

**FIRST ENGROSSMENT  
with Senate Amendments  
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>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
12			
13			
14	Salaries and wages	(\$345,811)	\$9,297,284
15	Operating expenses	(47,736)	1,829,826
16	Capital assets	(16,400)	10,000
17	Grants	0	20,000
18	Abandoned mined lands contractual	(2,000,000)	6,000,000
19	Rail rate complaint case	0	900,000
20	Railroad safety program	41,323	564,668
21	Specialized legal services	<u>380,000</u>	<u>530,000</u>
22	Total all funds	(\$1,988,624)	\$19,151,778
23	Less estimated income	<u>(1,543,559)</u>	<u>12,421,016</u>

1	Total general fund	\$7,175,827	(\$445,065)	\$6,730,762
2	Full-time equivalent positions	46.00	(1.00)	45.00

3       **SECTION 2. HEALTH INSURANCE INCREASE.** The appropriation in section 1 of this Act  
4 includes the sum of \$116,809, of which \$70,945 is from the general fund, for increases in  
5 employee health insurance premiums from \$1,130 to \$1,241 per month.

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

7 **SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
8 items approved by the sixty-fourth legislative assembly for the 2015-17 biennium and the  
9 2017-19 one-time funding items included in the appropriation in section 1 of this Act:

10	<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
11	Specialized legal services	<u>\$575,624</u>	<u>\$436,000</u>
12	Total all funds	\$575,624	\$436,000
13	Total special funds	<u>336,000</u>	<u>436,000</u>
14	Total general fund	\$239,624	\$0

15 The 2017-19 one-time funding amounts are not a part of the entity's base budget for the  
16 2019-21 biennium. The public service commission shall report to the appropriations committees  
17 of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium  
18 beginning July 1, 2017, and ending June 30, 2019.

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

20 **FUND.** The Bank of North Dakota shall transfer from the beginning farmer revolving loan fund to  
21 the public service commission the sum of \$900,000, or so much of the sum as may be  
22 necessary, included in the estimated income line item in section 1 of this Act to pay for costs  
23 associated with a rail rate complaint case. Transfers must be made during the biennium  
24 beginning July 1, 2017, and ending June 30, 2019, upon order of the commission. If any  
25 amounts are spent pursuant to this section, the public service commission shall reimburse the  
26 beginning farmer revolving loan fund using amounts available from damages or proceeds  
27 received, net of legal fees, from a successful outcome of a rail complaint case.

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

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

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

3       **57-43.2-19. (Effective July 1, 2015, through June 30, 2019) Transfer, deposit, and**  
4 **distribution of funds.**

5       All taxes, license fees, penalties, and interest collected under this chapter must be  
6 transferred to the state treasurer who shall deposit moneys in a highway tax distribution fund,  
7 except all special fuels excise taxes collected on sales of diesel fuel to a railroad under section  
8 57-43.2-03 of up to two hundred ~~seventy-five~~eighty-five thousand dollars per year must be  
9 transferred to the state treasurer who shall deposit the moneys in the rail safety fund. The  
10 highway tax distribution fund must be distributed in the manner as prescribed by section  
11 54-27-19.

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

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

- 17       1. During the 2017-18 interim, the legislative management shall consider studying the  
18 impact of wind energy development on the environment, addressing and researching  
19 issues common to North Dakota landowners, and identifying potential issues for  
20 legislation. The study may include consideration of:
- 21       a. The impact of wind energy development on the environment, including aesthetic  
22       impacts;
  - 23       b. The impact of wind energy development on property values;
  - 24       c. The impact of wind energy development on agriculture;
  - 25       d. The advantages and disadvantages of implementing legislation for pooling or  
26       unitization of wind resources similar to that of the oil and gas industry in chapter  
27       38-08; and
  - 28       e. The necessary processes for the decommissioning of a wind energy project.
- 29       2. The legislative management shall report its findings and recommendations, together  
30 with any legislation required to implement the recommendations, to the sixty-sixth  
31 legislative assembly.