

Sixty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1008

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the public service  
2 commission; to amend and reenact section 57-43.2-19 of the North Dakota Century Code,  
3 relating to the special fuels excise taxes distribution of funds; to provide for a legislative  
4 management study; and to authorize transfers.

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

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

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
14 <del>Salaries and wages</del>	<del>\$9,643,095</del>	<del>(\$662,102)</del>	<del>\$8,980,993</del>
15 <u>Salaries and wages</u>	<u>\$9,643,095</u>	<u>(\$445,811)</u>	<u>\$9,197,284</u>
16 Operating expenses	1,877,562	(47,736)	1,829,826
17 <del>Capital assets</del>	<del>26,400</del>	<del>(26,400)</del>	<del>0</del>
18 <u>Capital assets</u>	<u>26,400</u>	<u>(16,400)</u>	<u>10,000</u>
19 Grants	20,000	0	20,000
20 Abandoned mined lands contractual	8,000,000	(2,000,000)	6,000,000
21 Rail rate complaint case	900,000	0	900,000
22 <del>Railroad safety program</del>	<del>523,345</del>	<del>5,743</del>	<del>529,088</del>
23 <del>Specialized legal services</del>	<del>150,000</del>	<del>580,000</del>	<del>730,000</del>
24 <del>Total all funds</del>	<del>\$21,140,402</del>	<del>(\$2,150,495)</del>	<del>\$18,989,907</del>

1	<del>Less estimated income</del>	<del>13,964,575</del>	<del>(1,375,972)</del>	<del>12,588,603</del>
2	<del>Total general fund</del>	<del>\$7,175,827</del>	<del>(\$774,523)</del>	<del>\$6,401,304</del>
3	<del>Full-time equivalent positions</del>	<del>46.00</del>	<del>(2.00)</del>	<del>44.00</del>
4	Railroad safety program	523,345	41,323	564,668
5	Specialized legal services	150,000	380,000	530,000
6	Total all funds	\$21,140,402	(\$2,088,624)	\$19,051,778
7	Less estimated income	13,964,575	(1,543,559)	12,421,016
8	Total general fund	\$7,175,827	(\$545,065)	\$6,630,762
9	Full-time equivalent positions	46.00	(1.00)	45.00

10 **SECTION 2. HEALTH INSURANCE INCREASE.** The appropriation in section 1 of this Act  
 11 includes the sum of ~~\$125,934~~\$116,809, of which ~~\$76,487~~\$70,945 is from the general fund, for  
 12 increases in employee health insurance premiums from \$1,130 to ~~\$1,249~~\$1,241 per month.

13 **SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

14 **SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
 15 items approved by the sixty-fourth legislative assembly for the 2015-17 biennium and the  
 16 2017-19 one-time funding items included in the appropriation in section 1 of this Act:

17	<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
18	<del>Specialized legal services</del>	<del>\$575,624</del>	<del>\$636,000</del>
19	<del>Total all funds</del>	<del>\$575,624</del>	<del>\$636,000</del>
20	<del>Total special funds</del>	<del>336,000</del>	<del>636,000</del>
21	<del>Total general fund</del>	<del>\$239,624</del>	<del>\$0</del>
22	Specialized legal services	\$575,624	\$436,000
23	Total all funds	\$575,624	\$436,000
24	Total special funds	336,000	436,000
25	Total general fund	\$239,624	\$0

26 The 2017-19 one-time funding amounts are not a part of the entity's base budget for the  
 27 2019-21 biennium. The public service commission shall report to the appropriations committees  
 28 of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium  
 29 beginning July 1, 2017, and ending June 30, 2019.

30 **SECTION 4. TRANSFER AND REPAYMENT - BEGINNING FARMER REVOLVING LOAN**

31 **FUND.** The Bank of North Dakota shall transfer from the beginning farmer revolving loan fund to

1 the public service commission the sum of \$900,000, or so much of the sum as may be  
2 necessary, included in the estimated income line item in section 1 of this Act to pay for costs  
3 associated with a rail rate complaint case. Transfers must be made during the biennium  
4 beginning July 1, 2017, and ending June 30, 2019, upon order of the commission. If any  
5 amounts are spent pursuant to this section, the public service commission shall reimburse the  
6 beginning farmer revolving loan fund using amounts available from damages or proceeds  
7 received, net of legal fees, from a successful outcome of a rail complaint case.

8 **SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**

9 **FUND.** The estimated income line item in section 1 of this Act includes ~~\$300,000~~\$100,000, of  
10 one-time funding from the strategic investment and improvements fund for specialized legal  
11 service costs during the biennium beginning July 1, 2017, and ending June 30, 2019.

12 **SECTION 6. AMENDMENT.** Section 57-43.2-19 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **57-43.2-19. (Effective July 1, 2015, through June 30, 2019) Transfer, deposit, and**  
15 **distribution of funds.**

16 All taxes, license fees, penalties, and interest collected under this chapter must be  
17 transferred to the state treasurer who shall deposit moneys in a highway tax distribution fund,  
18 except all special fuels excise taxes collected on sales of diesel fuel to a railroad under section  
19 57-43.2-03 of up to two hundred ~~seventy-five~~eighty-five thousand dollars per year must be  
20 transferred to the state treasurer who shall deposit the moneys in the rail safety fund. The  
21 highway tax distribution fund must be distributed in the manner as prescribed by section  
22 54-27-19.

23 **(Effective after June 30, 2019) Transfer, deposit, and distribution of funds.** All taxes,  
24 license fees, penalties, and interest collected under this chapter must be transferred to the state  
25 treasurer who shall deposit moneys in the highway tax distribution fund. The highway tax  
26 distribution fund must be distributed in the manner as prescribed by section 54-27-19.

27 **SECTION 7. LEGISLATIVE MANAGEMENT STUDY - IMPACT OF WIND ENERGY.**

- 28 1. During the 2017-18 interim, the legislative management shall consider studying the  
29 impact of wind energy development on the environment, addressing and researching  
30 issues common to North Dakota landowners, and identifying potential issues for  
31 legislation. The study may include consideration of:

Sixty-fifth  
Legislative Assembly

- 1           a.    The impact of wind energy development on the environment, including aesthetic
- 2            impacts;
- 3           b.    The impact of wind energy development on property values;
- 4           c.    The impact of wind energy development on agriculture;
- 5           d.    The advantages and disadvantages of implementing legislation for pooling or
- 6            unitization of wind resources similar to that of the oil and gas industry in chapter
- 7            38-08; and
- 8           e.    The necessary processes for the decommissioning of a wind energy project.
- 9        2.    The legislative management shall report its findings and recommendations, together
- 10        with any legislation required to implement the recommendations, to the sixty-sixth
- 11        legislative assembly.