

## JOURNAL OF THE SENATE

## Sixty-sixth Legislative Assembly

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Bismarck, January 3, 2019

The Senate convened at 1:00 p.m., with President Sanford presiding.

The prayer was offered by Chaplain Keith Ritchie, Cornerstone Community Church, Bismarck.

The roll was called and all members were present except Senator Dwyer.

A quorum was declared by the President.

**MOTION**

**SEN. KLEIN MOVED** that the absent member be excused, which motion prevailed.

**MOTION**

**SEN. KLEIN MOVED** that the Senate be on the Ninth order of business and at the conclusion of the Ninth order, the Senate stand in recess until 1:00 p.m., at which time it will meet in joint session with the House, and after the joint session the Senate stand adjourned until 1:00 p.m., Tuesday, January 8, 2019, which motion prevailed.

**THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR THE 2019 - 2021 BIENNIUM****LEGISLATIVE BRANCH REQUEST WITH THE GOVERNOR'S RECOMMENDATION FOR STATE EMPLOYEE COMPENSATION CHANGES**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from the insurance regulatory trust fund, not otherwise appropriated, to the legislative branch of state government for the purpose of defraying the expenses of the legislative branch of state government, for the fiscal period beginning with the effective date of this Act and ending June 30, 2021, as follows:

Subdivision 1.

**SIXTY-SIXTH AND SIXTY-SEVENTH LEGISLATIVE ASSEMBLIES AND BIENNIUM**

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,233,424	\$949,457	\$11,182,881
Operating expenses	3,694,591	710,647	4,405,238
Capital assets	6,000	100,000	106,000
National conference of state legislatures	<u>225,155</u>	<u>38,278</u>	<u>263,433</u>
Total general fund	\$14,159,170	\$1,798,382	\$15,957,552

Subdivision 2.

**LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL**

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,049,530	\$832,616	\$9,882,146
Operating expenses	2,911,608	309,249	3,220,857
Capital assets	<u>0</u>	<u>6,000</u>	<u>6,000</u>
Total all funds	\$11,961,138	\$1,147,865	\$13,109,003
Less estimated income	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total general fund	\$11,891,138	\$1,147,865	\$13,039,003
Full-time equivalent positions	36.00	0.00	36.00

Subdivision 3.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$26,050,308	\$2,946,247	\$28,996,555
Grand total special funds	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Grand total all funds	\$26,120,308	\$2,946,247	\$29,066,555

**SECTION 2. LEGISLATIVE ASSEMBLY ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative assembly in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Digital signage replacement	\$0	\$40,000
Voting system upgrade	0	100,000
Computer and iPad replacement	<u>0</u>	<u>517,760</u>
Total general fund	\$0	\$657,760

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative assembly shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. LEGISLATIVE MANAGEMENT AND LEGISLATIVE COUNCIL ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the 2019-21 biennium one-time funding items included in the appropriation for the legislative management and legislative council in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Redistricting equipment	\$0	\$22,400
Computer replacement	<u>0</u>	<u>124,856</u>
Total general fund	\$0	\$147,256

The 2019-21 biennium one-time funding amounts are not part of the entity's base budget for the 2021-23 biennium. The legislative council shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. TRANSFERS.** Notwithstanding section 54-16-05, the director of the office of management and budget shall transfer appropriation authority between line items of the legislative management and legislative council as may be requested by the chairman of the legislative management or the director of the legislative council upon the finding by the chairman or the director that the nature of studies and duties assigned to the legislative management or legislative council requires the transfers in properly carrying on the legislative management's and legislative council's functions and duties. The director of the office of management and budget shall similarly make transfers of appropriation authority between the line items for the sixty-sixth and sixty-seventh legislative assemblies, upon request by the chairman of the legislative management or the director of the legislative council upon the finding by the chairman or director that the transfers are required for the legislative assembly to carry on its functions and duties.

**SECTION 5. APPLICATION, TRANSFER AUTHORITY, AND CANCELLATION OF UNEXPENDED APPROPRIATIONS.** Sections 54-16-04 and 54-44.1-11 do not apply to chapter 26 of the 2017 Session Laws. The director of the office of management and budget shall make transfers of appropriation authority between the line items and the agencies of the legislative branch within section 1 of that chapter as requested by the chairman of the legislative management or the director of the legislative council. The office of management and budget shall cancel unexpended appropriations for the legislative assembly and legislative council enacted prior to the 2017-19 biennium as directed by the chairman of the legislative management or the director of the legislative council.

**SECTION 6. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

**54-03-20. Compensation and expense reimbursement of members of the legislative assembly.**

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~seventy-seven~~eighty-one dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
  - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
  - b. Notwithstanding subdivision a:
    - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.
    - (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
  - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
  - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation

during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.

6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
  - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of ~~four~~five hundred ~~ninety-five~~five dollars a month, paid monthly.
  - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
  - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~fifty-five~~sixty-two dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].
9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

**SECTION 7. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code is amended and reenacted as follows:

**54-03-20. Compensation and expense reimbursement of members of the legislative assembly.**

1. Each member of the legislative assembly is entitled to receive as compensation for services the sum of one hundred ~~eighty-one~~eighty-five dollars for each calendar day during any organizational, special, or regular legislative session and for each day that member attends a meeting of a legislative committee between the organizational session and the regular session as authorized by legislative rule.
2.
  - a. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed per calendar month the amount established under this subdivision by the director of the office of management and budget for lodging in state and which may not exceed the rate provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. On August first of each even-numbered year, the director of the office of management and budget shall set the maximum monthly reimbursement for the subsequent two-year period at an amount equal to thirty times seventy percent of the daily lodging reimbursement in effect on that date as provided under subdivision d of subsection 2 of section 44-08-04.
  - b. Notwithstanding subdivision a:
    - (1) A member of the legislative assembly may elect to be reimbursed for less than the amount to which the legislator is entitled under this subsection by

claiming the lesser amount on a voucher submitted with the receipt required by section 44-08-04.

- (2) The legislative management may establish guidelines that may result in a reduced maximum reimbursement for a single dwelling in which two or more legislators share lodging and the total rent for that dwelling exceeds the amount to which a legislator is entitled under subdivision a.
3.
  - a. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle.
  - b. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed the maximum monthly reimbursement allowed under subdivision a of subsection 2.
4. The amount to which each legislator is entitled must be paid following the organizational session in December and each month upon submission of a voucher and appropriate documentation during a regular or special session, consistent with section 26 of article XI of the constitution of North Dakota.
5. If during a special session, the legislative assembly adjourns for more than three days, a member of the legislative assembly is entitled to receive compensation during those days only while in attendance at a standing committee if the legislator is a member of that committee, a majority or minority leader, or a legislator who is not on that committee but who has the approval of a majority or minority leader to attend.
6. A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session or a legislative committee meeting must be included as a calendar day during a legislative session or as a day of a legislative committee meeting for the purposes of this section.
7.
  - a. In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of five hundred ~~five~~fifteen dollars a month, paid monthly.
  - b. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member.
  - c. The majority and minority leaders of the house and senate and the chairman of the legislative management, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of three hundred ~~sixty-two~~sixty-nine dollars per month during the biennium for their execution of public duties.
8. Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in

this section and compensation and expense allowances must be excluded from gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

9. Before each regular legislative session, the legislative management shall make recommendations and submit any necessary legislation to adjust legislative compensation amounts.

**SECTION 8. AMENDMENT.** Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

**54-35-10. Compensation of members and leadership.**

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~seventy-seven~~eighty-one dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

**SECTION 9. AMENDMENT.** Section 54-35-10 of the North Dakota Century Code is amended and reenacted as follows:

**54-35-10. Compensation of members and leadership.**

1. The members of the legislative management and the members of any committee of the legislative management are entitled to be compensated for the time spent in attendance at sessions of the legislative management and of its committees at the rate of one hundred ~~eighty-one~~eighty-five dollars per day and must also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.
2. In addition to the compensation provided in subsection 1, the chairman of the legislative management is entitled to receive an additional five dollars for each day spent in attendance at sessions of the legislative management and of its committees, and the chairman of each of the legislative management's committees is entitled to receive five dollars for each day spent in attendance at sessions of the legislative management or of the committee which the person chairs.

**SECTION 10. EFFECTIVE DATE.** Sections 6 and 8 of this Act become effective on July 1, 2019, and sections 7 and 9 of this Act become effective on July 1, 2020.

**SECTION 11. EMERGENCY.** This Act is declared to be an emergency measure.

**JUDICIAL BRANCH REQUEST WITH GOVERNOR'S RECOMMENDATION**

**FOR STATE EMPLOYEE COMPENSATION CHANGES**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the judicial branch for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021 as follows:

Subdivision 1.

SUPREME COURT

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,909,112	\$569,321	\$11,478,433
Operating expenses	2,731,582	(820)	2,730,762
Capital assets	0	967,500	967,500
Judges' retirement	80,764	(80,764)	0
Guardianship monitoring program	<u>316,204</u>	<u>(42,188)</u>	<u>274,016</u>
Total general fund	\$14,037,662	\$1,413,049	\$15,450,711

Subdivision 2.

## DISTRICT COURTS

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$67,602,628	\$6,165,108	\$73,767,736
Operating expenses	20,881,207	(455,005)	20,426,202
Capital assets	0	189,852	189,852
Judges' retirement	343,290	(63,678)	279,612
UND law school	40,000	0	40,000
Total all funds	\$88,867,125	\$5,836,277	\$94,703,402
Less estimated income	<u>1,339,138</u>	<u>334,845</u>	<u>1,673,983</u>
Total general fund	\$87,527,987	\$5,501,432	\$93,029,419

Subdivision 3.

## JUDICIAL CONDUCT COMMISSION AND DISCIPLINARY BOARD

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Judicial conduct commission and disciplinary board	<u>\$1,174,822</u>	<u>\$90,223</u>	<u>\$1,265,045</u>
Total all funds	\$1,174,822	\$90,223	\$1,265,045
Less estimated income	<u>482,701</u>	<u>25,998</u>	<u>508,699</u>
Total general fund	\$692,121	\$64,225	\$756,346

Subsection 4.

## BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$102,257,770	\$6,978,706	\$109,236,476
Grand total special funds	1,821,839	360,843	2,182,682
Grand total all funds	\$104,079,609	\$7,339,549	\$111,419,158
Full-time equivalent positions	355.5	7.5	363

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Office equipment and furniture	\$0	\$82,500
Information technology equipment	0	114,852
Supreme court law library remodel	0	960,000
DAPL loan proceeds	1,500,000	0
Total all funds	\$1,500,000	\$1,157,352
Less estimated income	<u>(1,500,000)</u>	<u>0</u>
Total general fund	\$0	\$1,157,352

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The supreme court shall report to the appropriations committees of the

sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. APPROPRIATION.** There are appropriated any funds received by the supreme court, district courts, and judicial conduct commission and disciplinary board, not otherwise appropriated, pursuant to federal acts and private gifts, grants, and donations for the purpose as designated in the federal acts or private gifts, grants, and donations for the period beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. TRANSFERS.** The director of the office of management and budget and the state treasurer shall make such transfer of funds between line items of appropriation for the judicial branch of government as may be requested by the supreme court upon a finding by the court that the nature of the duties of the court and its staff requires the transfers to carry on properly the functions of the judicial branch of government.

**SECTION 5. AMENDMENT.** Section 27-02-02 of the North Dakota Century Code is amended and reenacted as follows:

**27-02-02. Salaries of justices of supreme court.** The annual salary of each justice of the supreme court is one hundred ~~thirty-six~~ thirty-six thousand ~~four hundred thirty-six~~ four hundred thirty-six dollars through June 30, ~~2016~~ 2020, and one hundred ~~thirty-six~~ thirty-six thousand ~~three hundred fifty-two~~ three hundred fifty-two dollars thereafter. The chief justice of the supreme court is entitled to receive an additional four thousand ~~three hundred seventy-eight~~ three hundred seventy-eight dollars per annum through June 30, ~~2016~~ 2020, and four thousand ~~five hundred eighty-nine~~ five hundred eighty-nine dollars per annum thereafter.

**SECTION 6. AMENDMENT.** Section 27-05-03 of the North Dakota Century Code is amended and reenacted as follows:

**27-05-03. Salaries and expenses of district judges.** The annual salary of each district judge is one hundred ~~thirty-nine~~ thirty-nine thousand ~~six hundred seventy-nine~~ six hundred seventy-nine dollars through June 30, ~~2016~~ 2020, and one hundred ~~thirty-nine~~ thirty-nine thousand ~~eight hundred sixty-nine~~ eight hundred sixty-nine dollars thereafter. Each district judge is entitled to travel expenses, including mileage and subsistence while engaged in the discharge of official duties outside the city in which the judge's chambers are located. The salary and expenses are payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled to receive an additional four thousand ~~thirty-five~~ thirty-five hundred ~~forty~~ forty dollars per annum through June 30, ~~2016~~ 2020, and four thousand ~~one hundred fifty-six~~ one hundred fifty-six hundred ~~forty~~ forty dollars thereafter.

## GOVERNOR'S RECOMMENDATION FOR THE NORTH DAKOTA UNIVERSITY SYSTEM

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income to the North Dakota university system office and to the various entities and institutions under the supervision of the state board of higher education for the purpose of defraying the expenses of the North Dakota university system office and to the various entities for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

Subdivision 1.

### NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Capital Assets	\$6,605,326	(\$1,645,878)	\$4,959,448
Student Financial Assistance Grants	21,917,306	0	21,917,306
Veterans assistance grants	277,875	0	277,875
ND Scholars Program	1,807,115	0	1,807,115
Title II Grants	1,006,472	(1,006,472)	0
Native American scholarships	555,323	0	555,323

Core Technology Services	61,527,347	(301,330)	61,226,017
Education Challenge Fund	0	40,000,000	40,000,000
Education incentive programs	2,863,393	(2,103,393)	760,000
Tribally-controlled community college grants	600,000	400,000	1,000,000
Academic and Tech Ed Scholarship	12,016,749	2,939,803	14,956,552
Student Exchange Program	3,699,342	0	3,699,342
Student mental health	284,400	(14,220)	270,180
Competitive Research Program	6,027,750	0	6,027,750
Dual Credit Pilot Program	200,000	(200,000)	0
System Governance	8,163,238	(201,194)	7,962,044
Two-Year Campus Study	0	0	0
Shared Campus Services	500,000	(25,000)	475,000
Online Curriculum Development Grant	0	5,000,000	5,000,000
Total all funds	\$128,051,636	\$42,842,316	\$170,893,952
Less estimated income	<u>26,412,106</u>	<u>2,712,233</u>	<u>29,124,339</u>
Total general fund	\$101,639,530	\$40,130,083	\$141,769,613
Full-time equivalent positions	149.40	(0.50)	148.90

## Subdivision 2

## BISMARCK STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$101,670,034	(\$4,176,861)	\$97,493,173
Capital assets	1,922,561	(10,348)	1,912,213
Total all funds	\$103,592,595	(\$4,187,209)	\$99,405,386
Less estimated income	<u>72,991,998</u>	<u>(3,278,439)</u>	<u>69,713,559</u>
Total general fund	\$30,600,597	(\$908,770)	\$29,691,827
Full-time equivalent positions	358.35	(34.42)	323.93

## Subdivision 3

## LAKE REGION STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$36,449,048	\$581,500	\$37,030,548
Capital assets	362,667	0	362,667
Total all funds	\$36,811,715	\$581,500	\$37,393,215
Less estimated income	<u>24,111,092</u>	<u>910,351</u>	<u>25,021,443</u>
Total general fund	\$12,700,623	(\$328,851)	\$12,371,772
Full-time equivalent positions	129.61	(11.51)	118.10

## Subdivision 4

## WILLISTON STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$26,954,133	\$5,052,426	\$32,006,559
Capital assets	1,261,968	0	1,261,968
Total all funds	\$28,216,101	\$5,052,426	\$33,268,527
Less estimated income	<u>19,855,598</u>	<u>3,791,213</u>	<u>23,646,811</u>
Total general fund	\$8,360,503	\$1,261,213	\$9,621,716
Full-time equivalent positions	100.75	(0.27)	100.48

## Subdivision 5

## UNIVERSITY OF NORTH DAKOTA

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$864,554,973	\$16,881,361	\$881,436,334
Capital assets	95,411,566	119,411,566	119,411,566
Total all funds	\$959,966,539	\$40,881,361	\$1,000,847,900
Less estimated income	819,870,450	41,626,913	861,497,363
Total general fund	\$140,096,089	(\$745,552)	\$139,350,537
Full-time equivalent positions	2,218.07	(85.90)	2,132.17

## Subdivision 6

## NORTH DAKOTA STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$732,673,267	\$7,320,793	\$739,994,060
Capital assets	85,304,104	(26,155,000)	59,149,104
Capital projects - Non-State	0	79,800,000	79,800,000
Total all funds	\$817,977,371	\$60,965,793	\$878,943,164
Less estimated income	689,386,329	62,314,410	751,700,739
Total general fund	\$128,591,042	(\$1,348,617)	\$127,242,425
Full-time equivalent positions	1,895.66	(25.50)	1,870.16

## Subdivision 7

NORTH DAKOTA STATE COLLEGE OF  
SCIENCE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$91,682,610	\$2,503,528	\$94,186,138
Capital assets	1,012,379	0	1,012,379
Capital projects - Non-State	0	30,000,000	30,000,000
Total all funds	\$92,694,989	\$32,503,528	\$125,198,517
Less estimated income	57,605,613	32,669,784	90,275,397
Total general fund	\$35,089,376	(\$166,256)	\$34,923,120
Full-time equivalent positions	345.04	(34.31)	310.73

## Subdivision 8

## DICKINSON STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$47,135,592	\$685,259	\$47,820,851
Capital assets	409,078	0	409,078
Digitization Project	0	750,000	750,000
Total all funds	\$47,544,670	\$1,435,259	\$48,979,929
Less estimated income	29,737,827	903,660	30,641,487
Total general fund	\$17,806,843	\$531,599	\$18,338,442
Full-time equivalent positions	168.90	44.36	213.26

## Subdivision 9

## MAYVILLE STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	\$44,197,761	\$2,724,941	\$46,922,702
Capital assets	<u>358,992</u>	<u>67,648</u>	<u>426,640</u>
Total all funds	\$44,556,753	\$2,792,589	\$47,349,342
Less estimated income	<u>30,307,148</u>	<u>1,339,912</u>	<u>31,647,060</u>
Total general fund	\$14,249,605	\$1,452,677	\$15,702,282
Full-time equivalent positions	210.53	(1.26)	209.27

## Subdivision 10

## MINOT STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	\$100,710,275	\$297	\$100,710,572
Capital assets	<u>1,099,620</u>	<u>0</u>	<u>1,099,620</u>
Total all funds	\$101,809,895	\$297	\$101,810,192
Less estimated income	<u>62,058,916</u>	<u>1,604,344</u>	<u>63,663,260</u>
Total general fund	\$39,750,979	(\$1,604,047)	\$38,146,932
Full-time equivalent positions	441.65	(34.07)	407.58

## Subdivision 11

## VALLEY CITY STATE UNIVERSITY

	Base Level	Adjustments or Enhancements	Appropriation
Operations	\$48,444,336	(\$2,742,443)	\$45,701,893
Capital assets	<u>455,823</u>	<u>3,957,520</u>	<u>4,413,343</u>
Total all funds	\$48,900,159	\$1,215,077	\$50,115,236
Less estimated income	<u>28,470,657</u>	<u>1,421,429</u>	<u>29,892,086</u>
Total general fund	\$20,429,502	(\$206,352)	\$20,223,150
Full-time equivalent positions	202.75	(22.07)	180.68

## Subdivision 12

## DAKOTA COLLEGE AT BOTTINEAU

	Base Level	Adjustments or Enhancements	Appropriation
Operations	\$17,168,111	\$3,422,579	\$20,590,690
Capital assets	<u>114,007</u>	<u>2,963,312</u>	<u>3,077,319</u>
Total all funds	\$17,282,118	\$6,385,891	\$23,668,009
Less estimated income	<u>9,629,173</u>	<u>6,640,948</u>	<u>16,270,121</u>
Total general fund	\$7,652,945	(\$255,057)	\$7,397,888
Full-time equivalent positions	84.30	(2.01)	82.29

## Subdivision 13

## UNIVERSITY OF NORTH DAKOTA

## SCHOOL OF MEDICINE AND HEALTH

## SCIENCES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$205,926,713	\$5,880,919	\$211,807,632
Healthcare Workforce Initiative	0	10,676,150	10,676,150
Total all funds	\$205,926,713	\$16,557,069	\$222,483,782
Less estimated income	154,078,620	5,671,413	159,750,033
Total general fund	\$51,848,093	\$10,885,656	\$62,733,749
Full-time equivalent positions	435.75	49.57	485.32

## Subdivision 14

## NORTH DAKOTA FOREST SERVICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$14,958,447	\$60,874	\$15,019,321
Capital assets	118,728	0	118,728
Total all funds	\$15,077,175	\$60,874	\$15,138,049
Less estimated income	10,650,748	14,652	10,665,400
Total general fund	\$4,426,427	\$46,222	\$4,472,649
Full-time equivalent positions	27.00	0	27.00

## Subdivision 15

## BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$613,242,154	\$48,743,948	\$661,986,102
Grand total special funds	2,035,166,275	158,342,823	2,193,509,098
Grand total all funds	\$2,648,408,429	\$207,086,771	\$2,855,495,200

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Capital projects – other funds	\$168,505,000	\$282,550,000
Midwestern Higher Education Compact Dues	230,000	0
Two Year Campus Study	40,000	0
One-time Campus Operations	2,000,000	0
Dickinson State University – Campus operations and debt	8,284,626	0
Online Curriculum Development Grant	0	5,000,000
Dickinson State University – Digitization Project	0	750,000
Education challenge grants	2,000,000	40,000,000
Total all funds	\$203,367,962	\$328,300,000
Total other funds	49,348,194	287,550,000
Total general fund	\$154,019,768	\$40,750,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The North Dakota university system shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. SPECIAL FUNDS TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The less estimated income line item in section 1 of this Act includes the sum of \$5,000,000, from the strategic investment and improvements fund for competitive grants for the institutions for online curriculum development. The less estimated income line in section 1 of this Act also includes the sum of \$2,900,000, from the strategic investment and improvements fund for the renovation of McCarthy Hall and demolition of Foss Hall at Valley City State University. The less estimated income line in section 1 of this Act also includes the sum of \$25,675,000, from the strategic investment and improvements fund for Dunbar Hall at North Dakota State University. The funding for Dunbar Hall requires a minimum of \$13,000,000 in matching funds before it shall be transferred and notwithstanding Section 54-44.1-11 of the North Dakota Century Code any unexpended appropriation available for Dunbar under this section must be returned to the strategic investment and improvement fund on June 30, 2021. All of these amounts may be transferred at the direction of the state board of higher education and all are one-time items for the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 4. AMENDMENT.** Section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-48. Advancement of academics - Matching grants - University of North Dakota and North Dakota state university.**

1. a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of the university of North Dakota and North Dakota state university for projects dedicated exclusively to the advancement of academics.
- b. To be eligible for a matching grant, an institution must demonstrate that:
  - (1) Its foundation has raised at least fifty thousand dollars in cash or monetary pledges for a qualifying project; and
  - (2) The project has been approved by the grant review committee established in section 15-10-51.
- c. The board may award ~~up to two hundred thousand dollars in matching grants to each institution based on total completed credit-hours, as determined under section 15-18.2-01, and as set forth in this section. The matching grant award dollar amounts are:~~
  - (1) \$1,250,000 for institutions with less than 100,000 completed credit hours;
  - (2) \$3,000,000 for institutions with 100,000 to 599,999 completed credit hours; and
  - (3) \$11,750,000 for institutions with more than 599,999 completed credit hours.

- d. Projects at the university of North Dakota school of medicine and health sciences are not eligible to receive a grant under this section.
- 2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, either the university of North Dakota or North Dakota state university may apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.
- c. The board shall consider each application submitted under this subsection in chronological order. d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
- 3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

**SECTION 5. AMENDMENT.** Section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-49. Advancement of academics - Matching grants - Two-year and four-year institutions of higher education.**

- 1. a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of Bismarck state college, Dakota college at Bottineau, Dickinson state university, Lake Region state college, Mayville state university, Minot state university, North Dakota state college of science, Valley City state university, and Williston state college for projects dedicated exclusively to the advancement of academics.
- b. To be eligible for a matching grant, an institution must demonstrate that:
  - (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and
  - (2) The project has been approved by the grant review committee established in section 15-10-51.
- c. ~~The board may award up to two hundred thousand dollars in matching grants to each institution based on total completed credit-hours, as determined under section 15-18.2-01, and as set forth in this section. The matching grant award dollar amounts are:~~
  - (1) \$1,250,000 for institutions with less than 100,000 completed credit hours;
  - (2) \$3,000,000 for institutions with 100,000 to 599,999 completed credit hours; and
  - (3) \$11,750,000 for institutions with more than 599,999 completed credit hours.
- 2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.

- c. The board shall consider each application submitted under this subsection in chronological order.
  - d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

**SECTION 6. AMENDMENT.** Section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

**15-18.2-02. Weighted credit-hours - Determination - Instructional program classification factors - Submission to legislative management.**

1. In order to determine the weighted credit-hours for each institution under its control, the state board of higher education shall multiply each of an institution's completed credit-hours, as determined under section 15-18.2-01, by an instructional program classification factor, as set forth in this section.
  - a. The factors for credits completed in agriculture are:
    - (1) 1.9 for lower division credits;
    - (2) 3.8 for upper division credits;
    - (3) 5.7 for professional level credits; and
    - (4) 7.6 for graduate level credits.
  - b. The factors for credits completed in architecture are:
    - (1) 1.8 for lower division credits;
    - (2) 3.6 for upper division credits;
    - (3) 5.4 for professional level credits; and
    - (4) 7.2 for graduate level credits.
  - c. The factors for credits completed in transportation are:
    - (1) 1.9 for lower division credits;
    - (2) 3.8 for upper division credits;
    - (3) 5.7 for professional level credits; and
    - (4) 7.6 for graduate level credits.
  - d. The factors for credits completed in the biological and physical sciences are:
    - (1) 1.9 for lower division credits;
    - (2) 3.8 for upper division credits;
    - (3) 5.7 for professional level credits; and
    - (4) 7.6 for graduate level credits.
  - e. The factors for credits completed in business are:

- (1) 1.9 for lower division credits;
  - (2) 3.8 for upper division credits;
  - (3) 5.7 for professional level credits; and
  - (4) 7.6 for graduate level credits.
- f. The factors for credits completed in education are:
- (1) 1.9 for lower division credits;
  - (2) 3.8 for upper division credits;
  - (3) 5.7 for professional level credits; and
  - (4) 7.6 for graduate level credits.
- g. The factors for credits completed in engineering are:
- (1) 2.5 for lower division credits;
  - (2) 5.0 for upper division credits;
  - (3) 7.5 for professional level credits; and
  - (4) 10.0 for graduate level credits.
- h. The factors for credits completed in the health sciences are:
- (1) 3.0 for lower division credits;
  - (2) 6.0 for upper division credits;
  - (3) 9.0 for professional level credits;
  - (4) 12.0 for graduate level credits;
  - (5) ~~38.0~~34.5 for medical school credits.
- i. The factors for credits completed in legal studies are:
- (1) 3.5 for lower division credits;
  - (2) 7.0 for upper division credits;
  - (3) 10.5 for professional level credits; and
  - (4) 14.0 for graduate level credits.
- j. The factors for credits completed in the core disciplines are:
- (1) 1.0 for lower division credits;
  - (2) 2.0 for upper division credits;
  - (3) 3.0 for professional level credits; and
  - (4) 4.0 for graduate level credits.
- k. The factor for credits completed in career and technical education is 2.0.
- l. The factor for completed basic skills credits is 2.3.

2. a. The state board of higher education shall ensure that all delineations in this section reflect the requirements of a nationally recognized and standardized instructional program classification system.
- b. Before adopting any changes to the delineations implemented in accordance with this section, the state board of higher education shall present the proposed changes to and receive the approval of the legislative management.

**SECTION 7. AMENDMENT.** Section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

**15-18.2-05. Base funding - Determination of state aid.**

In order to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.1-04 by a base amount of:

1. ~~\$58.65~~\$58.36 in the case of North Dakota state university and the university of North Dakota;
2. ~~\$86.95~~\$87.00 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university;
3. ~~\$93.03~~\$92.76 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, and North Dakota state college of science; and Williston state college.

**SECTION 8. AMENDMENT.** Section 15-18.2-06 of the North Dakota Century Code is amended and reenacted as follows:

**15-18.2-06. (Effective through ~~June 30, 2019~~ June 30, 2021) Base funding - Minimum amount payable.**

Notwithstanding any calculations required by this chapter, during each biennium, an institution may not receive less than ninety-six percent of the state aid to which the institution was entitled under this chapter during the previous biennium.

**SECTION 9. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through ~~July 31, 2019~~ 2021)**

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

**Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, 2019 2021)** The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

**SECTION 10. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION.** All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, including tuition revenue, received by the state board of higher education and the institutions and entities under the control of the state board of higher education, are appropriated to the board and those institutions and entities, for the biennium beginning July 1, 2019, and ending June 30, 2021. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2019, and ending June 30, 2021, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board.

**SECTION 11. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the biennium beginning July 1, 2019, and ending June 30, 2021, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the university system office for project management oversight of a capital project.

**SECTION 12. STATEWIDE MEMBERSHIP DUES.** Subdivision 1 of section 1 of this Act includes the sum of \$294,000 for membership dues for the western interstate commission for higher education.

**SECTION 13. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES OPERATIONS.** The operations line item in subdivision 5 of section 1 of this Act includes a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2019, and ending June 30, 2021. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

**SECTION 14. TRANSFER AUTHORITY.** If, during the biennium beginning July 1, 2019, and ending June 30, 2021, the state board of higher education determines that funds allocated to operations in section 1 of this Act are needed for capital assets, the board may transfer funds from operations to capital assets. The board shall report any transfer of funds under this section to the office of management and budget.

**SECTION 15. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding any other provisions of law, the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control during the biennium beginning July 1, 2019, and ending June 30, 2021. The North Dakota university system shall report any adjustments to the office of management and budget before the submission of the 2021-23 biennium budget request.

**SECTION 16. BOND ISSUANCE AUTHORIZATION - PURPOSES.** The state board of higher education, in accordance with chapter 15-55, may arrange for the funding of projects authorized in this section, declared to be in the public interest, through the issuance of self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, beginning with the effective date of this Act and ending June 30, 2021. Evidences of indebtedness issued pursuant to this section are not a general obligation of the state of North Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences of indebtedness may be issued and the proceeds are appropriated in section 1 of this Act for the following capital projects:

Dakota College at Bottineau – new dining facility	\$2,500,000
University of North Dakota – memorial union	80,000,000
North Dakota State University – university village phase 2	<u>37,600,000</u>
Total special funds	\$120,100,000

**SECTION 17. EXEMPTION – HIGHER EDUCATION CHALLENGE GRANT.** The unexpended amount remaining for the Education Challenge Fund in section 1 of chapter 34 of the 2013 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these lines are available during the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 18. USE OF HIGHER EDUCATION CHALLENGE GRANT – MATCHING FUNDS.** The education challenge fund line item in subdivision 1 of this Act may leverage any funds raised by the institutional foundations beginning January 1, 2019 and ending June 30, 2021 as part of the matching funds.

