A pickup truck is subject to registration at the rates prescribed for other vehicles under this subdivision by applying the shipping weight of the vehicle to the fee schedule. At a minimum, the registered gross weight displayed on the registration card for a pickup truck must be twice the shipping weight of the vehicle. Unless otherwise exempted by this chapter, the owner of a pickup truck shall request the registered gross weight of the pickup truck be increased to ensure the registered gross weight is sufficient to include the total weight of the vehicle and any load transported on or by the vehicle. For purposes of this subdivision, a pickup truck is a motor vehicle with a manufacturer's gross vehicle weight rating of less than eleven thousand five hundred pounds [5216.31 kilograms], with an unladen weight of less than eight thousand

¹¹ Section 39-04-19 was also amended by section 1 of House Bill No. 1153, chapter 326, and section 8 of Senate Bill No. 2149, chapter 322.

pounds [3628.74 kilograms], and which is equipped with an open box-type bed not exceeding nine feet [2.74 meters] in length.

- b. Schoolbuses, buses for hire, buses owned and operated by religious, charitable, or nonprofit organizations and used exclusively for religious, charitable, or other public nonprofit purposes, and trucks or combination trucks and trailers, including commercial and noncommercial trucks, except those trucks or combinations of trucks and trailers which qualify for registration under this subsection or subsection 5:

YEARS REGISTERED

| Gross Weights | 1st Through 6th Years | 7th Through 9th Years | 10th Through 12th Years | 13th Through 19th Years | 20th and Subsequent Years |
|-----------------|-----------------------|-----------------------|-------------------------|-------------------------|---------------------------|
| Not over 4,000 | \$68 \$71 | \$55 \$58 | \$50 \$53 | \$47 \$50 | \$46 \$49 |
| 4,001 - 6,000 | 73 76 | 60 63 | 64 67 | 48 51 | 47 50 |
| 6,001 - 8,000 | 78 81 | 65 68 | 68 71 | 49 52 | 48 51 |
| 8,001 - 10,000 | 83 86 | 70 73 | 62 65 | 54 57 | 50 53 |
| 10,001 - 12,000 | 88 91 | 75 78 | 66 69 | 53 56 | 52 55 |
| 12,001 - 14,000 | 93 96 | 80 83 | 70 73 | 56 59 | 55 58 |
| 14,001 - 16,000 | 98 101 | 85 88 | 74 77 | 59 62 | 58 61 |
| 16,001 - 18,000 | 103 106 | 90 93 | 78 81 | 64 67 | 60 63 |
| 18,001 - 20,000 | 108 109 | 95 96 | 80 83 | 62 65 | 64 64 |

YEARS REGISTERED

| Gross Weights | 1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years | 8th, 9th, 10th, 11th, and 12th Years | 13th and Subsequent Years |
|-------------------|---|--------------------------------------|---------------------------|
| 20,001 - 22,000 | \$136 \$139 | \$119 \$113 | \$97 \$100 |
| 22,001 - 26,000 | 188 191 | 168 161 | 142 145 |
| 26,001 - 30,000 | 240 252 | 207 210 | 185 188 |
| 30,001 - 34,000 | 315 318 | 280 283 | 232 235 |
| 34,001 - 38,000 | 376 379 | 309 312 | 275 278 |
| 38,001 - 42,000 | 427 440 | 358 361 | 347 320 |
| 42,001 - 46,000 | 488 501 | 406 409 | 360 363 |
| 46,001 - 50,000 | 559 562 | 455 458 | 403 406 |
| 50,001 - 54,000 | 629 632 | 513 516 | 454 457 |
| 54,001 - 58,000 | 699 693 | 562 565 | 497 500 |
| 58,001 - 62,000 | 752 755 | 614 614 | 540 543 |
| 62,001 - 66,000 | 812 815 | 669 662 | 583 586 |
| 66,001 - 70,000 | 873 876 | 708 711 | 625 628 |
| 70,001 - 74,000 | 934 937 | 757 760 | 668 671 |
| 74,001 - 78,000 | 995 998 | 806 809 | 711 714 |
| 78,001 - 82,000 | 1,056 1,059 | 855 858 | 754 757 |
| 82,001 - 86,000 | 1,119 1,182 | 904 963 | 814 844 |
| 86,001 - 90,000 | 1,304 1,304 | 1,064 1,067 | 928 931 |
| 90,001 - 94,000 | 1,423 1,426 | 1,169 1,172 | 1,015 1,018 |
| 94,001 - 98,000 | 1,545 1,548 | 1,274 1,277 | 1,103 1,106 |
| 98,001 - 102,000 | 1,667 1,670 | 1,378 1,381 | 1,199 1,193 |
| 102,001 - 105,500 | 1,789 1,792 | 1,483 1,486 | 1,277 1,280 |

- c. ~~Notwithstanding the fees provided by subdivision a of subsection 2, only one-half of the increase in registration fees, rounded up to the nearest dollar, resulting from the reclassification of pickup trucks in 2005 from subdivision b of subsection 2 to subdivision a of subsection 2 is effective from July 1, 2005, through June 30, 2007.~~

- d. Motorcycles, fifteen dollars.

3. Motor vehicles acquired by disabled veterans under the provisions of Public Law 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax and, if paid, such veterans are entitled to a refund. This exemption also applies to any passenger motor vehicle or pickup truck not exceeding ten thousand pounds [4535.92 kilograms] gross

weight but shall apply to no more than two such motor vehicles owned by a disabled veteran at any one time.

4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate.
5. Trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles only, are entitled to registration under the following fee schedule and the provisions of this subsection. Farm vehicles are considered, for the purpose of this subsection, as trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or leased for at least one year by a bona fide resident farmer who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire. In addition to the penalty provided in section 39-04-41, any person violating this subsection shall license for the entire license period the farm vehicle at the higher commercial vehicle rate in accordance with the weight carried by the farm vehicle at the time of the violation.

YEARS REGISTERED

| Gross Weights | 1st, 2nd, 3rd, 4th, 5th, and 6th Years | 7th and 8th Years | 9th and 10th Years | 11th and Subsequent Years |
|-------------------|--|-------------------|--------------------|---------------------------|
| 20,001 - 22,000 | \$408 \$111 | \$94 \$97 | \$80 \$83 | \$62 \$65 |
| 22,001 - 24,000 | 443 116 | 98 101 | 83 86 | 64 67 |
| 24,001 - 26,000 | 424 124 | 404 107 | 87 90 | 66 69 |
| 26,001 - 28,000 | 432 135 | 442 115 | 93 96 | 70 73 |
| 28,001 - 30,000 | 444 144 | 420 123 | 99 102 | 74 77 |
| 30,001 - 32,000 | 456 159 | 433 136 | 440 113 | 83 86 |
| 32,001 - 34,000 | 466 169 | 444 144 | 446 119 | 87 90 |
| 34,001 - 36,000 | 476 179 | 449 152 | 422 125 | 94 94 |
| 36,001 - 38,000 | 486 189 | 457 160 | 428 131 | 96 98 |
| 38,001 - 40,000 | 496 199 | 466 168 | 434 137 | 99 102 |
| 40,001 - 42,000 | 206 209 | 473 176 | 440 143 | 493 106 |
| 42,001 - 44,000 | 246 219 | 484 184 | 446 149 | 407 110 |
| 44,001 - 46,000 | 226 229 | 489 192 | 452 155 | 444 114 |
| 46,001 - 48,000 | 236 239 | 497 200 | 458 161 | 446 118 |
| 48,001 - 50,000 | 246 249 | 206 208 | 464 167 | 449 122 |
| 50,001 - 52,000 | 266 269 | 223 226 | 480 183 | 433 136 |
| 52,001 - 54,000 | 276 279 | 234 234 | 486 189 | 437 140 |
| 54,001 - 56,000 | 286 289 | 239 242 | 492 195 | 444 144 |
| 56,001 - 58,000 | 296 299 | 247 250 | 498 201 | 446 148 |
| 58,001 - 60,000 | 306 309 | 255 258 | 204 207 | 449 152 |
| 60,001 - 62,000 | 316 319 | 263 266 | 210 213 | 453 156 |
| 62,001 - 64,000 | 326 329 | 271 274 | 216 219 | 457 160 |
| 64,001 - 66,000 | 336 339 | 279 282 | 222 225 | 464 164 |
| 66,001 - 68,000 | 346 349 | 287 290 | 228 231 | 466 168 |
| 68,001 - 70,000 | 356 359 | 295 298 | 234 237 | 469 172 |
| 70,001 - 72,000 | 366 369 | 303 306 | 240 243 | 473 176 |
| 72,001 - 74,000 | 376 379 | 311 314 | 246 249 | 477 180 |
| 74,001 - 76,000 | 386 389 | 319 322 | 252 255 | 484 184 |
| 76,001 - 78,000 | 396 399 | 327 330 | 258 261 | 486 188 |
| 78,001 - 80,000 | 406 409 | 336 338 | 264 267 | 489 192 |
| 80,001 - 82,000 | 416 419 | 343 346 | 270 273 | 493 196 |
| 82,001 - 84,000 | 426 429 | 355 358 | 343 316 | 269 272 |
| 84,001 - 86,000 | 446 449 | 382 385 | 327 330 | 284 284 |
| 86,001 - 88,000 | 466 469 | 399 402 | 344 344 | 293 296 |
| 88,001 - 90,000 | 486 489 | 416 419 | 356 358 | 306 308 |
| 90,001 - 92,000 | 506 509 | 433 436 | 369 372 | 317 320 |
| 92,001 - 94,000 | 526 529 | 450 453 | 383 386 | 329 332 |
| 94,001 - 96,000 | 546 549 | 467 470 | 397 400 | 344 344 |
| 96,001 - 98,000 | 566 569 | 484 487 | 414 414 | 353 356 |
| 98,001 - 100,000 | 586 589 | 504 504 | 426 428 | 366 368 |
| 100,001 - 102,000 | 606 609 | 518 521 | 439 442 | 377 380 |
| 102,001 - 104,000 | 626 629 | 535 538 | 453 456 | 389 392 |
| 104,001 - 105,500 | 646 649 | 552 555 | 467 470 | 404 404 |

6. A motor vehicle registered in subsection 5 may be used for custom combining operations by displaying identification issued by the department and upon payment of a fee of twenty-five dollars.
7. ~~Thirteen dollars of each registration fee collected under subsections 2 and 5 must be deposited in the state highway fund.~~

¹² **SECTION 18. AMENDMENT.** Section 54-27-19 of the North Dakota Century Code is amended and reenacted as follows:

54-27-19. Highway tax distribution fund - State treasurer to make allocation to state, counties, and cities. A highway tax distribution fund is created as a special fund in the state treasury into which must be deposited the moneys available by law from collections of motor vehicle registration and related fees, fuels taxes, special fuels taxes, use taxes, and special fuels excise taxes. ~~Any~~ The state treasurer shall transfer the first five million five hundred thousand dollars per biennium from the highway tax distribution fund to the state highway fund for the

¹² Section 54-27-19 was also amended by section 1 of House Bill No. 1130, chapter 479.

purpose of providing administrative assistance to other transferees. After the transfer of the first five million five hundred thousand dollars, any moneys in the highway tax distribution fund must be allocated and transferred monthly by the state treasurer, as follows:

1. ~~Sixty-three~~ Sixty-one and three-tenths percent of such moneys must be transferred monthly to the state department of transportation and placed in a state highway fund.
2. ~~Thirty-seven~~ Two and seven-tenths percent must be transferred monthly to the township highway fund.
3. One and five-tenths percent must be transferred monthly to the public transportation fund.
4. ~~Thirty-four and five-tenths percent of such moneys~~ must be allocated to the counties of this state in proportion to the number of motor vehicle registrations credited to each county. Each county must be credited with the certificates of title of all motor vehicles registered by residents of ~~such the~~ county. The state treasurer shall compute and distribute the counties' share monthly after deducting the incorporated cities' share. All the moneys received by the counties from the highway tax distribution fund must be set aside in a separate fund called the "highway tax distribution fund" and must be appropriated and applied solely for highway purposes in accordance with section 11 of article X of the Constitution of North Dakota. The state treasurer shall compute and distribute monthly the sums allocated to the incorporated cities within each county according to the formula in this subsection on the basis of the per capita population of all of the incorporated cities situated within each county as determined by the last official regular or special federal census or the census taken in accordance with the provisions of chapter 40-02 in case of a city incorporated subsequent to ~~such the~~ census. ~~Provided, however, that~~ However, in each county having a city with a population of ten thousand or more, the amount transferred each month into the county highway tax distribution fund must be the difference between the amount allocated to that county pursuant to this subsection and the total amount allocated and distributed to the incorporated cities in that county as computed according to the following formula:
 - a. A statewide per capita average as determined by calculating twenty-seven percent of the amount allocated to all of the counties under this subsection divided by the total population of all of the incorporated cities in the state.
 - b. The share distributed to each city in the county having a population of less than one thousand must be determined by multiplying the population of that city by the product of 1.50 times the statewide per capita average computed under subdivision a.
 - c. The share distributed to each city in the county having a population of one thousand to four thousand nine hundred ninety-nine, inclusive, must be determined by multiplying the population of that city by the product of 1.25 times the statewide per capita average computed under subdivision a.

- d. The share distributed to each city in the county having a population of five thousand or more must be determined by multiplying the population of that city by the statewide per capita average for all such cities, which per capita average must be computed as follows: the total of the shares computed under subdivisions b and c for all cities in the state having a population of less than five thousand must be subtracted from the total incorporated cities' share in the state as computed under subdivision a and the balance remaining must then be divided by the total population of all cities of five thousand or more in the state.

The moneys allocated to the incorporated cities must be distributed to them monthly by the state treasurer and must be deposited by the cities in a separate fund and may only be used in accordance with section 11 of article X of the Constitution of North Dakota; ~~provided, that any~~ and an incorporated city may use ~~such the~~ fund for the construction, reconstruction, repair, and maintenance of public highways within or outside ~~such the~~ city pursuant to an agreement entered into between the city and any other political subdivision as authorized by section 54-40-08.

SECTION 19. AMENDMENT. Section 54-27-19.1 of the North Dakota Century Code is amended and reenacted as follows:

54-27-19.1. Township highway aid fund - Distribution. ~~Notwithstanding any other provision of law, one cent per gallon [3.79 liters] of the tax imposed by sections 57-43.1-02 and 57-43.2-02 may not be refunded and the proceeds must be distributed as provided in this section. The tax commissioner shall transfer the proceeds of one cent per gallon [3.79 liters] of the tax imposed by sections 57-43.1-02 and 57-43.2-02 to the state treasurer who shall deposit the proceeds in a township highway aid fund in the state treasury.~~ The state treasurer shall no less than quarterly allocate and distribute all moneys in the township highway aid fund to the counties of the state based on the length of township roads in each county compared to the length of all township roads in the state. To receive any funds under this section, organized townships ~~shall~~ must provide fifty percent matching funds. The county treasurer shall allocate the funds received to the organized townships in the county which provide fifty percent matching funds based on the length of township roads in each ~~such of those organized township townships~~ compared to the length of all township roads in the county. The funds received must be deposited in the township road and bridge fund and used for highway and bridge purposes. If a county ~~has no~~ does not have organized townships, or has some organized and some unorganized townships, the county shall retain a pro rata portion of the funds received based on the length of roads in unorganized townships compared to the length of township roads in organized townships in the county. Moneys retained by a county for the benefit of unorganized townships under this section must be deposited in the county road and bridge fund. Moneys retained by the county treasurer due to the failure of organized townships to provide required matching funds must be returned to the state treasurer who shall deposit the funds in the highway tax distribution fund. The board of county commissioners shall certify to the state treasurer any change in township road mileage when a change occurs and shall, by July first of each even-numbered year, certify the total number of township road mileage in each of the county's organized and unorganized townships. The state treasurer shall prescribe the form and manner by which the certification is made.

