

**FIRST ENGROSSMENT
with Conference Committee Amendments
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; to provide an exemption;
7 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

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22 Extension service	\$52,517,908	(\$1,314,419)	\$51,203,489
23 Soil conservation committee	<u>1,133,362</u>	<u>(41,842)</u>	<u>1,091,520</u>

Sixty-fifth
Legislative Assembly

1	Total all funds	\$53,651,270	(\$1,356,261)	\$52,295,009
2	Less estimated income	<u>25,826,708</u>	<u>819,981</u>	<u>26,646,689</u>
3	Total general fund	\$27,824,562	(\$2,176,242)	\$25,648,320
4	Full-time equivalent positions	263.91	(10.93)	252.98

5 Subdivision 2.

6 NORTHERN CROPS INSTITUTE

7			Adjustments or	
8		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
9	Northern crops institute	<u>\$3,712,202</u>	<u>(\$69,481)</u>	<u>\$3,642,721</u>
10	Total all funds	\$3,712,202	(\$69,481)	\$3,642,721
11	Less estimated income	<u>1,747,735</u>	<u>8,095</u>	<u>1,755,830</u>
12	Total general fund	\$1,964,467	(\$77,576)	\$1,886,891
13	Full-time equivalent positions	12.00	(0.20)	11.80

14 Subdivision 3.

15 UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

16			Adjustments or	
17		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18	Upper great plains transportation	<u>\$22,076,448</u>	<u>\$283,794</u>	<u>\$22,360,242</u>
19	institute			
20	Total all funds	\$22,076,448	\$283,794	\$22,360,242
21	Less estimated income	<u>18,175,657</u>	<u>641,411</u>	<u>18,817,068</u>
22	Total general fund	\$3,900,791	(\$357,617)	\$3,543,174
23	Full-time equivalent positions	54.98	(11.10)	43.88

24 Subdivision 4.

25 MAIN RESEARCH CENTER

26			Adjustments or	
27		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
28	Main research center	<u>\$110,529,780</u>	<u>(\$1,887,537)</u>	<u>\$108,642,243</u>
29	Total all funds	\$110,529,780	(\$1,887,537)	\$108,642,243
30	Less estimated income	<u>56,948,525</u>	<u>2,136,303</u>	<u>59,084,828</u>

Sixty-fifth
Legislative Assembly

1	Total general fund	\$53,581,255	(\$4,023,840)	\$49,557,415
2	Full-time equivalent positions	353.85	(17.73)	336.12
3	Subdivision 5.			
4	BRANCH RESEARCH CENTERS			
5			Adjustments or	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	Dickinson research extension center	\$6,996,678	(\$171,127)	\$6,825,551
8	Central grasslands research	3,531,779	(108,155)	3,423,624
9	extension center			
10	Hettinger research extension center	5,086,767	(111,634)	4,975,133
11	Langdon research extension center	3,045,836	(81,229)	2,964,607
12	North central research extension center	5,044,213	(90,561)	4,953,652
13	Williston research extension center	5,267,400	1,351,490	6,618,890
14	Carrington research extension center	<u>9,328,093</u>	<u>(152,602)</u>	<u>9,175,491</u>
15	Total all funds	\$38,300,766	\$636,182	\$38,936,948
16	Less estimated income	<u>19,817,130</u>	<u>1,964,561</u>	<u>21,781,691</u>
17	Total general fund	\$18,483,636	(\$1,328,379)	\$17,155,257
18	Full-time equivalent positions	113.94	(3.65)	110.29
19	Subdivision 6.			
20	AGRONOMY SEED FARM			
21			Adjustments or	
22		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23	Agromony seed farm	<u>\$1,521,007</u>	<u>\$15,122</u>	<u>\$1,536,129</u>
24	Total special funds	\$1,521,007	\$15,122	\$1,536,129
25	Full-time equivalent positions	3.00	0.00	3.00
26	Subdivision 7.			
27	BILL TOTAL			
28			Adjustments or	
29		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
30	Grand total general fund	\$105,754,711	(\$7,963,654)	\$97,791,057

Sixty-fifth
Legislative Assembly

1	Grand total other funds	<u>124,036,762</u>	<u>5,585,473</u>	<u>129,622,235</u>
2	Grand total all funds	\$229,791,473	(\$2,378,181)	\$227,413,292

3 **SECTION 2. HEALTH INSURANCE INCREASE.** The appropriation in section 1 of this Act
4 includes the sum of \$2,141,727, of which \$1,268,815 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 THE**
7 **SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
8 items approved by the sixty-fourth legislative assembly as adjusted for the 2015-17 biennium
9 and the 2017-19 biennium one-time funding items included in the appropriation in section 1 of
10 this Act:

11	<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
12	Agronomy laboratories	\$150,000	\$0
13	Rural leadership project	141,252	0
14	Seed cleaning plants	4,408,224	1,500,000
15	Upper great plains transportation institute road study	628,823	0
16	Junior master gardener program	12,500	15,000
17	Veterinary diagnostic laboratory	18,000,000	0
18	Dust issues technical support	100,000	0
19	Land purchase - Langdon	350,000	0
20	Flooded lands study	67,952	0
21	Road and bridge asset management system	<u>0</u>	<u>300,000</u>
22	Total all funds	\$23,858,751	\$1,815,000
23	Total other funds	<u>21,325,000</u>	<u>1,700,000</u>
24	Total general fund	\$2,533,751	\$115,000

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

30 **SECTION 4. ADDITIONAL INCOME - APPROPRIATION.** In addition to the amount
31 included in the grand total other funds appropriation line item in section 1 of this Act, any other

1 income, including funds from federal acts, private grants, gifts, and donations, or from other
2 sources received by the North Dakota state university extension service, the northern crops
3 institute, the upper great plains transportation institute, the main research center, branch
4 research centers, and agronomy seed farm, except as otherwise provided by law, is
5 appropriated for the purpose designated in the act, grant, gift, or donation, for the biennium
6 beginning July 1, 2017, and ending June 30, 2019.