**SECTION 19. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.** The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding from the general fund for institution extraordinary repairs. An institution shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

**SECTION 20. EMERGENCY.** Section 16 and the capital assets items in section 1 of this Act are declared to be an emergency measure.

#### GOVERNOR'S RECOMMENDATION FOR THE STATE DEPARTMENT OF HEALTH

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state department of health for the purpose of defraying the expenses of the state department of health, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$36,371,434	\$931,238	\$37,302,672
Operating expenses	27,714,187	5,779,226	33,493,413
Capital assets	2,188,491	1,671,322	3,859,813
Grants	46,441,941	6,040,351	52,482,292
Tobacco prevention	13,646,704	(735,028)	12,911,676
WIC food payments	20,200,000	(420,000)	19,780,000
Medical Marijuana	<u>1,465,704</u>	<u>(1,465,704)</u>	<u>0</u>
Total all funds	\$148,028,461	\$11,801,405	\$159,829,866
Less estimated income	<u>115,278,152</u>	<u>7,356,672</u>	<u>122,634,824</u>
Total general fund	\$32,750,309	\$4,444,733	\$37,195,042
Full-time equivalent positions	211.50	(12.00)	199.50

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
WIC system upgrade	\$1,739,220	\$354,554
Medical marijuana	95,066	
Microbiology lab capital projects		\$1,220,000
Microbiology lab IT upgrade		<u>\$450,000</u>
Total all funds	\$1,834,286	\$2,024,554
Less estimated income	<u>1,834,286</u>	<u>1,934,554</u>
Total general fund	\$0	\$90,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The state department of health shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. APPROPRIATION** - In addition to the amounts appropriated to the state department of health in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. FUNDING TRANSFERS – EXCEPTION – AUTHORIZATION.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 5. INSURANCE TAX DISTRIBUTION FUND.** The estimated income line item included in section 1 of this Act includes \$1,125,000, or so much of the sum as may be necessary, to be made available to the state department of health from the insurance tax distribution fund for rural emergency medical services grants, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. STRATEGIC INVESTMENT AND IMPROVEMENT FUND.** The estimated income line item included in section 1 of this Act includes \$1,220,000 or so much of the sum as may be necessary, to be made available to the state department of health from the strategic investment and improvement fund for microbiology lab capital improvements, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. AMENDMENT.** Section 23-02.1-29 of the North Dakota Century Code is amended and reenacted as follows:

1. The state department of health shall prescribe the fees, if any, not to exceed five-fifteen dollars, to be paid for the following:
  - a. Each certified copy of a record.
  - b. Each certified statement of the facts of birth other than a copy of the original birth record.
  - c. Each filing of a new record of birth or fetal death following adoption, ~~legitimation, or determination of paternity.~~
  - d. Each filing of a delayed record of birth or death except as provided for in subsection 4 of section 23-02.1-18.
  - e. Each filing of an amendment to a birth or death record.
  - f. A search of the files or records when no copy is made.
  - ~~g. A noncertified informational copy of a death or marriage record.~~

The fee for each additional copy of ~~the same document,~~ a death or fetal death record, requested at the same time, may not exceed ~~two~~ ten dollars.

2. Except as otherwise provided in subsection 3, fees collected under this section by the state registrar must be deposited in the ~~general fund of this state~~ the operating fund of the department of health, according to procedures established by the state treasurer.
3. The state department of health shall ~~charge a fee~~ quarterly pay fees in the amount of two dollars for the issuance of each certified copy of a birth record, ~~in addition to those fees authorized by subsection 1, in the amount of two dollars for the issuance of each certified copy of a birth record. This additional fee must be paid to the state registrar prior to the issuance of each certified copy of a birth record. The state~~

registrar shall quarterly pay the additional fees collected pursuant to this subsection into the children's trust fund created by section 50-27-01.

4. All fees collected in excess of the fees appropriated must be transferred to the general fund of this state at the close of each biennium.

**SECTION 8 EMERGENCY.** The sum of \$450,000, of which \$90,000 is from the general fund and \$360,000 from other funds, for the microbiology lab technology update appropriated in section 1 of this Act is declared to be an emergency measure.

#### GOVERNOR'S RECOMMENDATION FOR THE INDIAN AFFAIRS COMMISSION

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the Indian affairs commission for the purpose of defraying the expenses of the Indian affairs commission, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$848,407	\$33,184	\$881,591
Operating expenses	263,704	(35,144)	228,560
Total general fund	\$1,112,11	(\$1,960)	\$1,110,151
Full-time equivalent positions	4.00	(1.00)	4.00

**SECTION 2. APPROPRIATION.** In addition to the amounts appropriated to the Indian affairs commission in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. TRANSFER.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

#### GOVERNOR'S RECOMMENDATION FOR THE AERONAUTICS COMMISSION

**SECTION 1. APPROPRIATION.** The funds are provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the North Dakota aeronautics commission for the purpose of defraying the expenses of the North Dakota aeronautics commission, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,431,222	\$116,548	\$1,547,770
Operating expenses	2,204,190	(199,436)	2,004,754
Capital assets	100,000	(100,000)	0
Grants	7,150,000	21,005,000	28,155,000
Total all funds	\$10,885,412	\$20,822,112	\$31,707,524
Less estimated income	9,985,412	20,867,112	30,852,524
Total general fund	\$900,000	(\$45,000)	\$855,000
Full-time equivalent positions	7.00	0.00	7.00

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Airport energy impact grants	\$0	\$22,000,000
Total other funds	\$0	\$22,000,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The aeronautics commission shall report to the appropriations

committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. SPECIAL FUNDS TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The less estimated income line item in section 1 of this Act includes the sum of \$22,000,000, or so much of the sum as may be necessary, from the strategic investment and improvements fund which may be transferred at the direction of the North Dakota aeronautics commission for airport energy impact grants during the biennium beginning July 1, 2019, and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE VETERANS' HOME

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the veterans' home for the purpose of defraying the expenses of the veterans' home, for the biennium beginning July 1, 2019 and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$18,684,490	\$236,523	\$18,921,013
Operating expenses	5,454,239	(230,508)	5,223,731
Capital assets	<u>411,303</u>	<u>111,830</u>	<u>523,133</u>
Total all funds	\$24,550,032	\$117,845	\$24,667,877
Less estimated income	<u>18,598,593</u>	<u>(481,028)</u>	<u>18,117,565</u>
Total general fund	\$5,951,439	\$598,873	\$6,550,312
Full-time equivalent positions	120.72	0.00	120.72

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Health information exchange software	\$59,500	\$0
Nurse Call System upgrade	82,500	0
Equipment	44,500	\$117,400
Strategic Plan	<u>0</u>	<u>25,000</u>
Total all funds	\$142,000	\$142,400
Less estimated income	<u>142,000</u>	<u>117,400</u>
Total general fund	\$0	\$25,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The veterans' home shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from other income, to the department of financial institutions for the purpose of defraying the expenses of the department of financial institutions, for the biennium beginning July 1, 2019, and ending June 30, 2021 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$6,813,840	\$351,286	\$7,165,126
Operating expenses	1,576,072	217,145	1,793,217
Contingency	<u>20,000</u>	<u>0</u>	<u>20,000</u>
Total special funds	\$8,409,912	\$568,431	\$8,978,343
Full-time equivalent positions	30.00	1.00	31.00

**SECTION 2. ONE-TIME FUNDING.** - The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
IT Project	\$0	<u>\$451,305</u>
Total other fund	\$0	\$451,305

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The department of financial institutions shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. LINE ITEM TRANSFERS.** Notwithstanding section 54-16-04, the department of financial institutions may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The department of financial institutions shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section

**SECTION 4. APPROPRIATION** - In addition to the amounts appropriated to the department of financial institutions in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. EXEMPTION.** The amount appropriated for the operating expenses, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation line are available for continued development of the website redesign and informational technology project during the biennium beginning July 1, 2019, and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE STATE FAIR ASSOCIATION

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the state fair association for the purpose of defraying the expenses of the state fair association, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Premiums	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total general fund	\$515,665	\$54,335	\$570,000

#### GOVERNOR'S RECOMMENDATION FOR THE COUNCIL ON THE ARTS

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the council on the arts for the purpose of defraying the expenses of the council on the arts, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$905,453	\$76,180	\$981,633
Operating Expenses	355,851	(69,190)	286,661
Grants	<u>2,090,494</u>	<u>(8,887)</u>	<u>2,081,607</u>
Total all funds	\$3,351,798	(1,897)	\$3,349,901
Less estimated income	<u>1,786,922</u>	<u>(47,999)</u>	<u>1,738,923</u>
Total general fund	\$1,564,876	\$46,102	\$1,610,978
Full-time equivalent positions	5.00	0.00	5.00

**SECTION 2. APPROPRIATION – CULTURAL ENDOWMENT FUND.** All income from the cultural endowment fund is appropriated to the council on the arts for the furthering of the cultural arts in the state for the biennium beginning July 1, 2019, and ending June 30, 2021.

## GOVERNOR'S RECOMMENDATION FOR THE HIGHWAY PATROL

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the highway patrol for the purpose of defraying the expenses of the highway patrol, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Field operations	\$57,230,706	\$4,029,647	\$61,260,353
Total all funds	\$57,230,706	\$4,029,647	\$61,260,353
Less estimated income	14,703,278	1,840,237	16,543,515
Total general fund	\$42,527,428	\$2,189,410	\$44,716,838
Full-time equivalent positions	204.00	(7.00)	197.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Indoor range addition	\$0	\$1,220,000
Aircraft engine overhaul	0	81,830
Drones	0	96,228
Electronic payment system	44,000	0
DAPL Costs	3,234,000	0
Taser and AED equipment	358,000	0
Total all funds	\$3,636,000	\$1,398,058
Total special fund	3,636,000	1,220,000
Total general fund	\$0	\$178,058

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The highway patrol shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. APPROPRIATION – HIGHWAY PATROL.** In addition to the amounts appropriated to the highway patrol in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. SPECIAL FUNDS TRANSFER – HIGHWAY TAX DISTRIBUTION FUND.** The estimated income line item in section 1 of this Act includes the sum of \$7,263,861, or so much of the sum as may be necessary, from the state highway tax distribution fund which may be transferred at the direction of the superintendent of the highway patrol for the purpose of defraying the expenses of the highway patrol during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. AMENDMENT.** Subsection 6 of section 39-12-02 of the North Dakota Century Code is amended and reenacted as follows:

6. There is created in the state treasury a fund known as the motor carrier electronic permit transaction fund. All money in the fund is appropriated on a continuing basis to the highway patrol to defray the costs of establishing operating, and maintaining, and enhancing an online electronic permit system for permitting and routing oversized and overweight vehicles in this state. Funds may be used for the purpose of defraying various expenses associated with the issuance of permits and other non-enforcement motor carrier training and administrative activities. The highway patrol may contract with a private entity to establish, operate, and maintain an online electronic permit system. The online electronic permit system includes the issuance of permits under this section and an automated routing system. The

automated routing system must include integration of department of transportation traveler information system information, all other data required for the automated routing system, and integration of the highway patrol computer-aided dispatch system.

**SECTION 6. EXEMPTION.** The amount of \$28,171 appropriated for an aircraft engine overhaul in the estimated income line item in section 1 of chapter 11 of the 2015 Session Laws is not subject to section 54-44.1-11. The amount is available for expenditures relating to an aircraft engine overhaul during the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 7. ESTIMATED INCOME – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in section 1 of this Act includes the sum of \$1,220,000 from the strategic investment and improvements fund for an addition to the indoor gun range.

**SECTION 8. PAYMENTS TO HIGHWAY PATROL OFFICERS.** Each patrol officer of the state highway patrol is entitled to receive from funds appropriated in section 1 of this Act an amount not to exceed \$200 per month for the biennium beginning July 1, 2019, and ending June 30, 2021. The payments are in lieu of reimbursement for meals and other expenses, except lodging, while in travel status within the state of North Dakota or while at their respective home stations. The amounts must be paid at the time and in the same manner as salaries are paid to members of the highway patrol and may be paid without the presentation of receipts or other memorandums.

#### GOVERNOR'S RECOMMENDATION FOR THE DEPARTMENT OF TRANSPORTATION

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the department of transportation for the purpose of defraying the expenses of the department of transportation, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$201,765,341	(\$2,259,821)	\$199,505,520
Operating expenses	229,094,646	45,590,459	274,685,105
Capital assets	771,101,851	89,924,093	861,025,944
Grants	<u>67,528,030</u>	<u>28,326,607</u>	<u>95,854,637</u>
Total special funds	\$1,269,489,868	\$161,581,338	\$1,431,071,206
Full-time equivalent positions	1,047.00	(67.00)	980.00

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 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>
Adj General loan proceeds	\$709,000	\$0
Electronic payment system	306,000	0
Drivers license project	0	22,500,000
TDEA replacement	0	1,525,838
AVL project	0	2,650,709
RIMS project	0	9,100,000
MMS project	0	3,850,000
Drivers license facility maintenance	<u>0</u>	<u>1,300,000</u>
Total special funds	\$1,015,000	\$40,926,547

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The highway patrol shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021

**SECTION 3. LINE ITEM TRANSFERS.** The director of the department of transportation may transfer between the salaries and wages, operating, capital assets, and grants line items in section 1 of this Act when it is cost-effective for construction and maintenance of highways. The department of transportation shall notify the office of management and budget of any transfers made pursuant to this section.

**SECTION 4. EXEMPTION - ENHANCED STATE HIGHWAY INVESTMENTS.**

Section 54-44.1-11 does not apply to funding of \$503,115,558 in the capital assets line item relating to enhanced state highway investments in section 1 of chapter 12 of the 2015 Session Laws. Any funds not spent by June 30, 2021, must be continued into the biennium beginning July 1, 2021, and ending June 30, 2023, and may be expended only for enhanced state highway investments.

**SECTION 5. APPROPRIATION – DEPARTMENT OF TRANSPORTATION.** In addition to the amounts appropriated to the department of transportation in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. ESTIMATED INCOME – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in section 1 of this Act includes the sum of \$39,626,547 from the strategic investment and improvements fund for various information technology projects.

**GOVERNOR'S RECOMMENDATION FOR THE DEPARTMENT OF TRUST LANDS**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from the state lands maintenance fund, to the commissioner of university and school lands for the purpose of defraying the expenses of the commissioner of university and school lands, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$6,005,550	(\$214,962)	\$5,790,588
Operating expenses	1,775,723	1,008,320	2,784,043
Contingencies	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Total special funds	\$7,881,273	\$793,358	\$8,674,631
Full-time equivalent positions	31.00	(3.00)	28.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
IT project	\$3,600,000	\$0
Impact grants - airports	25,000,000	0
Other grants - airports	15,000,000	0
Mineral revenue payments	<u>187,000,000</u>	<u>0</u>
Total special funds	\$230,600,000	\$0

**SECTION 3. APPROPRIATION LINE ITEM TRANSFERS.** Upon approval of the board of university and school lands, the commissioner of university and school lands may transfer between the various line items in section 1 of this Act, including transfers from the contingencies line item to all other line items. The commissioner shall notify the office of management and budget of each transfer made pursuant to this section.

**SECTION 4. DISTRIBUTIONS TO STATE INSTITUTIONS.** Pursuant to section 1 of article IX of the Constitution of North Dakota, the board of university and school lands shall distribute during the biennium beginning July 1, 2019, and ending June 30, 2021, the following amounts, from the permanent funds managed for the benefit of the following entities:

Common schools	\$366,756,000
North Dakota state university	5,916,000
University of North Dakota	4,504,000
Youth correctional center	1,864,000
School for the deaf	1,898,000
State college of science	1,736,000
State hospital	1,570,000
Veterans' home	732,000
Valley City state university	1,034,000
North Dakota vision services - school for the blind	1,122,000
Mayville state university	668,000
Dakota college at Bottineau	242,000
Dickinson state university	242,000
Minot state university	<u>242,000</u>
Total	\$388,526,000

**SECTION 5. EXEMPTION - OIL AND GAS IMPACT GRANT FUNDS.** The amount appropriated from the oil and gas impact grant fund for the energy infrastructure and impact office line item in section 1 of chapter 13 of the 2015 Session Laws, for oil and gas impact grants in section 5 of chapter 463 of the 2015 Session Laws, and for oil and gas impact grants in section 13 of chapter 38 of the 2017 Session Laws is not subject to section 54-44.1-11. Any money deposited in the fund for taxable events occurring through June 30, 2019, and any unexpended funds from the appropriation are available for grants and administrative costs associated with the fund during the biennium beginning July 1, 2019 and ending June 30, 2021

**SECTION 6. EXEMPTION - ENERGY IMPACT FUND.** The amount appropriated from the energy impact fund for airport grants in section 14 of chapter 38 of the 2017 Session Laws is not subject to section 54-44.1-11. Any unexpended funds from the appropriation are available for grants during the biennium beginning July 1, 2019 and ending June 30, 2021

**SECTION 7. EXEMPTION – INFORMATION TECHNOLOGY PROJECT.** The amount appropriated for an information technology project in the capital assets line item and the total special fund line item in section 1 of chapter 38 of the 2017 Session Laws is not subject to section 54-44.1-11. Any unexpended funds from the appropriation are available for the information technology project during the biennium beginning July 1, 2019 and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE INDUSTRIAL COMMISSION

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state industrial commission and agencies under its control for the purpose of defraying the expenses of the state industrial commission and agencies under its control, for the biennium beginning July 1, 2019, and ending June 30, 2020, as follows:

Subdivision 1.

#### INDUSTRIAL COMMISSION

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$22,014,084	\$1,740,329	\$23,754,413
Operating Expenses	5,305,888	686,099	5,991,987
Capital Assets	-	5,000,000	5,000,000
Grants - Bond Payments	13,210,484	(2,701,717)	10,508,767
Contingencies	<u>221,737</u>	<u>(221,737)</u>	<u>0</u>
Total all funds	\$40,752,193	\$4,502,974	\$45,255,167
Less estimated income	<u>15,343,206</u>	<u>2,671,741</u>	<u>18,014,947</u>
Total general fund	\$25,408,987	\$1,831,233	\$27,240,220
Full-time equivalent positions	110.25	0.00	110.25

Subdivision 2.

## BANK OF NORTH DAKOTA - OPERATIONS

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Bank of North Dakota operations	\$58,489,204	\$84,826,125	\$143,315,329
Capital assets	810,000	700,000	1,510,000
Total all funds	\$59,299,204	\$85,526,125	\$144,825,329
Less estimated income	59,299,204	5,526,125	64,825,329
Total general fund	\$0	\$80,000,000	\$80,000,000
Full-time equivalent positions	181.50	0.00	181.50

Subdivision 3.

## MILL AND ELEVATOR ASSOCIATION

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$39,308,519	\$7,371,412	\$46,679,931
Operating expenses	28,195,000	1,642,000	29,837,000
Contingencies	500,000	0	500,000
Agriculture promotion	210,000	0	210,000
Total from mill and elevator fund	\$68,213,519	\$9,013,412	\$77,226,931
Full-time equivalent positions	153.00	4.00	157.00

Subdivision 4.

## HOUSING FINANCE AGENCY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$7,892,056	\$723,593	\$8,615,649
Operating expenses	4,743,355	602,921	5,346,276
Grants	31,794,828	21,671,772	53,466,600
Housing finance agency contingencies	100,000	0	100,000
Total special funds	\$44,530,239	\$22,998,286	\$67,528,525
Full-time equivalent positions	44.00	0.00	44.00

Subdivision 5.

## BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$25,408,987	\$81,831,233	\$107,240,220
Grand total special funds	187,386,168	40,209,564	227,595,732
Grand total all funds	\$212,795,155	\$122,040,797	\$334,835,952

**SECTION 2. ONE-TIME FUNDING – EFFECT ON BASE BUDGET – REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the grand total appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Litigation	\$1,000,000	\$0
Industrial water supply asset study	150,000	0
Soil remediation study	5,000,000	0
Ordinary high-water mark survey review	800,000	0
Housing incentive fund	0	20,000,000
Infrastructure loan fund	0	55,000,000
School construction loan fund	0	25,000,000
Equipment - BND	0	700,000
RBDMS upgrade	0	5,000,000
Rare earth study	0	160,000

Proppant sand study	0	110,000
Total all funds	\$6,950,000	\$105,970,000
Total special fund	<u>6,950,000</u>	<u>25,970,000</u>
Total general fund	\$0	\$80,000,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The industrial commission shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. LEGISLATIVE INTENT - BOND PAYMENTS.** The amount of \$10,508,767 included in subdivision 1 of section 1 of this Act in the grants - bond payments line item must be paid from the following funding sources during the biennium beginning July 1, 2019, and ending June 30, 2021:

North Dakota university system	\$4,959,448
North Dakota university system - energy conservation projects	415,664
Department of corrections and rehabilitation	689,299
Department of corrections and rehabilitation – energy conservation projects	16,180
State department of health	644,884
Job service North Dakota	434,847
Office of management and budget	567,125
Office of attorney general	647,500
State historical society	1,177,875
Parks and recreation department	66,875
Research and extension service	483,337
Veterans' home	<u>405,733</u>
Total	\$10,508,767

**SECTION 4. APPROPRIATION.** In addition to the amount appropriated to the housing finance agency in subdivision 4 of section 1 of this Act, there is appropriated any additional income or unanticipated income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. APPROPRIATION - ADDITIONAL FUNDS FROM BONDS - EMERGENCY COMMISSION APPROVAL.** In addition to the amount appropriated to the state industrial commission in subdivision 1 of section 1 of this Act, there is appropriated, with the approval of the emergency commission, funds that may become available to the commission from bonds authorized by law to be issued by the state industrial commission for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. TRANSFER – BANK OF NORTH DAKOTA PROFITS TO THE GENERAL FUND.** During the biennium beginning July 1, 2019, and ending June 30, 2021, the industrial commission shall transfer to the state general fund \$140,000,000 from the current earnings and the accumulated undivided profits of the Bank of North Dakota. The moneys must be transferred in the amounts and at the times requested by the director of the office of management and budget after consultation with the Bank of North Dakota president.

**SECTION 7. TRANSFER – INFRASTRUCTURE REVOLVING LOAN FUND.** The Bank of North Dakota and total general fund line items in subdivision 2 of section 1 of this Act includes the sum of \$55,000,000 which the office of management and budget shall transfer to the infrastructure revolving loan fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 8. TRANSFER – SCHOOL CONSTRUCTION LOAN FUND.** The Bank of North Dakota and total general fund line items in subdivision 2 of section 1 of this Act includes the sum of \$25,000,000 which the office of management and budget shall transfer to the school construction loan fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 9. TRANSFER – ENTITIES WITHIN THE CONTROL OF THE INDUSTRIAL COMMISSION TO INDUSTRIAL COMMISSION FUND.** The sum of \$1,184,893, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, may be transferred from the entities within the control of the state industrial commission or entities directed to make payments to the industrial

commission fund for administrative services rendered by the commission. Transfers shall be made during the biennium beginning July 1, 2019, and ending June 30, 2021, upon order of the commission. Transfers from the student loan trust must be made to the extent permitted by sections 54-17-24 and 54-17-25.

**SECTION 10. TRANSFER - BANK OF NORTH DAKOTA - PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of \$26,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the partnership in assisting community expansion fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 11. TRANSFER - BANK OF NORTH DAKOTA - AGRICULTURE PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of \$3,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the agriculture partnership in assisting community expansion fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 12. TRANSFER - BANK OF NORTH DAKOTA - BIOFUELS PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of \$1,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the biofuels partnership in assisting community expansion fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 13. TRANSFER - BANK OF NORTH DAKOTA - BEGINNING FARMER REVOLVING LOAN FUND.** The Bank of North Dakota shall transfer the sum of \$6,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the beginning farmer revolving loan fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 14. TRANSFER - BANK OF NORTH DAKOTA – SCHOOL CONSTRUCTION LOAN FUND.** The Bank of North Dakota shall transfer the sum of \$5,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the school construction loan fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 15. ESTIMATED INCOME – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The less estimated income line item in subdivision 1 of section 1 of this Act includes \$5,000,000 from the strategic investment and improvements fund for a risk based data management system upgrade.

**SECTION 16. ESTIMATED INCOME – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The less estimated income line item in subdivision 1 of section 1 of this Act includes \$160,000 from the strategic investment and improvements fund for a rare earth research project.

**SECTION 17. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The less estimated income line item in subdivision 1 of section 1 of this Act includes \$110,000 from the strategic investment and improvements fund for a proppant sand research project.

**SECTION 18. SPECIAL FUNDS TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO HOUSING INCENTIVE FUND.** The less estimated income line item in subdivision 4 of section 1 of this Act includes the sum of \$20,000,000, or so much of the sum as may be necessary, from the strategic investment and improvements fund which may be transferred at the direction of the housing finance agency for the purpose of a transfer to the housing incentive fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 19. TRANSFER – BANK OF NORTH DAKOTA – TRANSFER TO THE NORTH DAKOTA DEVELOPMENT FUND INC.** The Bank of North Dakota shall transfer the sum of \$15,000,000, from the Bank's current earnings and undivided profits to the North Dakota Development Fund Inc. during the biennium beginning July 1, 2019 and ending

June 30, 2021. The funding must be used in accordance with N.D.C.C. 10-30.5 and to purchase existing New Venture Capital assets held by the Bank of North Dakota.

**SECTION 20. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM - LIGNITE MARKETING FEASIBILITY STUDY.** The amount of \$4,500,000 from the lignite research fund, or so much of the amount as may be necessary, may be used for the purpose of contracting for an independent, nonmatching lignite marketing feasibility study or studies that determine those focused priority areas where near-term, market-driven projects, activities, or processes will generate matching private industry investment and have the most potential of preserving existing lignite production and industry jobs or that will lead to increased development of lignite and its products and create new lignite industry jobs and economic growth for the general welfare of this state. Moneys appropriated pursuant to this section may also be used for the purpose of contracting for nonmatching studies and activities in support of the lignite vision 21 program; for litigation that may be necessary to protect and promote the continued development of lignite resources; for nonmatching externality studies and activities in externality proceedings; or other marketing, environmental, or transmission activities that assist with marketing of lignite-based electricity and lignite-based byproducts. Moneys not needed for the purposes stated in this section are available to the commission for funding projects, processes, or activities under the lignite research, development, and marketing program.

**SECTION 21. EXEMPTION – INDUSTRIAL COMMISSION FUND.** The amount appropriated to the industrial commission in the special funds appropriation line item in section 1 of chapter 39 of the 2017 Session Laws and transferred pursuant to section 8 of chapter 39 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the industrial commission for administrative services rendered by the commission during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 22. EXEMPTION – ORDINARY HIGH-WATER MARK SURVEY REVIEW.** The amount appropriated to the industrial commission in section 1 of chapter 39 of the 2017 Session Laws is not subject to section 54-44.1-11. Any unexpended funds from this appropriation are available to the industrial commission for expert legal testimony relating to the review during the biennium beginning July 1, 2019, and June 30, 2021.

## GOVERNOR'S RECOMMENDATION FOR THE

### DEPARTMENT OF CORRECTIONS AND REHABILITATION

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of corrections and rehabilitation for the purpose of defraying the expenses of the department of corrections and rehabilitation, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Adult services	\$220,757,448	\$26,947,121	\$247,704,569
Youth services	<u>30,740,509</u>	<u>1,889,577</u>	<u>32,630,086</u>
Total all funds	\$251,497,957	\$28,836,698	\$280,334,655
Less estimated income	<u>37,161,253</u>	<u>9,175,343</u>	<u>46,336,596</u>
Total general fund	\$214,336,704	\$19,661,355	\$233,998,059
Full-time equivalent positions	845.29	93.30	938.59

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 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>
RRI equipment	\$167,000	\$298,700
Electronic medical records	935,907	0
Justice reinvestment	500,000	0

DAPL	500,000	0
Extraordinary repairs	0	1,332,250
Detection equipment	0	252,000
NDSP redundant fence	0	160,000
Industries building - JRCC	0	1,140,000
Campus studies	0	750,000
MRCC renovation	0	2,443,077
IT projects	0	705,000
Total all funds	\$2,102,907	\$7,081,027
Less estimated income	<u>2,102,907</u>	<u>6,164,777</u>
Total general fund	\$0	\$916,250

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The department of corrections and rehabilitation shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. SPECIAL FUNDS TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in section 1 of this Act includes the sum of \$4,411,077, or so much of the sum as may be necessary, from the strategic investment and improvements fund which may be transferred at the direction of the director of the department of corrections and rehabilitation for campus studies, equipment, information technology projects and capital projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. FUNDING TRANSFERS – EXEMPTION – AUTHORIZATION.** Notwithstanding section 54-16-04, the department of corrections and rehabilitation may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section

**SECTION 5. APPROPRIATION -** In addition to the amounts appropriated to the department of corrections and rehabilitation in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. EXEMPTION – COMMUNITY BEHAVIORAL HEALTH PROGRAM.** Section 54-44.1-11 does not apply to \$7,000,000 provided for the community behavioral health program included in section 1 of chapter 40 of the 2017 Session Laws. Any unexpended funds from this appropriation are available to the department of corrections and rehabilitation for the community behavioral health program during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. CONTINUING APPROPRIATION AUTHORITY – DEPARTMENT OF CORRECTIONS AND REHABILITATION OPERATING FUND.** Any moneys received from correctional supervision, electronic monitoring, and detention; reimbursements from other agencies; profits received from department of corrections and rehabilitation commissary; miscellaneous revenue, including offender fines, fees, restitution, and medical co-payments; and from the common school trust fund; are appropriated to the department of corrections and rehabilitation as a continuing appropriation to defray operating expenses in addition to any moneys otherwise appropriated under this Act.

**SECTION 8. CONVEYANCE OF LAND AND BUILDINGS – EXEMPTION FROM CHAPTERS 48-01.1 AND 54-44.7 OF THE NORTH DAKOTA CENTURY CODE.** The state of North Dakota, by and through the department of human services, shall convey ownership of building 2404, formerly known as the nursing residence building and tompkens building, and surrounding real property on the grounds of the state hospital to the department of corrections and rehabilitation. The provisions of chapters 48-01.1 and 54-44.7 relating to public improvement contract bids and architect, engineer, and land surveying services for construction and renovation do not apply to this conveyance.