SECTION 20. A new section to chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

Report on transportation funding and expenditures. Each county, city, and township shall provide to the tax commissioner an annual report on funding and expenditures relating to transportation projects and programs. The report must be provided within ninety days after the close of a calendar year. The report must contain by fund the beginning balance, revenues by major source, expenditures by major category, the ending balance, and any other information requested by the tax commissioner.

SECTION 21. AMENDMENT. Section 57-40.3-10 of the North Dakota Century Code is amended and reenacted as follows:

57-40.3-10. (Effective through June 30, 2009 2011) Transfer of revenue.

All moneys collected and received under this chapter after moneys are deposited in the state aid distribution fund under section 57-39.2-26.1 must be transmitted monthly by the director of the department of transportation to the state treasurer to be transferred and credited as follows:

1. ~~Ten~~ Twenty-five percent to the highway fund.
2. ~~Ninety~~ Seventy-five percent to the state general fund.

(Effective after June 30, 2009 2011) Transfer of revenue. All moneys collected and received under this chapter must be transmitted monthly by the director of the department of transportation to the state treasurer to be transferred and credited to the general fund.

SECTION 22. AMENDMENT. Section 57-43.1-06 of the North Dakota Century Code is amended and reenacted as follows:

57-43.1-06. Refund to prevent taxation by multiple jurisdictions. Any person to whom motor vehicle fuel is sold on which the tax imposed by this chapter has been paid, who thereafter removes the fuel from this state for sale or resale in another state or to a state which requires payment of a tax upon the use of the fuel in that state, must be granted a refund of the tax that was paid pursuant to this chapter. The refund may be granted only upon application to the commissioner in the manner prescribed by the commissioner and must include proof that fuel for sale or resale in another state was reported to the taxing agency of that state, or in the case of a consumer, proof of payment of the tax imposed by the other state. ~~The refund may not be reduced by the one cent per gallon [3.79 liters] tax designated for the township highway aid fund.~~ A claim for refund under this section must be made within one year from the date the fuel was removed to another state for sale, resale, or use in another state.

SECTION 23. AMENDMENT. Section 57-43.2-04.2 of the North Dakota Century Code is amended and reenacted as follows:

57-43.2-04.2. Refund to prevent taxation by multiple jurisdictions. Any person to whom special fuel is sold on which the tax imposed by this chapter has been paid, who thereafter removes the fuel from this state for sale or resale in another state or to a state that requires payment of a tax upon the use of the fuel in that state, must be granted a refund of the tax that was paid pursuant to this chapter. The refund may be granted only upon application to the commissioner in the manner prescribed by the commissioner and must include proof that fuel for sale or resale in another state was reported to the taxing agency of that state, or in the case of a consumer, proof of payment of the tax imposed by the other state. ~~The refund may not be reduced by the one cent per gallon [3.79 liters] tax designated for the~~

~~township highway aid fund.~~ A claim for refund under this section must be made within one year from the date the fuel was removed to another state for sale, resale, or use in another state.

SECTION 24. LEGISLATIVE COUNCIL STUDY - FARGO DISTRICT OFFICE SITE. During the 2009-10 interim, the legislative council shall consider studying the feasibility and desirability of relocating the Fargo district office facility. The study, if conducted, must include a review of the estimated value of the current site property, the best use of the current property, and potential locations for a new district office facility. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 25. LEGISLATIVE COUNCIL STUDY - FEDERAL TRANSPORTATION MATCHING FUNDS. During the 2009-10 interim, the legislative council shall consider studying the potential options for matching federal highway construction funding. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 26. REPEAL. Section 39-04.2-03 of the North Dakota Century Code is repealed.

SECTION 27. EMERGENCY. Sections 2, 3, 4, 5, 6, 7, 8, and 9 of this Act are declared to be an emergency measure.

Approved May 1, 2009
Filed May 1, 2009

CHAPTER 41**SENATE BILL NO. 2013**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the commissioner of university and school lands; to provide for distribution amounts from permanent funds; and to provide a transfer to the general fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much the funds as may be necessary, are appropriated from special funds derived from the state lands maintenance fund and the oil and gas impact grant fund in the state treasury, to the commissioner of university and school lands for the purpose of defraying the expenses of the commissioner of university and school lands, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$2,500,324 | \$714,526 | \$3,214,850 |
| Operating expenses | 675,700 | 64,252 | 739,952 |
| Capital assets | 10,000 | 0 | 10,000 |
| Grants | 5,888,100 | 3,889,659 | 9,777,759 |
| Contingencies | <u>50,000</u> | <u>0</u> | <u>50,000</u> |
| Total special funds | \$9,124,124 | \$4,668,437 | \$13,792,561 |
| Full-time equivalent positions | 18.75 | 3.00 | 21.75 |

SECTION 2. GRANTS. Section 54-44.1-11 does not apply to appropriations made for oil impact grants in section 1 of the Act.

SECTION 3. APPROPRIATION LINE ITEM TRANSFERS. Upon approval of the board of university and school lands, the commissioner of university and school lands may transfer from the contingencies line item in section 1 of this Act to all other line items. The commissioner shall notify the office of management and budget of each transfer made pursuant to this section.

SECTION 4. DISTRIBUTIONS TO STATE INSTITUTIONS. Notwithstanding section 15-03-05.2, the board of university and school lands shall distribute during the biennium beginning July 1, 2009, and ending June 30, 2011, the following amounts, or so much income as may be available, from the permanent funds managed for the benefit of the following entities:

| | |
|-------------------------------|--------------|
| Common schools | \$77,000,000 |
| North Dakota state university | 1,230,000 |
| University of North Dakota | 1,114,000 |
| Youth correctional center | 438,000 |
| School for the deaf | 356,000 |
| State college of science | 410,000 |
| State hospital | 480,000 |
| Veterans' home | 276,000 |
| Valley City state university | 260,000 |

| | |
|---|---------------|
| North Dakota vision services - school for the blind | 234,000 |
| Mayville state university | 178,000 |
| Minot state university - Bottineau | 28,000 |
| Dickinson state university | 28,000 |
| Minot state university | <u>28,000</u> |
| Total | \$82,060,000 |

SECTION 5. TRANSFER TO GENERAL FUND FROM LANDS AND MINERALS TRUST FUND. During the biennium beginning July 1, 2009, and ending June 30, 2011, the director of the office of management and budget may transfer special funds from the lands and minerals trust fund to the general fund in the amount of \$35,000,000.

SECTION 6. FULL-TIME EQUIVALENT AUTHORIZATION - BUDGET SECTION APPROVAL. Section 1 of this Act includes one full-time equivalent position relating to minerals management which may be filled only upon budget section approval.

SECTION 7. ADDITIONAL FUNDING - APPROPRIATION. In addition to the funds appropriated in the grants line item in section 1 of this Act, there is appropriated any additional funds that may be authorized by the sixty-first legislative assembly for deposit in the oil and gas impact grant fund to the land department for providing oil and gas impact grants, for the biennium beginning July 1, 2009, and ending June 30, 2011.

Approved May 1, 2009
Filed May 5, 2009

CHAPTER 42**SENATE BILL NO. 2014**(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 create and enact two new sections to chapter 54-18 of the North Dakota Century Code, relating to mill and elevator profits and gain sharing; to amend and reenact section 54-17.5-01 of the North Dakota Century Code, relating to education activities relating to the lignite industry; to repeal section 16 of chapter 14 of the 2007 Session Laws, relating to a transfer from the North Dakota mill and elevator association; to provide legislative intent; to provide an appropriation; to provide a contingent appropriation; to provide an exemption; to authorize transfers; and to declare an emergency.

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 other 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 the state industrial commission and agencies under its control, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

INDUSTRIAL COMMISSION

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|---------------------|--|----------------------|
| Salaries and wages | \$7,207,544 | \$2,323,453 | \$9,530,997 |
| Operating expenses | 2,255,690 | 459,886 | 2,715,576 |
| Capital assets | 34,500 | 14,500 | 49,000 |
| Grants - Lignite research and development | 19,410,600 | 560,700 | 19,971,300 |
| State facility lignite feasibility demonstration project | 0 | 400,000 | 400,000 |
| Grants - Bond payments | 29,475,016 | (2,033,151) | 27,441,865 |
| Oil and gas division contingency | 285,000 | (285,000) | 0 |
| Biomass incentive and research | 2,000,000 | (2,000,000) | 0 |
| Renewable energy development | 20,000,000 | (17,000,000) | 3,000,000 |
| Total all funds | <u>\$80,668,350</u> | <u>(\$17,559,612)</u> | <u>\$63,108,738</u> |
| Less estimated income | <u>69,392,346</u> | <u>(20,083,862)</u> | <u>49,308,484</u> |
| Total general fund | \$11,276,004 | \$2,524,250 | \$13,800,254 |
| Full-time equivalent positions | 55.37 | 5.69 | 61.06 |

Subdivision 2.

BANK OF NORTH DAKOTA - OPERATIONS

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|-------------------|--|----------------------|
| Bank of North Dakota operations | \$35,271,867 | \$6,490,407 | \$41,762,274 |
| Capital assets | 1,900,000 | (445,000) | 1,455,000 |
| Total from the Bank of North Dakota fund | \$37,171,867 | \$6,045,407 | \$43,217,274 |
| Full-time equivalent positions | 176.50 | 0.00 | 176.50 |

Subdivision 3.

BANK OF NORTH DAKOTA - ECONOMIC DEVELOPMENT

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---|-------------------|--|----------------------|
| Partnership in assisting community expansion fund | \$8,000,000 | \$0 | \$8,000,000 |
| Agriculture partnership in assisting community expansion fund | 1,400,000 | 1,000,000 | 2,400,000 |
| Beginning farmer revolving loan fund | 950,000 | 0 | 950,000 |
| Biofuels partnership in assisting community expansion fund | 0 | 700,000 | 700,000 |
| Total all funds | \$10,350,000 | \$1,700,000 | \$12,050,000 |
| Less beginning farmer revolving loan fund | 950,000 | 0 | 950,000 |
| Total general fund | \$9,400,000 | \$1,700,000 | \$11,100,000 |

Subdivision 4.

MILL AND ELEVATOR ASSOCIATION

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$20,053,037 | \$2,546,287 | \$22,599,324 |
| Operating expenses | 16,262,572 | 720,346 | 16,982,918 |
| Contingencies | 300,000 | 25,000 | 325,000 |
| Agriculture promotion | 150,000 | 0 | 150,000 |
| Total from mill and elevator fund | \$36,765,609 | \$3,291,633 | \$40,057,242 |
| Full-time equivalent positions | 131.00 | 0.00 | 131.00 |

Subdivision 5.

HOUSING FINANCE AGENCY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|-------------------|--|----------------------|
| Salaries and wages | \$4,696,712 | \$1,285,116 | \$5,981,828 |
| Operating expenses | 9,412,778 | (735,197) | 8,677,581 |
| Grants | 27,319,800 | (1,095,440) | 26,224,360 |
| Housing finance agency contingencies | 100,000 | 0 | 100,000 |
| Total from housing finance agency fund | \$41,529,290 | (\$545,521) | \$40,983,769 |
| Full-time equivalent positions | 43.00 | 3.00 | 46.00 |

Subdivision 6.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|--------------------|--|----------------------|
| Grand total general fund | \$20,676,004 | \$4,224,250 | \$24,900,254 |
| Grand total special funds | <u>185,809,112</u> | <u>19,068,231</u> | <u>204,877,343</u> |
| Grand total all funds | \$206,485,116 | \$23,292,481 | \$229,777,597 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the grand total appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|--|----------------|----------------|
| Biofuels partnership in assisting community expansion | \$4,200,000 | \$700,000 |
| Fossil restoration fund | 250,000 | 0 |
| Core and sample library repairs | 230,000 | 0 |
| State facility lignite feasibility demonstration project | 0 | 400,000 |
| Ag PACE disaster program | 0 | 1,000,000 |
| Recruitment/retention bonuses | 0 | 185,000 |
| Renewable energy development program | 0 | 3,000,000 |
| Fracturing sand and coalbed methane studies | 0 | 93,152 |
| Total general fund | \$4,680,000 | \$5,378,512 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The industrial commission shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. LEGISLATIVE INTENT - BOND PAYMENTS. The amount of \$27,441,865 included in subdivision 1 of section 1 of this Act in the grants - bond payments line item must be paid from the following funding sources during the biennium beginning July 1, 2009, and ending June 30, 2011:

| | |
|---|----------------|
| North Dakota university system | \$12,014,048 |
| North Dakota university system - Energy conservation projects | 1,869,248 |
| Department of corrections and rehabilitation - State penitentiary | 2,203,515 |
| Department of corrections and rehabilitation - Energy conservation projects | 18,580 |
| State department of health | 704,127 |
| Job service North Dakota | 747,772 |
| Department of human services - State hospital | 437,729 |
| Department of human services - Developmental center at Grafton | 501,657 |
| Adjutant general | 70,627 |
| Information technology department - ConnectND | 5,405,936 |
| Office of management and budget | 665,298 |
| Office of the attorney general | 765,882 |
| State historical society | 1,392,393 |
| Parks and recreation | 73,630 |
| Research and extension service | <u>571,423</u> |
| Total | \$27,441,865 |

SECTION 4. 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, 2009, and ending June 30, 2011.

SECTION 5. APPROPRIATION - EMERGENCY COMMISSION APPROVAL. In addition to the amount appropriated to the state 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 state industrial commission for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. CONTINGENT DEPARTMENT OF MINERAL RESOURCES FUNDING - EMERGENCY COMMISSION APPROVAL. Of the funds appropriated in the salaries and wages and operating expense line items in subdivision 1 of section 1 of this Act, \$515,207 are from the lands and minerals trust fund. If funds are required due to the average drilling rig count exceeding one hundred active rigs for each month in any consecutive three-month period, the oil and gas division may spend \$319,041 of these funds and hire up to two full-time equivalent positions, upon emergency commission approval. If funds are required due to receipt of an application for solution mining of potash or uranium, the geological survey division may spend \$196,166 of these funds and hire up to one full-time equivalent position, upon emergency commission approval.

SECTION 7. EXEMPTION. The biomass incentive and research fund is not subject to section 54-44.1-11 and any unexpended and unobligated balance in the fund at June 30, 2009, must be transferred to the renewable energy development fund.

SECTION 8. TRANSFER. The sum of \$471,633, 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, may be transferred from the entities within the control of the state industrial commission to the industrial commission fund for administrative services rendered by commission. Transfers shall be made during the biennium beginning July 1, 2009, and ending June 30, 2011, upon order of the commission. Transfers from the student loan trust must be made to the extent permitted by sections 54-17-24 and 54-17-25.

SECTION 9. APPROPRIATION - TRANSFER. The funds appropriated in 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; the agriculture partnership in assisting community expansion fund; and the biofuels partnership in assisting community expansion fund. The Bank of North Dakota may not be construed to be a general fund agency because of the appropriation made by subsection 3 of section 1 of this Act.

SECTION 10. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM - APPROPRIATION - LIGNITE MARKETING FEASIBILITY STUDY. The amount of \$1,500,000, or so much of the amount as may be necessary, included in the grants and special funds appropriation line item in subdivision 1 of section 1 of this Act, is appropriated from the lignite research fund for the purpose of contracting for an 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 industry jobs or that

will lead to increased development of lignite and its products and create new lignite industry 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 program; for litigation that may be necessary to protect and promote the continued development of lignite resources; for nonmatching externality studies and activities in externality proceedings; or other marketing, environmental, or transmission activities that assist with marketing of lignite-based electricity and lignite-based byproducts. Moneys not needed for the purposes stated in this section are available to the commission for funding projects, processes, or activities under the lignite research, development, and marketing program.

