

**FIRST ENGROSSMENT
with Conference Committee Amendments
ENGROSSED HOUSE BILL NO. 1024**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide appropriations for defraying the expenses of various state
2 departments and institutions; to provide a contingent appropriation; to amend and reenact
3 section 4 of chapter 552 of the 2015 Session Laws, relating to Bank of North Dakota transfers
4 to the state general fund; to provide for borrowing authority; to provide for transfers; to provide
5 statements of legislative intent; and to declare an emergency.

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

7 **SECTION 1. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS**

8 **FUND - 2015-17 BIENNIUM.** There is appropriated out of any moneys in the strategic
9 investment and improvements fund, the sums as hereinafter provided or so much of the sums
10 as may be necessary. These sums increase the special fund authority enacted by the sixty-
11 fourth legislative assembly to the stated departments and institutions of the state of North
12 Dakota for the purpose of defraying their expenses, for the period beginning with the effective
13 date of this Act, and ending June 30, 2017, as follows:

14 Subdivision 1.

15 STATE TREASURER

16	Property tax relief credits	<u>\$8,100,000</u>
17	Total special funds	\$8,100,000

18 Subdivision 2.

19 COMMISSION ON LEGAL COUNSEL FOR INDIGENTS

20	Commission on legal counsel for indigents	<u>\$189,000</u>
21	Total special funds	\$189,000

22 Subdivision 3.

23 STATE DEPARTMENT OF HEALTH

Sixty-fifth
Legislative Assembly

1 Operating expenses \$250,000
2 Total special funds \$250,000

3 Subdivision 4.

4 DEPARTMENT OF HUMAN SERVICES

5 Grants - Medical assistance \$9,000,000

6 Total special funds \$9,000,000

7 Subdivision 5.

8 ADJUTANT GENERAL

9 Disaster costs \$79,500

10 Total special funds \$79,500

11 Subdivision 6.

12 STATE HISTORICAL SOCIETY

13 Litigation expenses \$50,000

14 Total special funds \$50,000

15 SECTION 1 TOTAL

16 Grand total special funds \$17,668,500

17 **SECTION 2. APPROPRIATION - SPECIAL FUNDS FROM ADJUTANT GENERAL LOAN**

18 **PROCEEDS - THROUGH JUNE 30, 2019.** There is appropriated from special funds received
19 from the adjutant general, the sums as hereinafter provided, or so much of the sums as may be
20 necessary, to the agencies listed below for the purpose of defraying expenses of law
21 enforcement support which were incurred after June 30, 2015, related to unlawful activity
22 associated with the construction of the Dakota access pipeline, for the period beginning with the
23 effective date of this Act, and ending June 30, 2019.

24 Subdivision 1.

25 ATTORNEY GENERAL

26 Salaries and wages \$200,000

27 Total special funds \$200,000

28 Subdivision 2.

29 JUDICIAL BRANCH

30 Pipeline protest trials \$1,500,000

31 Total special funds \$1,500,000

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1	Subdivision 3.	
2		COMMISSION ON LEGAL COUNSEL FOR INDIGENTS
3	Pipeline protest trials	<u>\$1,027,000</u>
4	Total special funds	\$1,027,000
5	Subdivision 4.	
6		STATE DEPARTMENT OF HEALTH
7	Operating expenses	<u>\$1,420,000</u>
8	Total special funds	\$1,420,000
9	Subdivision 5.	
10		HIGHWAY PATROL
11	Field operations	<u>\$3,234,000</u>
12	Total special funds	\$3,234,000
13	Subdivision 6.	
14		DEPARTMENT OF CORRECTIONS AND REHABILITATION
15	Adult services	<u>\$500,000</u>
16	Total special funds	\$500,000
17	Subdivision 7.	
18		GAME AND FISH DEPARTMENT
19	Salaries and wages	\$221,795
20	Operating expenses	<u>201,929</u>
21	Total special funds	\$423,724
22	Subdivision 8.	
23		PARKS AND RECREATION DEPARTMENT
24	Natural resources	<u>\$200,000</u>
25	Total special funds	\$200,000
26	Subdivision 9.	
27		DEPARTMENT OF TRANSPORTATION
28	Salaries and wages	\$287,000
29	Operating expenses	<u>422,000</u>
30	Total special funds	\$709,000
31		SECTION 2 TOTAL

1 Grand total special funds \$9,213,724

2 **SECTION 3. BORROWING AUTHORITY - APPROPRIATION - THROUGH JUNE 30, 2019**
3 **- ADJUTANT GENERAL - DEPARTMENT OF EMERGENCY SERVICES FUNDING**

4 **REQUEST.** The office of the adjutant general may borrow the sum of \$10,000,000, or so much
5 of the sum as may be necessary, from the Bank of North Dakota, for law enforcement support
6 costs that were incurred after June 30, 2015, related to unlawful activity associated with the
7 construction of the Dakota access pipeline, for the period beginning with the effective date of
8 this Act, and ending June 30, 2019. The proceeds of the loan authorized in this section are
9 appropriated to the office of the adjutant general for the purpose of defraying expenses of law
10 enforcement support which were incurred after June 30, 2015, related to unlawful activity
11 associated with the construction of the Dakota access pipeline, for the period beginning with the
12 effective date of this Act, and ending June 30, 2019. The department of emergency services
13 shall include any amounts borrowed under this section in the request for reimbursement from
14 the federal government related to the state's expenses incurred due to unlawful activity
15 associated with the construction of the Dakota access pipeline.

