

Sixty-fifth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2020

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota
2 state university extension service, northern crops institute, upper great plains transportation
3 institute, main research center, branch research centers, and agronomy seed farm; to amend
4 and reenact sections 4-05.1-05 and 4-08-10 of the North Dakota Century Code, relating to main
5 research center experiment station and extension service position adjustments; to provide for a
6 legislative management study; to provide for a budget section report; and to provide an
7 exemption; and to provide an expiration date.

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

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
10 as may be necessary, are appropriated out of any moneys in the general fund in the state
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and
12 other income, to the North Dakota state university extension service, the northern crops
13 institute, the upper great plains transportation institute, the main research center, branch
14 research centers, and agronomy seed farm, for the purpose of defraying the expenses of the
15 North Dakota state university extension service, the northern crops institute, the upper great
16 plains transportation institute, the main research center, branch research centers, and
17 agronomy seed farm, for the biennium beginning July 1, 2017, and ending June 30, 2019, as
18 follows:

19 Subdivision 1.

20 NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|----|-------------------------|--|-------------------------|
| 21 | | | |
| 22 | | | |
| 23 | \$52,517,908 | (\$961,158) | \$51,556,750 |
| 24 | 1,133,362 | (41,842) | 1,091,520 |

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| | | | | |
|----|--------------------------------|--------------|---------------|--------------|
| 1 | Total all funds | \$53,651,270 | (\$1,003,000) | \$52,648,270 |
| 2 | Less estimated income | 25,826,708 | 847,676 | 26,674,384 |
| 3 | Total general fund | \$27,824,562 | (\$1,850,676) | \$25,973,886 |
| 4 | Full-time equivalent positions | 263.91 | (10.93) | 252.98 |
| 5 | Extension service | \$52,517,908 | (\$1,314,419) | \$51,203,489 |
| 6 | Soil conservation committee | 1,133,362 | (41,842) | 1,091,520 |
| 7 | Total all funds | \$53,651,270 | (\$1,356,261) | \$52,295,009 |
| 8 | Less estimated income | 25,826,708 | 819,981 | 26,646,689 |
| 9 | Total general fund | \$27,824,562 | (\$2,176,242) | \$25,648,320 |
| 10 | Full-time equivalent positions | 263.91 | (10.93) | 252.98 |

Subdivision 2.

NORTHERN CROPS INSTITUTE

| | | Adjustments or | | |
|----|--------------------------------|----------------|---------------|-------------|
| | Base Level | Enhancements | Appropriation | |
| 15 | Northern crops institute | \$3,712,202 | (\$66,993) | \$3,645,209 |
| 16 | Total all funds | \$3,712,202 | (\$66,993) | \$3,645,209 |
| 17 | Less estimated income | 1,747,735 | 8,480 | 1,756,215 |
| 18 | Total general fund | \$1,964,467 | (\$75,473) | \$1,888,994 |
| 19 | Northern crops institute | \$3,712,202 | (\$69,481) | \$3,642,721 |
| 20 | Total all funds | \$3,712,202 | (\$69,481) | \$3,642,721 |
| 21 | Less estimated income | 1,747,735 | 8,095 | 1,755,830 |
| 22 | Total general fund | \$1,964,467 | (\$77,576) | \$1,886,891 |
| 23 | Full-time equivalent positions | 12.00 | (0.20) | 11.80 |

Subdivision 3.

UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

| | | Adjustments or | | |
|----|-----------------------------------|----------------|---------------|--------------|
| | Base Level | Enhancements | Appropriation | |
| 28 | Upper great plains transportation | \$22,076,448 | (\$7,704) | \$22,068,744 |
| 29 | —institute | | | |
| 30 | Total all funds | \$22,076,448 | (\$7,704) | \$22,068,744 |
| 31 | Less estimated income | 18,175,657 | 447,773 | 18,623,430 |

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|---|--|------------------------|------------------------|------------------------|
| 1 | Total general fund | \$3,900,791 | (\$455,477) | \$3,445,314 |
| 2 | <u>Upper great plains transportation</u> | <u>\$22,076,448</u> | <u>\$283,794</u> | <u>\$22,360,242</u> |
| 3 | <u>institute</u> | | | |
| 4 | <u>Total all funds</u> | <u>\$22,076,448</u> | <u>\$283,794</u> | <u>\$22,360,242</u> |
| 5 | <u>Less estimated income</u> | <u>18,175,657</u> | <u>641,411</u> | <u>18,817,068</u> |
| 6 | <u>Total general fund</u> | <u>\$3,900,791</u> | <u>(\$357,617)</u> | <u>\$3,543,174</u> |
| 7 | Full-time equivalent positions | 54.98 | (11.10) | 43.88 |