SECTION 11. MILL AND ELEVATOR STUDY. The industrial commission shall obtain the services of a consultant to evaluate the state mill and elevator association during the 2009-10 interim. The evaluation must include a comparison to industry averages or standards of:

1. Financial data reflected on balance sheets and income statements;
2. Cashflow data;
3. Ratio analysis of working capital, operating efficiency, marketing, and other ratios;
4. Liquidity ratios to determine appropriate working capital needed for the mill;
5. Pretax income levels;
6. Business opportunities;
7. Capital investment and recommended net assets levels; and
8. Officer and employee compensation guidelines, including gain-sharing programs.

The industrial commission shall provide a summary report exclusive of proprietary information to the budget section on the results of the evaluation during the 2009-10 interim.

SECTION 12. Two new sections to chapter 54-18 of the North Dakota Century Code are created and enacted as follows:

Transfer of North Dakota mill and elevator profits to general fund. The industrial commission shall transfer to the state general fund fifty percent of the annual earnings and undivided profits of the North Dakota mill and elevator association after any transfers to other state agricultural-related programs. The moneys must be transferred on an annual basis in the amounts and at the times requested by the director of the office of management and budget.

Gain-sharing program. For the purpose of this section, "gain-sharing program" means a program approved annually by the industrial commission with provisions that promote profitability, productivity, and safety. Any gain-sharing program approved by the industrial commission must include provisions that ensure that no payouts occur unless mill and elevator profits exceed one million dollars and transfers will be made to the state general fund for that program year.

SECTION 13. AMENDMENT. Section 54-17.5-01 of the North Dakota Century Code is amended and reenacted as follows:

54-17.5-01. Declaration of findings and public purpose. The legislative assembly finds and declares that North Dakota's lignite industry produces approximately thirty million tons of lignite annually, contributing to our state's and nation's energy independence by generating electricity for more than two million people in the northern great plains region and by producing synthetic natural gas from coal that heats three hundred thousand homes and businesses in eastern states, which is equivalent to over twenty thousand barrels of oil per day. The legislative assembly further finds and declares that North Dakota's lignite industry generates over ~~seventeen~~ twenty-eight thousand direct and indirect jobs for North Dakota, ~~over one~~ nearly three billion dollars in annual business volume, and over ~~sixty-five~~ one hundred three million dollars in annual tax revenue. The legislative assembly further finds and declares that it is an essential governmental function and public purpose to assist with the development and wise use of North Dakota's vast lignite resources by supporting a lignite research, development, and marketing program that promotes economic, efficient, and clean uses of lignite and products derived from lignite in order to maintain and enhance development of North Dakota lignite and its products; support educational activities relating to the lignite industry; preserve and create jobs involved in the production and utilization of North Dakota lignite; ensure economic stability, growth, and opportunity in the lignite industry; and maintain a stable and competitive tax base for our state's lignite industry for the general welfare of North Dakota. The legislative assembly further finds and declares that development of North Dakota's lignite resources must be conducted in an environmentally sound manner that protects our state's air, water, and soil resources as specified by applicable federal and state law.

SECTION 14. STATE FACILITY LIGNITE FEASIBILITY DEMONSTRATION PROJECT. The state facility lignite feasibility demonstration project line item in subdivision 1 of section 1 of this Act includes \$400,000 from the general fund for the purpose of demonstrating the feasibility of using lignite at a state-owned facility equipped with coal-fired boilers generating at least 200,000 pounds of steam at 125 pounds per square inch. The use of any funds provided for in this section must be approved by the lignite research council and the industrial commission after following the standard lignite research development program review and approval process.

SECTION 15. AGRICULTURE PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION DISASTER PROGRAM - RETURN OF FUNDS TO GENERAL FUND. The agriculture partnership in assisting community expansion fund line item in subdivision 3 of section 1 of this Act includes \$1,000,000 from the general fund which may be deposited in the agriculture partnership in assisting community expansion fund and used by the Bank of North Dakota to expand parameters for the agriculture partnership in assisting community expansion disaster program to assist those farmers and livestock producers that suffered extraordinary losses directly as a result of the weather-related events in the winter and spring of 2009, for the period beginning with the effective date of this Act and ending June 30, 2011. The Bank of North Dakota shall return any agriculture partnership in assisting community expansion disaster program funds not obligated by January 1, 2011, to the general fund. The Bank of North Dakota may transfer funds available in the partnership in assisting community expansion and biofuels partnership in assisting community expansion programs to the agriculture partnership in assisting community expansion program for providing additional funds for the disaster program, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 16. TRANSFER - BANK OF NORTH DAKOTA. The industrial commission, by June 30, 2011, shall transfer from the current earnings and undivided profits of the Bank of North Dakota to the general fund an amount equal to any general fund moneys deposited in the agriculture partnership in assisting community expansion fund and obligated for the disaster program provided for under section 15 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 17. HOUSING FINANCE AGENCY FINANCING - PILOT PROJECT. The housing finance agency may establish a pilot project using funds available in subdivision 5 of section 1 of this Act to provide incentives for private sector investment in single-family residential dwelling units and multifamily housing facilities in difficult-to-develop areas of the state, for the biennium beginning July 1, 2009, and ending June 30, 2011. The housing finance agency shall report to the budget section at its last interim meeting prior to the 2010 legislative assembly organizational session.

SECTION 18. LEGISLATIVE INTENT - LAND PURCHASE. It is the intent of the sixty-first legislative assembly that to the best of its ability the Bank of North Dakota ensure that properties adjacent to Bank of North Dakota property northwest of west street are developed for uses that are consistent with the mission and purpose of the Bank of North Dakota.

SECTION 19. LEGISLATIVE INTENT - COLLEGE SAVE PROGRAM INCENTIVE. It is the intent of the sixty-first legislative assembly that the Bank of North Dakota use administrative fee collections associated with the Bank's college SAVE program to provide incentives to establish 529 college savings plans under the Bank's college SAVE program.

SECTION 20. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The industrial commission may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds received and spent under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 21. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the housing finance agency, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|-------------------------------------|-------------------|
| HOME tax credit assistance program | \$4,860,574 |
| Housing tax credit exchange program | <u>25,500,000</u> |
| Total federal funds | \$30,360,574 |

The housing finance agency may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009

in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 22. FEDERAL FISCAL STIMULUS BOND ALLOCATIONS - RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS - RECOVERY ZONE FACILITY BONDS - QUALIFIED ENERGY CONSERVATION BONDS. Any bond allocations made available to the state of North Dakota under the federal American Recovery and Reinvestment Act of 2009 for the national recovery zone economic development bond limitation, the national recovery zone facility bond limitation, and the qualified energy conservation bond limitation must be reallocated by this state as provided therein and as may be provided in any guidance issued by the secretary of the treasury or the internal revenue service. Any such reallocation must be made by the governor, or may be delegated by the governor to the industrial commission or public finance authority.

SECTION 23. DEPARTMENT OF MINERAL RESOURCES SHARE OF EQUITY POOL. The office of management and budget shall provide at least four percent of all general fund salary equity pools that are appropriated for salary equity increases for state employees, for the biennium beginning July 1, 2009, and ending June 30, 2011, to the department of mineral resources for its nonclassified employees.

SECTION 24. REPEAL. Section 16 of chapter 14 of the 2007 Session Laws is repealed.

SECTION 25. EMERGENCY. The sum of \$1,000,000 from the general fund included in the agriculture partnership in assisting community expansion fund in subdivision 3 of section 1 of this Act and sections 13, 15, 20, 21, 22, and 24 of this Act are declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 43**SENATE BILL NO. 2015**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the department of corrections and rehabilitation; to provide contingent appropriations; and to declare an emergency.

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 department of corrections and rehabilitation for the purposes of defraying the expenses of the department of corrections and rehabilitation, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Adult services | \$128,150,266 | \$15,505,602 | \$143,655,868 |
| Youth services | 22,948,168 | 2,386,163 | 25,334,331 |
| Deferred maintenance | <u>0</u> | <u>1,372,519</u> | <u>1,372,519</u> |
| Total all funds | \$151,098,434 | \$19,264,284 | \$170,362,718 |
| Less estimated income | <u>24,050,952</u> | <u>1,886,741</u> | <u>25,937,643</u> |
| Total general fund | \$127,047,482 | \$17,377,543 | \$144,425,025 |
| Full-time equivalent positions | 711.29 | 24.00 | 735.29 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|----------------|----------------|
| Youth correctional center security lighting | \$70,000 | \$0 |
| Deferred maintenance | 1,725,391 | 1,372,519 |
| Medical information system, equipment, and radios | 1,764,000 | 0 |
| Equipment | <u>0</u> | <u>595,500</u> |
| Total general fund | \$3,559,391 | \$1,968,019 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The department of corrections and rehabilitation shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. DEFERRED MAINTENANCE - TRANSFERS. The department of corrections and rehabilitation is authorized to transfer from the deferred maintenance line to the other lines contained in section 1 of this Act amounts

necessary to address extraordinary repair needs. Any amounts transferred must be reported to the director of the office of management and budget.

SECTION 4. DEPARTMENT OF CORRECTIONS AND REHABILITATION SHARE OF SALARY EQUITY POOL. The office of management and budget shall provide at least twenty-nine percent of any general fund salary equity pool that is appropriated for salary equity increases for state employees, for the biennium beginning July 1, 2009, and ending June 30, 2011, to the department of corrections and rehabilitation. The department of corrections and rehabilitation may provide salary equity increases only to employees classified in pay grades one through fourteen.

SECTION 5. CONTINGENT FUNDING - MISSOURI RIVER CORRECTIONAL CENTER REPAIRS. Section 1 of this Act includes \$93,592 from the general fund for roof repairs for the dining and kitchen area at the Missouri River correctional center which may be spent only if the Missouri River correctional center is not relocated to the state penitentiary as part of the prison expansion project, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. CONTINGENT FUNDING - PROGRAMS AND PROJECTS. Section 1 of this Act includes \$225,041 for a summer replacement boiler, \$18,928 for conversion of the energy management system from analog to digital, \$15,774 for heating and cooling equipment replacement, and \$160,000 for temporary housing of sexual offenders from the general fund which may be spent only to the extent that federal funds appropriated in section 9 of this Act are not available for these purposes.

SECTION 7. HEART OF AMERICA CORRECTION AND TREATMENT CENTER - TREATMENT SERVICES PAYMENTS. The department of corrections and rehabilitation shall distribute, in twenty-four equal payments, the sum of \$1,628,813 from the general fund appropriated in the adult services line item in section 1 of this Act to the heart of America correction and treatment center for inmate-related treatment services, for the biennium beginning July 1, 2009, and ending June 30, 2011. If the heart of America correction and treatment center does not accept a sufficient number of inmates to occupy at least ninety-six percent of the average daily treatment program bed count provided for in the contract for the first ten months of each year of the biennium, the department of corrections and rehabilitation shall reduce the monthly payments for the remaining two months of each year. The total reduction for the two months is the sum of the monthly calculation of the number of beds at ninety-six percent occupancy less the number of beds filled multiplied by the daily rate multiplied by the number of days in the month. The department of corrections and rehabilitation shall refer a sufficient number of inmates to the heart of America correction and treatment center to allow for the average daily treatment program bed count provided for in the contract to be fulfilled, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the department of corrections and rehabilitation, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|--|-------------|
| Summer replacement boiler (from funds available through department of commerce) | \$225,041 |
| Energy management system conversion (from funds available through department of commerce) | 18,928 |
| Heating and cooling equipment replacement (from funds available through department of commerce) | 15,574 |
| Temporary housing of sexual offenders (from funds available through department of commerce) | 160,000 |
| Crime victims assistance | 542,000 |
| Crime victims compensation | 78,313 |
| Total federal funds | \$1,039,856 |

The department of corrections and rehabilitation may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 9. EMERGENCY. Section 8 of this Act is declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 44**SENATE BILL NO. 2016**(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of job service North Dakota; and to declare an emergency.

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 job service North Dakota for the purpose of defraying the expenses of job service North Dakota, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|---------------------|--|----------------------|
| Salaries and wages | \$33,000,430 | \$2,565,816 | \$35,566,246 |
| Operating expenses | 13,152,481 | (1,927,677) | 11,224,804 |
| Capital assets | 20,000 | 0 | 20,000 |
| Grants | 8,438,220 | 0 | 8,438,220 |
| Workforce 20/20 | 1,500,000 | 12,491 | 1,512,491 |
| Reed Act - Unemployment insurance computer modernization | 7,300,000 | (1,784,414) | 5,515,586 |
| Total all funds | <u>\$63,411,131</u> | <u>(\$1,133,784)</u> | <u>\$62,277,347</u> |
| Less estimated income | <u>61,664,171</u> | <u>(952,266)</u> | <u>60,711,905</u> |
| Total general fund | \$1,746,960 | (\$181,518) | \$1,565,442 |
| Full-time equivalent positions | 308.00 | (23.95) | 284.05 |

SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to job service North Dakota, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|---|--------------------|
| Workforce Investment Act programs | \$5,068,883 |
| State unemployment insurance and employment services | 2,984,613 |
| Unemployment compensation benefit increase - Administration | <u>1,039,443</u> |
| Total federal funds | <u>\$9,092,939</u> |

Job service North Dakota may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds

will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. APPROPRIATION - REED ACT FUNDS - UMEMPLOYMENT INSURANCE COMPUTER MODERNIZATION. The special appropriation of \$5,515,586 in section 1 of this Act is from federal Reed Act funds made available to the state by the federal Reed Act distributions made in federal fiscal years 1957, 1958, 1999, and 2002, pursuant to section 903 of the Social Security Act. This sum, or so much of the sum as may be necessary, is for the purpose of developing a modernized unemployment insurance computer system, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. APPROPRIATION. All federal funds, except funds under the federal American Recovery and Reinvestment Act of 2009, received by job service North Dakota in excess of those funds appropriated in section 1 of this Act are appropriated for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. WORKFORCE 20/20 FUNDING. Fifty percent of the workforce 20/20 funding in section 1 of this Act must be used for projects for new or expanding businesses in North Dakota.

SECTION 6. EMERGENCY. Section 2 of this Act is declared to be an emergency measure.

Approved May 1, 2009
Filed May 4, 2009

CHAPTER 45**SENATE BILL NO. 2017**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the office of administrative hearings.

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 from special funds derived from income, to the office of administrative hearings for the purpose of defraying the expenses of the office of administrative hearings, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$1,268,446 | (\$361,851) | \$906,595 |
| Operating expenses | 374,417 | 217,700 | 592,117 |
| Total special funds | \$1,642,863 | (\$144,151) | \$1,498,712 |
| Full-time equivalent positions | 8.00 | (3.00) | 5.00 |

Approved May 1, 2009
Filed May 4, 2009

CHAPTER 46**SENATE BILL NO. 2018**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the department of commerce; to provide an appropriation to the office of management and budget; to provide a contingent appropriation; to provide exemptions; to provide for transfers; to provide a continuing appropriation; to provide for legislative council studies; to provide reports to the budget section; to provide for the establishment of a centers of excellence fund; to create and enact a new subsection to section 15-69-01, a new section to chapter 54-18, a new section to chapter 54-44.1, and a new section to chapter 54-60 of the North Dakota Century Code, relating to definitions relating to centers of excellence, an annual transfer from the state mill and elevator association, the establishment of a searchable database, and the division of workforce development's strategic plan and the North Dakota workforce development council; to amend and reenact subsection 1 of section 15-69-02, subsections 1, 2, and 3 of section 15-69-04, subsections 1, 3, 4, and 5 of section 15-69-05, subsection 2 of section 54-60-16, and section 54-60-17 of the North Dakota Century Code, relating to centers of excellence, the international business and trade office, and higher education internships and work experience opportunities; to provide an expiration date; and to declare an emergency.