16 **SECTION 4. CONTINGENT APPROPRIATION - STRATEGIC INVESTMENT AND**
17 **IMPROVEMENTS FUND - ATTORNEY GENERAL - THROUGH JUNE 30, 2019.** There is
18 appropriated out of any moneys in the strategic investment and improvements fund in the state
19 treasury, not otherwise appropriated, the sum of \$15,872,000, or so much of the sum as may be
20 necessary, to the attorney general for the purpose of providing any court-ordered payments to a
21 bankruptcy estate or payments to be made pursuant to the terms of a settlement agreement
22 approved by order of the court, for the period beginning with the effective date of this Act, and
23 ending June 30, 2019. The funding provided in this section may be expended only upon an
24 order of the court pending the outcome of PW Enterprises, Inc. v. State of North Dakota or
25 pursuant to the terms of a settlement agreement approved by order of the court. The funding
26 provided in this section is considered a one-time funding item and is not a part of the entity's
27 base budget for the 2019-21 biennium.

28 **SECTION 5. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
29 **GENERAL FUND - 2015-17 BIENNIUM.** The office of management and budget shall transfer
30 the sum of \$155,000,000 from the strategic investment and improvements fund to the general
31 fund during the period beginning with the effective date of this Act, and ending June 30, 2017.

1 **SECTION 6. LINE ITEM TRANSFERS - ATTORNEY GENERAL - 2015-17 BIENNIUM.**

2 1. The attorney general may transfer \$75,000 from the amount appropriated for the
3 continuation of contracted higher education legal services in section 6 of chapter 3 of
4 the 2015 Session Laws to the litigation fees line item in section 1 of chapter 37 of the
5 2015 Session Laws, for the period beginning with the effective date of this Act, and
6 ending June 30, 2017.

7 2. The attorney general may transfer \$5,000 from the amount appropriated for the
8 continuation of contracted higher education legal services in section 6 of chapter 3 of
9 the 2015 Session Laws to the arrest and return of fugitives line item in section 1 of
10 chapter 37 of the 2015 Session Laws, for the period beginning with the effective date
11 of this Act, and ending June 30, 2017.

12 **SECTION 7. LEGISLATIVE INTENT - COST REIMBURSEMENTS - LOAN**

13 **REPAYMENTS.** It is the intent of the sixty-fifth legislative assembly that the department of
14 emergency services seek reimbursement from the federal government for the costs of
15 responding to unlawful activity associated with the construction of the Dakota access pipeline. It
16 is further the intent of the sixty-fifth legislative assembly that these reimbursements be used to
17 repay the Bank of North Dakota loans authorized by the emergency commission and the
18 legislative assembly, including loans of \$17,000,000 previously authorized by the emergency
19 commission; loans in Senate Bill No. 2174, as approved by the sixty-fifth legislative assembly;
20 and loans authorized in section 3 of this Act, which were all obtained to provide the funding
21 necessary to respond to the unlawful activity associated with the construction of the Dakota
22 access pipeline. It is further the intent of the legislative assembly that provisions of
23 section 54-16-13 apply to the loans, except that emergency commission approval does not
24 apply.

25 **SECTION 8. LEGISLATIVE INTENT - COST REIMBURSEMENT - LOAN REPAYMENTS.**

26 It is the intent of the sixty-fifth legislative assembly that:

27 1. The department of emergency services and the governor accept reimbursement in the
28 form of land, cash, or other assets from nonstate sources for state costs incurred
29 relating to unlawful activity associated with the construction of the Dakota access
30 pipeline.

- 1 2. Any reimbursements received be used to repay the Bank of North Dakota loans
2 authorized by the emergency commission; loans in Senate Bill No. 2174, as approved
3 by the sixty-fifth legislative assembly; and loans authorized in section 3 of this Act,
4 which were all obtained to provide the funding necessary to respond to the unlawful
5 activity associated with the construction of the Dakota access pipeline.
- 6 3. If the department of emergency services or the governor receive land or other
7 noncash assets as reimbursement, the department of emergency services or the
8 governor request authorization from the sixty-sixth legislative assembly to convey the
9 land or noncash assets and use any proceeds for repayment of any remaining
10 outstanding loans.

11 **SECTION 9. AMENDMENT.** Section 4 of chapter 552 of the 2015 Session Laws is
12 amended and reenacted as follows:

13 **SECTION 4. CONTINGENT BANK OF NORTH DAKOTA TRANSFERS TO**
14 **STATE GENERAL FUND.** ~~If, during~~During the period beginning with the effective date
15 of this Act and ending June 30, 2017, ~~the director of the office of management and~~
16 ~~budget determines the state general fund will not have a projected positive June 30,~~
17 ~~2017, balance,~~ the industrial commission shall transfer \$100,000,000, ~~or so much of~~
18 ~~the sum as may be necessary,~~ from the earnings and accumulated and undivided
19 profits of the Bank of North Dakota to the state general fund. The moneys must be
20 transferred in amounts and at such times as requested by the director of the office of
21 management and budget. ~~The sum of the amounts transferred may not exceed the~~
22 ~~lesser of \$100,000,000 or the amount necessary to provide for a positive June 30,~~
23 ~~2017, general fund balance.~~

24 **SECTION 10. EMERGENCY.** This Act is declared to be an emergency measure.