8 Subdivision 4.

9 MAIN RESEARCH CENTER

| 10 | | Adjustments or | | |
|----|----------------------------------|--------------------------|--------------------------|--------------------------|
| 11 | | Base Level | Enhancements | Appropriation |
| 12 | Main research center | \$110,529,780 | (\$1,812,588) | \$108,717,192 |
| 13 | Total all funds | \$110,529,780 | (\$1,812,588) | \$108,717,192 |
| 14 | Less estimated income | 56,948,525 | 2,162,877 | 59,111,402 |
| 15 | Total general fund | \$53,581,255 | (\$3,975,465) | \$49,605,790 |
| 16 | <u>Main research center</u> | <u>\$110,529,780</u> | <u>(\$1,887,537)</u> | <u>\$108,642,243</u> |
| 17 | <u>Total all funds</u> | <u>\$110,529,780</u> | <u>(\$1,887,537)</u> | <u>\$108,642,243</u> |
| 18 | <u>Less estimated income</u> | <u>56,948,525</u> | <u>2,136,303</u> | <u>59,084,828</u> |
| 19 | <u>Total general fund</u> | <u>\$53,581,255</u> | <u>(\$4,023,840)</u> | <u>\$49,557,415</u> |
| 20 | Full-time equivalent positions | 353.85 | (17.73) | 336.12 |

21 Subdivision 5.

22 BRANCH RESEARCH CENTERS

| 23 | | Adjustments or | | |
|----|--|------------------------|------------------------|------------------------|
| 24 | | Base Level | Enhancements | Appropriation |
| 25 | Dickinson research extension center | \$6,996,678 | (\$167,861) | \$6,828,817 |
| 26 | Central grasslands research | 3,531,779 | (105,667) | 3,426,112 |
| 27 | —extension center | | | |
| 28 | Hettinger research extension center | 5,086,767 | (108,523) | 4,978,244 |
| 29 | Langdon research extension center | 3,045,836 | (79,363) | 2,966,473 |
| 30 | North central research extension center | 5,044,213 | (87,451) | 4,956,762 |
| 31 | Williston research extension center | 5,267,400 | (145,037) | 5,122,363 |

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|----|---|-------------------------|--------------------------|-------------------------|
| 1 | Carrington research extension center | 9,328,093 | (145,655) | 9,182,438 |
| 2 | Total all funds | \$38,300,766 | (\$839,557) | \$37,461,209 |
| 3 | Less estimated income | 19,817,130 | 471,108 | 20,288,238 |
| 4 | Total general fund | \$18,483,636 | (\$1,310,665) | \$17,172,971 |
| 5 | <u>Dickinson research extension center</u> | <u>\$6,996,678</u> | <u>(\$171,127)</u> | <u>\$6,825,551</u> |
| 6 | <u>Central grasslands research</u> | <u>3,531,779</u> | <u>(108,155)</u> | <u>3,423,624</u> |
| 7 | <u>extension center</u> | | | |
| 8 | <u>Hettinger research extension center</u> | <u>5,086,767</u> | <u>(111,634)</u> | <u>4,975,133</u> |
| 9 | <u>Langdon research extension center</u> | <u>3,045,836</u> | <u>(81,229)</u> | <u>2,964,607</u> |
| 10 | <u>North central research extension center</u> | <u>5,044,213</u> | <u>(90,561)</u> | <u>4,953,652</u> |
| 11 | <u>Williston research extension center</u> | <u>5,267,400</u> | <u>1,351,490</u> | <u>6,618,890</u> |
| 12 | <u>Carrington research extension center</u> | <u>9,328,093</u> | <u>(152,602)</u> | <u>9,175,491</u> |
| 13 | <u>Total all funds</u> | <u>\$38,300,766</u> | <u>\$636,182</u> | <u>\$38,936,948</u> |
| 14 | <u>Less estimated income</u> | <u>19,817,130</u> | <u>1,964,561</u> | <u>21,781,691</u> |
| 15 | <u>Total general fund</u> | <u>\$18,483,636</u> | <u>(\$1,328,379)</u> | <u>\$17,155,257</u> |
| 16 | Full-time equivalent positions | 113.94 | (3.65) | 110.29 |

Subdivision 6.