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 department of commerce for the purpose of defraying the expenses of the department of commerce, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$8,826,879 | \$1,193,961 | \$10,020,840 |
| Operating expenses | 14,308,688 | 169,584 | 14,478,272 |
| Capital assets | 25,000 | 0 | 25,000 |
| Grants | 48,774,748 | 19,611,310 | 68,386,058 |
| Discretionary funds | 1,450,127 | (522,044) | 928,083 |
| Economic development initiatives | 1,296,846 | (1,110,000) | 186,846 |
| Agricultural products utilization | 3,008,193 | (471,563) | 2,536,630 |
| North Dakota trade office | 1,500,000 | 564,000 | 2,064,000 |
| Partner programs | 50,000 | 1,972,044 | 2,022,044 |
| Total all funds | \$79,240,481 | \$21,407,292 | \$100,647,773 |
| Less special funds | 55,758,516 | 13,907,954 | 69,666,470 |
| Total general fund | \$23,481,965 | \$7,499,338 | \$30,981,303 |
| Full-time equivalent positions | 66.00 | 2.00 | 68.00 |

SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the department of commerce, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|---|------------------|
| Community development block grant program | \$1,300,000 |
| Community services block grant | 4,853,305 |
| State energy program | 24,585,000 |
| Energy efficiency and conservation block grants | 10,000,000 |
| Weatherization assistance program | 25,266,330 |
| Emergency shelter grants | <u>2,590,000</u> |
| Total federal funds | \$68,594,635 |

The department of commerce may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

The department of commerce may accept federal fiscal stimulus funding for programs that continue into the biennium beginning July 1, 2011, and ending June 30, 2013. Any federal fiscal stimulus funding received in the 2011-13 biennium is not a part of the agency's 2013-15 base budget.

SECTION 3. USE OF FEDERAL FISCAL STIMULUS FUNDS - ELECTRICAL GENERATORS. The department of commerce shall use \$2,000,000 of the funding appropriated in section 2 of this Act for the purpose of establishing a grant program to assist in the purchase and installation of electrical generators that consume at least seventy-five percent of the gas from oil and gas well sites which would otherwise be flared or wasted, for the period beginning with the effective date of this Act and ending June 30, 2011. The funding is contingent upon approval from the United States department of energy of use of the funding for the grant program. Before making a grant from the program established by this section, the department of commerce shall obtain the recommendation of the oil and gas research program administered by the industrial commission regarding the application's technical accuracy and consistency with the oil and gas research program.

SECTION 4. USE OF FEDERAL FISCAL STIMULUS FUNDS - BIOFUEL BLENDER PUMP GRANTS. The department of commerce shall use up to \$1,000,000 of the funding appropriated in section 2 of this Act for biofuel blender pump grants.

SECTION 5. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES. There is appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$400,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of establishing a searchable database of state expenditures as provided for in section 35 of this Act, for the

biennium beginning July 1, 2009, and ending June 30, 2011. Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget.

SECTION 6. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriations in section 1 and section 12 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|--------------------|--------------------|
| Transfer to development fund | \$3,000,000 | \$0 |
| Tax expenditure and business incentive reports | 100,000 | 0 |
| Transfer to workforce enhancement fund | 0 | 1,000,000 |
| Ethanol/biodiesel blender pumps and alternative energy | 0 | 1,000,000 |
| Promotion and marketing of U.S.S. North Dakota | 0 | 100,000 |
| Total general fund | <u>\$3,100,000</u> | <u>\$2,100,000</u> |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The department of commerce shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. AGRICULTURE FUEL TAX REFUNDS. The estimated income line item in section 1 of this Act includes \$575,000 from refunds of tax for fuel used for agricultural purposes, to be used by the agricultural products utilization commission, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. EXEMPTION. The amount appropriated for the agricultural products utilization commission in section 3 of chapter 18 of the 2007 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item for grants are available for grants during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. EXEMPTION. The amount appropriated for the discretionary funds line item in section 3 of chapter 18 of the 2007 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. EXEMPTION. The amount appropriated for internships contained in the economic development initiative line item in section 3 of chapter 18 of the 2007 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 11. TRADE OFFICE - MATCHING FUND REQUIREMENT. The total North Dakota trade office special line and the general fund appropriation in section 1 of this Act include \$2,000,000 of funding relating to the North Dakota trade office. The department of commerce may spend sixty-two and one-half percent of this amount without requiring any matching funds from the trade office. Any additional amounts may be spent only to the extent that the North Dakota trade office provides one dollar of matching funds from private or other public sources for each one dollar provided by the department for the biennium beginning July 1, 2009, and ending June 30, 2011. Matching funds may include money spent by businesses or

organizations to pay salaries to export assistants, provide training to export assistants, or buy computer equipment as part of the North Dakota trade office's export assistance program.

SECTION 12. APPROPRIATION - TRANSFER - WORKFORCE ENHANCEMENT FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, which the office of management and budget shall transfer to the workforce enhancement fund for the purpose of assisting two-year colleges to respond to business and industry workforce training for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 13. TECHNOLOGY-BASED ENTREPRENEURSHIP GRANT PROGRAM - REPORT TO THE BUDGET SECTION. The grants line item in section 1 of this Act includes the sum of \$1,000,000 from the general fund for a technology-based entrepreneurship grant program to be developed by the department of commerce, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of commerce shall report to the budget section in the third quarter of 2010 on the status of the technology-based entrepreneurship grant program, including an overview of the program and program expenditures.

SECTION 14. TAX-EXEMPT PROPERTY - REPORT TO THE BUDGET SECTION. During the 2009-10 interim, the department of commerce shall compile information identifying tax-exempt property by school district, including information on the related value of the property based on soil survey, insured value, or other means, and a categorization of the property by whether or not it produces revenue based on its use. The department of commerce shall report the information compiled to the budget section during the third quarter of 2010.

SECTION 15. LEGISLATIVE INTENT - DIVISION OF TOURISM - LARGE TOURISM INFRASTRUCTURE GRANTS. It is the intent of the sixty-first legislative assembly that the department of commerce division of tourism develop criteria for large tourism infrastructure grants and a method for setting funding priorities for such grants in future bienniums.

SECTION 16. GRANT - LEWIS AND CLARK FOUNDATION. The grants line item in section 1 of this Act includes the sum of \$1,500,000 from the general fund for providing a grant to the Lewis and Clark foundation, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of commerce may spend the funds appropriated from the general fund only to the extent matching funds have been secured from nonstate sources on a dollar-for-dollar basis. The funds may be used only for construction costs.

SECTION 17. GRANT - THEODORE ROOSEVELT MEDORA FOUNDATION. The grants line item in section 1 of this Act includes the sum of \$500,000 from the general fund for providing a grant to the Theodore Roosevelt Medora foundation, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of commerce may only spend the funds appropriated from the general fund to the extent matching funds of \$12,000,000 from nonstate sources have been secured by the foundation. The funds may be used only for construction costs.

SECTION 18. LEGISLATIVE COUNCIL STUDY - TECHNOLOGY-BASED ENTREPRENEURSHIP AND ECONOMIC DEVELOPMENT BEST PRACTICES. During the 2009-10 interim, the legislative council shall consider studying technology-based entrepreneurship and economic development best practices. The

study should include a review of best practices implemented by the department of commerce and the effectiveness of the department of commerce foundation. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 19. LEGISLATIVE COUNCIL STUDY - WORKFORCE SYSTEM INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the state's system for addressing workforce needs through a workforce system initiative. The study should include a review of the alignment of taxpayer investment with programs, coordination of programs, and the North Dakota workforce strategic plan. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 20. LEGISLATIVE INTENT - ACCOUNTABILITY. It is the intent of the sixty-first legislative assembly that the department of commerce establish and implement appropriate accountability requirements relating to grants provided to the Lewis and Clark foundation and the Theodore Roosevelt Medora foundation, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 21. APPROPRIATION - TRANSFER - CENTERS OF EXCELLENCE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$15,000,000, which the office of management and budget shall transfer to the centers of excellence fund for the purpose of providing funding to centers of excellence, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 22. CONTINGENT APPROPRIATION - TRANSFER - CENTERS OF EXCELLENCE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, which the office of management and budget shall transfer to the centers of excellence fund for the purpose of providing additional centers of excellence funding, for the biennium beginning July 1, 2009, and ending June 30, 2011. The office of management and budget may transfer this funding only if actual general fund revenues for the period from July 1, 2009, through December 1, 2009, exceed estimated general fund revenues for that period by at least \$5,000,000, as determined by the office of management and budget, based on the legislative estimates made at the close of the 2009 legislative session.

SECTION 23. CENTERS OF EXCELLENCE ENHANCEMENT GRANTS. The department of commerce shall use \$10,000,000 of the funds transferred to the centers of excellence fund in section 21 of this Act for centers of excellence enhancement grants during the biennium beginning July 1, 2009, and ending June 30, 2011. The centers of excellence enhancement grants may be made available to research universities under the control of the state board of higher education or nonprofit university-related foundations for use in infrastructure or enhancement of economic development and employment opportunities. Appropriate use of funds include a base realignment grant to enhance economic development and employment opportunities associated with the Grand Forks air force base resulting from action by the federal defense base closure and realignment commission; infrastructure and economic development projects or programs to accommodate growth in proximity to or at the Grand Forks air force base; and infrastructure and economic development projects or programs to enhance the capacity of a research university to interface and collaborate with private industry on research, development, demonstration, and commercialization of technology. The

commissioner of commerce shall develop application criteria, including local support criteria for requests relating to the Grand Forks air force base; review submitted applications; and recommend applications for approval to the centers of excellence commission. Centers of excellence enhancement grants made under this section are exempt from section 15-69-02, subsections 3 and 4 of section 15-69-04, and subsections 1, 3, and 4 of section 15-69-05.

*** SECTION 24. CENTERS OF EXCELLENCE STATE TAX REVENUE IMPACT STUDY - REPORT.**

1. During the 2009-11 biennium, the state auditor, in consultation with the tax commissioner and the department of commerce, shall conduct a study of the state tax revenue impact of the centers of excellence program and shall calculate the direct and indirect impact of the program on state tax revenues. The study must include an analysis for each center of excellence of the actual matching funds received by source, actual number of private sector jobs created, and new private sector facilities opened as the result of the center. The study must be based on information available to the tax commissioner and the state auditor.
2. By August 1, 2010, the state auditor shall submit to the legislative council a report on the findings and results of the centers of excellence state tax revenue impact study.
3. The tax commissioner shall compile direct tax revenue and expenditure data and provide this data to the state auditor. Notwithstanding the confidentiality provisions contained in chapters 57-38 and 57-39.2, the tax commissioner shall provide the state auditor the information necessary to accomplish and effectuate the study required by this section. The tax commissioner may request the assistance of the department of commerce as necessary to compile this data.
4. The tax commissioner may establish the procedure and format by which the tax data will be provided to the state auditor. If additional information is needed by the state auditor to calculate the tax impact of the centers of excellence program, the state auditor may ask the department of commerce to contact those taxpayers determined necessary to effectuate the study required by this section.
5. Except as provided in subsection 6, the state auditor may establish the manner in which the centers of excellence impact data will be analyzed, organized, and presented in the report.
6. Confidential information the state auditor receives from the tax commissioner may not be divulged by the state auditor unless the information is in the aggregate and in a manner that will not divulge information specific to any taxpayer.

SECTION 25. CENTERS OF EXCELLENCE BEST PRACTICE REVIEW.

The department of commerce and the centers of excellence commission shall conduct a best practice review of the centers of excellence program by contracting with an appropriate entity with broad-based expertise in programs similar to North Dakota's centers of excellence program.

SECTION 26. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of contracting with an entity to perform the review required in section 25 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 27. EXEMPTION - TRANSFER. The amount appropriated for centers of excellence contained in sections 14 and 15 of chapter 18 of the 2007 Session Laws is not subject to section 54-44.1-11. The office of management and budget shall transfer any unexpended funds from these appropriations to the centers of excellence fund at the end of the 2007-09 biennium.

SECTION 28. CENTERS OF EXCELLENCE - REPORTS. The department of commerce shall report on the status of the centers of excellence program and the status of the centers of excellence fund to the budget section during the third quarter of 2010 and to the appropriations committees of the sixty-second legislative assembly.

SECTION 29. Centers of excellence fund - Continuing appropriation. The centers of excellence fund is a special fund in the state treasury. All moneys in the centers of excellence fund are appropriated to the department of commerce on a continuing basis for the purpose of implementing and administering this chapter. Interest earned on moneys in the fund must be credited to the fund.

SECTION 30. A new subsection to section 15-69-01 of the North Dakota Century Code is created and enacted as follows:

"Infrastructure" means new building construction or major building renovation. The term does not include a purchase of equipment or remodel of an existing building.

¹³ **SECTION 31. AMENDMENT.** Subsection 1 of section 15-69-02 of the North Dakota Century Code is amended and reenacted as follows:

1. The board shall establish a centers of excellence program relating to economic development. ~~The program must distinguish among center designations for awards designated to address commercialization and infrastructure needs.~~ Workforce may not be the primary need addressed by a center. Through the program the commission shall make funding award recommendations for commission-approved applications to the board, the foundation, the emergency commission, and the budget section of the legislative council. A center must be an institution of higher education under the control of the board or a nonprofit university-related or college-related foundation of an institution of higher education under the control of the board. In order to be considered for center designation, the institution of higher education or nonprofit foundation must be working in partnership with the private sector. ~~For an application that includes infrastructure to be considered for center designation, the application must provide detailed information~~

¹³ Section 15-69-02 was also amended by section 98 of House Bill No. 1436, chapter 482.

~~regarding how the future operational costs and maintenance costs related to the infrastructure will be provided and how the costs will not be provided from the general fund.~~ In addition to any center designated under this chapter, the North Dakota state university center for technology enterprise and the university of North Dakota center for innovation are centers.

SECTION 32. AMENDMENT. Subsections 1, 2, and 3 of section 15-69-04 of the North Dakota Century Code are amended and reenacted as follows:

1. The department of commerce shall provide center application forms, accept applications, review applications for completeness and compliance with board and commission policy, forward complete applications to the commission in accordance with guidelines established by the commission, and assist with preaward reviews and postaward monitoring as may be requested by the commission. No more than two applications per campus of an institution of higher education under the control of the board may be submitted to the department of commerce for each round of center funding.
2. The commission shall meet as necessary to review all complete applications; consider the potential need for independent, expert review of complete applications; approve or disapprove complete applications; make funding award recommendations for commission-approved proposed centers; direct the ~~office of management and budget department of commerce~~ to distribute funds to the centers; monitor centers for compliance with award requirements; review changes in assertions made in center applications; and conduct postaward monitoring of centers.
3. In considering whether to approve or disapprove an application, the commission shall determine whether the applicant has conducted the due diligence necessary to put together a viable proposal, the commission shall determine whether the applicant has provided information in the application which clearly outlines how the matching fund requirement will be met, and the commission shall consider whether the center will:
 - a. Use university or college research to promote private sector job growth and expansion of knowledge-based industries or use university or college research to promote the development of new products, high-tech companies, or skilled jobs in this state;
 - b. Create high-value private sector employment opportunities in this state;
 - c. Provide for public-private sector involvement and partnerships;
 - d. Leverage other funding, including cash from the private sector;
 - e. Increase research and development activities that may involve federal funding from the national science foundation experimental program to stimulate competitive research;
 - f. Foster and practice entrepreneurship;

- g. Promote the commercialization of new products and services in industry clusters;
- h. Become financially self-sustaining; and
- i. Establish and meet a deadline for acquiring and expending all public and private funds specified in the application.