**GOVERNOR'S RECOMMENDATION FOR JOB SERVICE NORTH DAKOTA**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to job service North Dakota for the purpose of defraying the expenses of job service North Dakota, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$27,155,566	\$458,161	\$27,613,728
Operating expenses	11,501,255	10,440,058	21,941,313
Capital assets	20,000	0	20,000
Grants	5,458,571	707,541	6,166,112
Reed Act - Unemployment insurance computer modernization	11,209,557	(122,591)	11,086,966
Total all funds	\$55,344,949	\$11,483,169	\$66,828,119
Less estimated income	<u>54,899,156</u>	<u>11,497,699</u>	<u>66,396,856</u>
Total general fund	\$445,793	(\$14,530)	\$431,263
Full-time equivalent positions	181.61	(25.00)	156.61

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Renovation of Bismarck Regional Office	\$100,000	\$0
Total all funds	\$100,000	\$0
Total special funds	0	0
Total general fund	\$100,000	\$0

**SECTION 3. APPROPRIATION - REED ACT FUNDS - UNEMPLOYMENT INSURANCE COMPUTER MODERNIZATION.** The special fund appropriation of \$11,086,966 in section 1 of this Act is from federal Reed Act funds made available to the state by the federal Reed Act distributions made in federal fiscal years 1957, 1958, 1999, and 2002, pursuant to section 903 of the Social Security Act. This sum, or so much of the sum as may be necessary, is for the purpose of developing a modernized unemployment insurance computer system, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. APPROPRIATION.** All federal funds received by job service North Dakota in excess of those funds appropriated in section 1 of this Act are appropriated for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. NEW JOBS TRAINING.** During the biennium beginning July 1, 2019, and ending June 30, 2021, job service North Dakota may not award more than \$2,500,000 for new agreements related to the new jobs training program under chapter 52-02.1.

**SECTION 6. TRANSFER.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

#### **GOVERNOR'S RECOMMENDATION FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from income, to the office of administrative hearings for the purpose of defraying the expenses of the office of administrative hearings, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,191,850	(\$1,191,850)	\$0
Operating expenses	1,726,784	(\$1,726,784)	0

Administrative Hearings	0	2,850,420	2,850,420
Total special funds	\$2,965,651	(\$68,214)	\$2,850,420
Full-time equivalent positions	5.00	0.00	5.00

### GOVERNOR'S RECOMMENDATION FOR THE DEPARTMENT OF COMMERCE

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of commerce for the purpose of defraying the expenses of the department of commerce, for the biennium beginning July 1, 2019, and ending June 30, 2021 as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$12,995,788	223,132	13,218,920
Operating expenses	15,477,622	36,488,391	51,966,013
Capital assets	-	50,000,000	50,000,000
Grants	48,910,416	5,979,395	54,889,811
Discretionary funds	2,200,000	(1,000,000)	1,200,000
Grants - tribal colleges	-	500,000	500,000
Agricultural products utilization commission	3,152,915	(2,470,461)	682,454
Research ND	-	20,000,000	20,000,000
North Dakota trade office	2,000,000	(400,000)	1,600,000
Partner programs	1,939,845	(377,314)	1,562,531
Entrepreneurship grants and vouchers	1,950,000	2,998,467	4,948,467
Total all funds	\$88,626,586	\$111,941,610	\$200,568,196
Less estimated income	58,583,906	5,863,742	64,447,648
Total general fund	\$30,042,680	\$106,077,868	\$136,120,548
Full-time equivalent positions	66.40	(5.60)	60.80

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2017-19	2019-21
Grants - Tribal Colleges	\$500,000	\$500,000
Flood Impact - Loans/Grants	5,201,752	0
Unmanned aircraft system	2,000,000	0
Base Retention Grant	600,000	0
Enhanced use lease grant	3,000,000	3,000,000
Census 2020	0	1,000,000
Beyond Visual Line of Sight	0	30,000,000
Innovate ND	0	4,000,000
Research ND	0	20,000,000
Theodore Roosevelt Presidential Library	0	50,000,000
Rural Nursing Program Grant	0	750,000
Nursing Faculty Tuition Program Grant	0	100,000
Career Exposure Tools	0	250,000
Total all funds	\$11,301,752	\$109,600,000
Total special funds	10,301,752	9,600,000
Total general fund	\$1,000,000	\$100,000,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The department of commerce shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. EXEMPTION.** The amount appropriated for the agricultural products utilization commission in section 1 of chapter 43 of the 2017 Session Laws is not subject to section 54-44.--11 and any unexpended funds from this line item for grants are available for grants during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. EXEMPTION.** The amount appropriated for the discretionary funds line item in section 1 of chapter 43 of the 2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. EXEMPTION.** The amount appropriated for the unmanned aircraft systems program in section 1 of chapter 43 of the 2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. TRANSFER - INTERNSHIP FUND.** The office of management and budget shall transfer \$1,805,000 of the amount appropriated in the operating expenses line item in section 1 of this Act to the internship fund for the purpose of administering the operation intern program, for the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 7. TRANSFER AUTHORITY BETWEEN LINES.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019 and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 8. APPROPRIATION -** In addition to the amounts appropriated to the department of commerce in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 9. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – TRIBALLY CONTROLLED COMMUNITY COLLEGE GRANT PROGRAM.** The grants – tribal colleges line item in section 1 of this Act includes the sum of \$500,000 from the strategic investment and improvements fund for the tribally controlled community college grant program.

**SECTION 10. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNMANNED AIRCRAFT SYSTEMS PROGRAM.** The grants line item in section 1 of this Act includes the sum of \$3,000,000 from the strategic investment and improvements fund for infrastructure relating to the unmanned aircraft system program for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 11. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – CENSUS 2020.** The operating line item in section 1 of this Act includes the sum of \$1,000,000 from the strategic investment and improvements fund for marketing and administration of Census 2020, for the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 12. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – INNOVATE ND PROGRAM.** The entrepreneurship grants and vouchers line item in section 1 of this Act includes the sum of \$4,000,000 from the strategic investment and improvements fund for the Innovate ND program, for the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 13. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – RURAL NURSING PROGRAM GRANT.** The grants line item in section 1 of this Act includes the sum of \$750,000 from the strategic investment and improvements fund for the development of a rural nursing grant program to be administered by the department of commerce, for the biennium beginning July 1, 2019 and ending June 30, 2021. The purpose of the program is to fund the development of rural nursing programs via traditional classroom experience or online curriculum development. An educational program and healthcare facility must jointly apply for the grant with the healthcare facility providing a matching investment. The department may contract with a third party for the services for the grant.

**SECTION 14. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – NURSING FACULTY TUITION PROGRAM GRANT.** The grants line item in section 1 of this Act includes the sum of \$100,000 from the strategic investment and improvements fund for the nursing faculty tuition program to be administered by the department of commerce, for the biennium beginning July 1, 2019 and ending June 30, 2021. The purpose of the program is to provide tuition reimbursement for nurses who are North Dakota residents pursuing education required to serve as faculty. The tuition reimbursement requires a retention agreement. The department may contract with a third party for the services for the grant.

**SECTION 15. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – CAREER EXPOSURE TOOLS.** The grants line item in section 1 of this Act includes the sum of \$250,000 from the strategic investment and improvements fund for career exposure tools, for the biennium beginning July 1, 2019 and ending July 30, 2021.

**SECTION 16. TRADE OFFICE - MATCHING FUND REQUIREMENT.** The North Dakota trade office line item and the general fund appropriation in section 1 of this Act include \$1,600,000 of funding relating to the North Dakota trade office. The department of commerce may spend sixty percent of this amount without requiring any matching funds from the trade office. Any additional amounts may be spent only to the extent that the North Dakota trade office provides one dollar of matching funds from private or other public sources for each one dollar provided by the department for the biennium beginning July 1, 2019, and ending June 30, 2021. Matching funds may include money spent by businesses or organizations to pay salaries to export assistant, provide training to export assistants, or buy computer equipment as part of the North Dakota trade office's export assistance program.

**SECTION 17. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM.** Section 1 of this Act includes the sum of \$4,948,467, of which \$740,956 is from the general fund, \$207,511 from special funds and \$4,000,000 is from the strategic investment and improvements fund, for an entrepreneurship grants and voucher program to be developed and administered by the department of commerce, for the biennium beginning July 1, 2019 and ending June 30, 2021. The department shall establish guidelines to provide grants to entrepreneurial centers certified by the department. The department shall also establish guidelines to award vouchers to entrepreneurs to procure business development assistance from certified entrepreneurial centers or to provide grants to entrepreneurs working with an entrepreneurial center. The amount appropriated for entrepreneurship grants in section 1 of this Act is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2021, and ending June 30, 2023.

**SECTION 18. YOUTH INNOVATION GRANT PROGRAM.** The grants line of section 1 of this Act includes the sum of \$100,000 from the general fund, for a youth innovation grant program to be developed and administered by the department of commerce, for the biennium beginning July 1, 2019 and ending June 30, 2021. The department shall establish guidelines to provide grants to youth as matching funding for a project to improve their local communities.

**SECTION 19. BASE RETENTION AND PROMOTION GRANT PROGRAM.** The grants line of section 1 of this Act includes the sum of \$600,000 from the general fund, for the base retention and promotion grant program to be developed and administered by the department of commerce, for the biennium beginning July 1, 2019 and ending June 30, 2021. The department of commerce shall establish and administer a statewide base retention and promotion grant program to provide grants to select communities and state agencies that support base retention and promotion. Grant requests shall be made to the North Dakota Commission on Military Promotion and Strategic Sustainment (commission), or its successor organization, and evaluated based on criteria developed by the department and approved by the commission. The department will issue grant funds to communities, through approved political subdivisions, following recommendations put forth by the commission. Grant funds may also be used to support state-wide initiatives that promote base retention and enhance the quality of life for military members and their families in the state. The program must award direct grants and not cost reimbursement grants.

**SECTION 20. THEODORE ROOSEVELT PRESIDENTIAL LIBRARY CHALLENGE GRANT.** The capital assets line of section 1 of this Act includes the sum of \$50,000,000 from the general fund, out of legacy fund earnings, for the Theodore Roosevelt presidential library challenge grant to be developed and administered by the department of commerce, for the biennium beginning July 1, 2019 and ending June 30, 2021. The purpose of this grant is for the design, building and operations of a Theodore Roosevelt Presidential Library located in or near the town of Medora. The grant shall award one dollar in funds to the Theodore Roosevelt Presidential Library Foundation for every two dollars of matching funds raised.

**GOVERNOR'S RECOMMENDATION FOR THE  
DEPARTMENT OF CAREER AND TECHNICAL EDUCATION**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of public instruction, the school for the deaf, North Dakota vision services - school for the blind, and the state library for the purpose of defraying the expenses of those agencies, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

## Subdivision 1.

## DEPARTMENT OF PUBLIC INSTRUCTION

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$17,439,176	\$773,885	\$18,213,061
Operating Expenses	30,165,005	5,279,942	35,444,947
Integrated Formula Payments	1,750,204,163	300,498,160	2,050,702,323
Grants-Special Education	19,300,000	5,700,000	25,000,000
Grants-Transportation	55,400,000	-	55,400,000
Grants-Other Grants	254,062,705	33,000,000	287,062,705
Grants-Program Grants	6,210,000	4,279,711	10,489,711
Grants-Passthrough Grants	2,898,000	(359,871)	2,538,129
PowerSchool	5,500,000	(5,500,000)	-
Transportation Efficiency	30,000	(3,000)	27,000
National Board Certification	120,000	(12,000)	108,000
Total all funds	\$2,141,329,049	\$343,656,827	\$2,484,985,876
Less estimated income	<u>891,047,065</u>	<u>46,442,327</u>	<u>937,489,392</u>
Total general fund	\$1,250,281,984	\$297,214,500	\$1,547,496,484
Full-time equivalent positions	91.75	(3.00)	88.75

## Subdivision 2.

## STATE LIBRARY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,152,758	\$170,992	\$4,323,750
Operating Expenses	1,604,075	17,842	1,621,917
Grants	<u>2,109,028</u>	<u>124,500</u>	<u>2,233,528</u>
Total all funds	\$7,865,861	\$313,334	\$8,179,195
Less estimated income	<u>2,247,560</u>	<u>123,909</u>	<u>2,371,469</u>
Total general fund	\$5,618,301	\$189,425	\$5,807,726
Full-time equivalent positions	28.75	-1.00	27.75

## Subdivision 3.

## SCHOOL FOR THE DEAF

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$7,588,749	\$305,053	\$7,893,802
Operating Expenses	2,026,543	(320,957)	1,705,586
Capital Assets	158,678	270,000	428,678
Grants	<u>180,000</u>	<u>(140,000)</u>	<u>40,000</u>
Total all funds	\$9,953,970	\$114,096	\$10,068,066
Less estimated income	<u>3,198,444</u>	<u>(497,636)</u>	<u>2,700,808</u>
Total general fund	\$6,755,526	\$611,732	\$7,367,258
Full-time equivalent positions	45.61	-2.00	43.61

## Subdivision 4.

## NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
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Salaries and wages	\$4,660,995	\$299,975	\$4,960,970
Operating Expenses	773,206	42,615	815,821
Capital Assets	<u>39,192</u>	<u>260,500</u>	<u>299,692</u>
Total all funds	\$5,473,393	\$603,090	\$6,076,483
Less estimated income	<u>1,214,747</u>	<u>116,877</u>	<u>1,331,624</u>
Total general fund	\$4,258,646	\$486,213	\$4,744,859
Full-time equivalent positions	28.50	(0.60)	27.90

Subdivision 5.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general Fund	\$1,266,914,457	\$298,501,873	\$1,565,416,330
Grant total special funds	<u>897,707,816</u>	<u>46,543,110</u>	<u>943,893,290</u>
Grand total all funds	\$2,164,622,273	\$345,044,983	\$2,509,309,620

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
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DEPARTMENT OF PUBLIC INSTRUCTION

Regional education association merger grants	\$100,000	\$0
ND governor's school science, technology, engineering and mathematics programs	220,000	0
Integrated formula payments	185,000,000	0
Cyber security science	-	3,000,000
Foreign language standards	-	125,000
On-time funding	-	24,135,735
Formula re-write	-	<u>200,000</u>
Total department of public instruction - all fund	\$185,320,000	\$27,460,735
Total department of public instruction - special funds	<u>185,320,000</u>	<u>24,135,735</u>
Total department of public instruction - general fund	-	3,325,000

RESOURCE CENTER FOR THE DEAF AND HARD OF HEARING

Extraordinary repairs	\$675,000	250,000
Equipment	28,000	-
Video equipment and software	30,000	-
Kitchen dishwashing unit	<u>0</u>	<u>\$20,000</u>
Total school for the deaf - special fund	<u>\$733,000</u>	<u>\$270,000</u>

NORTH DAKOTA VISION SERVICES - SCHOOL FOR THE BLIND

Special Assessments payoff	\$10,000	0
Heating and cooling upgrade	35,500	0
Water line replacement	60,000	0
Carpet and reception upgrade	30,000	0

Repair west wing roof	0	39,000
Miscellaneous repairs	0	18,500
Garage door replacement	0	16,000
Remodel daily living skills area	0	25,000
Adaptive technology equipment	0	20,000
Replace gymnasium floor	0	42,000
Remodel south wing restrooms	0	120,000
Total school for the blind special funds	\$135,500	\$280,500
Grand total - all funds	\$186,188,500	\$28,011,235
Grand total - estimated income	<u>\$186,188,500</u>	<u>24,686,235</u>
Grand total - general fund	\$0	\$3,325,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The Department of Public Instruction, Resource Center for the Deaf and Hard of Hearing, and North Dakota vision services - school for the blind shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-02-02. Salary.**

The annual salary of the superintendent of public instruction is ~~one hundred sixteen thousand nine hundred three dollars through June 30, 2016~~ one hundred twenty-five thousand two hundred twenty-six dollars through June 30, 2019, and ~~one hundred twenty thousand four hundred ten dollars~~ one hundred twenty-seven thousand seven hundred thirty-one dollars thereafter.

**SECTION 4. APPROPRIATION - TUITION APPORTIONMENT.** The sum of \$379,764,000, included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, is from the state tuition fund in the state treasury. Any additional amount in the state tuition fund that becomes available for distribution to public schools is appropriated to the department of public instruction for that purpose for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. INTEGRATED FORMULA PAYMENTS AND SPECIAL EDUCATION CONTRACTS EXPENDITURE AUTHORITY.** The superintendent of public instruction may expend funds included in the integrated formula payments and grants - special education contracts line items in subdivision 1 of section 1 of this Act in payment of grants for educational services that were due in the 2017-19 biennium but which were not filed, claimed, or properly supported by the education provider until after June 30, 2019.

**SECTION 6. GIFTED AND TALENTED PROGRAM - MEDICAID MATCHING FUNDING - DISTRIBUTION.**

1. The sum of \$800,000, included in the integrated formula payments line item in subdivision 1 of section 1 of this Act, must be distributed to reimburse school districts or special education units for gifted and talented programs upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction. The superintendent of public instruction shall encourage cooperative efforts for gifted and talented programs among school districts and special education units.
2. State school aid payments for special education must be reduced by the amount of matching funds required to be paid by school districts or special education units for students participating in the medicaid program. Special education funds equal to the amount of the matching funds required to be paid by the school district or special education unit must be paid by the superintendent of public instruction to the department of human services on behalf of the school district or unit.

**SECTION 7. REGIONAL EDUCATION ASSOCIATIONS - GRANTS.** During the 2019-21 biennium, the superintendent of public instruction shall expend up to \$500,000 from the integrated formula payments line item in subdivision 1 of section 1 of this Act for the purpose of providing annual grants to regional education associations.

**SECTION 8. CONTINUING EDUCATION GRANTS - FUNDING - DISTRIBUTION.** The sum of \$125,000, or so much of the sum as may be necessary, included in the grants - other grants line item in subdivision 1 of section 1 of this Act is provided for continuing education grants, for the biennium beginning July 1, 2019, and ending June 30, 2021.

1. The superintendent of public instruction shall award grants in amounts up to \$1,200 to eligible recipients in chronological order, based on the date of an individual's application. An eligible recipient must:
  - a. (1) Be licensed to teach by the education standards and practices board;
  - (2) Have taught in this state during each of the last three school years; and
  - (3) Be enrolled at an institution of higher education in this state in either a master of education program in educational leadership or a program leading to a specialist diploma in educational leadership;
  - b. Be pursuing the requirements for a certificate in career development facilitation; or
  - c. Be pursuing a school counselor credential.
2. If any of the amount appropriated for this purpose remains after the superintendent of public instruction has awarded grants to all eligible recipients, the superintendent shall distribute that amount as an additional per student payment on a prorated basis, according to the latest available average daily membership of each school district.

**SECTION 9. INDIRECT COST ALLOCATION.** Notwithstanding section 54-44.1-15, the department of public instruction may deposit indirect cost recoveries in its operating account.

**SECTION 10. STATE AID TO PUBLIC LIBRARIES.** The line item entitled grants in subdivision 2 of section 1 of this Act includes \$1,737,582 for aid to public libraries, of which no more than one-half is to be expended during the fiscal year ending June 30, 2020.

**SECTION 11. SCHOOL FOR THE DEAF - HIGHER EDUCATION INTERPRETER GRANT PROGRAM.** The grants line item contained in subdivision 3 of section 1 of this Act is for the purpose of providing grants to assist institutions under the control of the state board of higher education with the cost of interpreters and real-time captioning for students who are deaf or hard of hearing, for the biennium beginning July 1, 2019, and ending June 30, 2021. Moneys appropriated for this program are not subject to section 54-44.1-11. Funds shall be distributed pursuant to the provisions of this section:

1. The school for the deaf shall develop a formula to determine the grant amount for which an institution is eligible. The formula must be based on a uniform hourly reimbursement.
2. To obtain a grant under this section, an institution shall submit to the school for the deaf, at the time and in the manner directed by the school, invoices showing the amount expended for interpreters and real-time captioning for students who are deaf or hard of hearing.
3. The school for the deaf may not distribute more than fifty percent of the amount appropriated during the first year of the biennium.
4. If any grant moneys remain undistributed at the end of the biennium, the school for the deaf shall provide additional prorated grants to institutions that incurred, during the biennium, hourly expenses in excess of the formula reimbursement level.

5. At the request of an institution under the control of the state board of higher education, the school for the deaf shall consult with the institution and provide advice regarding the provision of services most appropriate to meet a student's needs.

**SECTION 12. STATE SCHOOL AID PROGRAM.** The sum of \$2,050,702,323 included in the integrated formula payments line item in subdivision 1 of section 1 of this Act was calculated with the following assumption: Per student payment rates are \$9,839 for the 2019-20 academic year and increase to \$10,036 for the 2020-21 academic year.

**SECTION 13. GRANTS – OTHER GRANTS.** The line item entitled grants-other grants in subdivision 1 of section 1 of this Act contains pass-through grants, of which no more than one-half of the funding is to be expended during the fiscal year ending June 30, 2018.

**SECTION 14. CONTINGENT APPROPRIATION – DEPARTMENT OF PUBLIC INSTRUCTION – STUDENT CONTRACTS AND TEACHER INCENTIVES FOR LEADERSHIP IN EDUCATION.** If any funding appropriated to the superintendent of public instruction for integrated formula payments to school districts remains after the superintendent complies with all statutory payment obligations imposed for the biennium beginning July 1, 2017, and ending June 30, 2019, the superintendent shall:

1. Use the funds to pay any state obligations in excess of the amount appropriated for grants-special education contracts for the biennium beginning July 1, 2017 and ending June 30, 2019.
2. Up to \$10,000,000 of any remaining funds is to be used for the creation of the Teacher Incentives for Leadership in Education (TILE) program. TILE dollars must be invested in professional development or used to provide project-based incentives for current teachers, providing career track opportunities for teacher leaders.

**SECTION 15. TRANSFER.** The office of management and budget shall transfer, on a quarterly basis, a total of \$232,781,065 from the foundation aid stabilization fund to the operating fund of the department of public instruction for the purpose of covering expenses in the integrated formula payment line in subdivision 1 of section 1 of this Act, for the period beginning with the effective date of this Act and ending June 30, 2021.

**SECTION 16. AMENDMENT.** Section 15-10-38 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38. Loans - Teacher shortages - Loan forgiveness.**

1. ~~The state board of higher education~~superintendent of public instruction shall administer a student loan forgiveness program for individuals teaching at grade levels, in content areas, and in geographical locations identified as having a teacher shortage or critical need. ~~The board~~superintendent of public instruction may approve loan forgiveness for no more than two teachers per year in a school district. ~~The board~~superintendent of public instruction shall adopt rules to implement the program.
2. The superintendent of public instruction annually shall identify grade levels, content areas, and geographical locations in which a teacher shortage or critical need exists.
3. To be eligible for loan forgiveness under this section, an individual:
  - a. Must have graduated from an accredited teacher preparation program and signed a contract to teach at a grade level or in a content area and in a geographical location identified by the superintendent of public instruction as having an existing teacher shortage or critical need; and
  - b. Must have an existing student loan.

4. For purposes of this section, the definitions of rural school district and remote town school district have the same meaning as the definitions under the national center for education statistics locale codes.
5. If an individual is receiving loan forgiveness under any other provision, the individual may not receive loan forgiveness under this section during the same application year.
6. An eligible individual may receive loan forgiveness under the program as follows:
  - a. If the individual accepts one of up to five positions of critical need in a nonrural school district or nonremote town school district, the individual may receive up to three thousand dollars per year for a maximum of four years.
  - b. If the individual accepts a position in a rural school district or remote town school district with an enrollment of fewer than one thousand students, the individual may receive up to four thousand five hundred dollars per year for a maximum of four years.
  - c. If the individual accepts one of up to five positions of critical need in a rural school district or remote town school district with an enrollment of fewer than one thousand students, the individual may receive up to six thousand five hundred dollars per year for a maximum of four years.
7. The superintendent of public instruction shall consider all applications under this section based on the number of unfilled school vacancies, prioritized by critical need and geographic location.
8. Upon notification the individual has completed a full year of teaching in a school district, state-supported school, or nonpublic school in this state at a grade level or in a content area and in a geographical location identified by the superintendent of public instruction as one in which a teacher shortage or critical need exists, the ~~boardsuperintendent of public instruction~~ shall distribute funds directly to the lending institution of the individual to repay outstanding loan principal balances on behalf of eligible applicants. The ~~boardsuperintendent of public instruction~~ shall terminate loan forgiveness payments to eligible individuals when the loan principal balance of the eligible individual is paid in full.

**SECTION 17. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-27-04.1. Baseline funding - Establishment - Determination of state aid.**

1. To determine the amount of state aid payable to each district, the superintendent of public instruction shall establish each district's baseline funding. A district's baseline funding consists of:
  - a. All state aid received by the district in accordance with chapter 15.1-27 during the 2012-13 school year;
  - b. The district's 2012-13 mill levy reduction grant, as determined in accordance with chapter 57-64, as it existed on June 30, 2013;
  - c. An amount equal to that raised by the district's 2012 general fund levy or that raised by one hundred ten mills of the district's 2012 general fund levy, whichever is less;
  - d. An amount equal to that raised by the district's 2012 long-distance learning and educational technology levy;
  - e. An amount equal to that raised by the district's 2012 alternative education program levy; and
  - f. An amount equal to:

- (1) Seventy-five percent of all revenue received by the school district and reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;
  - (2) Seventy-five percent of all mineral revenue received by the school district through direct allocation from the state treasurer and not reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;
  - (3) Seventy-five percent of all tuition received by the school district and reported under code 1300 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08, with the exception of revenue received specifically for the operation of an educational program provided at a residential treatment facility and tuition received for the provision of an adult farm management program;
  - (4) Seventy-five percent of all revenue received by the school district from payments in lieu of taxes on the distribution and transmission of electric power;
  - (5) Seventy-five percent of all revenue received by the school district from payments in lieu of taxes on electricity generated from sources other than coal;
  - (6) All revenue received by the school district from mobile home taxes;
  - (7) Seventy-five percent of all revenue received by the school district from the leasing of land acquired by the United States for which compensation is allocated to the state under 33 U.S.C. 701(c)(3);
  - (8) All telecommunications tax revenue received by the school district; and
  - (9) All revenue received by the school district from payments in lieu of taxes and state reimbursement of the homestead credit and disabled veterans credit.
2. The superintendent shall divide the district's total baseline funding by the district's 2012-13 weighted student units to determine the district's baseline funding per weighted student unit.
  3. If a school district is in an approved cooperative agreement under chapter 15.1-27-16, their baseline funding shall be recalculated using their baseline funding per weighted student unit established in 15.1-27-04.1(2) multiplied by the weighted student units in 2012-13 school year for the grade levels the school district currently offers beginning in the 2020-21 school year.
- ~~3-4.~~ a. In ~~2017-18~~2019-20, the superintendent shall multiply the district's weighted student units by ~~nine thousand six hundred forty six~~nine thousand eight hundred thirty-nine dollars.
    - (1) The superintendent shall adjust the product to ensure the product is at least equal to the greater of:
      - (a) One hundred eight percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year multiplied by ninety percent; or
      - (b) ~~One hundred~~Ninety percent of the district's baseline funding as established in subsection 1.

- (2) The superintendent also shall adjust the product to ensure the product does not exceed one hundred ~~forty-five~~ forty percent of the district's baseline funding per weighted student unit multiplied by the district's weighted student units from the previous school year, as established in subsection 2.
- b. In ~~2018-19~~2020-21, the superintendent shall multiply the district's weighted student units by ~~nine thousand six hundred forty-six~~ ten thousand thirty-six dollars.
- (1) The superintendent shall adjust the product to ensure the product is at least equal to the greater of:
- (a) One hundred eight percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year multiplied by ninety percent; or
- (b) ~~One hundred~~Ninety percent of the district's baseline funding as established in subsection 1.
- (2) The superintendent also shall adjust the product to ensure the product does not exceed one hundred ~~forty-five~~ forty percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.
- 4-5. After determining the product in accordance with subsection 3, the superintendent of public instruction shall:
- a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the school district, except the amount in dollars subtracted for purposes of this subdivision may not exceed the previous year's amount in dollars subtracted for purposes of this subdivision by more than twelve percent; and
- b. Subtract an amount equal to seventy-five percent of all revenues listed in paragraphs 1 through 5, and 7 of subdivision f of subsection 1 and one hundred percent of all revenues listed in paragraphs 6, 8, and 9 of subdivision f of subsection 1.
- 5-6. The amount remaining after the computation required under subsection 4 is the amount of state aid to which a school district is entitled, subject to any other statutory requirements or limitations.

**SECTION 18. AMENDMENT.** Section 15.1-37-05 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-37-05. Early childhood education providers - Coalition - Eligibility.**

1. The superintendent of a school district shall invite all public and private providers of early childhood education services within the district to meet, in order to:
- a. Initiate the identification of all available options for cost-effectively maximizing the provision of early childhood education services within the district;
- b. Address the coordinated utilization of facilities, personnel, and transportation, for the provision of early childhood education services within the district; and
- c. (1) Form a coalition of early childhood education service providers; and
- (2) Provide for the selection of a coalition governing board.
2. The board of the school district in which the coalition of service providers is located shall provide advice and guidance to the coalition in all matters pertaining to this section through section 15.1-37-08.

3. Any early childhood service provider who agrees to participate in the coalition or on its governing board may submit an application to the ~~department of commerce~~superintendent of public instruction for a grant under this section, provided the governing board certifies to the ~~department~~superintendent that the provider:
  - a. Is a participating member in the coalition or on the governing board.
  - b. Operates an early childhood education program that:
    - (1) Is approved in accordance with section 15.1-37-01; and
    - (2) Incorporates within its curriculum at least ten hours of research-based parental involvement.
  - c. Has documented the provider's willingness to admit children of all learning abilities into the early childhood education program.

**SECTION 19. AMENDMENT.** Section 15.1-37-06 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-37-06. Receipt and distribution of grants - Notification.**

1. a. The ~~department of commerce~~superintendent of public instruction shall receive applications for and distribute grants under this section to eligible members, including governing board members, of a consortium formed in accordance with section 15.1-37-05, in the amount of two thousand dollars for each child enrolled in a program of early childhood education, if the child is eligible for free lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751, et seq.], and one thousand dollars for each child enrolled in a program of early childhood education, if the child is eligible for reduced lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751, et seq.], provided:
  - (1) The child is a resident of this state;
  - (2) The child has reached four years of age before August first in the year of enrollment; and
  - (3) The program has a duration of at least four hundred hours over a period of at least thirty-two consecutive weeks.
- b. A child enrolled in a federally funded head start program may not be counted for the purpose of determining grant eligibility under this section.
2. a. Once each calendar quarter, at the time and in the manner required by the ~~department of commerce~~superintendent of public instruction, any provider receiving a grant under this section shall forward to the parent of each child receiving services a notice indicating the total amount of the grant that was awarded to the provider for the quarter, the pro rata amount attributable to the parent's child, and the source of the grant. The ~~department of commerce~~superintendent of public instruction shall standardize the notification required by this subdivision.
- b. If a provider fails to meet the notification requirements of this subsection, the ~~department of commerce~~superintendent of public instruction shall reduce the amount of the provider's next grant payment by fifty percent. If a provider fails to meet the notification requirements of this section a second time, the ~~department of commerce~~superintendent of public instruction shall determine that the provider is ineligible to participate in the grant program for a period of one year.

**SECTION 20. AMENDMENT.** Section 15.1-37-08 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-37-08. Data collection - Requirements.**

The superintendent of public instruction, ~~with the advice and consent of the department of commerce,~~ shall implement a uniform system for the accounting, budgeting, and reporting of data by any early childhood education provider to whom or to which grants are distributed in accordance with section 15.1-37-06. Grants may be withheld or forfeited, in whole or in part, if information required in accordance with this section is not submitted at the time or in the manner requested by the superintendent.