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

9 **4-05.1-05. North Dakota state university main research center position adjustments -**
10 **Budget section report.**

11 The North Dakota state university main research center must be located on the campus of
12 North Dakota state university of agriculture and applied science. The center is the administrative
13 location of the agricultural experiment station. The center shall conduct research and coordinate
14 all research activities of the agricultural experiment station. The research must have, as a
15 purpose, the development and dissemination of technology important to the production and
16 utilization of food, feed, fiber, and fuel from crop and livestock enterprises. The research must
17 provide for an enhancement of the quality of life, sustainability of production, and protection of
18 the environment. Subject to the availability of funds, the station director may adjust or increase
19 full-time equivalent positions in order to carry out activities to accomplish the mission of the
20 agricultural experiment station. Twelve-month employees whose employment is not limited in
21 duration must accrue leave pursuant to provisions of section 54-06-14. All full or partial
22 positions must be separate from North Dakota state university. Annually, the station director
23 shall report to the office of management and budget and to the budget section any adjustments
24 or increases made pursuant to this section. The center may conduct baseline research,
25 including production and processing in conjunction with the research and extension centers of
26 the state, regarding industrial hemp and other alternative industrial use crops. The center may
27 collect feral hemp seed stock and develop appropriate adapted strains of industrial hemp which
28 contain less than three-tenths of one percent tetrahydrocannabinol in the dried flowering tops.
29 The agriculture commissioner shall monitor the collection of feral hemp seed stock and
30 industrial hemp strain development and shall certify appropriate stocks for licensed commercial
31 cultivation.

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

3 **4-08-10. Extension agent to submit monthly account of expenditures - Position**
4 **adjustments - Budget section report.**

5 The extension agent shall submit monthly an accurate itemized account of all expenditures
6 incurred by the agent in the regular conduct of duties to the North Dakota state university
7 extension service for examination and audit. When charges are made by an extension agent for
8 money expended in the performance of official duties, all items of one dollar or more expended
9 and charged for must be covered by a subvoucher or receipt that must be signed by the person
10 to whom the money was paid. The subvoucher or receipt must show at what place, on what
11 date, and for what the money expended was paid. The extension agent shall forward the
12 subvouchers or receipts with the bill, claim, account, or demand against the county. When
13 charges are made for transportation expenses, they may not exceed the amounts provided by
14 section 11-10-15, and must be in itemized form showing the mileage traveled, the days when
15 and how traveled, and the purpose thereof, verified by affidavit. The account must be
16 transmitted and recommended for payment by the North Dakota state university extension
17 service which shall audit the same and which may approve or disallow any expense item
18 therein. The state board of agricultural research and education and the president of North
19 Dakota state university shall control and administer the North Dakota state university extension
20 service subject to the supervision of the state board of higher education. Funds appropriated to
21 the North Dakota state university extension service may not be commingled with funds
22 appropriated to North Dakota state university. An appropriation request to defray expenses of
23 the North Dakota state university extension service must be separate from an appropriation
24 request to defray expenses of North Dakota state university. Subject to the availability of funds,
25 the director of the North Dakota state university extension service may adjust or increase
26 full-time equivalent positions in order to carry out activities to accomplish the mission of the
27 extension service. Twelve-month employees whose employment is not limited in duration must
28 accrue leave pursuant to provisions of section 54-06-14. All full- or part-time positions must be
29 separate from North Dakota state university. Annually, the director of the North Dakota state
30 university extension service shall report to the office of management and budget and to the
31 budget section any adjustments or increases made pursuant to this section.

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

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

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

7 **INCOME - REPORT.** The Williston research extension center shall report to the appropriations
8 committees of the sixty-sixth legislative assembly on amounts received and spent from mineral
9 royalties, leases, or easements in the biennium beginning July 1, 2015, and ending June 30,
10 2017, and the biennium beginning July 1, 2017, and ending June 30, 2019.

11 **SECTION 9. TRANSFER AUTHORITY.** Upon approval of the state board of agricultural
12 research and education and appropriate branch research center directors, the director of the
13 main research center may transfer appropriation authority within subdivisions 1, 2, 4, and 5 of
14 section 1 of this Act. Any amounts transferred must be reported to the director of the office of
15 management and budget.

16 **SECTION 10. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** The state board of
17 higher education may adjust or increase full-time equivalent positions as needed for the entities
18 in section 1 of this Act, subject to availability of funds. All full-time or part-time positions must be
19 separate from North Dakota state university. Annually, the board shall report to the office of
20 management and budget and to the budget section any adjustments made pursuant to this
21 section.

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

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

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

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

15 **SECTION 15. STATE BOARD OF AGRICULTURAL RESEARCH AND EDUCATION -**
16 **NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE STUDY - BUDGET SECTION**
17 **REPORT.** During the 2017-18 interim, the state board of agricultural research and education, in
18 consultation with the governor's office, shall study the duties and responsibilities of the North
19 Dakota state university extension service. The study must include a review of the mission,
20 existing programs, the efficiency and effectiveness of the delivery methods for existing
21 programs, and potential program changes. The state board of agricultural research and
22 education shall report its findings and recommendations to increase the efficiency and
23 effectiveness of the North Dakota state university extension service to the budget section of the
24 legislative management by March 31, 2018.

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