¹⁴ **SECTION 33. AMENDMENT.** Subsections 1, 3, 4, and 5 of section 15-69-05 of the North Dakota Century Code are amended and reenacted as follows:

1. A center shall use funds awarded under this chapter to enhance capacity; ~~enhance infrastructure~~; and leverage state, federal, and private sources of funding. A center awarded funds under this chapter may not use the funds ~~for infrastructure~~, to supplant funding for current operations or academic instructions, or to pay indirect costs.
3. Before the commission directs the ~~office of management and budget department of commerce~~ to distribute funds awarded under this chapter, the center shall provide the commission with detailed documentation of private sector participation and the availability of two dollars of matching funds for each dollar of state funds to be distributed under this chapter. Of the two dollars of matching funds, at least one dollar must be cash, of which at least fifty cents must be from the private sector. The matching funds may include funds facilitated through the collaboration of the private sector participants with other funding entities. The noncash matching funds may include ~~a combination of cash and~~ in-kind assets with itemized value. Private sector participation may be established through equity investments or through contracts for services with private sector entities. In making funding recommendations and designation determinations, the commission, board, foundation, and budget section shall give major consideration to the portion of the matching funds provided in cash by the private sector.
4. The commission shall direct the ~~office of management and budget department of commerce~~ to distribute the funds awarded under this chapter in disbursements consistent with the center's budget and timeframe outlined in the approved award. The commission may not direct distribution of funds under this chapter if there are no private sector partners participating or if the statutorily required matching funds are not available.
5. If, before funds are distributed by the ~~office of management and budget department of commerce~~, a center undergoes a change in the terms of or assertions made in its application, the commission may direct that the ~~office of management and budget department of commerce~~ withhold all or a portion of any undistributed funds pending commission review of the changes.

¹⁴ Section 15-69-05 was also amended by section 98 of House Bill No. 1436, chapter 482.

SECTION 34. A new section to chapter 54-18 of the North Dakota Century Code is created and enacted as follows:

Annual transfer. Within thirty days after the conclusion of each fiscal year, the industrial commission shall transfer five percent of the net income earned by the state mill and elevator association during that fiscal year to the agricultural fuel tax fund.

SECTION 35. A new section to chapter 54-44.1 of the North Dakota Century Code is created and enacted as follows:

Searchable database of expenditures.

1. By June 30, 2011, the director of the budget shall develop and make publicly available an aggregate and searchable budget database website that includes the following information for the biennium ending June 30, 2009:
 - a. Each budget unit making expenditures.
 - b. The amount of funds expended.
 - c. The source of the funds expended.
 - d. The budget program of the expenditure.
 - e. Any other information determined relevant by the director of the budget.
2. The director of the budget shall include the name and city of the recipient of each expenditure in the budget database website after the director has completed implementation of a business intelligence component to the state's financial reporting system.
3. The director of the budget may not include in the database any information that is confidential or exempt under state or federal law.
4. The director of the budget may update the budget database website as new data becomes available. Each state agency shall provide to the director of the budget any data required to be included in the budget database website no later than thirty days after the data becomes available to the agency.
5. By January first of each even-numbered year, the director of the budget shall add data for the previous biennium to the budget database website. The director of the budget shall ensure that all data added to the budget database website remains accessible to the public for a minimum of ten years.
6. The budget database website may not redirect users to any other government website, unless the website has information from all budget units and each category of information required can be searched electronically by field in a single search.

SECTION 36. AMENDMENT. Subsection 2 of section 54-60-16 of the North Dakota Century Code is amended and reenacted as follows:

2. The commissioner may designate a nonprofit corporation incorporated in this state that has the primary purpose of assisting North Dakota exporters or contract with a third party for the provision of services for the international business and trade office. If the commissioner designates a nonprofit corporation or contracts with a third party under this subsection, all data and data bases collected and created by the third party in performing services for the office are the property of the department and the third party.

¹⁵ **SECTION 37. AMENDMENT.** Section 54-60-17 of the North Dakota Century Code is amended and reenacted as follows:

54-60-17. Division of workforce development - ~~Higher education internships~~ Internships, apprenticeships, and work experience opportunities. The division of workforce development shall administer a program to increase use of ~~higher education~~ internships, apprenticeships, and work experience opportunities for higher education students and high school students enrolled in grade eleven or twelve. The primary focus of this program must be higher education internships in target industries. This program shall provide services to employers, communities, and business organizations to increase ~~higher education~~ internship, apprenticeship, and work experience opportunities. The department shall maintain records of the number of internship, apprenticeship, and work experience opportunities subsidized within each funding recipient which shall then constitute a base level for that funding recipient. The department in each subsequent biennium may only subsidize new or expanded internship, apprenticeship, and work experience opportunities above the base level for funding recipients.

SECTION 38. A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

Division of workforce development - Annual reports - North Dakota workforce development council - Budget acceptance.

1. Annually, job service North Dakota, the department of career and technical education, the department, and the state board of higher education each shall submit a report to the division of workforce development relating to the respective agency's current workforce initiatives and activities and that agency's plan for future workforce initiatives and activities. The division of workforce development shall consider these reports in preparing the consolidated biennial statewide strategic plan for the state's system for workforce development, workforce training, and talent attraction required under section 54-60-19.
2. Before November first of each even-numbered year, job service North Dakota, the department of career and technical education, the department, and the state board of higher education each shall present the respective agency's workforce-related budget initiatives for the upcoming biennium, including alignment of these initiatives with the consolidated biennial statewide strategic plan, to the North Dakota

¹⁵ Section 54-60-17 was also amended by section 13 of Senate Bill No. 2110, chapter 480.

workforce development council, created by governor's executive order 1995-01, dated January 3, 1996. The North Dakota workforce development council members shall consider potential areas for collaboration.

SECTION 39. EXPIRATION DATE. Section 36 of this Act is effective through June 30, 2011, and after that date is ineffective.

SECTION 40. EMERGENCY. Funding of \$900,000 in the operating expenses line item in section 1 of this Act relating to the operation intern program and section 2 of this Act are declared to be an emergency measure.

Approved May 8, 2009

Filed May 11, 2009

* Section 24 of Senate Bill No. 2018 was vetoed, see chapter 631.

CHAPTER 47**SENATE BILL NO. 2019**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state board for career and technical education; to provide for a state board of higher education study; and to declare an emergency.

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 board for career and technical education for the purpose of defraying the expenses of the state board for career and technical education, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-------------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$3,575,692 | \$594,338 | \$4,170,030 |
| Operating expenses | 986,606 | 240,000 | 1,226,606 |
| Grants | 24,370,116 | 2,779,884 | 27,150,000 |
| Grants - Postsecondary | 357,452 | 0 | 357,452 |
| Adult farm management | 549,802 | 200,000 | 749,802 |
| Workforce training | 3,000,000 | 0 | 3,000,000 |
| Total all funds | \$32,839,668 | \$3,814,222 | \$36,653,890 |
| Less estimated income | <u>11,035,632</u> | <u>(272,750)</u> | <u>10,762,882</u> |
| Total general fund appropriation | \$21,804,036 | \$4,086,972 | \$25,891,008 |
| Full-time equivalent positions | 27.50 | 1.00 | 28.50 |

SECTION 2. STATE BOARD OF HIGHER EDUCATION STUDY - WORKFORCE TRAINING REGIONS. Before July 1, 2010, the state board of higher education shall conduct a study of the status of the training activities provided by the four institutions of higher education assigned primary responsibility for workforce training in the state, including:

1. Effectiveness in meeting training needs of business and industry in the respective regions;
2. Responsiveness, results achieved, financial performance, and other performance measures; and
3. Review of an appropriate funding mechanism.

The study must involve representatives of the legislative assembly, higher education institutions, career and technical education, the workforce training boards established pursuant to chapter 52-08, and other representatives of business and industry. The findings of the study must be reported to the interim workforce committee, which shall report the findings and its recommendations, together with

any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The department of career and technical education may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds received and spent under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. EMERGENCY. Section 3 of this Act is declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 48**SENATE BILL NO. 2020**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm; to provide legislative intent; to provide for transfers; to provide an exemption; and to declare an emergency.

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 North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm for the purpose of defraying the expenses of the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Subdivision 1.

NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Extension service | \$41,528,035 | \$5,563,454 | \$47,091,489 |
| Soil conservation committee | 737,800 | 100,000 | 837,800 |
| Total all funds | \$42,265,835 | \$5,663,454 | \$47,929,289 |
| Less estimated income | 23,863,722 | 2,065,155 | 25,928,877 |
| Total general fund | \$18,402,113 | \$3,598,299 | \$22,000,412 |
| Full-time equivalent positions | 266.33 | 2.30 | 268.63 |

Subdivision 2.

NORTHERN CROPS INSTITUTE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Total all funds | \$2,597,969 | \$439,517 | \$3,037,486 |
| Less estimated income | 1,479,657 | 118,608 | 1,598,265 |
| Total general fund | \$1,118,312 | \$320,909 | \$1,439,221 |
| Full-time equivalent positions | 10.20 | 1.00 | 11.20 |

Subdivision 3.

UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Total all funds | \$22,071,521 | \$4,255,471 | \$26,326,992 |
| Less estimated income | 20,861,681 | 3,875,518 | 24,737,199 |
| Total general fund | \$1,209,840 | \$379,953 | \$1,589,793 |
| Full-time equivalent positions | 51.95 | 2.00 | 53.95 |

Subdivision 4.

MAIN RESEARCH CENTER

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Main research center | \$78,578,598 | \$25,951,820 | \$104,530,418 |
| Deferred maintenance | 0 | 450,000 | 450,000 |
| Total all funds | \$78,578,598 | \$26,401,820 | \$104,980,418 |
| Less estimated income | 42,350,764 | 2,662,503 | 45,013,267 |
| Total general fund | \$36,227,834 | \$23,739,317 | \$59,967,151 |
| Full-time equivalent positions | 347.39 | 5.00 | 352.39 |

Subdivision 5.

RESEARCH CENTERS

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|------------------------------------|-------------------|--|----------------------|
| Dickinson research center | \$5,375,366 | \$912,214 | \$6,287,580 |
| Central grasslands research center | 2,267,148 | 293,454 | 2,560,602 |
| Hettinger research center | 2,440,826 | 554,329 | 2,995,155 |
| Langdon research center | 1,696,963 | 394,609 | 2,091,572 |
| North central research center | 3,124,334 | 849,618 | 3,973,952 |
| Williston research center | 3,134,044 | (211,861) | 2,922,183 |
| Carrington research center | 5,577,338 | 1,150,624 | 6,727,962 |
| Total all funds | \$23,616,019 | \$3,942,987 | \$27,559,006 |
| Less estimated income | 13,014,511 | 2,177,305 | 15,191,816 |
| Total general fund | \$10,601,508 | \$1,765,682 | \$12,367,190 |
| Full-time equivalent positions | 95.56 | 1.70 | 97.26 |

Subdivision 6.

AGRONOMY SEED FARM

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Agronomy seed farm | \$1,230,162 | \$45,076 | \$1,275,238 |
| Total special funds | \$1,230,162 | \$45,076 | \$1,275,238 |
| Full-time equivalent positions | 3.00 | 0.00 | 3.00 |

Subdivision 7.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|-------------------|--|----------------------|
| Grand total general fund | \$67,559,607 | \$29,804,160 | \$97,363,767 |
| Grand total special funds | 102,800,497 | 11,644,165 | 114,444,662 |
| Grand total all funds | \$170,360,104 | \$41,448,325 | \$211,808,429 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|---|----------------|----------------|
| Main research center greenhouse project | \$7,000,000 | \$11,450,400 |
| Carrington, North central, and Hettinger headquarters additions | 907,750 | 0 |
| Deferred maintenance pool | 100,000 | 450,000 |
| North central laboratory and greenhouse project | 400,000 | 0 |

| | | |
|--|---------------------|---------------------|
| North Central equipment storage facility | 300,000 | 0 |
| Operating pool | 750,000 | 925,000 |
| Dickinson parking lot and landscaping capital project | 350,000 | 350,000 |
| Dickinson waste management facility capital project | 351,000 | 0 |
| Upper great plains transportation institute center for transportation study capital project | 5,500,000 | 3,000,000 |
| Northern crops institute extraordinary repairs | 25,000 | 0 |
| Beef research facility | 0 | 2,612,400 |
| North central, Williston, Langdon and Dickinson renovations/additions | 0 | 2,937,200 |
| Total all funds | <u>\$15,683,750</u> | <u>\$21,725,000</u> |
| Total special funds | <u>6,951,000</u> | <u>4,275,000</u> |
| Total general fund | <u>\$8,732,750</u> | <u>\$17,450,000</u> |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. ADDITIONAL INCOME - APPROPRIATION. In addition to the amount included in the grand total special funds appropriation line item in section 1 of this Act, any other income, including funds from federal acts, private grants, gifts, and donations, or from other sources received by the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm, except as otherwise provided by law, is appropriated for the purpose designated in the act, grant, gift, or donation, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS. There is appropriated from federal fiscal stimulus funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$700,000, or so much of the sum as may be necessary, to the main research center for the purpose of installing a geothermal heating system in the main research center greenhouse project, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING - APPROVAL. The main research center may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 for the construction of the third phase of the main research center greenhouse project, for the biennium beginning July 1, 2009, and ending June 30, 2011.

Any federal funds received and spent under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 6. DEFERRED MAINTENANCE - TRANSFERS. The main research center may transfer from the deferred maintenance line to the main research center line, contained in subdivision 4 of section 1 of this Act, amounts

necessary to address extraordinary repair needs. Any amounts transferred must be reported to the director of the office of management and budget.

SECTION 7. TRANSFER AUTHORITY. Upon approval of the state board of agricultural research and education and appropriate branch research center directors, the director of the main research center may transfer appropriation authority within subdivisions 1, 2, 4, and 5 of section 1 of this Act. Any amounts transferred must be reported to the director of the office of management and budget.

SECTION 8. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. The board of higher education may adjust or increase full-time equivalent positions as needed for the entities in section 1 of this Act, subject to availability of funds. The board shall report any adjustments to the office of management and budget prior to the submission of the 2011-13 budget request.

SECTION 9. UNEXPENDED GENERAL FUND - EXCESS INCOME. Any unexpended general fund appropriation authority to and any excess income received by entities listed in section 1 of this Act are not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or revenues are available and may be expended by those entities, during the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 10. PERMANENT OIL TAX TRUST FUND - DICKINSON RESEARCH CENTER - OPERATING POOL FUNDING. The estimated income line item in subdivision 5 of section 1 of this Act includes \$925,000 from the permanent oil tax trust fund. This funding is available only for defraying the costs of operations of the Dickinson research center, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 11. LEGISLATIVE INTENT - BEEF SYSTEMS CENTER OF EXCELLENCE. It is the intent of the sixty-first legislative assembly that the beef systems center of excellence authorized by the fifty-eighth legislative assembly has met the funding requirements as outlined in section 9 of chapter 20 of the 2003 Session Laws for collection of both federal and special funds by private contributions through the creation of the North Dakota agricultural innovation center and the capitalization for the creation of North Dakota natural beef, LLC, which was approved by the office of management and budget when it released \$800,000 to the North Dakota state university agricultural experiment station in 2006 pursuant to section 8 of chapter 20 of the 2003 Session Laws. It is also the intent of the sixty-first legislative assembly that this center is subject to requirements outlined in chapter 136 of the 2003 Session Laws and not those enacted later as a part of the center of excellence program administered by the department of commerce pursuant to chapter 15-69.