**SECTION 21. GRANTS - SPECIAL EDUCATION DEFICIENCY AUTHORIZATION.** If funds provided to the superintendent of public instruction in subdivision 1 of section 1 of this Act for grants - special education, for the biennium beginning July 1, 2019, and ending June 30, 2021, are not sufficient to meet special education contract obligations, the superintendent of public instruction shall request supplemental funding from the sixty-sixth legislative assembly.

**GOVERNOR'S RECOMMENDATION FOR THE NORTH DAKOTA STATE UNIVERSITY  
EXTENSION SERVICE, NORTHERN CROPS INSTITUTE, UPPER GREAT PLAINS  
TRANSPORTATION INSTITUTE, MAIN RESEARCH CENTER, BRANCH RESEARCH  
CENTERS, AND AGRONOMY SEED FARM**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm for the purpose of defraying the expenses of the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

## Subdivision 1.

## NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Extension Service	\$51,188,489	\$1,935,763	\$53,124,252
Soil conservation committee	<u>1,091,520</u>	<u>0</u>	<u>1,091,520</u>
Total all funds	\$52,280,009	\$1,935,763	\$54,215,772
Less estimated income	<u>26,646,689</u>	<u>1,240,295</u>	<u>27,886,984</u>
Total general fund	\$25,633,320	\$695,468	\$26,328,788
Full-time equivalent positions	242.51	0.00	242.51

## Subdivision 2.

## NORTHERN CROPS INSTITUTE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Northern Crops Institute	<u>\$3,642,721</u>	<u>\$160,899</u>	<u>\$3,803,620</u>
Total all funds	\$3,642,721	\$160,899	\$3,803,620
Less estimated income	<u>1,755,830</u>	<u>142,023</u>	<u>1,897,853</u>
Total general fund	\$1,886,891	\$18,876	\$1,905,767
Full-time equivalent positions	12.80	0.00	12.80

## Subdivision 3.

## UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Upper great plains transportation institute	<u>\$22,618,201</u>	<u>(\$196,779)</u>	<u>\$22,421,422</u>

Total all funds	\$22,618,201	(\$196,779)	\$22,421,422
Less estimated income	<u>18,717,068</u>	<u>240,154</u>	<u>18,957,222</u>
Total general fund	\$3,901,133	(\$436,933)	\$3,464,200
Full-time equivalent positions	43.88	0.00	43.88

Subdivision 4.

#### MAIN RESEARCH CENTER

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Main Research Center	\$109,217,936	(\$2,185,887)	\$107,032,049
Total all funds	\$109,217,936	(\$2,185,887)	\$107,032,049
Less estimated income	<u>59,084,828</u>	<u>(1,031,188)</u>	<u>58,053,640</u>
Total general fund	\$50,133,108	(\$1,154,699)	\$48,978,409
Full-time equivalent positions	340.05	0.00	340.05

Subdivision 5.

#### RESEARCH CENTERS

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Dickinson Research Center	\$6,825,551	(\$118,534)	\$6,707,017
Central grasslands research center	3,423,624	(33,939)	3,389,685
Hettinger research center	4,975,133	9,565	4,984,698
Langdon research center	2,964,607	3,810	2,968,417
North central research center	4,953,652	35,851	4,989,503
Williston research center	5,118,890	(1,271)	5,117,619
Carrington research center	<u>9,175,491</u>	<u>270,370</u>	<u>9,445,861</u>
Total all funds	\$37,436,948	\$165,852	\$37,602,800
Less estimated income	<u>20,281,691</u>	<u>525,551</u>	<u>20,807,242</u>
Total general fund	\$17,155,257	(\$359,699)	\$16,795,558
Full-time equivalent positions	109.81	0.00	109.81

Subdivision 6.

#### AGRONOMY SEED FARM

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Agronomy Seed Farm	\$1,536,129	\$35,519	\$1,571,648
Total Special funds	\$1,536,129	\$35,519	\$1,571,648
Full-time equivalent positions	3.00	0.00	3.00

Subdivision 7.

#### BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grant total general fund	\$98,709,709	(\$1,236,987)	\$97,472,722
Grant total other funds	<u>128,022,235</u>	<u>1,152,354</u>	<u>129,174,589</u>
Grand total all funds	\$226,731,944	(\$84,633)	\$226,647,311

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY- SEVENTH-LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Seed Cleaning Plants	\$1,500,000	\$0
Road and bridge asset management system	300,000	0
Junior master gardener program	15,000	0

Extension service web strategy & content re-imaging	0	345,000
Extraordinary repairs	<u>0</u>	<u>1,440,465</u>
Total all funds	\$1,815,000	\$1,785,645
Total other funds	<u>1,700,000</u>	1,440,465
Total general fund	\$115,000	\$345,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The extension service and main research center shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 3. ADDITIONAL INCOME - APPROPRIATION.** In addition to the amount included in the grand total special funds appropriation line item in section 1 of this Act, any other income, including funds from federal acts, private grants, gifts, and donations, or from other sources received by the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, the main research center, branch research centers, and agronomy seed farm, except as otherwise provided by law, is appropriated for the purpose designated in the act, grant, gift, or donation, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. DICKINSON RESEARCH EXTENSION CENTER - MINERAL RIGHTS INCOME.** The Dickinson research extension center may spend up to \$755,000 of revenues received during the 2019-21 biennium from mineral royalties, leases, or easements for ongoing operational expenses. Any revenues received in excess of \$755,000 may be spent only for one-time expenditures for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. WILLISTON RESEARCH EXTENSION CENTER - MINERAL RIGHTS INCOME.** The Williston research extension center shall report to the sixty-seventh legislative assembly on amounts received and spent from mineral royalties, leases, or easements in the biennium beginning July 1, 2017, and ending June 30, 2019 and the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. TRANSFER AUTHORITY.** Upon approval of the state board of agricultural research and education and appropriate branch research center directors, the director of the main research center may transfer appropriation authority within subdivisions 1, 2, 4, and 5 of section 1 of this Act. Any amounts transferred must be reported to the director of the office of management and budget.

**SECTION 7. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** The board of higher education may adjust or increase full-time equivalent positions as needed for the entities in section 1 of this Act, subject to availability of funds. The board shall report any adjustments to the office of management and budget pursuant to this section.

**SECTION 8. UNEXPENDED GENERAL FUND - EXCESS INCOME.** Any unexpended general fund appropriation authority to and any excess income received by entities listed in section 1 of this Act are not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or revenues are available and may be expended by those entities, during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 9. EXEMPTION.** The amounts appropriated for the veterinary diagnostic laboratory and the seed cleaning plants contained in subdivision 4 of section 1 of chapter 20 of the 2017 Sessions Laws, are not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or related revenues are available and may be expended during the biennium beginning July 1, 2019, and ending June 30, 2021.

## GOVERNOR'S RECOMMENDATION FOR THE INFORMATION TECHNOLOGY DEPARTMENT

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the information technology department for the purpose of defraying the

expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$59,359,772	\$36,122,188	\$95,481,960
Operating expenses	73,552,998	66,960,999	140,513,997
Capital assets	17,995,000	24,408,117	42,403,117
Center for distance education	9,079,116	(9,079,116)	0
Statewide longitudinal data system	4,310,561	105,984	4,416,545
Educational technology council	1,121,472	(754,133)	367,339
EduTech	9,752,767	(167,203)	9,585,564
K-12 wide area network	4,534,278	650,175	5,184,453
Geographic information system	1,147,716	1,059,953	2,207,669
Health information technology office	<u>5,315,509</u>	<u>(419,094)</u>	<u>4,896,415</u>
Total all funds	\$186,169,189	\$118,887,870	\$305,057,059
Less estimated income	<u>165,636,855</u>	<u>114,737,452</u>	<u>280,374,307</u>
Total general fund	\$20,532,334	\$4,150,418	\$24,682,752
Full-time equivalent positions	344.30	115.20	459.50

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Electronic payment processing system	\$375,000	0
Health information network expansion	43,555,133	0
GIS - Statewide Land Parcel	0	1,150,000
Statewide Interoperable Radio Network	0	44,000,000
Unified Data Platform	0	1,000,000
ND Gateway	0	6,000,000
Legacy Lift	0	2,000,000
Total all funds	\$43,930,133	\$54,150,000
Less estimated income	<u>43,930,133</u>	<u>54,150,000</u>
Total general fund	\$0	\$0

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The information technology department shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 3. TRANSFERS.** Notwithstanding section 54-16-04, the director of the office of management and budget shall make transfers of funds between line items in section 1 of this Act for the information technology department as may be requested by the chief information officer as determined necessary for the development and implementation of information technology projects.

**SECTION 4. APPROPRIATION.** In addition to the amounts appropriated to the information technology department in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. REPEAL.** Sections 54-59-17 and 54-59-18 of the North Dakota Century Code are repealed.

## GOVERNOR'S RECOMMENDATION FOR THE COMMISSION ON LEGAL COUNSEL FOR INDIGENTS

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, to the commission on legal counsel for indigents for the purpose of defraying the

expenses of the commission on legal counsel for indigents, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Commission on legal counsel	\$19,903,623	\$1,107,636	\$21,011,259
Total all funds	\$19,903,623	\$1,107,636	\$21,011,259
Less estimated income	1,919,747	13,913	1,933,660
Total general fund	\$17,983,876	\$1,093,723	\$19,077,599
Full-time equivalent positions	40.00	0.00	40.00

#### GOVERNOR'S RECOMMENDATION FOR THE RACING COMMISSION

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, to the North Dakota racing commission for the purpose of defraying the expenses of the North Dakota racing commission, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Racing commission	\$542,178	\$28,031	\$570,209
Total all funds	\$542,178	\$28,031	\$570,209
Less estimated income	162,557	3,810	166,367
Total general fund	\$379,621	\$24,221	\$403,842
Full-time equivalent positions	2.00	0.00	2.00

#### GOVERNOR'S RECOMMENDATION FOR THE

#### DEPARTMENT OF ENVIRONMENTAL QUALITY

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state department of environmental quality for the purpose of defraying the expenses of the state department of environmental quality, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$27,040,544	\$2,671,709	\$29,712,253
Operating expenses	8,005,878	2,130,107	10,135,985
Capital assets	1,258,249	1,005,180	2,263,429
Grants	13,407,000	2,454,529	15,861,529
Total all funds	\$49,711,671	\$8,261,525	\$57,973,196
Less estimated income	38,987,520	6,893,583	45,881,103
Total general fund	\$10,724,151	\$1,367,942	\$12,092,093
Full-time equivalent positions	152.50	8.00	160.50

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
EPA lawsuit	\$500,000	
Air pollution program equipment		\$1,040,000
Total all funds	\$500,000	\$1,040,000
Less estimated income	500,000	1,040,000
Total general fund	\$0	\$0

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The state department of environmental quality shall report to the

appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. APPROPRIATION** - In addition to the amounts appropriated to the state department of environmental quality in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. FUNDING TRANSFERS – EXCEPTION – AUTHORIZATION.** Notwithstanding section 54-16-04, the department of environmental quality may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The department shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 5. ENVIRONMENT AND RANGELAND PROTECTION FUND.** The estimated income line item included in section 1 of this Act includes \$250,000, or so much of the sum as may be necessary, to be made available to the state department of environmental quality from the environment and rangeland protection fund, for the biennium beginning July 1, 2019, and ending June 30, 2021. This amount includes \$50,000 for a grant to the North Dakota stockmen's association environmental services program.

**SECTION 6. STRATEGIC INVESTMENT AND IMPROVEMENT FUND.** The estimated income line item included in section 1 of this Act includes \$1,040,000, or so much of the sum as may be necessary, to be made available to the state department of environmental quality from the strategic investment and improvement fund for air pollution program equipment, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. CONTINGENT APPROPRIATION.** Section 1 of this Act includes a contingent appropriation of \$2,288,945, of which \$1,248,945 is from the general fund and \$1,040,000 is a one-time appropriation from the strategic investment and improvement fund; and contingent authority for ten FTE positions effective July 1, 2020 upon the federal environmental protection agency approving the state assuming primacy over the Quad O and Quad Oa federal air pollution programs.

**SECTION 8 AMENDMENT.** Section 23-37 of the North Dakota Century Code is amended and reenacted as follows:

#### **CHAPTER 23.1-37 – PETROLEUM RELEASE REMEDIATION**

**23.1-37-01. Declaration of purpose.** The purpose of this chapter is to establish:

1. A petroleum tank release compensation fund; and
2. A petroleum tank release compensation advisory board authorized to review claims against the fund.

**23.1-37-02. Definitions.**

As used in this chapter, unless the context otherwise requires:

1. "Actually incurred" means, in the case of corrective action expenditures, that the owner, the operator, the landowner, an insurer, or a contractor hired by the owner, operator, or the landlord has expended time and materials and that only that person is receiving reimbursement from the fund. ~~2. "Administrator" means the manager of the state fire and tornado fund.~~
- ~~32.~~ "Board" means the petroleum release compensation board. ~~4. "Commissioner" means the insurance commissioner.~~
- ~~53.~~ "Corrective action" means an action required by the department to minimize, contain, eliminate, remediate, mitigate, or clean up a release, including any remedial emergency measures. The term does not include the repair or replacement of equipment or preconstructed property.

64. "Dealer" means any person licensed by the tax commissioner to sell motor vehicle fuel or special fuels within the state.
75. "Department" means the ~~state department of health~~department of environmental quality.
86. "Fund" means the petroleum release compensation fund.
97. "Location" means a physical address or site that has contiguous properties. Noncontiguous properties within a municipality or other governmental jurisdiction are considered separate locations.
108. "Operator" means any person in control of, or having responsibility for, the daily operation of a tank under this chapter.
119. "Owner" means any person who holds title to, controls, or possesses an interest in the tank before the discontinuation of its use.
1210. "Person" means an individual, trust, firm, joint stock company, federal agency, corporation, state, municipality, commission, political subdivision of a state, or any interstate body. The term also includes a consortium, a joint venture, a commercial entity, and the United States government.
1311. "Petroleum" means any of the following:
- a. Gasoline and petroleum products as defined in chapter 19-10.
  - b. Constituents of gasoline and fuel oil under subdivision a.
  - c. Oil sludge and oil refuse.
1412. "Portable tank" means a storage tank along with its piping and wiring that is not stationary or affixed, including a tank that is on skids.
1513. "Release" means any unintentional spilling, leaking, emitting, discharging, escaping, leaching, or disposing of petroleum from a tank into the environment whether occurring before or after the effective date of this chapter, but does not include discharges or designed venting allowed under federal or state law or under adopted rules.
1614. "Tank" means any one or a combination of containers, vessels, and enclosures, whether aboveground or underground, including associated piping or appurtenances used to contain an accumulation of petroleum. The term does not include:
- a. Tanks owned by the federal government.
  - b. Tanks used for the transportation of petroleum.
  - c. A pipeline facility, including gathering lines, regulated under:
    - (1) The Natural Gas Pipeline Safety Act of 1968.
    - (2) The Hazardous Liquid Pipeline Safety Act of 1979.
    - (3) An interstate pipeline facility regulated under state laws comparable to the provisions of law in paragraph 1 or 2.
  - d. An underground farm or residential tank with a capacity of one thousand one hundred gallons [4163.94 liters] or less or an aboveground farm or residential tank of any capacity used for storing motor fuel for noncommercial purposes. However, the owner of an aboveground farm or residential tank may, upon application, register the tank and be eligible for reimbursement under this chapter.

- e. A tank used for storing heating oil for consumptive use on the premises where stored.
- f. A surface impoundment, pit, pond, or lagoon.
- g. A flowthrough process tank.
- h. A liquid trap or associated gathering lines directly related to oil or gas production or gathering operations.
- i. A storage tank situated in an underground area such as a basement, cellar, mine working, drift, shaft, or tunnel if the storage tank is situated upon or above the surface of the floor.
- j. A tank used for the storage of propane.
- k. A tank used to fuel rail locomotives or surface coal mining equipment.
- l. An aboveground tank used to feed diesel fuel generators. Upon application, the owner or operator of an aboveground tank used to feed diesel fuel generators may register the tank and is eligible for reimbursement under this chapter.
- m. A portable tank.
- n. A tank with a capacity under one thousand three hundred twenty gallons [4996.728 liters] used to store lubricating oil.

4715. "Tank integrity test" means a test to determine that a tank is sound and not leaking. For an underground tank, the term means a certified third-party test that meets environmental protection agency leak detection requirements. For an aboveground tank, the term means a test conducted according to steel tank institute SP 001 or American petroleum institute 653.

4816. "Third party" means a person who is damaged by the act of a registered owner, operator, or dealer requiring corrective action or a person who suffers bodily injury or property damage caused by a petroleum release.

### **23.1-37-03. Petroleum release compensation board.**

The petroleum release compensation advisory board consists of five members appointed by the governor, three of whom are active in petroleum marketing, one of whom is active in the petroleum, crude oil, or refining industry, and one of whom is active in the insurance industry. A member active in petroleum marketing must be appointed from a list of three recommended by the North Dakota retail petroleum marketers association. A member active in the petroleum, crude oil, or refining industry must be appointed from a list of three recommended by the North Dakota petroleum council. A member active in the insurance industry must be appointed from a list of three recommended by the North Dakota professional insurance agents association. Members must be appointed to terms of three years with the terms arranged so that the term of at least one member, but no more than two members, expires June thirtieth of each year. A member shall hold office until a successor is duly appointed and qualified. Each member of the board is entitled to receive sixty-two dollars and fifty cents per diem for each day actually spent in the performance of official duties, plus mileage and expenses as are allowed to other state officers.

### **23.1-37-04. Administration of fund - Staff.**

The ~~administrator~~ department shall administer the fund according to this chapter. The ~~administrator~~ department shall convene the board as may be necessary to keep the board apprised of the fund's general operations. However, the board shall meet at least once each half of each calendar year to review and to advise the ~~administrator~~ department regarding the administration of the fund, the fund's general operations, and to hear and decide denials of claims by the ~~administrator~~ department which may be appealed to the board, and to discuss all claims against the fund. The ~~administrator~~ department may employ any assistance and staff necessary to administer the fund within the limits of legislative

appropriation. A claimant aggrieved by a decision of the ~~administrator~~ department regarding a claim upon the fund may appeal the decision to the board. The board may sustain, modify, or reverse the decision of the ~~administrator~~ department. The claimant or the ~~administrator~~ department may appeal the board's decision to the commissioner. ~~The decision of the commissioner may be appealed under chapter 28-32.~~

#### **23.1-37-05. Adoption of rules.**

The ~~administrator~~ department shall adopt rules regarding the practices and procedures of the fund, the form and procedure for applications for compensation from the fund, procedures for investigation of claims, procedures for determining the amount and type of costs that are eligible for reimbursement from the fund, procedures for persons to perform services for the fund, procedures for appeals to the board by claimants aggrieved by an adverse decision of the ~~administrator~~ department, and any other rules as may be appropriate to administer this chapter.

**23.1-37-06. Release discovery.** If the department has reason to believe a release has occurred, it shall ~~notify the administrator.~~ The department shall direct the owner or operator to take reasonable and necessary corrective actions as provided under federal or state law or under adopted rules.

#### **23.1-37-07. Owner or operator not identified.**

The department may cause legal action to be brought to compel performance of a corrective action if an identified owner or operator fails or refuses to comply with an order of the department, or the department may engage the services of qualified contractors for performance of a corrective action if an owner or operator cannot be identified.

#### **23.1-37-08. Imminent hazard.**

Upon receipt of information that a petroleum release has occurred which may present an imminent or substantial endangerment of health or the environment, the department may take such emergency action as it determines necessary to protect health or the environment.

#### **23.1-37-09. Duty to notify.**

This chapter does not limit any person's duty to notify the department and to take action related to a release. However, payment for corrective actions required as a result of a petroleum release is governed by this chapter.

**23.1-37-10. Providing of information.** Any person whom the ~~administrator~~ or the department has reason to believe is an owner or operator, the owner of real property where corrective action is ordered to be taken, or any person who may have information concerning a release shall, if requested by the ~~administrator~~ or the department, or any member, employee, or agent of the ~~administrator~~ or the department, furnish to the ~~administrator~~ or the department any information that person has or may reasonably obtain that is relevant to the release.

#### **23.1-37-11. Examination of records.**

Any employee of the ~~administrator~~ or the department may, upon presentation of official credentials:

1. Examine and copy books, papers, records, memoranda, or data of any person who has a duty to provide information to the ~~administrator~~ or the department under section 23.1-37-10; and
2. Enter upon public or private property for the purpose of taking action authorized by this section, including obtaining information from any person who has a duty to provide the information under section 23.1-37-10, conducting surveys and investigations, and taking corrective action.

**23.1-37-12. Responsibility for cost.**

The owner or operator is liable for the cost of the corrective action required by the department, including the cost of investigating the releases. This chapter does not create any new cause of action for damages on behalf of third parties for release of petroleum products against the fund or licensed dealers.

**23.1-37-13. Liability avoided.**

No owner or operator may avoid liability by means of a conveyance of any right, title, or interest in real property or by any indemnification, hold harmless agreement, or similar agreement. However, this chapter does not:

1. Prohibit a person who may be liable from entering into an agreement by which the person is insured or is a member of a risk retention group, and is thereby indemnified for part or all of the liability;
2. Prohibit the enforcement of an insurance, hold harmless, or indemnification agreement; or
3. Bar a claim for relief brought by a person who may be liable or by an insurer or guarantor, whether by right of subrogation or otherwise.

**23.1-37-14. Other remedies.**

This chapter does not limit the powers of the ~~administrator~~ or department, or preclude the pursuit of any other administrative, civil, injunctive, or criminal remedies by the ~~administrator~~ or department or any other person. Administrative remedies need not be exhausted in order to proceed under this chapter. The remedies provided by this chapter are in addition to those provided under existing statutory or common law.

**23.1-37-15. Revenue to the fund.**

Revenue from the following sources must be deposited in the state treasury and credited to the fund:

1. Any registration fees collected under section 23.1-37-17;
2. Any money recovered by the fund under section 23.1-37-23, and any money paid under an agreement, stipulation, or settlement;
3. Any interest attributable to investment of money in the fund; and
4. Any money received by the ~~administrator~~ department in the form of gifts, grants, reimbursements, or appropriations from any source intended to be used for the purposes of the fund.

**23.1-37-16. Penalty.**

A tank owner violating section 23.1-37-17 is guilty of a class B misdemeanor unless another penalty is specifically provided.

**23.1-37-17. Registration fee.**

1. An owner or operator of a tank shall pay an annual registration fee of fifty dollars for each aboveground or underground tank owned or operated by that person. If after the fiscal year has been closed and all expenses relating to the fiscal year have been accounted for, the fund balance is less than six million dollars, the annual registration fee of fifty dollars is increased to one hundred dollars. If after the fiscal year has been closed and all expenses relating to the fiscal year have been accounted for, the fund balance is five million five hundred thousand dollars or more and the annual registration fee has been increased to one hundred dollars, the fee must be reduced to fifty dollars. If after the fiscal year has been closed and all expenses relating to the fiscal year have been accounted for, the fund balance exceeds nine million dollars, the annual registration fee is reduced to five dollars.

Annual registration fees must continue at five dollars until the fund balance does not exceed nine million dollars.

2. An owner or operator of an existing tank that is discovered at a location that currently and previously has had tanks registered with the fund shall pay an additional twenty-five dollar penalty fee in addition to the registration fee for each aboveground tank and each underground tank owned or operated by that person for each previous year that the tank was required to be registered for which a fee was not paid. The payment includes the fees and the penalty for the failure to register.
3. An owner or operator of an existing tank at a location that was not previously and continuously registered with the fund, whether the registration was required by law or not must provide the fund with a phase two environmental study conducted by a qualified firm according to American society for testing materials standards. A tank integrity test must also be performed. The environmental study and tank integrity test must be reviewed by the ~~commissioner~~ department along with the application for registration with the fund. If the ~~commissioner~~ department rejects the application, the applicant is denied eligibility to the fund. However, if the site is remediated and the leaking tank is replaced, the applicant may reapply for registration with the fund. A new installation that is using a used tank must provide tank integrity test results for the used tank. Use of a synthetic liner in an aboveground dike system negates the need for a tank integrity test. The owner or operator of a new tank at a new site or a new tank at an existing site that had a tank registered at the site previously need only pay the required fees for registration with the fund.
4. If accepted for registration with the fund, the owner or operator of the tank shall pay an additional twenty-five dollar penalty fee in addition to the registration fee for each aboveground tank and underground tank owned or operated by that person for each previous year that the tank was required to be registered for which a fee was not paid, regardless of ownership in each of those years. The payment includes the fees and the penalty for the failure to register.
5. The registration fees collected under this section must be paid to the ~~fund~~ ~~Administrator~~ department for deposit in the state treasury for the dedicated credit to the petroleum release compensation fund.
6. If a registration payment is not received within sixty days of July first by the ~~Commissioner~~ department, a late fee of twenty-five dollars per tank per month must be imposed on the tank owner or operator.

#### **23.1-37-18. Reimbursement for corrective action.**

1. The ~~administrator~~ department shall reimburse an eligible owner or operator for ninety percent of the costs of corrective action, including the investigation, which are greater than five thousand dollars and less than one million dollars per occurrence and two million dollars in the aggregate. An eligible tank owner or operator may not be liable for more than twenty thousand dollars out-of-pocket expenses for any one release. A reimbursement may not be made unless the ~~administrator~~ department determines that:
  - a. At the time the release was discovered the owner or operator and the tank were in compliance with state and federal rules and rules applicable to the tank, including rules relating to financial responsibility, rules relating to infrastructure compatibility, and all rules relating to health and safety which were in effect at the time of the release;
  - b. The department was given notice of the release as required by federal and state law;
  - c. The owner or operator has paid the first five thousand dollars of the cost of corrective action; and

- d. The owner or operator, to the extent possible, fully cooperated with the department and the administrator in responding to the release.
2. The fund shall compensate third parties for corrective action taken for a petroleum release if the provisions of subdivisions a, b, c, and d of subsection 1 were met at the time the release was discovered. Compensation for third-party corrective action includes compensation for costs incurred in returning the real estate to that level deemed duly remediated by the department.
3. The fund shall reimburse the tank owner, operator, or dealer for bodily injuries to a third party caused by a petroleum release if the provisions of subdivisions a, b, c, and d of subsection 1 were met at the time the release was discovered in an amount determined by:
  - a. Findings reduced to judgment in federal or state district court within the state of North Dakota or such other court having jurisdiction over the matter in a proceeding in which the fund has been made a party;
  - b. Findings by an arbitration panel agreed upon in writing by the parties in a proceeding in which the fund has been made a party; or
  - c. A written settlement entered into by the parties in which the ~~commissioner~~director of the department or the ~~commissioner's~~ department's agent has participated. The settlement must be reviewed and approved by the ~~commissioner~~director of the department.
4. In any civil action against the owner, operator, or dealer for damages resulting from a petroleum release, if the pre-leak condition of real estate is an issue and if there is no reasonable means of determining the pre-leak condition of real estate, the condition is that which exists at the time the department determines the real estate has been duly remediated.
5. The fund may not compensate for attorney's fees of owners, operators, or dealers, nor may the fund compensate for exemplary damages, criminal fines, or administrative penalties.
6. A third party accepting monetary compensation directly from the fund for damages due to a release caused by a tank owner, operator, or dealer covered by the fund is deemed to have waived any cause of action against the fund or against the tank owner, operator, or dealer.
7. The fund shall reimburse the department for all costs, attorney's fees, and other legal expenses relating to administrative and adjudicative proceedings under this chapter and any subsequent legal proceeding. Any monies reimbursed must be deposited in the department's operating fund in the state treasury and must be spent subject to appropriation by the legislative assembly.

#### **23.1-37-19. Application for reimbursement.**

Any owner or operator who is a first-party claimant who proposes to take corrective action or has undertaken corrective action in response to a release, the time of such release being unknown, may apply to the ~~administrator~~department for partial or full reimbursement under section 23.1-37-18. An owner or operator who is a first-party claimant may be reimbursed only for costs incurred after July 1, 1989, even if the releases were discovered before July 1, 1989, up to the maximum of twenty-five thousand dollars per location.

#### **23.1-37-20. Administrator Department to determine costs.**

A reimbursement for corrective actions taken by an owner, operator, or dealer may not be made from the fund until the ~~administrator~~department has determined that the costs for which reimbursement is requested were actually incurred and were reasonable. All necessary loss adjustment expenses must be included as a component of the loss and must be paid out of the fund.

**23.1-37-21. Liability of responsible person.** The right to apply for reimbursement and the receipt of reimbursement does not limit the liability of an owner or operator for damages or costs incurred as the result of a release.

**23.1-37-22. Reimbursement not subject to attachment.**

The amount of reimbursement to be paid for corrective action that was done by a third party is not subject to legal process or attachment if actually paid to a third party who performed the corrective action.

**23.1-37-23.1. Recovery of expenses.**

Any reasonable and necessary expenses incurred by the fund, which exceed the coverage limits provided by section 23.1-37-18, in taking a corrective action, including costs of investigating a release, and in taking legal actions may be recovered in a civil action in district court brought by the ~~administrator~~department against an owner or operator. The certification of expenses by an approved agent of the fund is prima facie evidence that the expenses are reasonable and necessary. Any expenses that are recovered under this section must be deposited in the fund.

**23.1-37-24. Costs exceeding reimbursement.**

If the cost of any extraordinary authorized action under this chapter exceeds amounts awarded to the ~~administrator or the~~ department from the federal government, the ~~administrator~~department may pay the department's ~~the cost of the~~ corrective actions costs, including the cost of investigating a release, if the board finds that the cause was a petroleum substance, that an adequate amount exists in the fund to pay for the corrective action, that the occurrence was extraordinary in scope and size, and that a danger to the health and safety of citizens exists.

**23.1-37-25. Coordination of benefits.**

If an owner or operator has an insurance policy that provides the same coverage as the fund, the ~~administrator of the fund~~department shall pay the share of the covered loss or damage for which the fund is responsible. The share that must be paid from the fund is equal to the proportion that the applicable limit of coverage under the fund bears to the limits of insurance of all insurance coverage on the same basis.

**23.1-37-26. Third-party damages - Participation in actions and review of settlements.**

1. An owner or operator who is sued for damages resulting from a release shall notify the ~~administrator~~department within fourteen days of being served with a summons and complaint. The owner or operator shall also advise the ~~administrator~~department if any insurer is defending the owner or operator and provide to the ~~administrator~~department the name of that insurer.
2. An owner or operator who, before litigation, enters into negotiations with a third party who claims to have been damaged by a release, or who receives a demand for payment of damages to a third party who claims to have been damaged by a release, shall notify the ~~administrator~~department within fourteen days of the demand or the negotiations.
3. The ~~administrator~~department and the board shall review the conduct of any litigation or negotiation. The ~~administrator~~department may not assume any legal costs incurred by the defendant or plaintiff, but may participate in discovery, trial proceedings, or settlement negotiations of either disputed liability or damages that bear on the determination of a plaintiff's damages.
4. The ~~administrator~~department and the board shall review any settlement negotiations to determine the dollar amount of bodily injury or property damage actually, necessarily, and reasonably incurred by third parties which, if paid by the defendant, would be considered eligible costs.