AGRONOMY SEED FARM

| | | Adjustments or | | |
|----|--------------------------------|------------------------|----------------------|------------------------|
| | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> | |
| 21 | Agronomy seed farm | \$1,521,007 | \$15,744 | \$1,536,751 |
| 22 | Total special funds | \$1,521,007 | \$15,744 | \$1,536,751 |
| 23 | <u>Agronomy seed farm</u> | <u>\$1,521,007</u> | <u>\$15,122</u> | <u>\$1,536,129</u> |
| 24 | <u>Total special funds</u> | <u>\$1,521,007</u> | <u>\$15,122</u> | <u>\$1,536,129</u> |
| 25 | Full-time equivalent positions | 3.00 | 0.00 | 3.00 |

Subdivision 7.

BILL TOTAL

| | | Adjustments or | | |
|----|-------------------------------------|--------------------------|--------------------------|-------------------------|
| | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> | |
| 30 | Grand total general fund | \$105,754,711 | (\$7,667,756) | \$98,086,955 |
| 31 | Grand total other funds | 124,036,762 | 3,953,658 | 127,990,420 |

| | | | | |
|---|----------------------------------|--------------------------|--------------------------|--------------------------|
| 1 | Grand total all funds | \$229,791,473 | (\$3,714,098) | \$226,077,375 |
| 2 | <u>Grand total general fund</u> | <u>\$105,754,711</u> | <u>(\$7,963,654)</u> | <u>\$97,791,057</u> |
| 3 | <u>Grand total other funds</u> | <u>124,036,762</u> | <u>5,585,473</u> | <u>129,622,235</u> |
| 4 | <u>Grand total all funds</u> | <u>\$229,791,473</u> | <u>(\$2,378,181)</u> | <u>\$227,413,292</u> |

SECTION 2. HEALTH INSURANCE INCREASE. The appropriation in section 1 of this Act includes the sum of \$2,141,727, of which \$1,268,815 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month.

SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly as adjusted for the 2015-17 biennium and the 2017-19 biennium one-time funding items included in the appropriation in section 1 of this Act:

| | <u>One-Time Funding Description</u> | <u>2015-17</u> | <u>2017-19</u> |
|----|--|-------------------------|--------------------|
| 14 | Agronomy laboratories | \$150,000 | \$0 |
| 15 | Rural leadership project | 141,252 | 0 |
| 16 | Seed cleaning plants | 4,408,224 | 0 |
| 17 | <u>Seed cleaning plants</u> | <u>4,408,224</u> | <u>1,500,000</u> |
| 18 | Upper great plains transportation institute road study | 628,823 | 0 |
| 19 | Junior master gardener program | 12,500 | 0 |
| 20 | <u>Junior master gardener program</u> | <u>12,500</u> | <u>15,000</u> |
| 21 | Veterinary diagnostic laboratory | 18,000,000 | 0 |
| 22 | Dust issues technical support | 100,000 | 0 |
| 23 | Land purchase - Langdon | 350,000 | 0 |
| 24 | Flooded lands study | 67,952 | 0 |
| 25 | Total all funds | \$23,858,751 | \$0 |
| 26 | Total other funds | 21,325,000 | 0 |
| 27 | Total general fund | \$2,533,751 | \$0 |
| 28 | <u>Flooded lands study</u> | <u>67,952</u> | <u>0</u> |
| 29 | <u>Road and bridge asset management system</u> | <u>0</u> | <u>300,000</u> |
| 30 | <u>Total all funds</u> | <u>\$23,858,751</u> | <u>\$1,815,000</u> |

1 Total other funds 21,325,000 1,700,000

2 Total general fund \$2,533,751 \$115,000

3 The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for
4 the 2019-21 biennium. The upper great plains transportation institute, main and branch
5 research centers, and North Dakota state university extension service shall report to the
6 appropriations committees of the sixty-sixth legislative assembly on the use of this one-time
7 funding for the biennium beginning July 1, 2017, and ending June 30, 2019.