SECTION 12. EXEMPTION. The amounts appropriated for the center for transportation study, as contained in subdivision 3 of section 3 and the research greenhouse complex project, as contained in subdivision 4 of section 3, of chapter 20 of the 2007 Session laws, are not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or related revenues are available and may be expended during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 13. EMERGENCY. The appropriation for a capital project of \$3,000,000 from special funds in subdivision 3 and the appropriation for industrial hemp research of \$200,000 from special funds, for deferred maintenance of \$450,000 from the general fund, and for capital projects of \$17,000,000 from the general fund and \$350,000 from special funds in subdivision 4 of section 1 of this Act are declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 49**SENATE BILL NO. 2021**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the information technology department; to provide a contingent appropriation; to provide for transfers; to provide for a legislative council study; to provide for a report; to provide a continuing appropriation; to amend and reenact section 15.1-02-18 of the North Dakota Century Code, relating to membership of the statewide longitudinal data system committee; and to declare an emergency.

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 information technology department for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|----------------------|--------------------------------|----------------------|
| Salaries and wages | \$37,682,129 | \$4,882,814 | \$42,564,943 |
| Operating expenses | 57,062,912 | (1,854,362) | 55,208,550 |
| Capital assets | 12,145,250 | (174,504) | 11,970,746 |
| Center for distance education | 6,302,457 | (14,540) | 6,287,917 |
| Deferred maintenance | 0 | 60,000 | 60,000 |
| Statewide longitudinal data system | 227,954 | (25,512) | 202,442 |
| Educational technology council | 946,267 | 28,719 | 974,986 |
| EduTech | 2,722,348 | 5,031,254 | 7,753,602 |
| K-12 wide area network | 4,066,519 | 1,910,451 | 5,976,970 |
| Geographic information system | 698,149 | 91,529 | 789,678 |
| Criminal justice information sharing | 1,200,706 | 2,408,533 | 3,609,239 |
| Total all funds | <u>\$123,054,691</u> | <u>\$12,344,382</u> | <u>\$135,399,073</u> |
| Less estimated income | <u>113,006,770</u> | <u>5,900,401</u> | <u>118,907,171</u> |
| Total general fund | \$10,047,921 | \$6,443,981 | \$16,491,902 |
| Full-time equivalent positions | 306.20 | 22.00 | 328.20 |

SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the information technology department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

| | |
|------------------------------------|-------------|
| Statewide longitudinal data system | \$2,263,883 |
|------------------------------------|-------------|

The information technology department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. CONTINGENT GENERAL FUND APPROPRIATION - BUDGET SECTION APPROVAL. If the federal funds appropriated under section 2 of this Act are not available to provide the sum of \$2,263,883, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,263,883, or so much of the sum as may be necessary, to the information technology department for costs associated with a statewide longitudinal data system, for the biennium beginning July 1, 2009, and ending June 30, 2011. The information technology department may spend the general fund moneys only to the extent that federal funds are not available to provide the \$2,263,883 appropriated under section 2 of this Act and subject to approval by the budget section.

SECTION 4. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2007-09</u> | <u>2009-11</u> |
|--|----------------|----------------|
| Criminal justice information sharing initiative | \$1,151,490 | \$0 |
| Geographic information system data acquisition | 100,000 | 0 |
| Kindergarten through grade 12 video grants | 190,000 | 0 |
| Online North Dakota studies resources and curriculum | 170,000 | 0 |
| Criminal justice information sharing projects | 0 | 269,748 |
| K-12 increased bandwidth | 0 | 1,200,000 |
| K-12 PowerSchool EduTech | 0 | 353,600 |
| Center for distance education software update | 0 | 100,000 |
| Total general fund | \$1,611,490 | \$1,923,348 |

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The information technology department shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. DEFERRED MAINTENANCE - TRANSFERS. The information technology department is authorized to transfer from the deferred maintenance line to the centers for distance education special line, contained in section 1 of this Act, amounts necessary to address extraordinary repair needs. Any amounts transferred must be reported to the director of the office of management and budget.

SECTION 6. TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall make transfers of funds between the salaries and wages, operating expenses, and capital assets line items in section 1 of this Act for the information technology department as may be requested by the chief

information officer as determined necessary for the development and implementation of information technology projects.

SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL. The department of public instruction may spend only the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LEGISLATIVE COUNCIL STUDY - CRIMINAL JUSTICE INFORMATION SHARING INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the value of the information technology department's criminal justice information sharing initiative. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 9. INFORMATION TECHNOLOGY DEPARTMENT OUTSOURCING - REPORT TO INFORMATION TECHNOLOGY COMMITTEE. The information technology department shall report to the information technology committee on:

1. The department's current level of outsourcing of its information technology services.
2. Nonessential information technology services that could be considered for outsourcing.
3. The number of the department's employees who have resigned from the department to provide information technology consulting services in the private sector and the number of which have been rehired by the department.
4. The department's efforts to assist in the creation of North Dakota technology-related companies.

The information technology committee shall incorporate the information received in its report to the legislative council.

SECTION 10. AMENDMENT. Section 15.1-02-18 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-18. Statewide longitudinal data system committee - Membership - Powers and duties - Report to interim committee - Continuing appropriation.

1. The statewide longitudinal data system committee consists of ~~the~~:
 - a. ~~The~~ chancellor of the board of higher education or chancellor's designee, ~~the~~
 - b. ~~The~~ superintendent of public instruction or superintendent of public instruction's designee, ~~the~~
 - c. ~~The~~ chief information officer or chief information officer's designee, ~~the~~

- d. The director of the department of career and technical education or the director's designee, ~~the~~.
 - e. The director of job service North Dakota or the director's designee, ~~the director~~.
 - f. The commissioner of ~~the department of~~ commerce or the ~~director's commissioner's~~ designee, ~~the~~.
 - g. The director of the department of human services or the director's designee, ~~and one person~~.
 - h. The director of the North Dakota educational technology council.
 - i. The director of the North Dakota council of educational leaders or the director's designee.
 - j. The director of the North Dakota workforce development council or the director's designee.
 - k. Two members of the legislative assembly appointed by the ~~governor~~ chairman of the legislative council.
2. The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.
- ~~2.~~ 3. The committee shall ~~plan and propose~~ manage a longitudinal data system which:
- a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and
 - b. Uses data from educational and workforce systems as central sources of longitudinal data.
4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee may, subject to federal and state privacy laws, enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].
- ~~3.~~ 5. The committee shall ~~recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law~~ set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws. The committee shall provide operational oversight for information sharing activities and make recommendations for and provide oversight of information sharing budgets. The committee may

authorize studies to benefit and improve workforce training and education.

4. ~~6.~~ The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty-first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report ~~shall~~ must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance; ~~including recommendations concerning the long-term role and administration of the followup information in North Dakota for education and training program.~~
7. The committee may solicit and receive moneys from public and private sources and those funds are appropriated on a continuing basis for the support of the longitudinal data system.
8. The information technology department shall provide staff and other necessary support to the committee.

SECTION 11. EMERGENCY. Section 2 of this Act is declared to be an emergency measure.

Approved May 7, 2009
Filed May 19, 2009

CHAPTER 50**SENATE BILL NO. 2022**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state seed department; and to declare an emergency.

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 from special funds derived from federal funds and other income, to the state seed department for the purpose of defraying the expenses of the state seed department, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Total special funds | \$6,166,218 | \$639,277 | \$6,805,495 |
| Full-time equivalent positions | 30.00 | 0.00 | 30.00 |

SECTION 2. EMERGENCY. The appropriation of \$200,000 for construction of a storage facility included in section 1 of this Act is declared to be an emergency measure.

Approved May 1, 2009

Filed May 5, 2009

CHAPTER 51**SENATE BILL NO. 2023**

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the commission on legal counsel for indigents; and to create and enact a new section to chapter 54-61 of the North Dakota Century Code, relating to contracting for public defenders.

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 commission on legal counsel for indigents for the purpose of defraying the expenses of the commission on legal counsel for indigents, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|-------------------|--|----------------------|
| Commission on legal counsel for indigents | \$11,210,696 | \$209,669 | \$11,420,365 |
| Less special funds | 1,700,705 | 249,512 | 1,950,217 |
| Total general fund | \$9,509,991 | (\$39,843) | \$9,470,148 |
| Full-time equivalent positions | 29.00 | 1.00 | 30.00 |

SECTION 2. A new section to chapter 54-61 of the North Dakota Century Code is created and enacted as follows:

Contract services. The commission on legal counsel for indigents shall contract for public defender services at a minimum level of fifty percent of its biennial caseload.

Approved May 1, 2009
Filed May 5, 2009

CHAPTER 52

SENATE BILL NO. 2024

(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the racing commission; to create and enact two new sections to chapter 53-06.2 of the North Dakota Century Code, relating to the regulation of live racing and pari-mutuel wagering; to amend and reenact sections 53-06.2-02, 53-06.2-03, 53-06.2-04, 53-06.2-05, 53-06.2-10, 53-06.2-10.1, 53-06.2-11, 53-06.2-12, 53-06.2-13, 53-06.2-14, 53-06.2-15, and 53-06.2-16 of the North Dakota Century Code, relating to the regulation of live racing and pari-mutuel wagering; to provide for a report to the legislative council; to provide for transition; and to provide an effective date.

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 other income, to the racing commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Racing commission | \$407,290 | (\$82,290) | \$325,000 |
| Less estimated income | <u>286,698</u> | <u>(256,698)</u> | <u>30,000</u> |
| Total general fund | \$120,592 | \$174,408 | \$295,000 |
| Full-time equivalent positions | 2.00 | 0.00 | 2.00 |

* **SECTION 2. AMENDMENT.** Section 53-06.2-02 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-02. Racing commission - Members - Appointment - Term - Qualifications - Compensation.

1. A North Dakota racing commission is established ~~consisting in the office of the agriculture commissioner.~~ The commission consists of the chairman and four other members appointed by the governor agriculture commissioner. One of the members must be appointed from a list of four nominees, one of whom is nominated by the state chapter or affiliate of the American quarter horse racing association, one of whom is nominated by the state chapter or affiliate of the United States trotting association, one of whom is nominated by the state chapter or affiliate of the ~~international Arabian~~ paint horse association, and one of whom is nominated by the state chapter or affiliate of the North Dakota thoroughbred association. The members serve five-year terms and until a successor is appointed and qualified. A member appointed to fill a vacancy arising from other than the natural expiration of a term serves for the unexpired portion of the term and may be reappointed. The terms of the commissioners must be staggered so that one term expires

each July first. At the expiration of the five-year term of each incumbent member of the commission, the ~~governor~~ agriculture commissioner shall appoint a new member to the commission.

2. A ~~person~~ An individual is ineligible for appointment to the commission if that ~~person~~ individual has not been a resident of this state for at least two years before the date of appointment. A ~~person~~ An individual is also ineligible if that ~~person~~ individual is not of such character and reputation as to promote public confidence in the administration of racing in this state. A ~~person~~ An individual who has a financial interest in racing cannot be a member of the commission ~~and cannot be employed by the commission without full disclosure of the financial interest to the agriculture commissioner, the attorney general, and the commission.~~ Failure to maintain compliance with this subsection is grounds for removal from the commission ~~or from employment with the commission.~~ For purposes of this section, a ~~person~~ an individual has a financial interest in racing if that ~~person~~ individual has an ownership interest in horses running at live or simulcast meets conducted or shown in this state subject to this chapter or rules of the ~~commission~~ agriculture commissioner, is required to be licensed under this chapter or the rules of the ~~commission~~ agriculture commissioner or attorney general, or who derives any direct financial benefit from racing, individually or by or through an entity or other person, as regulated by this chapter or the rules of the ~~commission~~ agriculture commissioner or attorney general.
3. Commission members are entitled to ~~seventy-five dollars per day for the same~~ compensation, and mileage and expense reimbursement as ~~allowed to other state employees provided for members of committees of the legislative council under section 54-35-10.~~

* **SECTION 3. AMENDMENT.** Section 53-06.2-03 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-03. Director of racing - Appointment - Qualifications - Salary - Duties - Other personnel.

1. The ~~commission shall~~ agriculture commissioner may appoint a director of racing. The ~~commission shall~~ agriculture commissioner may establish the director's qualifications and salary.
2. The director shall devote such time to the duties of the office as the ~~commission~~ agriculture commissioner may prescribe. The director ~~is the executive officer of the commission and shall enforce the rules and orders of the commission.~~ The director shall perform ~~other~~ the duties the ~~commission~~ agriculture commissioner prescribes.
3. The director may employ other ~~persons~~ individuals as authorized by the ~~commission~~ agriculture commissioner.

* **SECTION 4. AMENDMENT.** Section 53-06.2-04 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-04. Duties of commission and attorney general.

1. The commission shall:

- 1- a. Provide for racing ~~under the certificate system.~~
- 2- b. Set racing dates.
- 3- c. Adopt rules for effectively preventing the use of any unauthorized substance, compound items, or combinations of any medicine, narcotic, stimulant, depressant, or anesthetic which could alter the normal performance of a racehorse; ~~unless specifically authorized by the commission.~~
- 4- ~~Supervise and check the making of pari-mutuel pools, pari-mutuel machines, and equipment at all races held under the certificate system.~~
- 5- d. Adopt rules governing, restricting, or regulating bids on licensees' concessions and leases on equipment.
- 6- e. Consider all proposed extensions, additions, or improvements to the buildings, stables, or tracks on property owned or leased by a licensee.
- 7- f. Exclude from racetracks ~~or simulcast pari-mutuel wagering facilities~~ any person who violates any rule ~~of the commission~~ adopted to implement this chapter or any law.
- 8- g. Determine the cost of inspections performed under subsection 3 of section 53-06.2-05 and require the licensee to pay that cost.
- 9- h. Report biennially to the legislative council regarding the operation ~~of the commission~~ racing under this chapter.
- 10- i. Provide notice to the North Dakota horsemen's council of meetings held by the commission and permit the North Dakota horsemen's council to participate in the meetings through placement of items on the agenda.
- 11- j. Complete, distribute, and post on the commission's web site the minutes of each commission meeting within thirty days of that meeting or before the next meeting of the commission, whichever occurs first.
2. The attorney general shall:
 - a. Provide for pari-mutuel wagering on racing, simulcast, and account wagering.
 - b. Supervise and check the making of pari-mutuel pools, pari-mutuel machines, and equipment at all races held under the certificate system.
 - c. Exclude from simulcast or account wagering facilities any person who violates any rule adopted to implement this chapter or any law.

* **SECTION 5.** A new section to chapter 53-06.2 of the North Dakota Century Code is created and enacted as follows:

Powers of commission. The commission may:

1. Compel the production of all documents showing the receipts and disbursements of any licensee and determine the manner in which the financial records are to be kept.
2. Investigate the operations of any licensee and enter any vehicle or place of business, residence, storage, or racing of any licensee on the grounds of a licensed association to determine whether there has been compliance with the provisions of this chapter and rules adopted under this chapter and to discover and seize any evidence of noncompliance.
3. License all participants in racing and require and obtain information the commission determines necessary from license applicants. The commission may obtain a statewide and nationwide criminal history record check from the bureau of criminal investigation for the purpose of determining suitability or fitness for a license. The nationwide check must be conducted in the manner provided in section 12-60-24. All costs associated with obtaining a background check are the responsibility of the applicant for a license.
4. Receive moneys from the North Dakota horse racing foundation for deposit in the purse fund, the breeders' fund, or the racing promotion fund in accordance with subsection 6 of section 53-06.2-11.
5. Adopt rules to implement the laws concerning racing and the administration of racing.