**23.1-37-27. Third-party damages - Documentation.**

1. An applicant's payments for third-party damages pursuant to a judgment entered in a court must include copies of the notice of entry of judgment and abstract of costs.
2. An applicant's payments for third-party damages made by agreement in settlement of litigation must include copies of the settlement agreement and such supporting documents as may be required by the administratordepartment.
3. An applicant's payments for third-party damages made by agreement without reference to litigation must include copies of the settlement and such supporting documents as may be required by the administratordepartment.
4. The administratordepartment and the board may require a third party who claims bodily injury to be examined by a physician and require that the physician's report be submitted to the administratordepartment. The administratordepartment may require a third party who claims property damage to permit a property appraiser or claims adjuster retained by the administratordepartment to inspect the property and report to the administratordepartment.
5. The fund shall pay a judgment against an owner, operator, or dealer awarded to a third party as a result of a third-party claim and property damage against an owner, operator, or dealer registered by the fund.
6. The fund shall pay for corrective action as awarded to a third party in any judgment against an owner, operator, or dealer.
7. Liability of the tank owner, operator, dealer, or fund to third parties for corrective action or personal injuries and property damage may not exceed, per person, one million dollars. Maximum liability of the fund, including all claims by third parties, may not exceed, for any release site, the maximum provided in section 23.1-37-18.
8. A third party may not bring an action against any owner, operator, or dealer more than three years after a corrective action plan has been approved by the department if the owner, operator, or dealer fully implements and complies with the corrective action plan.
9. In investigating a release site or reviewing the implementation of any corrective action plan approved by the department, the department shall determine whether the release currently threatens public health or the environment. The department shall require, based on science and technology appropriate for the site, any monitoring, remediation, or other appropriate corrective action that is reasonably necessary to protect public health or the environment. The department may require corrective action at a release site at any time after a release occurs.

**23.1-37-28. Matching federal funds.**

The administratordepartment and the board may annually allow the department a ten percent matching grant for federal leaking underground storage tank funds to be paid out of the fund if the moneys are available and the administratordepartment and the board determine the allowance appropriate.

**23.1-37-29. Fund appropriations.**

Money in the fund is continuously appropriated to the administratordepartment for the purpose of making reimbursements under this chapter.

**23.1-37-30. Investment of fund.**

Investment of the fund is under the supervision of the state investment board in accordance with chapter 21-10. The commissionerdepartment may purchase a contract for reinsurance of any risk to be paid by the fund. The administratordepartment may investigate the purchase of insurance that reimburses an owner or operator for property damage claims by third parties other than claims for costs of corrective action.

**GOVERNOR'S RECOMMENDATION FOR THE DEPARTMENT OF VETERANS' AFFAIRS**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of veterans' affairs for the purpose of defraying the expenses of the department of veterans' affairs, for the biennium beginning July 1, 2019 and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Veterans' affairs	\$1,168,015	\$176,140	\$1,344,155
Transport vans	18,600	0	18,600
Contingent Service Dogs	50,000	0	50,000
State Approving Agency	271,998	16,126	288,124
Grants – Transportation Program	<u>1,719,520</u>	<u>(919,520)</u>	<u>800,000</u>
Total all funds	\$3,228,133	(\$727,254)	\$2,500,879
Less estimated Income	<u>2,091,571</u>	<u>(1,003,447)</u>	<u>1,088,124</u>
Total general fund	\$1,136,562	\$276,193	\$1,412,755
Full-time equivalent positions	7.00	0.00	7.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Transport Vans	\$18,600	\$0
Loan and Grant Position	0	140,000
Grants Database Enhancement	0	7,500
Total general fund	\$18,600	\$147,500

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The department of veterans' affairs shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**GOVERNOR'S RECOMMENDATION FOR THE GOVERNOR**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the office of the governor for the purpose of defraying the expenses of the office of the governor, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$3,422,574	\$254,157	\$3,676,731
Governor's Salary	265,928	(186,044)	79,884
Operating expenses	298,456	209,792	508,248
Contingencies	10,000	0	10,000
Transition In	0	15,000	15,000
Transition Out	0	50,000	50,000
Roughrider awards	<u>10,800</u>	<u>0</u>	<u>10,800</u>
Total general fund	\$4,007,758	\$342,905	\$4,350,663
Full-time equivalent positions	18.00	0.00	18.00

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Governor's transition lines	\$0	\$65,000
Boards and Commissions IT Project	0	139,808
Total general fund	\$0	\$204,808

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The governor's office shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. APPROPRIATION - GOVERNOR'S OFFICE.** In addition to the amounts appropriated to the governor's office in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. FUNDING TRANSFERS – EXEPTION – AUTHORIZATION.** Notwithstanding section 54-16-04, the governor's office may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The governor's office shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section

**SECTION 5. AMENDMENT.** Section 54-07-04 of the North Dakota Century Code is amended and reenacted as follows:

**54-07-04. Salary of governor.**

The annual salary of the governor is ~~one hundred thirty two thousand nine hundred sixty four dollars through June 30, 2018 and one hundred thirty eight thousand two hundred eighty two dollars through June 30, 2020 and one hundred forty one thousand forty eight dollars thereafter.~~

**SECTION 6. AMENDMENT.** Section 54-08-03 of the North Dakota Century Code is amended and reenacted as follows:

**54-08-03. Salary of lieutenant governor.**

The annual salary of the lieutenant governor is ~~one hundred three thousand two hundred twenty one dollars through June 30, 2018 and one hundred seven thousand three hundred fifty dollars through June 30, 2020 and one hundred nine thousand four hundred ninety seven dollars thereafter.~~

**GOVERNOR'S RECOMMENDATION FOR THE SECRETARY OF STATE**

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

Subdivision 1.

SECRETARY OF STATE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,652,764	\$357,115	\$5,009,879
Operating expenses	2,711,018	1,098,535	3,809,553
Petition review	8,000	0	8,000
Election reform	<u>1,192,655</u>	<u>10,610,500</u>	<u>11,803,155</u>
Total all funds	\$8,564,437	\$12,066,150	\$20,630,587
Less estimated income	<u>3,044,155</u>	<u>12,188,886</u>	<u>15,233,041</u>
Total general fund	\$5,520,282	\$(122,736)	\$5,397,546
Full-time equivalent positions	32.00	0.00	32.00

Subdivision 2.

SECRETARY OF STATE - PUBLIC PRINTING

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Public printing	\$288,450	\$(31,172)	\$257,278
Total general fund	\$288,450	\$(31,172)	\$257,278

Subdivision 3.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$5,808,732	\$(153,908)	\$5,654,824
Grand total special funds	3,044,155	12,188,886	15,233,041
Grand total all funds	\$8,852,887	\$12,034,978	\$20,887,865

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Voting System and E-Poll Books	\$0	\$11,000,000
Total general fund	\$0	\$0

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The secretary of state shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. AMENDMENT.** Section 54-09-05 of the North Dakota Century Code is amended and reenacted as follows:

**54-09-05. Salary of secretary of state.**

The annual salary of the secretary of state is ~~one hundred five thousand seven hundred seventy dollars through June 30, 2018 and one hundred ten thousand and one dollars through June 30, 2020 and one hundred twelve thousand two hundred one dollars~~ thereafter.

**SECTION 4. AMENDMENT - GENERAL SERVICES OPERATING FUND.** Section 54-09-08 of the North Dakota Century Code is amended and reenacted as follows:

The secretary of state's general services operating fund is a special fund in the state treasury. Moneys in the fund are to be used pursuant to legislative appropriations for the provision of services under section 16.1-02-15, subsection 4 of section 41-09-94, subsection 5 of section 41-09-96, subsection 7 of section 54-09-04, and sections 10-35-33, 54-09-10, and 54-09-11. ~~At the close of each biennium, the secretary of state shall transfer any unobligated balance remaining in the fund exceeding seventy five thousand dollars to the general fund.~~

**SECTION 5. AMENDMENT. FEES.** Section 54-09-11 of the North Dakota Century Code is amended and reenacted as follows:

1. The secretary of state shall establish fees for any programming charges specifically incurred to provide information requested by persons which is related to the central indexing system and for other services provided through the computerized system.
2. A fee may not be required for furnishing information on a verbal request pursuant to subsection 3 of section 54-09-10, and the fee for furnishing a certificate under subsection 3 of section 54-09-10 is fifteen dollars.
3. ~~The secretary of state shall establish the fee for furnishing lists from the central indexing system based on actual costs to produce the lists for distribution. For preparing any listing or compilation of any information recorded or filed in the office of the secretary of state, forty dollars for each record type requested. Unless otherwise agreed to by the secretary of state, the information must be provided in~~

an electronic format. If provided in a paper format, an additional fee of fifty cents per page may be charged.

4. Fees collected by the secretary of state under this section, under subsection 4 of section 41-09-94, and subsection 5 of section 41-09-96, and ~~ten~~ twenty dollars from each filing entered into the central indexing system must be deposited in the secretary of state's general services operating fund. ~~Fees collected by the secretary of state under this section must be used for the programming and maintenance of the central index system information technology systems administered by the secretary of state.~~
5. ~~The secretary of state shall pay ten dollars to the county recorder of the county of residence for the first debtor listed on each statement filed pursuant to section 35-13-02, 35-17-04, 35-20-16, 35-30-02, 35-31-02, or 41-09-72. The payment must be made monthly from the general fund in the state treasury.~~

**SECTION 6. SPECIAL FUNDS TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The less estimated income line item in section 1 of this Act includes the sum of \$8,000,000, or so much of the sum as may be necessary, from the strategic investment and improvements fund which may be transferred at the direction of the secretary of state for a state wide voting system and e-poll book projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. EXEMPTION.** Any unexpended funds from the technology project in section 2 of chapter 36 of the 2015 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be expended during the biennium beginning July 1, 2019 and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE ATTORNEY GENERAL

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the attorney general for the purpose of defraying the expenses of the attorney general, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$40,979,043	\$3,544,799	\$44,523,842
Operating Expenses	15,477,281	647,141	16,124,422
Capital Assets	2,742,372	373,084	3,115,456
Grants	2,290,000	2,128,440	4,418,440
Litigation Fees	150,000	-	150,000
Intellectual Property Attorney	426,924	25,512	452,436
Abortion Litigation Fees	-	-	-
Medical Examinations	660,000	-	660,000
North Dakota Lottery	5,336,797	(119,541)	5,217,256
Arrest and Return of Fugitives	10,000	-	10,000
Gaming Commission	7,490	(1)	7,489
Criminal Justice Information Sharing	3,386,645	258,248	3,644,893
Law Enforcement	2,901,608	110,225	3,011,833
SAVIN Cost-Share Program	-	-	-
Total all funds	\$74,368,160	\$6,967,907	\$81,336,067
Less estimated income	<u>29,797,320</u>	<u>7,327,921</u>	<u>37,125,241</u>
Total general fund	\$44,570,840	(\$360,014)	\$44,210,826
Full-time equivalent positions	237.00	0.00	237.00

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium:

One-Time Funding Description	2017-19	2019-21
SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0

Grants for domestic violence and rape crisis	150,000	0
DAPL-salaries	200,000	0
Court-ordered payments to bankruptcy estate	15,872,000	0
Enhancement to SAVIN	500,000	0
Undercover vehicle replacement	-	300,000
Criminal history improvement project	-	400,000
CJIS portal improvement	-	50,000
CJIS broker implementation	-	50,000
AFIS replacement	-	316,000
CJIS common statute table	=	40,000
Total all funds	\$17,417,000	\$1,156,000
Total special funds	<u>17,317,000</u>	<u>856,000</u>
Total general fund	\$100,000	\$300,000

#### **SECTION 5. ATTORNEY GENERAL REFUND TRANSFER TO THE GENERAL FUND -**

**EXEMPTION.** Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2019.

**SECTION 6. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

##### **54-12-11. Salary of attorney general.**

The annual salary of the attorney general is ~~one hundred fifty-two thousand four hundred thirty-six dollars through June 30, 2016~~ one hundred sixty-three thousand two hundred eighty-nine dollars through June 30, 2020, and ~~one hundred fifty-seven thousand nine-dollars~~ one hundred sixty-six thousand five hundred fifty-five dollars thereafter.

**SECTION 7. AMENDMENT.** Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

##### **53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.**

There is established within the state treasury the lottery operating fund into which must be

deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:

- a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the compulsive gambling prevention and treatment fund;
- b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;
- c. Starting July 1, ~~2007~~2019, ~~one hundred five thousand six hundred twenty five dollars~~ two hundred thousand dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and
- d. The balance of the net proceeds, less holdback of any reserve funds the director may need for continuing operations, must be transferred to the state treasurer on at least an annual basis for deposit in the state general fund.

**SECTION 8. ADDITIONAL INCOME - APPROPRIATION - REPORT.** In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

**SECTION 9. CRIMINAL HISTORY RECORD CHECKS - FEES.** Any person or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE STATE AUDITOR

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state auditor for the purpose of defraying the expenses of the state auditor, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$11,767,312	\$351,379	\$12,118,691
Operating expenses	1,142,783	29,037	1,171,820
Information technology consultants	<u>0</u>	<u>450,000</u>	<u>450,000</u>
Total all funds	\$12,910,095	\$830,416	\$13,740,511
Less estimated income	<u>3,411,487</u>	<u>508,266</u>	<u>3,919,753</u>
Total general fund	\$9,498,608	\$322,150	\$9,820,758
Full-time equivalent positions	56.00	0.00	56.00

**SECTION 2. AMENDMENT.** Section 54-10-10 of the North Dakota Century Code is amended and reenacted as follows:

#### 54-10-10. Salary of state auditor.

The annual salary of the state auditor is ~~one hundred two thousand six hundred eighty nine dollars through June 30, 2016, and one hundred five thousand seven hundred seventy dollars~~ one hundred ten thousand one dollars through June 30, 2018, and one hundred twelve thousand two hundred one dollars thereafter.

#### GOVERNOR'S RECOMMENDATION FOR THE STATE TREASURER

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury not otherwise appropriated, to the state treasurer for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,316,139	\$68,671	\$1,384,810
Operating expenses	251,260	(59,031)	192,229
Coal severance payments	<u>180,000</u>	<u>(9,000)</u>	<u>171,000</u>
Total general fund	\$1,747,399	\$640	\$1,748,039
Full-time equivalent positions	7.00	0.00	7.00

**SECTION 2. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is amended and reenacted as follows:

**54-11-13. Salary of state treasurer.**

The annual salary of the state treasurer is ninety-six thousand nine hundred seventy-two dollars through June 30, 2016, and ninety-nine thousand eight hundred eighty-one one hundred three thousand eight hundred seventy six dollars through June 30, 2018 and one hundred five thousand nine hundred fifty four dollars thereafter.

**GOVERNOR'S RECOMMENDATION FOR THE TAX COMMISSIONER**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the tax commissioner for the purpose of defraying the expenses of the tax commissioner and paying the state reimbursement under the homestead tax credit and disabled veterans credit, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$21,724,004	\$1,516,129	\$23,240,133
Operating expenses	6,749,295	363,165	7,112,460
Capital assets	6,000	0	6,000
Homestead tax credit	14,800,000	1,000,000	15,800,000
Disabled veterans credit	<u>8,110,200</u>	<u>300,000</u>	<u>8,410,200</u>
Total all funds	\$51,389,499	\$3,179,294	\$54,568,793
Less estimated income	<u>125,000</u>	<u>0</u>	<u>125,000</u>
Total general fund	\$51,264,499	\$3,179,294	\$54,443,793
Full-time equivalent positions	133.00	(10.00)	123.00

**SECTION 2. LINE ITEM TRANSFERS – 2019-21 BIENNIUM.** The state tax commissioner may transfer between the homestead tax credit and disabled veterans credit line items in section 1 of this Act if one line item does not have sufficient funds available for state reimbursement of eligible tax credits. The state tax commissioner shall notify the office of management and budget of any transfers made pursuant to this section.

**SECTION 3. TRANSFER.** There is transferred to the general fund in the state treasury out of motor vehicle fuel tax revenue collected pursuant to section 57-43.1-02, the sum of \$1,991,024 for the purpose of reimbursing the general fund for expenses incurred in the collection of the motor vehicle fuels and special fuels taxes and the administration of these taxes for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. AMENDMENT.** Section 57-01-04 of the North Dakota Century Code is amended and reenacted as follows:

**57-01-04. Salary.**

The annual salary of the state tax commissioner is ~~one hundred eleven thousand four hundred forty eight dollars through June 30, 2016, and one hundred nineteen thousand three hundred eighty-three dollars through June 30, 2020, and one hundred fourteen thousand seven hundred ninety one dollars~~ one hundred twenty-one thousand seven hundred seventy dollars thereafter.

**GOVERNOR'S RECOMMENDATION FOR THE LABOR COMMISSIONER**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of labor and human rights for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$2,414,984	\$84,680	\$2,499,664
Operating Expenses	<u>328,918</u>	<u>71,167</u>	<u>400,085</u>
Total all funds	\$2,743,902	\$155,847	\$2,899,749
Less estimated income	<u>555,115</u>	<u>(314,988)</u>	<u>240,127</u>
Total general fund	\$2,188,787	\$470,835	\$2,659,622
Full-time equivalent positions	14.00	(0.00)	14.00

**SECTION 2. APPROPRIATION.** In addition to the amounts appropriated to the department of labor and human rights in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. TRANSFER. TRANSFER.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 4. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY- SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Electronic payment processing system	\$0	\$69,659
Total all funds	\$0	\$69,659
Less estimated income	<u>0</u>	<u>0</u>
Total general fund	\$0	\$69,659

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of labor and human rights shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019 and ending June 30, 2021.

#### **GOVERNOR'S RECOMMENDATION FOR THE PUBLIC SERVICE COMMISSION**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the public service commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$9,197,284	\$405,104	\$9,602,388
Operating expenses	1,829,826	(60,653)	1,769,173
Capital assets	10,000	0	10,000
Grants	20,000	0	20,000
Abandoned mined lands contractual	6,000,000	0	6,000,000
Rail rate complaint case	900,000	(109,046)	790,954
Railroad safety program	564,668	62,818	627,486
Specialized legal services	<u>94,000</u>	<u>336,000</u>	<u>430,000</u>
Total all funds	\$18,615,778	\$634,223	\$19,250,001
Less estimated income	<u>11,985,016</u>	<u>530,149</u>	<u>12,515,165</u>

Total general fund	\$6,630,762	\$104,074	\$6,734,836
Full-time equivalent positions	45.00	(1.00)	44.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Specialized legal services	<u>\$436,000</u>	<u>\$336,000</u>
Total all funds	\$436,000	\$336,000
Total special funds	<u>436,000</u>	<u>336,000</u>
Total general fund	\$0	\$0

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The public service commission shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. TRANSFER AND REPAYMENT - BEGINNING FARMER REVOLVING LOAN FUND.** The Bank of North Dakota shall transfer from the beginning farmer revolving loan fund to the public service commission the sum of \$790,954, or so much of the sum as may be necessary, included in the estimated income line item in section 1 of this Act to pay for costs associated with a rail rate complaint case. Transfers must be made during the biennium beginning July 1, 2019, and ending June 30, 2021, upon order of the commission. If any amounts are spent pursuant to this section, the public service commission shall reimburse the beginning farmer revolving loan fund using amounts available from damages or proceeds received, net of legal fees, from a successful outcome of a rail complaint case.

**SECTION 4. AMENDMENT.** Section 49-01-05 of the North Dakota Century Code is amended and reenacted as follows:

**49-01-05. Salary of commissioners.**

The annual salary of a commissioner is ~~one hundred eight thousand six hundred fifty-six dollars through June 30, 2018, one hundred thirteen thousand two dollars through June 30, 2020 and one hundred fifteen thousand two hundred sixty two dollars, thereafter.~~ All fees received or charged by any commissioner for any act or service rendered in any official capacity must be accounted for and paid over by the commissioner monthly to the state treasurer and must be credited to the general fund of the state.

**SECTION 5. AMENDMENT.** Section 57-43.2-19 of the North Dakota Century Code is amended and reenacted as follows:

**57-43.2-19 (Effective July 1, 2019 through June 30, 2021) Transfer, deposit, and distribution of funds.** All taxes, license fees, penalties, and interest collected under this chapter must be transferred to the state treasurer who shall deposit moneys in the highway tax distribution fund, except fuels excise taxes, collected on sales of diesel fuels to a railroad under section 57-43.2-03 of up to two hundred eighty-five thousand dollars per year must be transferred to the state treasurer who shall deposit the moneys in the rail safety fund. The highway tax distribution fund must be distributed in the manner as prescribed by section 54-27-19.

**GOVERNOR'S RECOMMENDATION FOR THE AGRICULTURE COMMISSIONER**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the agriculture commissioner for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
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Salaries and wages	\$12,372,949	\$147,867	\$12,520,816
Operating Expenses	7,444,336	(297,527)	6,146,809
Capital Assets	13,000	2,000	15,000
Grants	10,437,774	(1,904,000)	8,413,774
Board of Animal Health	869,618	(113,900)	755,718
Wildlife Services	1,408,000	9,400	1,417,400
Pipeline reclamation	200,000	0	200,000
Crop Harmonization Board	75,000	0	75,000
Total all funds	\$32,820,677	(\$2,156,160)	\$29,544,517
Less estimated income	23,707,676	(2,011,655)	20,576,021
Total general fund	\$9,113,001	(\$144,505)	\$8,968,496
Full-time equivalent positions	73.00	(2.00)	71.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
National genomics center	\$120,000	\$0
Federal environmental law impact review	1,000,000	0
Master customer database	0	110,000
Total all funds	\$1,120,000	\$110,000
Total special funds	1,120,000	0
Total general fund	\$0	\$110,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The agriculture commissioner shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 3. TRANSFER - ENVIRONMENT AND RANGELAND PROTECTION FUND - MINOR USE PESTICIDE FUND.** The agriculture commissioner shall transfer \$325,000 from the environment and rangeland protection fund to the minor use pesticide fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION FUND.** The estimated income line item in section 1 of this Act includes the sum of \$6,357,407, or so much of the sum as may be necessary, from the environment and rangeland protection fund for the purpose of defraying the expenses of various department of agriculture programs, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. ESTIMATED INCOME - GAME AND FISH FUND.** The estimated income line item in section 1 of this Act includes the sum of \$615,480, or so much of the sum as may be necessary, from the game and fish department operating fund for the purpose of defraying the expenses of various department of agriculture programs, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. ESTIMATED INCOME - STATE WATER COMMISSION - TRANSFER.** The estimated income line item in section 1 of this Act includes the sum of \$125,000 which the state water commission shall transfer to the agriculture commissioner for the wildlife services program, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. ESTIMATED INCOME - PIPELINE RESTORATION AND RECLAMATION.** The estimated income line item in section 1 of this Act includes the sum of \$200,000 from the abandoned oil and gas well plugging and site reclamation fund for the purpose of defraying the expenses of the pipeline restoration and reclamation program, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 8. AMENDMENT.** Section 4-01-21 of the North Dakota Century Code is amended and reenacted as follows:

**4-01-21. Salary of agriculture commissioner.**

The annual salary of the agriculture commissioner is ~~one hundred eight thousand six hundred fifty six dollars through June 30, 2019 and~~ one hundred thirteen thousand two dollars through June 30, 2020 and one hundred fifteen thousand two hundred sixty-two dollars thereafter.

**GOVERNOR'S RECOMMENDATION FOR THE INSURANCE COMMISSIONER**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the insurance commissioner for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$8,549,567	(\$253,802)	\$8,295,765
Operating expenses	<u>2,179,777</u>	<u>48,336</u>	<u>2,228,113</u>
Total special funds	\$10,729,344	(\$205,466)	\$10,523,878
Full-time equivalent positions	46.00	(2.00)	44.00

**SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the insurance tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$15,064,086 or so much of the sum as may be necessary, to the insurance commissioner for the purpose of providing payments, in accordance with provisions of section 18-04-05, to North Dakota fire departments in the amount of \$14,113,086 and payments to the North Dakota firefighter's association in the amount of \$951,000 for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. FIRE AND TORNADO FUND.** Section 1 of this Act includes \$660,804 from the state fire and tornado fund to pay fire and tornado fund administrative expenses, and \$893,509 to pay boiler inspection program expenses for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. UNSATISFIED JUDGMENT FUND.** Section 1 of this Act includes \$28,390 from the state unsatisfied judgment fund to pay unsatisfied judgment fund administrative expenses for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-01-09. Salary of commissioner.**

The annual salary of the commissioner is ~~one hundred five thousand seven hundred eighty dollars through June 30, 2019 and~~ one hundred ten thousand and one dollar through June 30, 2020 and one hundred twelve thousand two hundred and one dollar thereafter.

**SECTION 7. AMENDMENT.** Section 26.1-21-03 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-21-03. Commissioner may employ assistants.**

The commissioner may employ assistants or contract for the services of assistants using money from the reserve fund of the state bonding fund as may be necessary to operate the fund.

**SECTION 8. AMENDMENT.** Section 26.1-22-03 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-22-03. Employment of assistants - Expenditures from fund.**

To carry out this chapter, the commissioner may utilize any information on file in the state fire marshal's department and any of the employees of the commissioner and the commissioner may employ necessary assistants or contract for the services of assistants.

from the North Dakota insurance reserve fund using money from the reserves of the fund and incur necessary expenses that may be paid from the reserves of the fund.

**SECTION 9. AMENDMENT.** Subsection 2 of section 26.1-01-07 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-01-07. Fees chargeable by commissioner.**

1. The commissioner shall charge and collect the following fees:
  - a. For filing articles of incorporation, or copies, or amendments thereof, twenty-five dollars.
  - b. For each original certificate of authority issued upon admittance and for each annual renewal thereof, one hundred dollars and for amendment to certificate of authority, or certified copy thereof, fifty dollars.
  - c. For issuing an annual reciprocal exchange license, the same fees as those applicable to the issuance of a certificate of authority in subsection 2.
  - d. For filing an annual report of a fraternal benefit society, and issuing a license or permit to the society, and for each renewal thereof, one hundred dollars.
  - e. For filing of articles of merger, or copies thereof, thirty dollars.
  - f. For filing an annual statement, twenty-five dollars.
  - g. For filing the abstract of the annual statement of an insurance company for publication, thirty dollars.
  - h. For an official examination, the expenses of the examination at the rate adopted by the department. The rates must be reasonably related to the direct and indirect costs of the examination, including actual travel expenses, including hotel and other living expenses, compensation of the examiner and other persons making the examination, and necessary attendant administrative costs of the department directly related to the examination and must be paid by the examined insurer together with compensation upon presentation by the department to the insurer of a detailed account of the charges and expenses after a detailed statement has been filed by the examiner and approved by the department.
  - i. For issuing a certificate to a domestic insurance company showing a compliance with the compulsory reserve provisions of this title and the maintenance of proper security deposits and for any renewal of the certificate, twenty-five dollars.
  - j. For a written licensee's examination not administered by the office of the commissioner under a contract with a testing service, the actual cost of the examination, subject to approval of the commissioner, which must be paid to the testing service.
  - k. For issuing a surplus lines insurance producer's or insurance consultant's license, one hundred dollars. For each annual renewal of a surplus lines insurance producer's or insurance consultant's license, twenty-five dollars.
  - l. For issuing an insurance producer's license, one hundred dollars.
  - m. For issuing a duplicate of any license or registration issued under this title, ten dollars.
  - n. For each insurance company appointment and renewal of an appointment of an insurance producer, ten dollars.

- o. For each company application for admission, five hundred dollars, except applications for admission for county mutual, fraternal benefit, and surplus lines companies must be one hundred dollars.
  - p. For issuing a license and each annual renewal of a license to an insurance premium finance company, one hundred dollars.
  - q. For examining or investigating an insurance premium finance company, the actual expense and per diem incurred; but the per diem charge may not exceed fifty dollars.
  - r. For issuing and each annual renewal of a license to an advisory organization, fifty dollars.
  - s. For filing an individual insurance producer licensing continuation, twenty-five dollars.
2. Nonprofit health service corporations and health maintenance organizations are subject to the same fees as any other insurance company. County mutual insurance companies and benevolent societies are liable only for the fees mentioned in subdivisions b, f, g, and k h of subsection 1.

**SECTION 6. AMENDMENT.** Section 26.1-23.1-01 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-23.1-01. Government self-insurance pools - Regulation - Reinsurance.**

1. Any two or more entities that have united to self-insure against their legal liability under chapter 32-12.1 or any state agency that unites with another state agency or political subdivision, or both, to self-insure against their legal liabilities are subject to the provisions of this chapter with the exception of a city and its park district established pursuant to chapter 40-49. Government self-insurance pools may only provide coverage of the following types for pool members, their officers, employees, and agents:
- a. Casualty insurance, including general, public officials, and professional liability coverages.
  - b. Automobile insurance, including motor vehicle liability insurance coverage, security for motor vehicles owned or operated as required by chapter 26.1-41, and protection against other liability and laws associated with the ownership of motor vehicles and automobile physical damage coverages.
  - c. Property insurance, including inland marine coverage, money and securities coverage, and extra expense coverage. However, this subdivision does not authorize government self-insurance pools to write those types of insurance coverages offered by the state fire and tornado fund under the provisions of chapter 26.1-22 as they existed on December 31, 1988, unless a government self-insurance pool enters into a contract with the commissioner to provide services for the state fire and tornado fund under the provisions of 26.1-22-03.
  - d. Other coverages authorized by the commissioner and necessary to a pool's membership.
2. A government self-insurance pool may not expose itself to loss on any single risk or hazard in an amount exceeding ten percent of the amount of its admitted assets unless the pool obtains excess insurance or reinsurance with insurance companies approved for such business by the insurance commissioner.

**GOVERNOR'S RECOMMENDATION FOR THE SECURITIES COMMISSION**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the securities department special fund in the state treasury, not otherwise appropriated, and from special funds derived

from other income, to the securities department of the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,848,667	\$347,115	\$2,195,782
Operating expenses	<u>506,047</u>	<u>23,514</u>	<u>529,561</u>
Total all funds	\$2,354,714	\$370,629	\$2,725,343
Less estimated income	<u>170,000</u>	<u>0</u>	<u>170,000</u>
Total general fund	\$2,184,714	\$370,629	\$2,555,343
Full-time equivalent positions	9.00	1.00	10.00

**SECTION 2 LINE ITEM TRANSFER.** Notwithstanding section 54-16-04, the securities department may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The securities department shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 3. APPROPRIATION -** In addition to the amounts appropriated to the securities department in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE DEPARTMENT OF HUMAN SERVICES

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of human services for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

Subdivision 1.