8 **SECTION 4. ADDITIONAL INCOME - APPROPRIATION.** In addition to the amount
9 included in the grand total other funds appropriation line item in section 1 of this Act, any other
10 income, including funds from federal acts, private grants, gifts, and donations, or from other
11 sources received by the North Dakota state university extension service, the northern crops
12 institute, the upper great plains transportation institute, the main research center, branch
13 research centers, and agronomy seed farm, except as otherwise provided by law, is
14 appropriated for the purpose designated in the act, grant, gift, or donation, for the biennium
15 beginning July 1, 2017, and ending June 30, 2019.

16 **SECTION 5. AMENDMENT.** Section 4-05.1-05 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **4-05.1-05. North Dakota state university main research center position adjustments -**
19 **Budget section report.**

20 The North Dakota state university main research center must be located on the campus of
21 North Dakota state university of agriculture and applied science. The center is the administrative
22 location of the agricultural experiment station. The center shall conduct research and coordinate
23 all research activities of the agricultural experiment station. The research must have, as a
24 purpose, the development and dissemination of technology important to the production and
25 utilization of food, feed, fiber, and fuel from crop and livestock enterprises. The research must
26 provide for an enhancement of the quality of life, sustainability of production, and protection of
27 the environment. Subject to the availability of funds, the station director may adjust or increase
28 full-time equivalent positions in order to carry out activities to accomplish the mission of the
29 agricultural experiment station. Twelve-month employees whose employment is not limited in
30 duration must accrue leave pursuant to provisions of section 54-06-14. All full or partial
31 positions must be separate from North Dakota state university. Annually, the station director

1 shall report to the office of management and budget and to the budget section any adjustments
2 or increases made pursuant to this section. The center may conduct baseline research,
3 including production and processing in conjunction with the research and extension centers of
4 the state, regarding industrial hemp and other alternative industrial use crops. The center may
5 collect feral hemp seed stock and develop appropriate adapted strains of industrial hemp which
6 contain less than three-tenths of one percent tetrahydrocannabinol in the dried flowering tops.
7 The agriculture commissioner shall monitor the collection of feral hemp seed stock and
8 industrial hemp strain development and shall certify appropriate stocks for licensed commercial
9 cultivation.

10 **SECTION 6. AMENDMENT.** Section 4-08-10 of the North Dakota Century Code is amended
11 and reenacted as follows:

12 **4-08-10. Extension agent to submit monthly account of expenditures - Position**
13 **adjustments - Budget section report.**

14 The extension agent shall submit monthly an accurate itemized account of all expenditures
15 incurred by the agent in the regular conduct of duties to the North Dakota state university
16 extension service for examination and audit. When charges are made by an extension agent for
17 money expended in the performance of official duties, all items of one dollar or more expended
18 and charged for must be covered by a subvoucher or receipt that must be signed by the person
19 to whom the money was paid. The subvoucher or receipt must show at what place, on what
20 date, and for what the money expended was paid. The extension agent shall forward the
21 subvouchers or receipts with the bill, claim, account, or demand against the county. When
22 charges are made for transportation expenses, they may not exceed the amounts provided by
23 section 11-10-15, and must be in itemized form showing the mileage traveled, the days when
24 and how traveled, and the purpose thereof, verified by affidavit. The account must be
25 transmitted and recommended for payment by the North Dakota state university extension
26 service which shall audit the same and which may approve or disallow any expense item
27 therein. The state board of agricultural research and education and the president of North
28 Dakota state university shall control and administer the North Dakota state university extension
29 service subject to the supervision of the state board of higher education. Funds appropriated to
30 the North Dakota state university extension service may not be commingled with funds
31 appropriated to North Dakota state university. An appropriation request to defray expenses of

1 the North Dakota state university extension service must be separate from an appropriation
2 request to defray expenses of North Dakota state university. Subject to the availability of funds,
3 the director of the North Dakota state university extension service may adjust or increase
4 full-time equivalent positions in order to carry out activities to accomplish the mission of the
5 extension service. Twelve-month employees whose employment is not limited in duration must
6 accrue leave pursuant to provisions of section 54-06-14. All full- or part-time positions must be
7 separate from North Dakota state university. Annually, the director of the North Dakota state
8 university extension service shall report to the office of management and budget and to the
9 budget section any adjustments or increases made pursuant to this section.