* **SECTION 6. AMENDMENT.** Section 53-06.2-05 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-05. Powers of ~~commission~~ attorney general. The ~~commission~~ attorney general may:

1. Compel the production of all documents showing the receipts and disbursements of any licensee and determine the manner in which such financial records are to be kept.
2. Investigate the operations of any licensee and enter any vehicle or place of business, residence, storage, or racing of any licensee on the grounds of a licensed association to determine whether there has been compliance with the provisions of this chapter and rules adopted under this chapter, and to discover and seize any evidence of noncompliance.
3. Request appropriate state officials to perform inspections necessary for the health and safety of spectators, employees, participants, and horses that are lawfully on a racetrack.
4. License all participants in the racing and simulcast pari-mutuel wagering industry and require and obtain information the ~~commission~~ attorney general determines necessary from license applicants. ~~Licensure of service providers, totalizator companies, site operators, and organizations applying to conduct or conducting pari-mutuel wagering must be approved by the attorney general. The attorney general may not grant a license denied by the commission. The commission may~~ obtain a statewide and nationwide criminal history

record check from the bureau of criminal investigation for the purpose of determining suitability or fitness for a license. The nationwide check must be conducted in the manner provided in section 12-60-24. All costs associated with obtaining a background check are the responsibility of the applicant for a license.

5. ~~Receive moneys from the North Dakota horse racing foundation for deposit in the purse fund, breeders' fund, or racing promotion fund in accordance with subsection 6 of section 53-06.2-11.~~
- 6- 4. Adopt additional rules for the administration, implementation, and regulation of pari-mutuel wagering activities conducted pursuant to this chapter. ~~The commission attorney general~~ shall deposit any fees collected under authority of this subsection in the ~~racing commission attorney general's~~ operating fund. Subject to legislative appropriation, ~~the commission attorney general~~ may spend the fees for operating costs ~~of the commission~~ under this chapter.

* **SECTION 7.** A new section to chapter 53-06.2 of the North Dakota Century Code is created and enacted as follows:

License and fees.

1. Each license issued to conduct pari-mutuel wagering must describe the place, track, or racecourse at which the pari-mutuel wagering is to be conducted. Pari-mutuel wagering authorized under this chapter may be held during the hours approved by the attorney general and within the hours permitted by state law.
2. The attorney general may charge a license fee to conduct pari-mutuel wagering.
3. Each applicant for a license to conduct pari-mutuel wagering shall give bond payable to this state with good security as approved by the attorney general. The bond must be in the amount the attorney general determines will adequately protect the amount normally due and owing to this state.
4. The attorney general may grant licenses to service providers, totalizator companies, site operators, other organizations conducting pari-mutuel wagering, employees of service providers, totalizator companies, site operators, and other organizations conducting pari-mutuel wagering, and other persons as determined by the attorney general.
5. The attorney general may establish the period of time for which licenses issued under this chapter are valid.
6. Subject to legislative appropriation, the attorney general may spend the fees for operating costs of the attorney general.

* **SECTION 8. AMENDMENT.** Section 53-06.2-10 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-10. Certificate system - Rules. The certificate system allows a licensee to receive money from any ~~person~~ individual present at a live horse race, simulcast horse race, ~~or simulcast dog race,~~ or account wagering facility who desires

to bet on any entry in that race. ~~A person~~ An individual betting on an entry to win acquires an interest in the total money bet on all entries in the race, in proportion to the amount of money bet by that ~~person~~ individual, under rules adopted by the ~~commission~~ attorney general. The licensee shall receive the bets and for each bet shall issue a certificate to the bettor on which is at least shown the number of the race, the amount bet, and the number or name of the entry selected by the bettor. The ~~commission~~ attorney general may adopt rules for place, show, quinella, combination, or other types of betting usually connected with racing.

* **SECTION 9. AMENDMENT.** Section 53-06.2-10.1 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-10.1. Simulcast wagering. In addition to racing under the certificate system, as authorized by this chapter, and conducted upon the premises of a racetrack, simulcast pari-mutuel wagering may be conducted in accordance with this chapter or rules adopted by the ~~commission~~ attorney general to ~~implement this chapter in accordance with chapter 28-32.~~ Any organization qualified under section 53-06.2-06 ~~to conduct racing~~ may make written application to the ~~commission~~ attorney general for the conduct of simulcast pari-mutuel wagering on races held at licensed racetracks inside the state or racetracks outside the state, or both. ~~Licensure of service~~ Service providers, totalizator companies, site operators, or organizations applying to conduct or conducting simulcast or account wagering ~~must be approved~~ obtain a license approved by the attorney general. ~~The attorney general may not grant a license denied by the commission.~~ Notwithstanding any other provision of this chapter, the ~~commission~~ attorney general may authorize any licensee to participate in interstate or international combined wagering pools with one or more other racing jurisdictions. Anytime that a licensee participates in an interstate or international combined pool, the licensee, as prescribed by the ~~commission~~ attorney general, may adopt the take-out of the host jurisdiction or facility. The ~~commission~~ attorney general may permit a licensee to use one or more of its races or simulcast programs for an interstate or international combined wagering pool at locations outside its jurisdiction and may allow pari-mutuel pools in other states to be combined with pari-mutuel pools in its jurisdiction for the purpose of establishing an interstate or international combined wagering pool. The participation by a licensee in a combined interstate or international wagering pool does not cause that licensee to be considered to be doing business in any jurisdiction other than the jurisdiction in which the licensee is physically located. Pari-mutuel taxes or commissions may not be imposed on any amounts wagered in an interstate or international combined wagering pool other than amounts wagered within this jurisdiction. The certificate system also permits pari-mutuel wagering to be conducted through account wagering. As used in this section, "account wagering" means a form of pari-mutuel wagering in which an individual deposits money in an account and uses the account balance to pay for pari-mutuel wagers. An account wager made on an account established in this state may only be made through the licensed simulcast service provider approved by the attorney general ~~and authorized by the commission~~ to operate the simulcast pari-mutuel wagering system under the certificate system. ~~The attorney general may not grant a license denied by the commission.~~ An account wager may be made in person, by direct telephone communication, or through other electronic communication in accordance with rules adopted by the ~~commission~~ attorney general. Breakage for interstate or international combined wagering pools must be calculated in accordance with the statutes or rules of the host jurisdiction and must be distributed among the participating jurisdictions in a manner agreed to among the jurisdictions.

* **SECTION 10. AMENDMENT.** Section 53-06.2-11 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-11. Bet payoff formulas - Uses by licensee of funds in excess of expenses - Payment to general fund.

1. For wagering on live horse racing and simulcast wagering:

a. In win, place, and show pari-mutuel pools, the licensee may deduct no more than twenty percent of the amount wagered. Of the amount wagered, the licensee shall pay:

- (1) ~~Two~~ One-half of one percent to the state treasurer to be deposited in the general fund.
- (2) One-half of one percent to the commission to be deposited in the breeders' fund.
- (3) One-half of one percent to the commission to be deposited in the purse fund.
- (4) One-half of one percent to the commission to be deposited in the racing promotion fund.

b. In daily double, quinella, exacta, trifecta, or other combination pari-mutuel pools, the licensee may deduct no more than twenty-five percent of the amount wagered. Of the amount wagered, the licensee shall pay:

- (1) ~~Two and one-half~~ One-half of one percent to the state treasurer to be deposited in the general fund.
- (2) One-half of one percent to the commission to be deposited in the breeders' fund.
- (3) One-half of one percent to the commission to be deposited in the purse fund.
- (4) One-half of one percent to the commission to be deposited in the racing promotion fund.

2. For account wagering:

a. In win, place, and show pari-mutuel pools, the licensee may deduct no more than twenty percent of the amount wagered.

~~(1) Before eleven million dollars is wagered in all pari-mutuel wagering in each biennium, of the amount wagered by account wagering in win, place, and show pari-mutuel pools, the licensee shall pay:~~

- ~~(a) Two percent to the state treasurer to be deposited in the general fund.~~
- ~~(b) One-half of one percent to the commission to be deposited in the breeders' fund.~~
- ~~(c) One-half of one percent to the commission to be deposited in the purse fund.~~

- ~~(d)~~ One-half of one percent to the commission to be deposited in the racing promotion fund.
- ~~(2)~~ After eleven million dollars is wagered in all pari-mutuel wagering in each biennium, of Of the amount wagered by account wagering in win, place, and show pari-mutuel pools, the licensee shall pay:
 - ~~(a)~~ (1) One-sixteenth of one percent to the state treasurer to be deposited in the general fund.
 - ~~(b)~~ (2) One-sixteenth of one percent to the commission to be deposited in the breeders' fund.
 - ~~(c)~~ (3) One-sixteenth of one percent to the commission to be deposited in the purse fund.
 - ~~(d)~~ (4) One-sixteenth of one percent to the commission to be deposited in the racing promotion fund.
- b. In daily double, quinella, exacta, trifecta, or other combination pari-mutuel pools, the licensee may deduct no more than twenty-five percent of the amount wagered:
 - (1) Before eleven million dollars is wagered in each biennium, of the amount wagered by account wagering in daily double, quinella, exacta, trifecta, or other combination pari-mutuel pools, the licensee shall pay:
 - ~~(a)~~ Two and one-half percent to the state treasurer to be deposited in the general fund.
 - ~~(b)~~ One-half of one percent to the commission to be deposited in the breeders' fund.
 - ~~(c)~~ One-half of one percent to the commission to be deposited in the purse fund.
 - ~~(d)~~ One-half of one percent to the commission to be deposited in the racing promotion fund.
 - (2) After eleven million dollars is wagered in all pari-mutuel wagering in each biennium, of Of the amount wagered by account wagering in daily double, quinella, exacta, trifecta, or other combination pari-mutuel pools, the licensee shall pay:
 - ~~(a)~~ (1) One-sixteenth of one percent to the state treasurer to be deposited in the general fund.
 - ~~(b)~~ (2) One-sixteenth of one percent to the commission to be deposited in the breeders' fund.
 - ~~(c)~~ (3) One-sixteenth of one percent to the commission to be deposited in the purse fund.

- (d) (4) One-sixteenth of one percent to the commission to be deposited in the racing promotion fund.
3. For all pari-mutuel wagering the licensee shall pay to the commission the amount due for all unclaimed tickets and all breakage of which twenty percent is to be deposited in the racing promotion fund, thirty percent is to be deposited in the breeders' fund, and fifty percent is to be deposited in the purse fund.
 4. The licensee conducting wagering on live racing, simulcast wagering, or account wagering shall retain all other money in the pari-mutuel pool and pay it to bettors holding winning tickets as provided by rules adopted by the commission.
 5. A licensee may not use any of the portion deducted for expenses under subsections 1 and 2 for expenses not directly incurred by the licensee in conducting pari-mutuel racing under the certificate system. After paying qualifying expenses, the licensee shall use the remainder of the amount so withheld only for eligible uses allowed to charitable gambling organizations under section 53-06.1-11.1.
 6. The commission shall deposit the moneys received pursuant to subsections 1, 2, and 3 and from the North Dakota horse racing foundation pursuant to subsection 5 of section 53-06.2-05 in the breeders' fund, the purse fund, and the racing promotion fund. Moneys, and any earnings on the moneys, in the breeders' fund, purse fund, and racing promotion fund are appropriated to the commission on a continuing basis to carry out the purposes of those funds under this chapter and must be administered and disbursed in accordance with rules adopted by the commission. The commission may not transfer money among the funds. The commission shall distribute awards and payment supplements from the breeders' fund in the same calendar year the money was earned by the recipient. The commission shall distribute payments awarded to qualified owners and breeders from the breeders' fund without requiring owners and breeders to apply for the payments. The commission, upon approval of the emergency commission, may receive no more than twenty-five percent of the racing promotion fund for the payment of the commission's operating expenses.

* **SECTION 11. AMENDMENT.** Section 53-06.2-12 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-12. Audits and investigations by state auditor. On request of the commission or attorney general, the state auditor shall conduct audits and investigate the operations of any licensee. The commission or attorney general shall reimburse the state auditor for all services rendered.

* **SECTION 12. AMENDMENT.** Section 53-06.2-13 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-13. Duty of attorney general to participate in certain hearings and to conduct investigations - ~~Employment of private counsel by commission.~~

1. The attorney general shall represent the state in all hearings ~~before the commission~~ and shall prosecute all criminal proceedings arising from

violations of this chapter. The attorney general may require payment for any services rendered to the racing commission. Payment for the services must be deposited in the attorney general's operating fund. ~~The commission may employ private counsel for adoption of rules and to ensure that its hearings are conducted fairly. All hearings under this chapter must be conducted by the office of administrative hearings under chapter 28-32.~~

2. ~~a.~~ The attorney general may audit and investigate service providers, totalizator companies, site operators, or organizations applying to conduct or conducting pari-mutuel wagering. The attorney general may:
 - (1) ~~a.~~ Inspect all sites in which pari-mutuel wagering is conducted.
 - (2) ~~b.~~ Inspect all pari-mutuel wagering equipment and supplies.
 - (3) ~~c.~~ Seize, remove, or impound any pari-mutuel equipment, supplies, or books and records for the purpose of examination and inspection.
 - (4) ~~d.~~ Inspect, examine, photocopy, and audit all books and records.
- ~~b.~~ ~~The commission shall reimburse the attorney general for auditing and investigation. Payment for auditing and investigation must be deposited in the attorney general's operating fund.~~

* **SECTION 13. AMENDMENT.** Section 53-06.2-14 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-14. Denial, suspension, and revocation of licenses - Reasons.

The commission or attorney general may deny, suspend, or revoke licenses ~~under the certificate system and privileges granted by it, and it may terminate racing privileges issued by each respective official~~ for just cause. Actions constituting just cause include:

1. Any action or attempted action by a person contrary to any law.
2. Corrupt practices, which include:
 - a. Prearranging or attempting to prearrange the order of finish of a race.
 - b. Failing to properly pay winnings to a bettor or to properly return change to a bettor purchasing a ticket.
 - c. Falsifying or manipulating the odds on any entrant in a race.
3. Any violation of the rules of racing adopted by the commission or attorney general under this chapter.
4. Willful falsification or misstatement of fact in an application for racing or pari-mutuel privileges.
5. Material false statement to a racing official, the attorney general, or to the commission.

6. Willful disobedience of a ~~commission~~ an order of the commission or attorney general or of a lawful order of a racing official other than a commission member.
7. Continued failure or inability to meet financial obligations ~~connected with racing meets~~.
8. Failure or inability to properly maintain a racetrack.

* **SECTION 14. AMENDMENT.** Section 53-06.2-15 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-15. Revocation, suspension, fine - Procedure. The commission or attorney general, on proof of violation by a licensee, its agents or employees, of this chapter or any rule adopted by the commission ~~may~~ or attorney general to implement this chapter, on reasonable notice to the licensee and after giving the licensee an opportunity to be heard, may fine the licensee or revoke or suspend the license. If the license is revoked, the licensee is not eligible to receive another license within twelve months from the date of revocation. Every decision or order of the commission or attorney general must be made in writing and filed ~~with the director~~ for preservation as a permanent record of the commission or attorney general. ~~The decision must be signed by the chairman, attested by the director, and dated.~~

* **SECTION 15. AMENDMENT.** Section 53-06.2-16 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-16. Prohibited acts - Penalties.

1. No person may conduct a pari-mutuel ~~horse race wagering or racing~~ unless that person is licensed by the commission or attorney general. Violation of this subsection is a class A misdemeanor.
2. No person may prearrange or attempt to prearrange the order of finish of a race. Violation of this subsection is a class C felony.

* **SECTION 16. REPORT TO LEGISLATIVE COUNCIL.** The racing commission, in its biennial report to the legislative council under section 53-06.2-04, shall include information and recommendations for legislation which address the issue of the liability of charitable organizations that receive and disburse moneys handled through account wagering.

* **SECTION 17. TRANSITION.** Any member of the North Dakota racing commission who is a member of the commission as of June 30, 2011, and whose term expires after July 1, 2011, may serve the remainder of that member's unexpired term.

* **SECTION 18. EFFECTIVE DATE.** Sections 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, and 15 of this Act become effective on July 1, 2011.