#### MANAGEMENT

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$26,280,139	\$(5,888,136)	\$20,392,003
Operating expenses	116,315,826	31,908,694	148,224,520
Capital assets	0	50,000	50,000
Grants	<u>204,000</u>	<u>(204,000)</u>	<u>0</u>
Total all funds	\$142,799,965	\$25,866,558	\$168,666,523
Less estimated income	<u>85,679,558</u>	<u>18,166,723</u>	<u>103,846,281</u>
Total general fund	\$57,120,407	\$7,699,835	\$64,820,242

Subdivision 2.

#### PROGRAM AND POLICY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$62,782,944	\$6,743,546	\$69,526,490
Operating expenses	125,299,436	22,202,456	147,501,892
Capital assets	10,000	0	10,000
Grants	441,420,827	(2,032,325)	439,388,502
Grants - medical assistance	<u>2,373,678,247</u>	<u>171,009,693</u>	<u>2,544,687,940</u>
Total all funds	\$3,003,191,454	\$197,923,370	\$3,201,114,824
Less estimated income	<u>1,945,157,519</u>	<u>45,665,517</u>	<u>1,990,823,036</u>
Total general fund	\$1,058,033,935	\$152,257,853	\$1,210,291,788

Subdivision 3.

#### FIELD SERVICES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Human service centers	\$196,049,489	\$8,430,730	\$204,480,219
Institutions	<u>140,421,224</u>	<u>33,983,151</u>	<u>174,404,375</u>
Total all funds	\$336,470,713	\$42,413,881	\$378,884,594
Less estimated income	<u>138,543,705</u>	<u>(6,117,568)</u>	<u>132,426,137</u>
Total general fund	\$197,927,008	\$48,531,449	\$246,458,457

Subdivision 4.

#### COUNTY SOCIAL SERVICE ZONE FINANCING

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
County social services	\$0	\$182,300,000	\$182,300,000
Total all funds	\$0	\$182,300,000	\$182,300,000
Less estimated income	0	182,300,000	182,300,000
Total general fund	\$0	\$0	\$0

Subdivision 5.

#### BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$1,313,081,350	\$208,489,137	\$1,521,570,487
Grand total special funds	<u>2,169,380,782</u>	<u>240,014,672</u>	<u>2,409,395,454</u>
Grand total all funds	\$3,482,462,132	\$448,503,809	\$3,930,965,941
Full-time equivalent positions	2,162.23	(91.50)	2,070.73

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly as adjusted for the 2017-19 biennium and the 2019-21 biennium onetime funding items included in the appropriations in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Medicaid expansion - fee schedule enhancement	226,000,000	0
County social services pilot program	160,700,000	0
Child care licensing and data system	3,000,000	0
Health information network/care coordination	40,800,000	0
Behavior health pilot	150,000	0
Replace broken boiler at NDSH		\$1,931,000
MMIS tech stack upgrade		7,104,000
Behavior health state hospital and clinic		35,000,000
LSTC capital projects		2,161,595
Roof replacement at NDSH		562,500
SPACES system		5,431,658
LSTC remove buildings		915,570
Migrate CCWIPS system off mainframe	0	<u>1,250,000</u>
Total all funds	\$430,650,000	\$54,356,323
Less estimated income	<u>404,500,000</u>	<u>19,356,323</u>
Total general fund	\$26,150,000	\$35,000,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The department of human services shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

#### SECTION 3. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.

Notwithstanding section 54-16-04, the department of human services may transfer appropriation authority between line items within subdivisions 1, 2, and 3 of section 1 of this Act for the biennium beginning July 1, 2019, and ending June 30, 2021. The department of human services shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section. The department of human services shall report

to the budget section after June 30, 2020, any transfer made in excess of \$50,000 and to the appropriations committees of the sixty-seventh legislative assembly regarding any transfers made pursuant to this section.

**SECTION 4. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**

Notwithstanding section 54-16-04, the department of human services may transfer appropriation authority between line items within subdivisions 1, 2, and 3 into subdivision 4 of section 1 of this Act for the biennium beginning July 1, 2019, and ending June 30, 2021. The department of human services shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section. The department of human services shall report to the budget section after June 30, 2020, any transfer made in excess of \$50,000 and to the appropriations committees of the sixty-seventh legislative assembly regarding any transfers made pursuant to this section.

**SECTION 5. APPROPRIATION** - In addition to the amounts appropriated to the department of human services office in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. EXEMPTION.** The amount appropriated for the replacement of the Medicaid management information system and related projects in chapter 50 of the 2007 Session Laws and chapter 38 of the 2011 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from these appropriations approved under section 54-44.1-11 for continuation into the 2009-11 biennium and then the 2011-13 biennium and then the 2013-15 biennium and then the 2015-17 biennium and then the 2017-19 biennium are available for the completion of the Medicaid management information system and related projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. EXEMPTION.** The amount appropriated for the modification of the department of human services' eligibility systems in chapter 578 of the 2011 Special Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under section 54-44.1-11 for continuation into the 2013-15 biennium and then the 2015-17 biennium and then the 2017-19 biennium are available for the completion of the modification of the eligibility systems project during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 8. EXEMPTION.** The amount appropriated for the development of the electronic health records system in chapter 12 of the 2013 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under section 54-44.1-11 for continuation into the 2015-17 biennium and then the 2017-19 biennium are available for the completion of the electronic health records system during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 9. EXEMPTION.** The amount appropriated for the development of the child care licensing and data system in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the child care licensing and data system during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 10. EXEMPTION.** The amount appropriated for the development of the health information network/care coordination project in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the health information network/care coordination project during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 11. EXEMPTION.** The amount appropriated for the development of the electronic visit verification project in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the electronic visit verification project during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 12. ESTIMATED INCOME.** Of funds appropriated in section 1 of this Act, \$182,300,000 is from the social services finance fund for the purpose of defraying expenses

of the state-paid economic assistance and social and human services, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 13. SPECIAL FUNDS TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The less estimated income line item in section 1 of this Act includes the sum of \$10,290,695, or so much of the sum as may be necessary, from the strategic investment and improvements fund which may be transferred at the direction of the department of human services for replacement of broken coal boiler, capital projects and technology projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 14. CONVEYANCE OF LAND AUTHORIZED – STATE HOSPITAL.** The state of North Dakota by and through the department of human services may convey real property associated with the state hospital in Stutsman County to the department of corrections and rehabilitation. The department of human services may convey building 2404, formerly known as the nursing residence building and tompkins building, and surrounding property on the terms and conditions determined appropriate by the department of human services and the attorney general. Section 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

**SECTION 15. STATE HOSPITAL BUILDING PROJECTS .** The department of human services is authorized to construct a new state hospital and a heating plant building on the property owned by the state of North Dakota, in Stutsman County, near or on state hospital's current campus during the current biennium, beginning July 1, 2017, and ending June 30, 2019, and the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 16. SPECIAL ASSESSMENT.** The department of human services shall expend public funds in payment for a special assessment issued by the City of Jamestown to the state hospital for the state hospital's water main project. The department of corrections and rehabilitation shall expend public funds in payment of its cost share of the special assessment based on occupancy, square footage, or other mutually agreed upon metric between the department of human services and the department of corrections and rehabilitation after the conveyance of land transfer occurs in accordance with section 13 of this Act.

**SECTION 17. EXEMPTION FROM BIDDING REQUIREMENTS.** Notwithstanding any other provision of law relating to public contracts or bidding requirements, the department of human services may contract and expend funds for the renovation of the state hospital to accommodate patients as a result of any conveyance of property described in section 13 of this Act.

**SECTION 18. LIFE SKILLS AND TRANSITION CENTER CONSTRUCTION PROJECT AUTHORIZATION.** Notwithstanding any other provision of law, the department of human services is authorized, within the limits of legislative appropriations, to design, procure, and construct, renovate, remodel, and furnish the cedar grove and maplewood buildings located at the life skills and transition center, including constructing a structure connecting the two buildings to house clinical and administrative support staff, during the current biennium, beginning July 1, 2017, and ending June 30, 2019, and the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 19. EXEMPTION - AUTHORIZATION - LIFE SKILLS AND TRANSITION CENTER CONSTRUCTION PROJECT.** The amount appropriated to the department of human services in subsections 1, 2, and 3 of section 1 of 2017 House Bill No. 1012 is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for designing, procuring, constructing, renovating, remodeling, and furnishing the cedar grove and maplewood buildings located at the life skills and transition center, including constructing a structure connecting the two buildings to house clinical and administrative support staff, during the current biennium, beginning July 1, 2017, and ending June 30, 2019, and the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 20. DEMOLITION OF LIFE SKILLS AND TRANSITION CENTER BUILDING.** The department of human services may demolish the refectory and pleasant view buildings at the developmental center at westwood park, Grafton.

**SECTION 21. DEVELOPMENTAL DISABILITIES CASE MANAGEMENT.** The department of human services shall provide case management services for individuals with a developmental disability within the ratio provided pursuant to North Dakota Administrative Code for the biennium beginning July 1, 2019, and ending June 30, 2021. If case management services for individuals with a developmental disability exceed the ratio requirement provided in the North Dakota Administrative Code, the department of human services may hire temporary staff or the department of human services may propose a change to North Dakota Administrative Code to meet the ratio requirement.

**SECTION 22. PROCESS AND OUTCOME MEASURES.** Behavioral health service providers that receive funding from the department of human services shall submit process and outcome measures to the department of human services for programs and services supported by state funding.

**SECTION 23. TELEPHONE SUPPORT AND DIRECTORY SERVICES.** The vendor of telephone and directory services, under contract with the department of human services, shall include private behavioral health service providers in the vendor's directory at no cost to the private behavioral health service providers.

**SECTION 24. ADULT COMPANION SERVICES.** The department of human services shall include adult companion services as an allowable service under the home and community based services Medicaid waiver, effective for dates of service on or after January 1, 2020.

**SECTION 25. REBASING ADULT RESIDENTIAL RATES.** The department of human services shall rebase adult residential rates, effective for dates of service on or after January 1, 2020. The department of human services shall request cost information from adult residential providers who are enrolled as Medicaid home and community-based waiver providers and serve clients who receive memory care services or have a traumatic brain injury.

**SECTION 26. TARGETED CASE MANAGEMENT – SERIOUS EMOTIONAL DISTURBANCE.** The department of human services, medical services division, shall expand the types of providers recognized as Medicaid providers of targeted case management for individuals with a serious emotional disturbance beginning on or after dates of service October 1, 2019. Should this expansion result in expenditures that exceed the amount appropriated to the department of human services for this service, and the department of human service certifies such to the sixty-seventh legislative assembly, the department shall request emergency funding for the purpose of expanding the types of providers recognized as Medicaid providers of targeted case management services for individuals with severe emotional disturbance, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 27. TARGETED CASE MANAGEMENT – SERIOUS MENTAL ILLNESS** The department of human services, medical services division, shall expand the types of providers recognized as Medicaid providers of targeted case management for individuals with a serious mental illness beginning on or after dates of service October 1, 2019. Should this expansion result in expenditures that exceed the amount appropriated to the department of human service for this service, and the department of human service certifies such to the sixty-seventh legislative assembly, the department shall request emergency funding for the purpose of expanding the types of providers recognized as Medicaid providers of targeted case management services for individuals with severe mental illness, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 28. AMENDMENT.** Subsection 1 of section 23-09.3-01.1 of the North Dakota Century Code is amended and reenacted as follows:

1. Basic care beds may not be added to the state's licensed bed capacity during the period between August 1, ~~2017~~2019, and July 31, ~~2019~~2021, except when:
  - a. A nursing facility converts nursing facility beds to basic care;
  - b. An entity licenses bed capacity transferred as basic care bed capacity under section 23-16-01.1;

- c. An entity demonstrates to the state department of health and the department of human services that basic care services are not readily available within a designated area of the state or that existing basic care beds within a fifty-mile [80.47-kilometer] radius have been occupied at ninety percent or more for the previous twelve months. In determining whether basic care services will be readily available if an additional license is issued, preference may be given to an entity that agrees to any participation program established by the department of human services for individuals eligible for services under the medical assistance program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]; or
- d. The state department of health and the department of human services grant approval of new basic care beds to an entity. The approved entity shall license the beds within forty-eight months from the date of approval.

**SECTION 29. AMENDMENT.** Subsection 1 of section 23-16-01.1 of the North Dakota Century Code is amended and reenacted as follows:

1. Notwithstanding sections 23-16-06 and 23-16-10, except when a facility reverts basic care beds to nursing facility beds or relicenses nursing facility beds delicensed after July 31, 2011, nursing facility beds may not be added to the state's licensed bed capacity during the period between August 1, 2017~~2019~~, and July 31, 2019~~2021~~. A nursing facility may not delicense nursing facility bed capacity, relicense nursing facility bed capacity, convert licensed nursing bed capacity to basic care bed capacity, revert licensed basic care bed capacity back to nursing facility bed capacity, or otherwise reconfigure licensed nursing facility bed capacity more than one time in a twelve-month period.

**SECTION 30. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

**50-24.1-37. Medicaid expansion - Legislative management report. (~~Effective January 1, 2014, through July 31, 2019-- Contingent repeal - See note~~)**

1. ~~The department of human services shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111 152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty level, based on modified adjusted gross income line published by the federal office of management and budget applicable to the household size.~~
2. ~~The department of human services shall inform new enrollees in the medical assistance expansion program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.~~
3. ~~The department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.~~
4. ~~The contract between the department and the private carrier must:~~
  - a. ~~Provide a reimbursement methodology for all medications and dispensing fees which identifies the minimum amount paid to pharmacy providers for each medication. The reimbursement methodology, at a minimum, must:~~
    - (1) ~~Be available on the department's website; and~~
    - (2) ~~Encompass all types of pharmacy providers regardless of whether the pharmacy benefits are being paid through the private carrier or contractor or subcontractor of the private carrier under this section.~~
  - b. ~~Provide full transparency of all costs and all rebates in aggregate.~~
  - c. ~~Allow an individual to obtain medication from a pharmacy that provides mail order service; however, the contract may not require mail order to be the sole~~

method of service and must allow for all contracted pharmacy providers to dispense any and all drugs included in the benefit plan and allowed under the pharmacy provider's license.

- d. Ensure that pharmacy services obtained in jurisdictions other than this state and its three contiguous states are subject to prior authorization and reporting to the department for eligibility verification.
  - e. Ensure the payments to pharmacy providers do not include a required payback amount to the private carrier or one of the private carrier's contractors or subcontractors which is not representative of the amounts allowed under the reimbursement methodology provided in subdivision a.
5. The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.
  6. Provider reimbursement rate information received by the department under this section and any information provided to the department of human services or any audit firm by a pharmacy benefit manager under this section is confidential, except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section.

**SECTION 31. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

**50-24.1-37. Medicaid expansion –~~Legislative management report. (Effective January 1, 2014, through July 31, 2019– Contingent repeal - See note)~~**

1. ~~The department of human services shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111 152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty level, based on modified adjusted gross income line published by the federal office of management and budget applicable to the household size.~~
2. ~~The department of human services shall inform new enrollees in the medical assistance expansion program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.~~
3. ~~The department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.~~
4. ~~The contract between the department and the private carrier must:~~
  - a. ~~Provide a reimbursement methodology for all medications and dispensing fees which identifies the minimum amount paid to pharmacy providers for each medication. The reimbursement methodology, at a minimum, must:~~
    - (1) ~~Be available on the department's website; and~~
    - (2) ~~Encompass all types of pharmacy providers regardless of whether the pharmacy benefits are being paid through the private carrier or contractor or subcontractor of the private carrier under this section.~~
  - b. ~~Provide full transparency of all costs and all rebates in aggregate.~~
  - c. ~~Allow an individual to obtain medication from a pharmacy that provides mail order service; however, the contract may not require mail order to be the sole~~

method of service and must allow for all contracted pharmacy providers to dispense any and all drugs included in the benefit plan and allowed under the pharmacy provider's license.

- d. Ensure that pharmacy services obtained in jurisdictions other than this state and its three contiguous states are subject to prior authorization and reporting to the department for eligibility verification.
  - e. Ensure the payments to pharmacy providers do not include a required payback amount to the private carrier or one of the private carrier's contractors or subcontractors which is not representative of the amounts allowed under the reimbursement methodology provided in subdivision a.
5. The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.
6. Provider reimbursement rate information received by the department under this section and any information provided to the department of human services or any audit firm by a pharmacy benefit manager under this section is confidential, except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section.

**SECTION 32. EFFECTIVE DATE.** Section 31 of this Act becomes effective on January 1, 2020.

**SECTION 33 EXPIRATION DATE.** Section 30 of this Act is effective through December 31, 2019, and after that date is ineffective.

**SECTION 34. EMERGENCY.** The appropriations contained in subdivision 3 of section 1 of this Act for the state hospital includes \$562,500 of other funds for remodeling of state hospital buildings to accommodate the relocation of patients from buildings to be sold to the department of corrections and available immediately upon filing of this Act with the secretary of state. Sections 15, 18 and 19 of this Act are declared to be an emergency measure.

## GOVERNOR'S RECOMMENDATION FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state board for career and technical education for the purpose of defraying the expenses of the state board for career and technical education, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$4,699,975	\$6,291,927	\$10,991,902
Operating Expenses	1,240,589	2,969,407	4,209,996
Capital Assets	-	500,000	500,000
Grants	30,106,356	34,642,000	64,748,356
Grants-Postsecondary	296,207	(25,818)	270,389
Adult Farm Management	579,822	(350,007)	229,815
Workforce Training	<u>2,000,000</u>	<u>(174,571)</u>	<u>1,825,429</u>
Total all funds	\$38,922,949	\$43,852,938	\$82,775,887
Less estimated income	<u>9,616,666</u>	<u>2,528,707</u>	<u>12,145,373</u>
Total general fund	\$29,306,283	\$41,324,231	\$70,630,514
Full-time equivalent positions	24.50	29.30	53.80

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
School district and area center grants	2,427,000	-
Marketplace for kids	300,000	-
Career academies	=	<u>30,000,000</u>
Total all funds	<u>2,727,000</u>	<u>30,000,000</u>
Total special funds	<u>2,477,000</u>	<u>30,000,000</u>
Total general fund	250,000	-

**SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$30,000,000 in section 1, or so much of the sum as may be necessary, to career and technical education for the purpose of providing competitive grants to build career academies throughout the state, for the biennium beginning July 1, 2019, and ending June 30, 2021. A committee comprised of the leaders or their designees of career and technical education, the department of commerce, job service north Dakota and the department of public instruction will develop a competitive process in consultation with the workforce development council, economic development foundation and the career and technical education board, to distribute the funds with a required one to one match from the private sector or political subdivision.

**SECTION 4. TRANSFERS.** Notwithstanding section 54-16-04, the director of the office of management and budget shall make transfers of funds between line items in section 1 of this act for the department of career and technical education as may be requested by the state director as determined necessary for activities that are proper and consistent with the provisions of this act.

**SECTION 5.** Sections 15-20.1-26 and 15-20.1-27 of the North Dakota Century Code are created and enacted as follows:

**15-20.1-26. Educational technology council - Meetings - Compensation.**

1. The educational technology council is responsible for coordinating educational technology initiatives for elementary and secondary education.
2. The educational technology council consists of:
  - a. The chief information officer.
  - b. The superintendent of public instruction or the superintendent's designee.
  - c. The commissioner of higher education or the commissioner's designee.
  - d. A representative appointed by the state board for career and technical education.
  - e. A representative appointed by the governor from a list of three nominees submitted by the North Dakota association of technology leaders.
  - f. A representative appointed by the governor from a list of three nominees submitted by the North Dakota council of educational leaders.
  - g. A representative appointed by the governor from a list of three nominees submitted by the North Dakota school boards association.
  - h. A representative appointed by the governor from a list of three nominees submitted by the North Dakota association of special education directors.
  - i. A school district representative who is appointed by the governor and who represents a school district that has an enrollment in kindergarten through grade twelve of fewer than four hundred.

- j. A school district representative who is appointed by the governor, who is licensed to teach by the educational standards and practices board, and who is employed by a public school district in this state as a classroom teacher.
  - k. The director of technology for the department of public instruction.
  - l. A representative appointed by the governor from a list of three nominees submitted by the state association of non public schools.
3. The council shall select a chairman from among its members.
  4. The term of office for the members appointed by the governor is four years.
  5. The members of the educational technology council appointed by the governor are entitled to receive as compensation sixty-two dollars and fifty cents per day and to reimbursement of expenses as provided by law for state officers while attending meetings of the council.

**15-20.1-27. North Dakota educational technology council - Powers and duties.**

The educational technology council shall:

1. Coordinate the use of technology and the development of technology systems to enhance educational opportunities for elementary and secondary education.
2. Cooperate with state agencies and other organizations to develop statewide educational technology systems.
3. Adopt bylaws for the conduct of its affairs.
4. Publish the informational material it deems necessary.
5. Conduct a continuing study to assess the needs, resources, and facilities that are available or which may be required to establish educational technology systems throughout the state.
6. Solicit and receive moneys from public and private sources and expend the moneys for educational technology.
7. Appoint a technology director who shall serve at the will of the council.
8. Hire the director of the center for distance education.

**GOVERNOR'S RECOMMENDATION FOR THE PROTECTION AND ADVOCACY PROJECT**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the committee on protection and advocacy for the purpose of defraying the expenses of the committee on protection and advocacy, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Protection and advocacy operations	\$6,447,600	\$949,475	\$7,397,075
Total all funds	\$6,447,600	\$949,475	\$7,397,075
Less estimated income	3,488,601	547,675	4,036,276
Total general fund	\$2,958,999	\$401,800	\$3,360,799
Full-time equivalent positions	27.50	1	28.50

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time

funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Retirement Lump Sum	\$0	\$132,550
Polycom Machine	0	8,000
Total all funds	\$0	\$140,550
Less estimated income	<u>0</u>	<u>68,000</u>
Total general fund	\$0	\$72,550

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The committee on protection and advocacy shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019 and ending June 30, 2021.

### GOVERNOR'S RECOMMENDATION FOR THE OFFICE OF MANAGEMENT AND BUDGET

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the office of management and budget for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	21,596,832	(333,040)	21,263,792
Operating Expenses	14,051,438	4,426,233	18,477,671
Contingency Fund	600,000	(100,000)	500,000
Capital Assets	973,477	1,863,648	2,837,125
Grants	54,000	100,000	154,000
Guardianship Grants	1,328,600	-	1,328,600
Community service grants	-	350,000	350,000
Prairie Public Broadcasting	1,200,000	-	1,200,000
Litigation Pool	-	4,000,000	4,000,000
State Student Internship	-	250,000	250,000
Health Savings Account	-	1,500,000	1,500,000
Cybersecurity remediation pool	=	=	=
Total all funds	39,804,347	12,056,841	51,861,188
Less estimated income	<u>11,234,087</u>	<u>6,742,358</u>	<u>17,976,445</u>
Total general fund	28,570,260	5,314,483	33,884,743
Full-time equivalent positions	117.00	-9.00	108.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Surplus Property Building	800,000	-
Cybersecurity remediation pool	1,000,000	-
Theodore Roosevelt center grant	500,000	-
Extraordinary repairs	-	1,900,000
IT risk project	-	170,000
Central services study	-	50,000
Student internship	-	250,000
Special assessments	-	320,000
Litigation pool	-	4,000,000
Ethics commission	-	100,000
Real estate plan	-	2,430,000
Health savings account	=	<u>1,500,000</u>
Total All Funds	\$2,300,000	\$10,720,000

Total Special Funds	1,800,000	9,200,000
Total General Funds	\$500,000	\$1,520,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The office of management and budget shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3 TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENT FUND TO BUDGET STABILIZATION FUND.** The office of management and budget shall transfer the sum of \$315,039,140, or so much of the sum as may be necessary, to the budget stabilization fund during the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 4 - TRANSFER - GENERAL FUND TO NATIONAL GUARD TRAINING AREA AND FACILITY DEVELOPMENT TRUST FUND.** The office of management and budget shall transfer the sum of \$15,000,000 to the national guard training area and facility development trust fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. TRANSFER - TAX RELIEF FUND TO SOCIAL SERVICES FINANCE FUND.** The office of management and budget shall transfer the sum of \$182,300,000, or so much of the sum as may be necessary, from the tax relief fund to the social services financing fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO THE PENSION FUND.** The office of management and budget shall transfer the sum of \$265,000,000 from the strategic investment and improvements fund to the public employees retirement fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. TRANSFER – REVOLVING FUND FOR PREPAYMENT OF CONSULTING AND PLANNING FEES.** The office of management and budget shall transfer the sum of \$1,000,000 from the strategic investment and improvement fund to the revolving fund, established pursuant to section 54-27-22, during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. STATE STUDENT INTERNSHIP PROGRAM.** The human resources division of the office of management and budget may transfer to each eligible agency appropriated general fund spending authority from the state student internship program line item contained in section 1 of this Act.

**SECTION 8. EXEMPTION.** The amount appropriated for the fiscal management division, as contained in section 1 of chapter 49 of the 2015 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for continued development and operating costs of the statewide systems including accounting, management, and payroll, during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 9. INTENT.** Within the authority included in section 1 of this Act are the following grants and special items:

- Boys and girls clubwork
- State memberships and related expenses
- Unemployment insurance
- Capitol grounds planning commission

**SECTION 10. OFFICE OF MANAGEMENT AND BUDGET – LITIGATION POOL.** The office of management and budget may transfer to each eligible agency appropriation authority from the litigation pool line item contained in section 1 of this Act. Transfers may be made for the purpose of providing litigation services for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 11. OFFICE OF MANAGEMENT AND BUDGET – HEALTH SAVINGS ACCOUNT.** The office of management and budget may transfer to each eligible agency appropriation authority from the health savings account line item contained in section 1 of this Act. Transfers may be made for the purpose of providing a \$500 contribution to eligible employee's health savings account in January, 2020 and January, 2021.

**SECTION 12. STATE EMPLOYEE COMPENSATION ADJUSTMENT - GUIDELINES.** The 2019-21 biennium compensation adjustment for classified state employees is to be based on documented performance with up to a 4 percent increase for the first year of the biennium and 2 percent for the second year. If savings resulting from employee reductions can be identified an additional 2 percent is authorized for the second year.

Probationary employees are not entitled to the salary increase. However, probationary employees may be given all or a portion of the increase effective in July, paid in August, or upon completion of probation, at the discretion of the appointing authority.

The office of management and budget shall develop guidelines for use by state agencies for providing compensation adjustments for regular classified employees. The guidelines must follow NDCC 54-44.2-01.2.

An employee whose overall documented performance level does not meet standards is not eligible for any salary increase.

**SECTION 13.** Section 54-16-04.4 of the North Dakota Century Code is created and enacted as follows:

**54-16-04.4. Authority to borrow funds.**

The emergency commission, upon the advice of the office of management and budget, may authorize the office of management and budget to borrow moneys from the Bank of North Dakota for state contingencies as provided in this chapter. Moneys borrowed from the Bank of North Dakota pursuant to this section may not exceed five million dollars during any state biennial period. Moneys borrowed pursuant to this section may be transferred by the office of management and budget to the appropriation of the state agency, board, commission or officer who requested the funding to address a state contingency as approved by the emergency commission. Any state agency, board, commission, or officer receiving moneys pursuant to this section must return any unspent moneys within the biennium in which it was authorized. The office of management and budget shall request from the legislative assembly a deficiency appropriation sufficient for the repayment of the amount borrowed plus interest.

**SECTION 14.** A new section to chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

**Shared services fund – Creation – Appropriation.** There is created in the state treasury a state shared services fund. Any payment to a state agency or institution received from another state agency or institution as a result of a shared services agreement must be deposited in the state shared services fund. Any moneys deposited by a state agency or institution in the state shared services fund are hereby appropriated to that agency or institution for the purposes of defraying the costs of equipment, operating expenses, or salaries relating to the shared services agreement.

**SECTION 15. AMENDMENT.** Section 54-16-04 of the North Dakota Century Code is amended and reenacted as follows:

**54-16-04. May order transfer of moneys between funds - Line item transfers - Order may draw from state treasury.**

The emergency commission, upon the advice of the office of management and budget, may order money or spending authority transferred from one fund or line item to another fund or line item belonging to or appropriated for the same institution or board or the same state enterprise, may order a transfer of spending authority from the state contingencies appropriation, may order borrowing from the Bank of North Dakota pursuant to section 54-16-04.4, or, in an extremity, may authorize money to be drawn from the state treasury to meet the emergency until the legislative assembly can make an appropriation available. The

following transfers, if authorized by the emergency commission, require the approval of the budget section of the legislative management:

1. A transfer of moneys or spending authority which would eliminate or make impossible the accomplishment of a program or objective funded by the legislative assembly.
2. A transfer exceeding fifty thousand dollars from one fund or line item to another fund or line item, unless the transfer is necessary to comply with a court order or to avoid:
  - a. An imminent threat to the safety of people or property due to a natural disaster or war crisis; or
  - b. An imminent financial loss to the state.

**SECTION 16. AMENDMENT.** Section 54-27-22 of the North Dakota Century Code is amended and reenacted as follows:

**54-27-22. Revolving fund for prepayment of consulting and planning fees for capital improvements.**

Funds must be made available to all state agencies, institutions, and departments from a preliminary planning revolving fund in the state treasury under the control of the director of the office of management and budget for studies, planning, architectural programming, schematic designs, and cost estimates relating to proposed new capital improvements and major remodeling of existing facilities. State agencies, institutions, and departments interested in obtaining planning moneys shall submit a written request detailing the scope and purpose of such project to the director of the office of management and budget. The director shall ~~file such request with, and shall present the director's recommendations regarding the proposed project and necessary planning moneys~~ report to the budget section of the legislative management, at least once each year, regarding expenditures from the fund. ~~Funds may be advanced only in the event that an authorization has first been received from the budget section. Such funds advanced must be repaid to the preliminary planning revolving fund as moneys become available through legislative appropriation or other sources for the commencement of the project.~~

**SECTION 17. AMENDMENT.** Section 54-06-30 of the North Dakota Century Code is amended and reenacted as follows:

**54-06-30. State employee performance bonus program - Criteria - Limitations.**

State agencies may provide monetary performance bonuses to their employees under this section.

1. State agencies may pay bonuses under this section if:
  - a. The agency has had a written employee performance evaluation policy in place for more than one year before paying the bonus;
  - b. The written employee performance evaluation policy required in subdivision a must have at least three levels of performance criteria; and
  - c. The agency performance bonus program adopted under this section must be a written policy and must be communicated to each employee in the agency. Development of the written policy must include input from employees.
2. State employees are eligible to receive a bonus under this section only if:
  - a. The employee has held a position in state government for at least one year before a bonus is paid;
  - b. The employee's overall annual performance evaluation satisfies the agency's performance bonus program criteria for receiving a bonus; and

- c. The employee is a full-time or part-time regular nonprobationary employee holding a regularly funded nontemporary position.
3. An employee may not receive more than one performance bonus per fiscal year and may not receive more than ~~one thousand~~ two thousand five hundred dollars in bonuses per fiscal year.
4. ~~Except as provided in this subsection, agencies may pay bonuses under this section during a fiscal year to not more than the number of employees equal to twenty-five percent of the employees employed by the agency on July first at the beginning of each state fiscal year. Upon a showing of special circumstances, North Dakota human resource management services may approve pay bonuses above the twenty-five percent limitation in this subsection. North Dakota human resource management services shall report any exceptions granted under this subsection to the budget section of the legislative management. Each agency must fund the performance bonus program from within its agency budget for salaries and wages.~~
5. Bonuses paid under this section may not be included in an employee's base salary for purposes of calculating any wage or salary increase.
6. Bonuses paid under this section are not fiscal irregularities under section 54-14-03.1.