10 **SECTION 7. DICKINSON RESEARCH EXTENSION CENTER - MINERAL RIGHTS**

11 **INCOME.** The Dickinson research extension center may spend up to \$755,000 of revenues
12 received during the 2017-19 biennium from mineral royalties, leases, or easements for ongoing
13 operational expenses. Any revenues received in excess of \$755,000 may be spent only for
14 one-time expenditures for the biennium beginning July 1, 2017, and ending June 30, 2019.

15 **SECTION 8. WILLISTON RESEARCH EXTENSION CENTER - MINERAL RIGHTS**

16 **INCOME - REPORT.** The Williston research extension center shall report to the appropriations
17 committees of the sixty-sixth legislative assembly on amounts received and spent from mineral
18 royalties, leases, or easements in the biennium beginning July 1, 2015, and ending June 30,
19 2017, and the biennium beginning July 1, 2017, and ending June 30, 2019.

20 **SECTION 9. TRANSFER AUTHORITY.** Upon approval of the state board of agricultural

21 research and education and appropriate branch research center directors, the director of the
22 main research center may transfer appropriation authority within subdivisions 1, 2, 4, and 5 of
23 section 1 of this Act. Any amounts transferred must be reported to the director of the office of
24 management and budget.

25 **SECTION 10. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** The state board of

26 higher education may adjust or increase full-time equivalent positions as needed for the entities
27 in section 1 of this Act, subject to availability of funds. All full-time or part-time positions must be
28 separate from North Dakota state university. Annually, the board shall report to the office of
29 management and budget and to the budget section any adjustments made pursuant to this
30 section.

1 **SECTION 11. UNEXPENDED GENERAL FUND - EXCESS INCOME.** Any unexpended
2 general fund appropriation authority to and any excess income received by entities listed in
3 section 1 of this Act are not subject to the provisions of section 54-44.1-11, and any
4 unexpended funds from these appropriations or revenues are available and may be expended
5 by those entities, during the biennium beginning July 1, 2019, and ending June 30, 2021.

6 **SECTION 12. EXEMPTION.** The amounts appropriated for the veterinary diagnostic
7 laboratory and the seed cleaning plants contained in subdivision 4 of section 1 of chapter 20 of
8 the 2015 Session Laws, are not subject to the provisions of section 54-44.1-11, and any
9 unexpended funds from these appropriations or related revenues are available and may be
10 expended during the biennium beginning July 1, 2017, and ending June 30, 2019.

11 **SECTION 13. UPPER GREAT PLAINS TRANSPORTATION INSTITUTE - ROAD AND**
12 **BRIDGE ASSET MANAGEMENT SYSTEM MATCHING FUNDS.** Subdivision 3 of section 1 of
13 this Act includes \$100,000 from the general fund for a road and bridge asset management
14 system which may be spent only to the extent the upper great plains transportation institute
15 provides two dollars of matching funds from nonstate sources for each one dollar provided from
16 the general fund for the biennium beginning July 1, 2017, and ending June 30, 2019.

17 **SECTION 14. LEGISLATIVE MANAGEMENT STUDY - STATE SOIL CONSERVATION**
18 **COMMITTEE.** During the 2017-18 interim, the legislative management shall study the state soil
19 conservation committee. The study must include a review of the duties, responsibilities, and
20 related costs and efficiencies of the committee and related North Dakota state university
21 extension service staff, the needs of the soil conservation districts, and the necessity to
22 continue the state soil conservation committee. The legislative management shall report its
23 findings and recommendations, together with any legislation required to implement the
24 recommendations, to the sixty-sixth legislative assembly.

25 **SECTION 15. STATE BOARD OF AGRICULTURAL RESEARCH AND EDUCATION -**
26 **NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE STUDY - BUDGET SECTION**
27 **REPORT.** During the 2017-18 interim, the state board of agricultural research and education, in
28 consultation with the governor's office, shall study the duties and responsibilities of the North
29 Dakota state university extension service. The study must include a review of the mission,
30 existing programs, the efficiency and effectiveness of the delivery methods for existing
31 programs, and potential program changes. The state board of agricultural research and

1 education shall report its findings and recommendations to increase the efficiency and
2 effectiveness of the North Dakota state university extension service to the budget section of the
3 legislative management by March 31, 2018.

4 **SECTION 16. EXPIRATION DATE.** Sections 5 and 6 of this Act are effective through
5 June 30, 2019, and after that date are ineffective.