Approved May 18, 2009
Filed May 19, 2009

* Sections 2 through 18 of Senate Bill No. 2024 were vetoed, see chapter 635.

CHAPTER 53**SENATE BILL NO. 2025**

(Appropriations Committee)
(At the request of the Governor)

AN ACT providing an appropriation for defraying the expenses of the veterans' home for the purpose of building a new facility; to amend and reenact sections 1 and 2 of chapter 55 of the 2007 Session Laws, relating to the veterans' home construction project; to provide an exemption; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$7,944,991 or so much of the sum as may be necessary, and from special funds derived from federal funds, the sum of \$2,643,904 or so much of the sum as may be necessary, to the veterans' home for the purpose of building a new facility, for the period beginning with the effective date of this Act, and ending June 30, 2011.

SECTION 2. AMENDMENT. Sections 1 and 2 of chapter 55 of the 2007 Session Laws are amended and reenacted as follows:

SECTION 1. CONTINGENT APPROPRIATION - VETERANS' HOME CONSTRUCTION PROJECT. There is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of \$6,483,226, or so much of the sum as may be necessary, and \$12,040,278 from federal funds, to ~~demolish the existing veterans' home and to~~ build a new structure. The appropriation from the permanent oil tax trust fund is to only be made available upon the veterans' home obtaining approval for a federal state home construction grant from the federal department of veterans' affairs. ~~The state share of the veterans' home construction project authorized in this section is limited to thirty-five percent of the total project cost of \$6,483,226, whichever is less.~~ The veterans' home shall ensure the appropriate engineering studies are conducted prior to construction of the new facility.

SECTION 2. APPROPRIATION - VETERANS' HOME CONSTRUCTION PROJECT - ADDITIONAL BED CAPACITY - BOND ISSUANCE AUTHORIZATION. The industrial commission, acting as the North Dakota building authority, shall arrange through the issuance of evidences of indebtedness under chapter 54-17.2 for the biennium beginning July 1, ~~2007~~ 2009, and ending June 30, ~~2009~~ 2011, for project costs associated with expanding the veterans' home construction project from the 121-bed capacity facility, as provided for in section 1 of this Act, to a 150-bed facility declared to be in the public interest. The industrial commission shall issue evidences of indebtedness under this section with the condition that repayments need not begin until July 1, ~~2009~~ 2011. The authority of the industrial commission to issue evidences of indebtedness under this section ends June 30, ~~2009~~ 2011, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and comply with any covenants entered into before that date. The proceeds of the evidences of indebtedness and other available funds in the amount of \$2,575,152 are appropriated to the veterans' home for this project. Non-general fund sources must be used for the retirement of the evidences of indebtedness for the costs associated with this project.

SECTION 3. EXEMPTION. The amounts appropriated for the purpose of building a new facility, as contained in section 1 of this Act and section 1 of chapter 55 of the 2007 Session Laws are not subject to the provisions of section 54-44.1-11. Any unexpended funds from the amount appropriated by the 2007 and 2009 legislative assemblies for this purpose are available during the biennium beginning July 1, 2009, and ending June 30, 2011, for the purpose of building a new facility.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.

Approved February 27, 2009
Filed February 27, 2009

CHAPTER 54**SENATE BILL NO. 2030**

(Legislative Council)

(Correctional Facility Review Committee)

AN ACT providing an appropriation to the department of corrections and rehabilitation for the renovation and expansion project at the state penitentiary; to provide for a prison construction review committee; to provide legislative intent; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$19,465,804, or so much of the sum as may be necessary, and from the state penitentiary land fund, the sum of \$44,534,196, or so much of the sum as may be necessary, to the department of corrections and rehabilitation, for the purpose of completing the renovation and expansion of the state penitentiary project, including replacement of the east cellhouse and construction of new health services, reception and entry, segregation housing, central control facilities, and the secondary road project, for the period beginning with the effective date of this Act and ending June 30, 2011.

*** SECTION 2. PRISON CONSTRUCTION REVIEW COMMITTEE - DUTIES.**

The legislative council shall appoint a three-member prison construction review committee to receive and review information relating to the prison construction project beginning with the effective date of this Act and ending June 30, 2011. The committee shall monitor the status of the project to determine that the department of corrections and rehabilitation does not significantly change or expand the penitentiary expansion and renovation project beyond what was approved by the sixty-first legislative assembly unless the legislative assembly, or the budget section of the legislative council, if the legislative assembly is not in session, approves the change or expansion of the project, or any additional expenditures for the project. The committee shall operate according to the rules and procedures governing the operation of other legislative council committees.

SECTION 3. LEGISLATIVE INTENT - MISSOURI RIVER CORRECTIONAL CENTER RELOCATION. It is the intent of the sixty-first legislative assembly that the sixty-second legislative assembly provide funding from the general fund for relocation of the Missouri River correctional center to the state penitentiary site.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.

Approved May 11, 2009

Filed May 11, 2009

* Section 2 of Senate Bill No. 2030 was vetoed, see chapter 634.

CHAPTER 55**SENATE BILL NO. 2047**

(Legislative Council)
(Public Safety Committee)

AN ACT to provide an appropriation to the state department of health for providing emergency medical training grants to rural law enforcement agencies.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$128,400, or so much of the sum as may be necessary, to the state department of health for the purpose of providing emergency medical training grants to rural law enforcement agencies for licensed officers who choose to become licensed first responders, for the biennium beginning July 1, 2009, and ending June 30, 2011. For the purposes of this section, rural law enforcement agencies mean police departments of cities with a population under 6,500 and county sheriffs' offices. Any agency that accepts funds under this section shall maintain the positions as trained first responders. If the training requirement is eliminated, the agency shall return the funds to the department.

Approved April 22, 2009
Filed April 23, 2009

CHAPTER 56**SENATE BILL NO. 2075**
(Appropriations Committee)
(At the request of the Veterans' Home)

AN ACT to provide an appropriation to the state veterans' home for improvements associated with the new veterans' home and a geothermal heating system; to provide a contingent appropriation; to provide for a report to the budget section; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$350,000, or so much of the sum as may be necessary, to the state veterans' home for the purpose of exterior finishing around the new veterans' home, including landscaping, moving a three-stall garage, building a maintenance building, mill, overlay, curb and gutter work, and street lighting, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS. There is appropriated from federal fiscal stimulus funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$3,039,414, or so much of the sum as may be necessary, to the veterans' home for the purpose of installing a geothermal heating system in the new veterans' home facility, for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 3. CONTINGENT APPROPRIATION. If federal funds appropriated under section 2 of this Act are not available to provide the sum of \$3,039,414, there is appropriated out of moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$3,039,414, or so much of the sum as may be necessary, to the veterans' home for the purpose of installing a geothermal heating system in the new veterans' home facility, for the period beginning with the effective date of this Act and ending June 30, 2011. The veterans' home may spend the general fund moneys appropriated under this section only to the extent that federal funds appropriated in section 2 of this Act are not available for these purposes.

SECTION 4. REPORT TO BUDGET SECTION - VETERANS' HOME EXTERIOR FINISHING CONSTRUCTION PROJECT. The state veterans' home shall report to the budget section regarding the veterans' home exterior finishing construction projects during the biennium beginning July 1, 2009, and ending June 30, 2011. The report must be made at the first budget section meeting scheduled after the exterior finishing construction projects, appropriated in section 1 of this Act, are complete.

SECTION 5. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 27, 2009
Filed April 27, 2009

CHAPTER 57**SENATE BILL NO. 2155**

(Senator Oehlke)

(Representatives D. Johnson, Hofstad)

AN ACT to provide an appropriation for grants to assist certain institutions of higher education with the cost of interpreters and real-time captioning for students who are deaf or hard of hearing.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$200,000, or so much of the sum as may be necessary, to the North Dakota school for the deaf for the purpose of providing grants to assist institutions under the control of the state board of higher education with the cost of interpreters and real-time captioning for students who are deaf or hard of hearing, for the biennium beginning July 1, 2009, and ending June 30, 2011. Moneys appropriated under this section are not subject to section 54-44.1-11.

SECTION 2. USE OF FUNDS.

1. The school for the deaf shall develop a formula to determine the grant amount for which an institution is eligible. The formula must be based on a uniform hourly reimbursement.
2. To obtain a grant under section 1 of this Act, an institution shall submit to the school for the deaf, at the time and in the manner directed by the school, invoices showing the amount expended for interpreters and real-time captioning for students who are deaf or hard of hearing.
3. The school for the deaf may not distribute more than fifty percent of the amount appropriated during the first year of the biennium.
4. If any grant moneys remain undistributed at the end of the biennium, the school for the deaf shall provide additional prorated grants to institutions that incurred, during the biennium, hourly expenses in excess of the formula reimbursement level.
5. At the request of an institution under the control of the state board of higher education, the school for the deaf shall consult with the institution and provide advice regarding the provision of services most appropriate to meet a student's needs.

Approved April 22, 2009

Filed April 23, 2009

CHAPTER 58**SENATE BILL NO. 2178**

(Senators Wardner, Krebsbach, Robinson)
 (Representatives D. Johnson, Martinson, Williams)

AN ACT to provide an appropriation to the office of management and budget for community service supervision grants.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION - COMMUNITY SERVICE SUPERVISION GRANTS - FUNDING ALLOCATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$375,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing community service supervision grants, for the biennium beginning July 1, 2009, and ending June 30, 2011. The office of management and budget shall distribute the grant funds on an annual basis on August first of each year of the 2009-11 biennium to the North Dakota community corrections association regions as follows:

| | |
|-------------------------|-----------|
| Barnes County | \$9,198 |
| Bismarck (urban) | 21,151 |
| Bismarck (rural) | 13,467 |
| Devils Lake | 10,965 |
| Dickinson | 13,031 |
| Fargo | 25,248 |
| Grand Forks | 20,628 |
| Jamestown | 14,310 |
| Minot | 16,453 |
| Richland County | 10,095 |
| Rugby | 11,934 |
| Wells County | 8,237 |
| Williston | 12,783 |
| Total annual allocation | \$187,500 |

Approved May 7, 2009
 Filed May 19, 2009

CHAPTER 59**SENATE BILL NO. 2230**

(Senators Bakke, Fischer, Triplett)
(Representatives Dahl, Ekstrom, Nelson)

AN ACT to provide an appropriation to the state department of health for providing grants to domestic violence sexual assault organizations.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**SECTION 1. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS.**

There is appropriated from federal stimulus funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, to the state department of health for the purpose of providing grants and related administrative costs to domestic violence sexual assault organizations as defined in North Dakota Century Code section 14-07.1-01, for the biennium beginning July 1, 2009, and ending June 30, 2011. Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 2. APPROPRIATION - DOMESTIC VIOLENCE GRANTS.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, to the state department of health for providing grants and related administrative costs to domestic violence sexual assault organizations as defined in North Dakota Century Code section 14-07.1-01, for the biennium beginning July 1, 2009, and ending June 30, 2011. Grants must be awarded based on a funding system developed by the state department of health with input from the North Dakota council on abused women's services.

Approved April 30, 2009
Filed May 4, 2009

CHAPTER 60**SENATE BILL NO. 2305**

(Senators Erbele, Fischer, Robinson)
(Representatives Brandenburg, Kretschmar, Onstad)

AN ACT to provide an appropriation to the state water commission for a Beaver Bay embankment feasibility study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the resources trust fund in the state treasury, not otherwise appropriated, the sum of \$342,000, or so much of the sum as may be necessary, to the state water commission for the purpose of conducting a Beaver Bay embankment feasibility study, for the biennium beginning July 1, 2009, and ending June 30, 2011. The embankment feasibility study is to include a downstream component and a highway embankment component.

SECTION 2. BEAVER BAY EMBANKMENT FEASIBILITY STUDY - USE OF FUNDS. Of the funding provided in section 1 of this Act, no more than \$100,000 may be spent prior to the acquisition of applicable licenses and authorizations from the federal army corps of engineers.

Approved April 22, 2009
Filed April 23, 2009

CHAPTER 61**SENATE BILL NO. 2342**

(Senators Taylor, Christmann, Klein)

(Representatives Brandenburg, Froelich, Onstad)

AN ACT providing an appropriation for defraying the expenses associated with the control of Johne's disease (*Mycobacterium avium* ss.paratuberculosis) in North Dakota; and to provide for a legislative council study.

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, to the state board of animal health to disburse to livestock producers participating in the North Dakota voluntary Johne's disease herd status program to defray expenses incurred in the testing and control of Johne's disease in livestock and to provide for the education of producers and veterinarians concerning the testing and control of Johne's disease for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

| | |
|----------------------------------|---------------|
| Testing assistance | \$150,000 |
| Technical assistance | 55,500 |
| Education | <u>40,000</u> |
| Total general fund appropriation | \$245,500 |

SECTION 2. LEGISLATIVE COUNCIL STUDY - JOHNE'S DISEASE.

During the 2009-10 interim, the legislative council shall consider studying the impact of Johne's disease on livestock producers in the state. The study, if conducted, may include a review of the need to quarantine affected livestock herds to control the spread of disease. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

Approved April 22, 2009

Filed April 23, 2009

CHAPTER 62**SENATE BILL NO. 2393**

(Senators Taylor, Horne, Klein)
(Representatives DeKrey, Nelson, Schmidt)

AN ACT to provide an appropriation to the department of emergency services for emergency snow removal grants; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, to the department of emergency services for the purpose of providing emergency snow removal grants to counties and cities, for the period beginning January 1, 2009, and ending June 30, 2009.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 22, 2009
Filed April 23, 2009

CHAPTER 63**SENATE BILL NO. 2412**

(Senators Holmberg, Fischer)

(Representative Svedjan)

AN ACT to provide an appropriation to the state department of health for providing a grant to the North Dakota fetal alcohol syndrome center; and to provide a report to the legislative council.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$369,900, or so much of the sum as may be necessary, to the state department of health for the purpose of providing a grant to the North Dakota fetal alcohol syndrome center, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 2. ACCOUNTABILITY REPORT TO LEGISLATIVE COUNCIL. The North Dakota fetal alcohol syndrome center shall provide an accountability report with respect to the use of funds granted under section 1 of this Act to the legislative council before September 1, 2010.

Approved April 21, 2009

Filed April 22, 2009

CHAPTER 64**SENATE BILL NO. 2444**

(Senators Stenehjem, O'Connell)
(Representatives Carlson, Boucher)
(Approved by the Delayed Bills Committee)

AN ACT to provide an appropriation for defraying the expenses of the adjutant general related to 2009 flood disaster response; to require certain funds to be deposited in the general fund; to authorize transfers; to provide for budget section reports; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$12,500,000, or so much of the sum as may be necessary, and from special funds derived from federal funds or other income the sum of \$20,000,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of defraying the expenses relating to the 2009 flood disaster, for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 2. REIMBURSEMENTS - DEPOSIT IN GENERAL FUND. The adjutant general shall deposit any reimbursements received from federal or other sources for state expenses paid with funding from the general fund and incurred relating to the 2009 flood disaster in the general fund during the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 3. TRANSFER. The adjutant general may transfer funds, as necessary, from amounts appropriated in section 1 of this Act to the national guard emergency fund to defray expenses relating to the 2009 flood disaster.

SECTION 4. FUNDING TRANSFERS EXCEPTION - AUTHORIZATION. Notwithstanding section 54-16-04, the adjutant general may transfer appropriation authority between line items within each subdivision and between subdivisions of the entities under the control of the adjutant general for the period beginning with the effective date of this Act and ending June 30, 2011. The adjutant general shall notify the office of management and budget of any transfer made pursuant to this section.

SECTION 5. BUDGET SECTION REPORTS. The adjutant general shall provide periodic reports to the budget section on 2009 flood disaster-related expenditures, transfers, reimbursements, and general fund deposits for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 6. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 8, 2009
Filed April 9, 2009