**SECTION 18. AMENDMENT.** Section 54-52.1-06 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.1-06. State contribution.**

Each department, board, or agency shall pay to the board each month from its funds appropriated for payroll and salary amounts a state contribution in the amount as determined by the primary carrier of the group contract for the full blended single and alternate family contract rate monthly premium for each of its eligible employees enrolled in the non-grandfathered uniform group insurance program ~~and the full rate monthly premium, in an amount equal to that contributed under the alternate family contract, including major medical coverage, for hospital and medical benefits coverage for spouses and dependent children of its eligible employees enrolled in the uniform group insurance program pursuant to section 54-52.1-07. Employees who elect to remain in the grandfathered uniform group insurance program, if it is still offered to employees, shall pay the blended single and family rate difference in monthly premium between the grandfathered and non-grandfathered uniform group insurance program.~~ The board shall then pay the necessary and proper premium amount for the uniform group insurance program to the proper carrier or carriers on a monthly basis. Any refund, rebate, dividend, experience rating allowance, discount, or other reduction of premium amount must be credited at least annually to a separate fund of the uniform group insurance program to be used by the board to reimburse the administrative expense and benefit fund of the public employees retirement program for the costs of administration of the uniform group insurance program. In the event an enrolled eligible employee is not entitled to receive salary, wages, or other compensation for a particular calendar month, that employee may make direct payment of the required premium to the board to continue the employee's coverage, and the employing department, board, or agency shall provide for the giving of a timely notice to the employee of that person's right to make such payment at the time the right arises.

**SECTION 19. AMENDMENT.** Section 54-52.1-18 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.1-18. High-deductible health plan alternative with health savings account option.**

1. The board shall develop and implement a high-deductible health plan as an alternative to the plan under section 54-52.1-02. The high-deductible health plan alternative with a health savings account must be made available to state employees by January 1, 2012. After June 30, 2015, at the board's discretion, the high-deductible health plan alternative may be offered to political subdivisions for coverage of political subdivision employees. If a political subdivision elects this

high-deductible option the political subdivision may not offer the plan under section 54-52.1-02.

2. Health savings account fees for participating state employees must be paid by the employer.
  - a. Except as provided in subdivision b, subject to the limits of section 223(b) of the Internal Revenue Code [26 U.S.C. 223(b)], the difference between the cost of the respective non-grandfathered single and family premium for eligible state employees under section 54-52.1-06 and the premium for those employees electing to participate under the high-deductible health plan under this section must be deposited in a health savings account for the benefit of each participating employee.
  - b. If the public employees retirement system is unable to establish a health savings account due to the employee's ineligibility under federal or state law or due to failure of the employee to provide necessary information in order to establish the account, the system is not responsible for depositing the health savings account contribution. The member will remain a participant in the high-deductible health plan regardless of whether a health savings account is established.
  - c. If a member closes the health savings account established for that member under this section, the system is not responsible for depositing the health savings account contribution after that closure.
3. Each new state employee must be provided the opportunity to elect the high-deductible health plan alternative. At least once each biennium, the board shall provide an open enrollment period allowing existing state employees or a political subdivision to change their coverage.

**SECTION 20. LINE ITEM TRANSFER.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 21. TRANSFER AUTHORITY BETWEEN AGENCIES.** Notwithstanding any other sections of the law, the governor may direct the office of management and budget to transfer up to one percent of the legislatively approved general fund appropriation for the following agencies to implement and promote efficient practices in state government: the office of the governor, office of management and budget, information technology department, department of health, department of environmental quality, Indian affairs commission, job service North Dakota, department to labor and human rights, securities department, highway patrol, department of corrections and rehabilitation, office of the adjutant general, department of commerce, water commission, and department of transportation. Transfers may occur for the period beginning July 1, 2019, and ending June 30, 2021 under the following provisions:

1. The governor has transferred duties between executive branch agencies when an agency has demonstrated they are able to perform the specific duty more efficiently, thereby creating a savings to the state equal to at least ten percent of the amount transferred.
2. The governor has identified projects or initiatives which will generate efficiency and cost savings for the state, equal to at least ten percent of the amount transferred.
3. Any general fund savings amount will be turned back to the general fund at the end of the biennium.
4. The office of management and budget shall report to the budget section regarding the purposes of the transfers and documented efficiencies and savings that occurred from such transfers.

5. The transfers are to be considered a reduction in the base budget for the agency from whom the transfer is made and an increase in the base budget for the agency which received the transfer.

**SECTION 22. REPEAL.** Section 54-06-24 of the North Dakota Century Code is repealed.

**SECTION 23. EMERGENCY.** Section 3 of this Act is declared to be an emergency measure.

### GOVERNOR'S RECOMMENDATION FOR THE ADJUTANT GENERAL

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the office of the adjutant general for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

Subdivision 1.

#### NATIONAL GUARD

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$6,666,525	\$230,662	\$6,897,187
Operating Expenses	3,525,934	(758,613)	2,767,321
Capital Assets	33,224,046	(18,000,000)	15,224,046
Grants	318,553	(107,637)	210,916
Civil Air Patrol	299,580	5,739	305,319
Tuition, Recruiting, and Retention	2,617,500	2,000,000	4,617,500
Air Guard Contract	8,098,582	494,501	8,593,083
Army Guard Contract	57,717,944	(10,669,870)	47,048,074
Veterans' Cemetery	881,284	100,566	981,850
Reintegration Program	<u>1,261,384</u>	<u>(200,357)</u>	<u>1,061,027</u>
Total all funds	\$114,611,332	(\$26,905,009)	\$87,706,323
Less estimated income	<u>98,174,778</u>	<u>(43,833,574)</u>	<u>54,341,204</u>
Total general fund	\$16,436,554	\$16,928,565	\$33,365,119

Subdivision 2.

#### DIVISION OF EMERGENCY SERVICES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$12,551,119	(\$1,123,134)	\$11,427,985
Operating Expenses	7,288,451	2,111,609	9,400,060
Capital Assets	569,000	91,000	660,000
Grants	16,889,159	(615,734)	16,273,425
Disaster Costs	51,445,841	(18,978,279)	32,467,562
Radio Communications	<u>0</u>	<u>785,000</u>	<u>785,000</u>
Total all funds	\$88,743,570	(\$17,729,538)	\$71,014,032
Less estimated income	<u>79,293,702</u>	<u>(17,553,038)</u>	<u>61,740,664</u>
Total general fund	\$9,449,868	(\$176,500)	\$9,273,368

Subdivision 3.

#### BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$25,886,422	\$16,772,065	\$42,638,487
Grant total special funds	<u>177,468,480</u>	<u>(61,386,612)</u>	<u>116,081,868</u>
Grant total all funds	\$203,354,902	(\$44,634,547)	\$158,720,355
Full-time equivalent positions	234.00	-10.00	224.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
ND national guard readiness center	\$33,000,000	\$0
Emergency Response equipment	569,000	0
Mobile repeaters and programming radios	300,000	0
State Radio operational increase	0	1,212,253
CAD upgrade	0	450,000
CAD monitor replacement	0	66,000
UPS battery replacement	0	20,000
Message switch hardware	0	240,000
Intergraph XML Change	0	95,000
Camp Grafton south expansion	0	15,000,000
Total all funds	\$33,869,000	\$17,083,253
Total special funds	<u>33,869,000</u>	<u>16,902,253</u>
Total general fund	\$0	\$181,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The adjutant general shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. VETERANS' CEMETERY MAINTENANCE FUND - APPROPRIATION.** In addition to the amount appropriated to the adjutant general in the veterans' cemetery line item in subdivision 1 of section 1 of this Act, there is appropriated any additional funds which are received and deposited in the veterans' cemetery maintenance fund pursuant to sections 37-03-14 and 39-04-10.10 for the operation of the North Dakota veterans' cemetery for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. MAINTENANCE AND REPAIRS - TRANSFERS.** The adjutant general may transfer to the operating expenses and capital assets line items contained in section 1 of this Act up to the sum of \$500,000 from the various other line items contained in section 1 of this Act, as determined necessary by the adjutant general to provide for the maintenance and repair of state-owned armories in this state during the biennium beginning July 1, 2019, and ending June 30, 2021. Any amounts transferred pursuant to this section must be reported to the director of the office of management and budget.

**SECTION 5. LINE ITEM TRANSFER.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 6. EXEMPTION.** Any amounts carried over in the radio communications line for the state radio tower package, in section 7 of chapter 15 of the 2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for completing these projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. EXEMPTION.** The amount appropriated in the tuition, recruiting, and retention line item in subdivision 1 of section 1 of chapter 15 of the 2017 Session Laws is not subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used to provide tuition assistance, recruiting and retention incentives to eligible members of the North Dakota national guard during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 8. EXEMPTION.** Any amounts carried over pursuant to section 11 of chapter 15 of the 2017 Session Laws that is unexpended as of June 30, 2019 is not subject to section 54-44.1-11 and is available for payment of adjusted compensation to veterans. Any unexpended funds from this appropriation must be transferred to the veterans' cemetery trust fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 9. EXEMPTION.** The amount appropriated in the operating expenses line item in subdivision 2 of section 1 of chapter 15 of the 2017 Session Laws for one-time funding from the strategic investment and improvement fund for mobile repeaters and programming radios is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to complete this project, during the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 10. EXEMPTION.** Any amounts carried over in the disaster costs line for grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding pursuant to section 13 of chapter 15 of the 2017 Session Laws that is unexpended as of June 30, 2019, is not subject to section 54-44.1-11. Any unexpended funds from this appropriation are available for these purposes during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 11. AMENDMENT.** Section 37-07.3-03 of the North Dakota Century Code is amended and reenacted as follows:

**37-07.3-03. Trust fund use.**

The principal, interest, and income from the national guard training area and facility development trust fund must be used by the adjutant general solely for training area acquisition, through purchase or lease, and facility development; provided, that the principal, and any interest and income which the fund accrues from ~~July 1, 1985~~ July 1, 2019, through ~~June 30, 1989~~ June 30, 2029, must be used solely for the acquisition of land for national guard training purposes and the expenditure, ~~in conjunction with federal matching funds, for the construction of a new national guard armory on or adjacent to~~ expansion of the military reservation known as ~~Fraine Barracks~~ Camp Grafton. For the purpose of obtaining land for training purposes under this section, eminent domain shall not be used.

**SECTION 12. EMERGENCY.** The Tuition, recruiting, and retention line in section 1 of this Act is declared to be an emergency measure.

**GOVERNOR'S RECOMMENDATION FOR THE GAME AND FISH DEPARTMENT**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the game and fish fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the game and fish department for the purpose of defraying the expenses of the game and fish department, for the biennium beginning July 1, 2019 and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$29,854,874	\$1,481,659	\$31,336,533
Operating expenses	15,338,130	1,166,727	16,504,857
Capital assets	6,080,956	(163,065)	5,917,891
Grants - Game and Fish	9,650,184	(1,103,019)	8,547,165
Shooting Sports Grant Program	250,000	-	250,000
Land Habitat and Deer Depredation	17,824,177	(147,185)	17,676,992
Noxious Weed Control	725,000	-	725,000
Missouri River Enforcement	283,857	5,456	289,313
Grant-Gift-Donation	802,201	(266,711)	535,490
Nongame Wildlife Conservation	120,000	(20,000)	100,000
Lonetree Reservoir	1,798,119	44,810	1,842,929
Wildlife Services	<u>500,000</u>	=	<u>500,000</u>
Total special funds	\$83,227,498	\$998,672	\$84,226,170
Full-time equivalent positions	163.00	(3.00)	160.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Airplane		\$250,000
\$0		

Dakota Access Pipeline Protest	423,724	0
Electronic Payment Processing System	<u>75,000</u>	<u>0</u>
Total special funds	\$748,724	\$0

**SECTION 3. GRANTS, GIFTS, AND DONATIONS LINE.** The grants, gifts, and donations line item in section 1 of this Act includes up to \$225,000 received by the game and fish department for surface damage, easements, or reclamation on department owned or managed properties as a result of mineral exploration and extraction activities.

**SECTION 4. TRANSFER AUTHORITY BETWEEN LINES.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019 and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 5. APPROPRIATION** - In addition to the amounts appropriated to the game and fish department in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. AMENDMENT.** Section 20.1-02-16.1 of the North Dakota Century Code is amended and reenacted as follows:

**20.1-02-16.1. Game and fish fund - Use - Required balance - Budget section approval.**

All income of the state game and fish department deposited by the director with the state treasurer must be credited to the state game and fish fund and the fund may be used only by the department. All money derived from the investment of the fund, special accounts, or portions of the fund must be credited to the game and fish department private land habitat and access improvement fund. The department shall spend moneys in the game and fish fund within the limits of legislative appropriations, only to the extent the balance of the fund is not reduced below fifteen million dollars, unless otherwise authorized by the budget section. Investment of the fifteen million dollar balance in this section may be made under the supervision of the state investment board and the moneys must be invested by the investing authority according to the laws relating to state investments. The department shall notify the state investment board of the amount available for investment.

**GOVERNOR'S RECOMMENDATION FOR THE STATE HISTORICAL SOCIETY**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state historical society for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$13,595,892	\$820,848	\$14,416,740
Operating expenses	3,885,894	55,691	3,941,585
Capital assets	1,747,653	527,889	2,275,542
Grants	600,000	0	600,000
Exhibits	<u>0</u>	<u>372,000</u>	<u>372,000</u>
Total all funds	\$19,829,439	\$1,776,428	\$21,605,867
Less estimated income	<u>3,155,795</u>	<u>599,691</u>	<u>3,755,486</u>
Total general fund	\$16,673,644	\$1,176,737	\$17,850,381
Full-time equivalent positions	75.00	0.00	75.00

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
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Double Ditch Historic Site Repair	\$1,000,000	\$0
Exhibits and Collections Care	0	372,000
Historic Site Repair	0	<u>1,050,000</u>
Total all funds	\$1,000,000	\$1,422,000
Less estimated income	<u>1,000,000</u>	<u>550,000</u>
Total general fund	\$0	\$872,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The information technology department shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019 and ending June 30, 2021.

**SECTION 3. REVOLVING FUND - APPROPRIATION.** All fees collected by the state historical society and deposited in the revolving fund established pursuant to section 55-03-04 are appropriated to the state historical society for the purposes provided in chapter 55-03, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. GIFTS, GRANTS, AND BEQUESTS - APPROPRIATION.** All gifts, grants, devises, bequests, donations, and assignments received by the state historical society and deposited with the state treasurer pursuant to section 55-01-04 are appropriated to the state historical society for the purposes provided in section 55-01-04, for the biennium beginning July 1, 2019, and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE

#### PARKS AND RECREATION DEPARTMENT AND THE INTERNATIONAL PEACE GARDEN

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the parks and recreation department for the purpose of defraying the expenses of the parks and recreation department, for providing funding to the Lewis and Clark Interpretive Center, and for providing a grant to the International Peace Garden, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

##### Subdivision 1.

#### PARKS AND RECREATION DEPARTMENT

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Administration	\$2,668,728	\$(45,791)	\$2,622,937
Parks Operations and Maintenance	20,570,558	3,526,563	24,097,121
Recreation	<u>7,039,554</u>	<u>2,220,804</u>	<u>9,260,358</u>
Total all funds	\$30,278,840	\$5,701,576	\$35,980,416
Less estimated income	<u>17,389,561</u>	<u>5,971,015</u>	<u>23,360,576</u>
Total general fund	\$12,889,279	\$(269,439)	\$12,619,840
Full-time equivalent positions	62.50	(1.00)	61.50

##### Subdivision 2.

#### INTERNATIONAL PEACE GARDEN

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Peace Garden	\$876,329	\$5,000,000	\$5,876,329
Total all funds	<u>876,329</u>	<u>5,000,000</u>	<u>5,876,329</u>
Less estimated income	0	0	5,000,000
Total general fund	\$876,329	\$0	\$876,329

##### Subdivision 3.

#### LEWIS AND CLARK INTERPRETIVE CENTER

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Lewis & Clark	\$1,250,687	\$56,730	\$1,307,417
Total all funds	1,250,687	56,730	1,307,417
Less estimated income	362,019	(27,081)	334,938
Total general fund	\$888,668	\$83,811	\$972,479

Subdivision 4.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total all fund	\$32,405,856	\$10,758,306	\$43,164,162
Less estimated income	17,751,580	10,943,934	28,695,514
Total general funds	\$14,654,276	\$(185,628)	\$14,468,648

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium.

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Parks capital projects	\$0	\$1,755,000
Extraordinary repair		634,126
One-time equipment		622,000
State park survey		150,000
Recreation mapping		75,000
Traffic counters		75,000
International peace garden projects		5,000,000
Total all funds	\$0	\$8,311,126
Less estimated income	0	\$8,311,126
Total general fund	\$0	\$0

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3. GAME AND FISH OPERATING FUND - TRANSFER - BOAT RAMP OPERATION AND MAINTENANCE.** The sum of \$122,000 or so much of the sum as may be necessary, included in the park operations and maintenance line item in subdivision 1 of section 1 of this Act, is from the game and fish operating fund, or federal or other funds available to the game and fish department, and must be transferred to the parks and recreation department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. AMENDMENT.** Section 55-08-07.1 of the North Dakota Century Code is amended and reenacted as follows:

**55-08-07.1. State parks and recreation concession revolving fund.**

The director shall maintain a state parks and recreation concession revolving fund to be used for the following:

1. Procurement and maintenance of an inventory of food, nonintoxicating beverages, and other merchandise and supplies of a suitable nature for the operation of concession stands, including payment of costs and travel expenses necessarily incurred to obtain or sell such items.
2. Repair, replacement, construction, and maintenance of concession buildings, facilities, and properties contained therein.

The parks and recreation department may transfer any surplus in this fund to the state park operating fund

**SECTION 5. ESTIMATED INCOME – DEPARTMENT OF TRANSPORTATION GRANT.**

The estimated income line items includes \$100,000 of grant funding from the department of transportation for the purpose of defraying expenses for the Lewis and Clark interpretive center for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. EXEMPTION.** Any funds remaining in the international peace garden line for repair of the peace tower at the International Peace Garden, in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for capital projects during the biennium beginning July 1, 2019, and ending June 30, 2021. Funding available for use by the International Peace Garden in this section will be subject to the International Peace Garden raising one to one matching funds from non-state of North Dakota sources consistent with the 2013 North Dakota legislative language. The parks and recreation department shall review and accept engineering proposals and specifications before committing additional funds to the project and shall assist with bidding and construction of any work associated with this section.

**SECTION 7. EXEMPTION.** Any funds remaining for parks enhancements in subdivision 1 of section 1 of chapter 53 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for park enhancement projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 8. MATCHING REQUIREMENT – CAPITAL PROJECTS.** The international peace garden capital projects in subdivision 2 of section 1 is subject to one to one matching funds raised from non-state of North Dakota sources. The parks and recreation department shall review and accept engineering proposals and specifications before committing funds to projects and shall assist with bidding and construction of any work associated with this section.

**SECTION 9. SPECIAL FUNDS TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The less estimated income line item in section 1 of this Act includes the sum of \$6,755,000, or so much of the sum as may be necessary, from the strategic investment and improvements fund which may be transferred at the direction of the parks and recreation department for parks capital projects and international peace garden capital projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 10. LINE ITEM TRANSFER. LINE ITEM TRANSFER.** Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

**SECTION 11. APPROPRIATION -** In addition to the amounts appropriated to the parks and recreation department in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

**GOVERNOR'S RECOMMENDATION FOR THE STATE WATER COMMISSION**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the state water commission for the purpose of defraying the expenses of the state water commission, for the biennium beginning July 1, 2017, and ending June 30, 2019, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$19,651,385	\$460,179	\$20,111,564
Operating expenses	47,608,165	(3,820,612)	43,787,553
Capital assets	112,219,442	994,316	113,213,758
Grants - local cost share	467,694,483	(116,942,990)	350,751,493
Grants- carryover	0	<u>308,333,818</u>	<u>308,333,818</u>
Total all funds	\$647,173,475	\$189,024,711	\$836,198,186
Full-time equivalent positions	93.00	(3.00)	90.00

**SECTION 2. ONE-TIME FUNDING – EFFECT ON BASE BUDGET – REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2015-17 biennium and the 2017-19 one-time funding items included in the grand total appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Line of credit – Bank of North Dakota	75,000,000	0
Total all funds	\$75,000,000	\$0

**SECTION 3. ADDITIONAL INCOME - APPROPRIATION.** In addition to the amounts included in the estimated income line item in section 1 of this Act, any additional amounts in the resources trust fund and water development trust fund that become available are appropriated to the state water commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. GRANTS - WATER-RELATED PROJECTS - CARRYOVER AUTHORITY.** Section 54-44.1-11 does not apply to funding for grants or water-related projects included in the capital assets, capital construction carryover, or grants line items in section 1 of this Act. However, this exclusion is only in effect for two years after June 30, 2021. Any unexpended funds appropriated from the resources trust fund after that period has expired must be transferred to the resources trust fund and any unexpended funds appropriated from the water development trust fund after that period has expired must be transferred to the water development trust fund.

**SECTION 5. LINE ITEM TRANSFERS.** The chief engineer/secretary of the state water commission may transfer between the salaries and wages, operating, capital assets, capital construction carryover, and grants line item in Section 1 of this Act when it is cost-effective for construction of water projects. The state water commission shall notify the office of management and budget of any transfers made pursuant to this section.

**SECTION 6. AMENDMENT.** Section 61-02-79 of the North Dakota Century Code is amended and reenacted as follows:

**61-02-79. Bank of North Dakota - Line of credit.**

The Bank of North Dakota shall extend a line of credit not to exceed seventy-five million dollars at a rate of one and one-half percent over the three month London interbank offered rate, but may not exceed three percent to the state water commission. The state water commission shall repay the line of credit from funds available in the resources trust fund, water development trust fund, or other funds, as appropriated by the legislative assembly. The state water commission may access the line of credit, as necessary, to provide funding as authorized by the legislative assembly for water supply projects approved before June 30, 2019~~2021~~, and flood control projects that have approval for funding before June 30, 2019~~2021~~.

**SECTION 7. CONTINGENT APPROPRIATION – BANK OF NORTH DAKOTA LINE OF CREDIT.** The sum of \$75,000,000, or so much of the sum as necessary, from a Bank of North Dakota line of credit included in section 6 of this Act, may be transferred to the state water commission for the purpose of funding water projects for the biennium beginning July 1, 2019, and ending June 30, 2021.

**GOVERNOR'S RECOMMENDATION FOR WORKFORCE SAFETY AND INSURANCE**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from the workforce safety and insurance fund in the state treasury, not otherwise appropriated, to workforce safety and insurance, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Workforce safety and insurance	\$63,473,062	\$5,884,489	\$69,357,551

operations			
Total special funds	\$63,473,062	\$5,884,489	\$69,357,551
Full-time equivalent positions	260.14	(12.00)	248.14

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation of section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
CAPS software replacement project	\$8,120,097	\$7,010,000
Extranet computer project	538,500	850,000
Internal reporting system updates	<u>275,000</u>	<u>0</u>
Total other fund	\$8,933,597	\$7,860,000

**SECTION 3. APPROPRIATION** - In addition to the amounts appropriated to workforce safety and insurance in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to workforce safety and insurance for the biennium beginning July 1, 2019, and ending June 30, 2021.

#### GOVERNOR'S RECOMMENDATION FOR THE RETIREMENT AND INVESTMENT OFFICE

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys from special funds derived from income for the purpose of defraying their expenses, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	4,425,570	584,726	5,010,296
Operating Expenses	862,484	26,450	888,934
Contingencies	<u>52,000</u>	<u>30,000</u>	<u>82,000</u>
Total all funds	5,340,054	641,176	5,981,230
Less estimated income	<u>5,340,054</u>	<u>641,176</u>	<u>5,981,230</u>
Total general fund	-	-	-
Full-time equivalent positions	19.00	1.00	20.00

**SECTION 2. APPROPRIATION LINE ITEM TRANSFERS.** Upon approval of the state investment board, the retirement and investment office may transfer from their contingency line item in section 1 of this Act to all other line items. The agency shall notify the office of management and budget of each transfer made pursuant to this section.

#### GOVERNOR'S RECOMMENDATION FOR THE

#### PUBLIC EMPLOYEES RETIREMENT SYSTEM

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys from special funds derived from income for the purpose of defraying their expenses, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	6,316,169	29,148	6,345,317
Operating Expenses	2,692,221	(235,309)	2,456,912
Capital Assets	-	190,000	190,000
Contingencies	<u>250,000</u>	-	<u>250,000</u>
Total all funds	9,258,390	(16,161)	9,242,229
Less estimated income	<u>9,258,390</u>	<u>(16,161)</u>	<u>9,242,229</u>
Total general fund	-	-	-
Full-time equivalent positions	34.50	-1.00	33.50

SECTION 2. APPROPRIATION LINE ITEM TRANSFERS. Upon approval of the board, the public employees retirement system may transfer from their contingency line item in section 1 of this Act to all other line items. The agency shall notify the office of management and budget of each transfer made pursuant to this section.

A BILL for an Act to provide an appropriation for defraying the expenses of various state departments and institutions; and to declare an emergency.

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

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, listed below, to the stated departments and institutions of the state of North Dakota for the purpose of defraying their expenses for the period beginning with the effective date of this Act, and ending June 30, 2021, as follows:

Subdivision 1.

OFFICE OF MANAGEMENT AND BUDGET

Lawsuit expenses	<u>\$408,000</u>
Total general fund	\$408,000

Subdivision 2.

TAX DEPARTMENT

Homestead tax credit	\$1,170,000
Disabled veterans credit	<u>150,000</u>
Total general fund	\$1,320,000

Subdivision 3.

INDUSTRIAL COMMISSION

Litigation costs	<u>\$500,000</u>
Total general fund	\$500,000

Subdivision 4.

ADJUTANT GENERAL

Loan repayment - disaster costs	\$488,822
Loan repayment - emergency hay operation	1,584,619
Loan repayment - protest costs	<u>13,624,648</u>
Total general fund	\$15,698,089

Subdivision 5.

STATE HISTORICAL SOCIETY

Litigation costs	<u>\$280,000</u>
Total general fund	\$280,000

BILL TOTAL

Grand total general fund	\$18,206,089
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**SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure.

**REPORT OF STANDING COMMITTEE**

**SB 2035: Political Subdivisions Committee (Sen. Burckhard, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2035 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2038: Energy and Natural Resources Committee (Sen. Unruh, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2038 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2064: Government and Veterans Affairs Committee (Sen. Davison, Chairman)** recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2064 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2066: Judiciary Committee (Sen. D. Larson, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2066 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2068: Judiciary Committee (Sen. D. Larson, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2068 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2069: Judiciary Committee (Sen. D. Larson, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2069 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2071: Judiciary Committee (Sen. D. Larson, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2071 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2074: Judiciary Committee (Sen. D. Larson, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2074 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2079: Agriculture Committee (Sen. Luick, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2079 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2080: Agriculture Committee (Sen. Luick, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2080 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2082: Agriculture Committee (Sen. Luick, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2082 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2085: Government and Veterans Affairs Committee (Sen. Davison, Chairman)** recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2085 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2087: Judiciary Committee (Sen. D. Larson, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2087 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2088: Judiciary Committee (Sen. D. Larson, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2088 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2078: Political Subdivisions Committee (Sen. Burckhard, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2078 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2103: Government and Veterans Affairs Committee (Sen. Davison, Chairman)** recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2103 was placed on the Eleventh order on the calendar.

**FIRST READING OF SENATE BILLS**

Appropriations Committee introduced:

**SB 2001:** A BILL for an Act to provide an appropriation for defraying the expenses of the office of the governor; and to provide for a legislative management report.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2002:** A BILL for an Act to provide an appropriation for defraying the expenses of the office of the secretary of state and public printing.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2003:** A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2004:** A BILL for an Act to provide an appropriation for defraying the expenses of the state auditor.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2005:** A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2006:** A BILL for an Act to provide an appropriation for defraying the expenses of the office of the tax commissioner and for payment of state reimbursement under the homestead tax credit and disabled veterans' credit; and to provide for a transfer.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2007:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of labor and human rights.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2008:** A BILL for an Act to provide an appropriation for defraying the expenses of the public service commission; and to provide for a transfer.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2009:** A BILL for an Act to provide an appropriation for defraying the expenses of the agriculture commissioner; and to provide for transfers.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2010:** A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; and to provide an appropriation for the distribution of funds from the insurance tax distribution fund.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2011:** A BILL for an Act to provide an appropriation for defraying the expenses of the

securities department.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2012:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of human services; and to provide for transfers.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2013:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of public instruction, the state library, the school for the deaf, and the North Dakota vision services - school for the blind; and to provide exemptions.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2014:** A BILL for an Act to provide an appropriation for defraying the expenses of the committee on protection and advocacy.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2015:** A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; and to provide an exemption.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2016:** A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2017:** A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2018:** A BILL for an Act to provide an appropriation for defraying the expenses of the state historical society.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2019:** A BILL for an Act to provide an appropriation for defraying the expenses of the parks and recreation department.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2020:** A BILL for an Act to provide an appropriation for defraying the expenses of the state water commission.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2021:** A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2022:** A BILL for an Act to provide an appropriation for defraying the expenses of the retirement and investment office; and to provide for transfers.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2023:** A BILL for an Act to provide an appropriation for defraying the expenses of the public employees retirement system; and to provide for transfers.

Was read the first time and referred to the **Appropriations Committee**.

Appropriations Committee introduced:

**SB 2024:** A BILL for an Act to provide an appropriation for defraying the expenses of various state departments and institutions; and to declare an emergency.

Was read the first time and referred to the **Appropriations Committee**.

Legislative Management introduced:

(Education Policy Committee)

**SB 2025:** A BILL for an Act to amend and reenact section 15.1-02-04 of the North Dakota Century Code, relating to the duty of the superintendent of public instruction to call a meeting to review the statewide education strategic vision; and provide reports to the legislative assembly and legislative management.

Was read the first time and referred to the **Education Committee**.

Legislative Management introduced:

(Health Services Committee)

**SB 2026:** A BILL for an Act to provide an appropriation to the department of human services for improving mental health services; and to provide for a report.

Was read the first time and referred to the **Human Services Committee**.

Legislative Management introduced:

(Health Services Committee)

**SB 2027:** A BILL for an Act to amend and reenact section 50-06.4-01 of the North Dakota Century Code, relating to the definition of brain injury.

Was read the first time and referred to the **Human Services Committee**.

Legislative Management introduced:

(Human Services Committee)

**SB 2028:** A BILL for an Act to provide an appropriation to the department of human services for behavioral health prevention and early intervention services.

Was read the first time and referred to the **Human Services Committee**.

Legislative Management introduced:

(Human Services Committee)

**SB 2029:** A BILL for an Act to create and enact a new section to chapter 50-06 of the North Dakota Century Code, relating to the implementation of a community behavioral health program; and to provide an appropriation.

Was read the first time and referred to the **Human Services Committee**.

Legislative Management introduced:

(Human Services Committee)

**SB 2030:** A BILL for an Act to provide an appropriation to the department of human services to coordinate the implementation of recommendations relating to the state's behavioral health system.

Was read the first time and referred to the **Human Services Committee**.

Legislative Management introduced:

(Human Services Committee)

**SB 2031:** A BILL for an Act to provide an appropriation to the department of human services for targeted case management services.

Was read the first time and referred to the **Human Services Committee**.

Legislative Management introduced:

(Human Services Committee)

**SB 2032:** A BILL for an Act to create and enact a new section to chapter 50-06 of the North Dakota Century Code, relating to peer support specialist certification; and to provide an appropriation.

Was read the first time and referred to the **Human Services Committee**.

Legislative Management introduced:

(Initiated and Referred Measures Study Commission)

**SB 2033:** A BILL for an Act to create and enact section 16.1-01-18 of the North Dakota Century Code, relating to legislative council drafting services for initiated measures.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Legislative Management introduced:

(Judiciary Committee)

**SB 2034:** A BILL for an Act to create and enact a new subsection to section 62.1-02-01 and a new subsection to section 62.1-02-10 of the North Dakota Century Code, relating to the possession of firearms; to amend and reenact subsections 3 and 7 of section 62.1-01-01, subdivision c of subsection 1 of section 62.1-02-01, subsection 1 of section 62.1-02-01.1, subsection 1 of section 62.1-02-05, subdivision l of subsection 2 of section 62.1-02-05, section 62.1-02-07, subdivision a of subsection 6 of section 62.1-02-13, and sections 62.1-03-01 and 62.1-04-02 of the North Dakota Century Code, relating to the possession of firearms; and to provide a penalty.

Was read the first time and referred to the **Judiciary Committee**.

Legislative Management introduced:

(Judiciary Committee)

**SB 2035:** A BILL for an Act to amend and reenact subdivision b of subsection 1 of section 4.1-02-04, subdivision b of subsection 1 of section 4.1-04-04, subdivision b of subsection 1 of section 4.1-07-04, subdivision b of subsection 1 of section 4.1-09-05, subdivision b of subsection 1 of section 4.1-09-06, section 4.1-11-04, subsection 2 of section 4.1-13-05, and section 11-11-11 of the North Dakota Century Code, relating to notice and publication requirements.

Was read the first time and referred to the **Political Subdivisions Committee**.

Legislative Management introduced:

(Judiciary Committee)

**SB 2036:** A BILL for an Act to create and enact section 4.1-45-22.1 of the North Dakota Century Code, relating to technical corrections and improper, inaccurate, redundant, missing, or obsolete references; to amend and reenact subsection 7 of section 12.1-31.2-01, section 14-09-00.1, subsection 1 of section 14-09-06.2, subsection 2 of section 27-20-30.1, subsection 1 of section 27-20-45, sections 43-62-01 and 43-62-15, section 57-02-08.6, subsection 7 of section 57-38-30.3, and section 57-60-14 of the North Dakota Century Code, relating to technical corrections and improper, inaccurate, redundant, missing, or obsolete references; and to repeal sections 4.1-55-22.1, 6-09.8-04, 6-09.11-02, 15-08.1-09, and 61-21.1-02 of the North Dakota Century Code, relating to technical corrections and improper, inaccurate, redundant, missing, or obsolete references.

Was read the first time and referred to the **Judiciary Committee**.

Legislative Management introduced:

(Natural Resources Committee)

**SB 2037:** A BILL for an Act to create and enact chapters 38-23 and 38-24 of the North Dakota Century Code, relating to the disposal and storage of high-level radioactive waste and subsurface storage and retrieval of nonhydrocarbons; to amend and reenact sections 12.1-06.1-01 and 38-19-09 of the North Dakota Century Code, relating to the definition of illegal transportation or disposal of radioactive waste material or hazardous waste and disposition of unusable products; to repeal chapter 23-20.2 of the North Dakota Century Code, relating to the disposal of nuclear waste material; and to provide a penalty.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Legislative Management introduced:

(Natural Resources Committee)

**SB 2038:** A BILL for an Act to amend and reenact sections 49-22-03, 49-22-14.1, 49-22-16, 49-22.1-01, 49-22.1-12, and subsection 2 of section 49-22.1-13 of the North Dakota Century Code, relating to energy conversion and transmission facility siting, gas and liquid energy conversion, and gas and liquid transmission facility siting.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Legislative Management introduced:

(Taxation Committee)

**SB 2039:** A BILL for an Act to create and enact two new sections to chapter 6-09 of the North Dakota Century Code, relating to the development and implementation of a skilled workforce scholarship program; to provide a continuing appropriation; and to provide for a transfer.

Was read the first time and referred to the **Education Committee**.

Legislative Management introduced:  
(Taxation Committee)

**SB 2040:** A BILL for an Act to amend and reenact section 40-22-18 of the North Dakota Century Code, relating to exclusion of property owned by a political subdivision from consideration in protests against special improvement districts.

Was read the first time and referred to the **Finance and Taxation Committee**.

Legislative Management introduced:  
(Taxation Committee)

**SB 2041:** A BILL for an Act to create and enact a new subsection to section 21-03-07 of the North Dakota Century Code, relating to the issuance of bonds by the governing body of a park district without voter approval; and to repeal subsection 6 of section 21-03-06 of the North Dakota Century Code, relating to the issuance of bonds by the governing body of a park district.

Was read the first time and referred to the **Finance and Taxation Committee**.

Legislative Management introduced:  
(Taxation Committee)

**SB 2042:** A BILL for an Act to amend and reenact section 57-51-15 of the North Dakota Century Code, relating to reporting requirements for schools and counties receiving oil and gas gross production tax allocations.

Was read the first time and referred to the **Finance and Taxation Committee**.

Sens. Kreun, G. Lee, Poolman, Hogue and Reps. Beadle, O'Brien introduced:

**SB 2043:** A BILL for an Act to amend and reenact subsection 1 of section 50-11.1-04, section 50-11.1-07.8, subsection 1 of section 50-11.1-17, and subsection 2 of section 50-25.1-11 of the North Dakota Century Code, relating to regulation of early childhood services and claims of child abuse and neglect.

Was read the first time and referred to the **Human Services Committee**.

Sens. Myrdal, Unruh, Oehlke and Reps. Schmidt, Damschen introduced:

**SB 2044:** A BILL for an Act to amend and reenact section 12.1-21-06 of the North Dakota Century Code, relating to tampering with or damaging a critical infrastructure facility or a public service; and to provide a penalty.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Government and Veterans Affairs Committee introduced:  
(At the request of the Public Employees Retirement System)

**SB 2045:** A BILL for an Act to amend and reenact subsection 7 of section 39-03.1-08.2 and sections 54-52.1-03.3 and 54-52.1-04.2 of the North Dakota Century Code, relating to the highway patrolmen's retirement system, the retiree health credit, and prescription coverage under a self-insured plan.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:  
(At the request of the Public Employees Retirement System)

**SB 2046:** A BILL for an Act to amend and reenact sections 54-52-02.9, 54-52-06, and 54-52.1-03.2, subsection 1 of section 54-52.1-03.3, and section 54-52.6-09 of the North Dakota Century Code, relating to employer contributions to the public employees defined benefit plan, defined contribution plan, and retiree health plan and participation in the retiree health plan.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:  
(At the request of the Public Employees Retirement System)

**SB 2047:** A BILL for an Act to amend and reenact subdivision a of subsection 4 of section 54-52-17 of the North Dakota Century Code, relating to the computation of retirement benefits.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:  
(At the request of the Public Employees Retirement System)

**SB 2048:** A BILL for an Act to amend and reenact section 54-52-02.9, subsection 2 of section 54-52-05, section 54-52-06, subsection 6 of section 54-52.6-02, and section 54-52.6-09 of the North Dakota Century Code, relating to increased employer and

employee contributions under the public employees retirement system defined benefit and defined contribution plans.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the Public Employees Retirement System)

**SB 2049:** A BILL for an Act to amend and reenact subsection 2 of section 39-03.1-11 and subsection 2 of section 54-52-17 of the North Dakota Century Code, relating to the computation of final average salary for employees who terminate employment after December 31, 2021.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Human Services Committee introduced:

(At the request of the Commission on Uniform State Laws)

**SB 2051:** A BILL for an Act to create and enact chapter 14-09.4 of the North Dakota Century Code, relating to the Uniform Nonparent Custody and Visitation Act; to repeal section 14-09-05.1 of the North Dakota Century Code, relating to grandparental rights of visitation; and to provide for application.

Was read the first time and referred to the **Human Services Committee**.

Sens. Schaible, Heckaman, Rust and Reps. Owens, Heinert introduced:

**SB 2052:** A BILL for an Act to create and enact a new section to chapter 57-15 of the North Dakota Century Code, relating to school district safety plans; to amend and reenact section 57-15-14.2 of the North Dakota Century Code, relating to school district levies for a school safety plan; and to provide an effective date.

Was read the first time and referred to the **Education Committee**.

Sens. D. Larson, Schaible, Poolman and Reps. Nathe, Owens, Schreiber-Beck introduced:

**SB 2053:** A BILL for an Act to amend and reenact section 27-20-52 of the North Dakota Century Code, relating to inspection of law enforcement and correctional facility records and files of a child by an assistant superintendent.

Was read the first time and referred to the **Judiciary Committee**.

Sens. Myrdal, Kreun, Holmberg and Reps. Monson, Damschen introduced:

**SB 2054:** A BILL for an Act to amend and reenact subsection 1 of section 54-17.8-03 and subsection 1 of section 54-17.8-06 of the North Dakota Century Code, relating to outdoor heritage fund purposes and membership.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Sen. Wardner and Rep. Pollert introduced:

**SB 2055:** A BILL for an Act to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the establishment of the budget section; to amend and reenact sections 15-03-04, 15-10-12.1, 20.1-02-05.1, 20.1-02-16.1, 25-04-02.2, 37-17.1-27, 40-23-22.1, 47-30.1-24.1, 48-01.2-25, subsection 16 of section 50-06-05.1, subsection 18 of section 50-06-05.1, and sections 54-06-37, 54-27-22, 54-27-23, 54-44.1-13.1, 54-59-05, and 65-08.1-02 of the North Dakota Century Code, relating to agency requests for budget section approval; and to repeal section 1 of chapter 67 of the 2013 Session Laws and section 10 of chapter 19 of the 2017 Session Laws, relating to the authority of the state board of agricultural research and education to sell certain real property and the authority of the state water commission to provide payment for western area water supply loans.

Was read the first time and referred to the **Appropriations Committee**.

Sens. Kannianen, Klein, Burckhard and Reps. Keiser, Kempenich, Devlin introduced:

**SB 2056:** A BILL for an Act to amend and reenact subsection 2 of section 43-09-11 and sections 43-09-15 and 43-09-15.1 of the North Dakota Century Code, relating to electrician qualifications and license renewal; and to declare an emergency.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Sens. D. Larson, Myrdal, Poolman and Reps. Roers Jones, Dockter, Heinert introduced:

**SB 2057:** A BILL for an Act to provide an appropriation to the attorney general for a forensic nurse examiners grant program.

Was read the first time and referred to the **Judiciary Committee**.

Sen. Anderson and Rep. Longmuir introduced:

**SB 2058:** A BILL for an Act to amend and reenact sections 20.1-01-08 and 20.1-05-04 of the North Dakota Century Code, relating to use of infrared, red, green, or amber artificial light while hunting coyote and fox.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Sens. Clemens, Oehlke, Holmberg and Reps. Damschen, B. Koppelman, Paur introduced:

**SB 2059:** A BILL for an Act to create and enact section 43-17-02.4 of the North Dakota Century Code, relating to licensure exemption for certain physicians.

Was read the first time and referred to the **Human Services Committee**.

Sens. Kreun, Meyer, Oban and Reps. O'Brien, Owens, Hatlestad introduced:

**SB 2060:** A BILL for an Act to amend and reenact subsection 2 of section 39-06.1-06 and section 39-21-41.4 of the North Dakota Century Code, relating to the amount of statutory fees and the use of safety belts; to repeal section 39-21-41.5 of the North Dakota Century Code, relating to secondary enforcement of safety belt requirements; and to provide a penalty.

Was read the first time and referred to the **Transportation Committee**.

Sens. Kreun, Schaible, Wardner and Reps. Owens, Steiner, Delzer introduced:

**SB 2061:** A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to a road use fee for electric and hybrid vehicles.

Was read the first time and referred to the **Transportation Committee**.

Sens. Hogue, Oehlke, Schaible and Reps. Louser, Klemin, Nathe introduced:

**SB 2062:** A BILL for an Act to amend and reenact section 16.1-15-32 of the North Dakota Century Code, relating to publication of election results.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Judiciary Committee introduced:

(At the request of the Commission on Uniform State Laws)

**SB 2063:** A BILL for an Act to create and enact chapter 32-29.4 of the North Dakota Century Code, relating to adoption of the Uniform Family Law Arbitration Act.

Was read the first time and referred to the **Judiciary Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the State Forester)

**SB 2064:** A BILL for an Act to amend and reenact subsection 1 of section 4.1-21-01 of the North Dakota Century Code, relating to the state forester appointment, qualification, and duties.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the State Forester)

**SB 2065:** A BILL for an Act to amend and reenact section 4.1-21-04 of the North Dakota Century Code, relating to the state forester reserve account.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Judiciary Committee introduced:

(At the request of the Supreme Court)

**SB 2066:** A BILL for an Act to amend and reenact section 27-05.2-09 of the North Dakota Century Code, relating to the court facilities improvement advisory committee.

Was read the first time and referred to the **Judiciary Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the Supreme Court)

**SB 2067:** A BILL for an Act to amend and reenact section 16.1-16-09 of the North Dakota Century Code, relating to appeals of election contest judgments.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Judiciary Committee introduced:

(At the request of the Supreme Court)

**SB 2068:** A BILL for an Act to amend and reenact subsection 1 of section 12.1-32-08 and section 29-26-22.1 of the North Dakota Century Code, relating to docketing of restitution judgments.

Was read the first time and referred to the **Judiciary Committee**.

Judiciary Committee introduced:  
(At the request of the Supreme Court)

**SB 2069:** A BILL for an Act to amend and reenact subsection 1 of section 27-20-06 of the North Dakota Century Code, relating to powers and duties of the director of juvenile court.

Was read the first time and referred to the **Judiciary Committee**.

Judiciary Committee introduced:  
(At the request of the Supreme Court)

**SB 2070:** A BILL for an Act to amend and reenact subsection 1 of section 30.1-13-03 of the North Dakota Century Code, relating to priority among persons seeking appointment as personal representative.

Was read the first time and referred to the **Judiciary Committee**.

Judiciary Committee introduced:  
(At the request of the Supreme Court)

**SB 2071:** A BILL for an Act to amend and reenact subsection 6 of section 12.1-31-01.2 and subsection 5 of section 12.1-31.2-01 of the North Dakota Century Code, relating to restraining orders.

Was read the first time and referred to the **Judiciary Committee**.

Judiciary Committee introduced:  
(At the request of the Supreme Court)

**SB 2072:** A BILL for an Act to amend and reenact sections 30.1-27-01, 30.1-27-02, 30.1-27-05, 30.1-27-06, 30.1-27-07, 30.1-27-08, 30.1-27-09, and 30.1-27-11 of the North Dakota Century Code, relating to guardianship of minors; and to repeal sections 30.1-27-03, 30.1-27-04, 30.1-27-10, and 30.1-27-12 of the North Dakota Century Code, relating to guardianships of minors.

Was read the first time and referred to the **Judiciary Committee**.

Judiciary Committee introduced:  
(At the request of the Supreme Court)

**SB 2073:** A BILL for an Act to create and enact chapter 27-20.1 of the North Dakota Century Code, relating to guardianships of children; to amend and reenact subsection 11 of section 27-20-02, section 27-20-03, subsection 1 of section 27-20-06, sections 27-20-46, 27-20-48.1, and subsection 1 of section 27-20-49 of the North Dakota Century Code, relating to guardianships of children; and to repeal sections 27-20-48.2, 27-20-48.3, and 27-20-48.4 of the North Dakota Century Code, relating to guardianships of children.

Was read the first time and referred to the **Judiciary Committee**.

Judiciary Committee introduced:  
(At the request of the Commission on Legal Counsel for Indigents)

**SB 2074:** A BILL for an Act to amend and reenact subsection 2 of section 27-20-54 of the North Dakota Century Code, relating to the destruction of juvenile court records.

Was read the first time and referred to the **Judiciary Committee**.

Industry, Business and Labor Committee introduced:  
(At the request of the North Dakota Real Estate Appraiser Qualifications and Ethics Board)

**SB 2075:** A BILL for an Act to amend and reenact sections 43-23.5-07, 43-23.5-08, and 43-23.5-12 of the North Dakota Century Code, relating to appraisal management companies.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Industry, Business and Labor Committee introduced:  
(At the request of the Insurance Commissioner)

**SB 2076:** A BILL for an Act to create and enact chapter 26.1-10.3 of the North Dakota Century Code, relating to corporate governance; and to provide a penalty.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Industry, Business and Labor Committee introduced:  
(At the request of the Insurance Commissioner)

**SB 2077:** A BILL for an Act to amend and reenact section 26.1-02.1-05 of the North Dakota Century Code, relating to the penalties and restitution for insurance fraud; to provide a penalty; and to provide an effective date.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Political Subdivisions Committee introduced:

(At the request of the Information Technology Department)

**SB 2078:** A BILL for an Act to amend and reenact section 54-46-12 of the North Dakota Century Code, relating to records management; and to repeal sections 54-44.6-08, 54-46-10, and 54-46-13 of the North Dakota Century Code, relating to the authority to adopt rules for records management and forms management.

Was read the first time and referred to the **Political Subdivisions Committee**.

Agriculture Committee introduced:

(At the request of the Agriculture Commissioner)

**SB 2079:** A BILL for an Act to amend and reenact subsection 19 of section 4.1-25-01 and sections 4.1-25-31, 4.1-25-32, and 4.1-25-33 of the North Dakota Century Code, relating to the definition of pasteurized milk ordinance and to the pasteurized milk ordinance revision.

Was read the first time and referred to the **Agriculture Committee**.

Agriculture Committee introduced:

(At the request of the Agriculture Commissioner)

**SB 2080:** A BILL for an Act to amend and reenact section 4.1-31-01.1 of the North Dakota Century Code, relating to the federal meat inspection revision.

Was read the first time and referred to the **Agriculture Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the Department of Trust Lands)

**SB 2081:** A BILL for an Act to amend and reenact section 15-03-16 of the North Dakota Century Code, relating to a continuing appropriation for investments controlled by the board of university and school lands.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Agriculture Committee introduced:

(At the request of the Department of Trust Lands)

**SB 2082:** A BILL for an Act to repeal sections 15-04-02 and 15-04-04 of the North Dakota Century Code, relating to cultivated lands for summer fallow.

Was read the first time and referred to the **Agriculture Committee**.

Industry, Business and Labor Committee introduced:

(At the request of the Securities Commissioner)

**SB 2083:** A BILL for an Act to amend and reenact subsection 8 of section 10-04-06, subsection 1 of section 10-04-08.4, and subsection 8 of section 10-04-10 of the North Dakota Century Code, relating to the manual exemption from registration of securities, and refund of filing and registration fees.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the State Auditor)

**SB 2084:** A BILL for an Act to amend and reenact section 54-59-22 of the North Dakota Century Code, relating to required use of centralized desktop support services.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of Job Service North Dakota)

**SB 2085:** A BILL for an Act authorizing the state of North Dakota acting through job service North Dakota to sell certain property; and to declare an emergency.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the State Auditor)

**SB 2086:** A BILL for an Act to amend and reenact section 54-59-22.1 of the North Dakota Century Code, relating to agencies required to use centralized desktop support services.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Judiciary Committee introduced:

(At the request of the Department of Corrections and Rehabilitation)

**SB 2087:** A BILL for an Act to amend and reenact section 25-03.3-04 of the North Dakota Century Code, relating to record retention of civil commitment of sexually dangerous individuals.

Was read the first time and referred to the **Judiciary Committee**.

Judiciary Committee introduced:

(At the request of the Supreme Court)

**SB 2088:** A BILL for an Act to amend and reenact subsection 2 of section 27-20-24, subsections 2 and 3 of section 27-20-30.1 and subsection 1 of section 27-20-45 of the North Dakota Century Code, relating to juvenile court.

Was read the first time and referred to the **Judiciary Committee**.

Finance and Taxation Committee introduced:

(At the request of the Tax Commissioner)

**SB 2089:** A BILL for an Act to create and enact a new subsection to section 57-39.4-35 of the North Dakota Century Code, relating to certified automated system software requirements; to amend and reenact sections 57-05-08, 57-06-06, 57-06-09, 57-06-12, and 57-33.2-07, subdivision d of subsection 26 of section 57-39.2-04, subsection 1 of section 57-39.2-12, subsections 6 and 7 of section 57-39.4-06, subsection 1 of section 57-39.4-23, subsection 3 of section 57-39.4-28, and subsection 7 of section 57-40.2-07 of the North Dakota Century Code, relating to reports from centrally assessed property companies, tentative assessments of centrally assessed property, the annual meeting of the state board of equalization, the definition of supplies used for bladder dysfunction, the filing of sales tax returns, the database of local taxing jurisdictions, notices of temporary exemption periods, the library of definitions to be used in the tax administration practices of the sales and use tax agreement, and the filing of use tax returns; and to provide an effective date.

Was read the first time and referred to the **Finance and Taxation Committee**.

Energy and Natural Resources Committee introduced:

(At the request of the State Engineer)

**SB 2090:** A BILL for an Act to create and enact sections 61-04-02.2, 61-04-04.3, 61-04-07.2, 61-04-07.3, 61-04-15.2, 61-04-15.3, and 61-04-15.4 of the North Dakota Century Code, relating to permits for the appropriation of water; to amend and reenact sections 61-04-01, 61-04-01.1, 61-04-01.2, 61-04-02, 61-04-03, 61-04-03.1, 61-04-04, and 61-04-04.1, subsections 3, 4, and 5 of section 61-04-05, and sections 61-04-05.1, 61-04-06, 61-04-06.1, 61-04-06.2, 61-04-06.3, 61-04-09, 61-04-11, 61-04-14, 61-04-15, 61-04-23, 61-04-24, 61-04-25, 61-04-26, 61-04-27, 61-04-28, and 61-04-29 of the North Dakota Century Code, relating to the appropriation of water; and to repeal sections 61-04-07, 61-04-15.1, 61-04-17, and 61-04-22 of the North Dakota Century Code, relating to appeals of permit application rejections, change in point of diversion or use, surplus water delivery, and a prescriptive water right.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Energy and Natural Resources Committee introduced:

(At the request of the State Engineer)

**SB 2091:** A BILL for an Act to amend and reenact section 61-16.2-08 of the North Dakota Century Code, relating to floodplain management community standards for permissible uses within the flood fringe.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Agriculture Committee introduced:

(At the request of the Department of Health)

**SB 2092:** A BILL for an Act to amend and reenact sections 23-36-01, 23-36-03, 23-36-05, 23-36-06, and 23-36-08 of the North Dakota Century Code, relating to rabies control.

Was read the first time and referred to the **Agriculture Committee**.

Industry, Business and Labor Committee introduced:

(At the request of the Department of Financial Institutions)

**SB 2093:** A BILL for an Act to amend and reenact sections 6-01-09, 6-05-03, and 6-05-28, subsection 3 of section 6-08.1-01, sections 13-04.1-04.1, 13-05-04.1, and 13-08-06, subsection 1 of section 13-09-10, and section 13-11-08 of the North Dakota Century

Code, relating to the examination of technology service providers, the capital requirement for trust companies, the examination of trust companies, the definition of a financial institution, surety bond requirements for money brokers and collection agencies, notice requirement for deferred presentment service providers, fees for money transmitters, and reporting requirements for debt-settlement providers; and to repeal sections 13-04.1-05.1, 13-05-05.2, 13-08-05.2, and 13-09-10.1 of the North Dakota Century Code, relating to automatic renewal of license in 2009 for money brokers, automatic renewal of license in 2014 for collection agencies, deferred presentment service providers, and money transmitters.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Human Services Committee introduced:

(At the request of the North Dakota Board of Medicine)

**SB 2094:** A BILL for an Act to create and enact sections 43-17-44 and 43-17-45 of the North Dakota Century Code, relating to the practice of telemedicine; and to amend and reenact subsection 3 of section 26.1-14-02 and sections 43-17-01 and 43-17-02.3 of the North Dakota Century Code, relating to the definitions of the practice of medicine and telemedicine and the practice of medicine.

Was read the first time and referred to the **Human Services Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the Adjutant General)

**SB 2095:** A BILL for an Act to amend and reenact section 37-17.1-27 of the North Dakota Century Code, relating to the process of expending funds from the disaster relief fund.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the Adjutant General)

**SB 2096:** A BILL for an Act to create and enact section 37-17.1-14.6 of the North Dakota Century Code, relating to a mutual aid compact with the northern emergency management; and to amend and reenact sections 37-17.1-14.2 and 37-17.1-14.3 of the North Dakota Century Code, relating to agreements for mutual aid.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Government and Veterans Affairs Committee introduced:

(At the request of the Adjutant General)

**SB 2097:** A BILL for an Act to amend and reenact sections 37-01-43 and 37-03-02 and subsection 8 of section 37-26-01 of the North Dakota Century Code, relating to the operation of the North Dakota national guard.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Industry, Business and Labor Committee introduced:

(At the request of the Bank of North Dakota)

**SB 2098:** A BILL for an Act to amend and reenact section 6-09-44 of the North Dakota Century Code, relating to the Bank of North Dakota residential mortgage loan program; and to declare an emergency.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Industry, Business and Labor Committee introduced:

(At the request of the Bank of North Dakota)

**SB 2099:** A BILL for an Act to amend and reenact section 6-09-47 of the North Dakota Century Code, relating to the medical facility infrastructure loan fund; and to declare an emergency.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Energy and Natural Resources Committee introduced:

(At the request of the Public Service Commission)

**SB 2100:** A BILL for an Act to amend and reenact section 49-02-27 of the North Dakota Century Code, relating to decommissioning of solar energy conversion facilities.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Education Committee introduced:

(At the request of the Information Technology Department)

**SB 2101:** A BILL for an Act to amend and reenact section 15.1-07-33 of the North Dakota

Century Code, relating to the student information system.  
Was read the first time and referred to the **Education Committee**.

Industry, Business and Labor Committee introduced:  
(At the request of the Insurance Commissioner)

**SB 2102:** A BILL for an Act to create and enact chapter 26.1-53.1 of the North Dakota Century Code, relating to discount plans; and to repeal chapter 26.1-53 of the North Dakota Century Code, relating to discount medical plans.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Government and Veterans Affairs Committee introduced:  
(At the request of the Highway Patrol)

**SB 2103:** A BILL for an Act to amend and reenact section 39-03-03 of the North Dakota Century Code, relating to patrolmen being deemed probationary employees for a period of up to twelve months; and to amend and reenact subsection 3 of section 39-03-13 of the North Dakota Century Code, relating to the power of the superintendent to delegate authority for disciplinary action within the highway patrol.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Finance and Taxation Committee introduced:  
(At the request of the Office of Management and Budget)

**SB 2104:** A BILL for an Act to amend and reenact section 57-51.1-07.5 of the North Dakota Century Code, relating to the state's share of oil and gas taxes; and to provide an effective date.

Was read the first time and referred to the **Finance and Taxation Committee**.

Human Services Committee introduced:  
(At the request of the Department of Human Services)

**SB 2105:** A BILL for an Act to create and enact a new section to chapter 50-06.5 of the North Dakota Century Code, relating to duties of the designated state entity regarding independent living council and independent living centers and services; to amend and reenact sections 50-06.5-01, 50-06.5-02, 50-06.5-03, 50-06.5-04, 50-06.5-06, 50-06.5-07, and 50-06.5-08 of the North Dakota Century Code, relating to the independent living council and independent living centers and services; and to repeal section 50-06.5-05 of the North Dakota Century Code, relating to the state plan for independent living centers and services.

Was read the first time and referred to the **Human Services Committee**.

Human Services Committee introduced:  
(At the request of the Department of Human Services)

**SB 2106:** A BILL for an Act to amend and reenact sections 50-29-01, 50-29-02, 50-29-03, 50-29-04, and 50-29-05 of the North Dakota Century Code, relating to the children's health insurance program; to repeal section 50-29-06 of the North Dakota Century Code, relating to grants and donations for the children's health insurance program; and to provide an effective date.

Was read the first time and referred to the **Human Services Committee**.

Energy and Natural Resources Committee introduced:  
(At the request of the State Department of Health)

**SB 2107:** A BILL for an Act to create and enact a new section to chapter 23.1-01 of the North Dakota Century Code, relating to the certification of environmental laboratories; to repeal section 61-28.1-07 of the North Dakota Century Code, relating to certification of laboratories; and to provide an effective date.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Energy and Natural Resources Committee introduced:  
(At the request of the Department of Health)

**SB 2108:** A BILL for an Act to create and enact a new subsection to section 23.1-08-23 of the North Dakota Century Code, relating to citizen suit and intervention; to amend and reenact section 23.1-08-04 of the North Dakota Century Code, relating to coal combustion residuals; to provide a penalty; and to provide an effective date.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Energy and Natural Resources Committee introduced:  
(At the request of the State Department of Health)

**SB 2109:** A BILL for an Act to create and enact a new subsection to section 23.1-04-08 of the North Dakota Century Code, relating to the duties and responsibilities of the department of environmental quality; to amend and reenact section 23.1-01-11, subsection 6 of section 23.1-04-15, and section 23.1-08-10 of the North Dakota Century Code, relating to the duties and responsibilities of the department of environmental quality; to repeal section 23.1-06-03 and chapters 23.1-09 and 61-20 of the North Dakota Century Code, relating to the duties and responsibilities of the department of environmental quality; to provide an effective date; and to declare an emergency.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Political Subdivisions Committee introduced:

(At the request of the Information Technology Department)

**SB 2110:** A BILL for an Act to amend and reenact sections 54-59-01 and 54-59-05 of the North Dakota Century Code, relating to cybersecurity.

Was read the first time and referred to the **Political Subdivisions Committee**.

Finance and Taxation Committee introduced:

(At the request of the Department of Human Services)

**SB 2111:** A BILL for an Act to amend and reenact sections 14-09-34 and 34-15-04 of the North Dakota Century Code, relating to electronic remittal of funds withheld under an income withholding order and new hire reporting; and to provide for an effective date.

Was read the first time and referred to the **Finance and Taxation Committee**.

Human Services Committee introduced:

(At the request of the Department of Human Services)

**SB 2112:** A BILL for an Act to amend and reenact section 50-09-02.2 of the North Dakota Century Code, relating to adoptive placement of children with special needs.

Was read the first time and referred to the **Human Services Committee**.

Human Services Committee introduced:

(At the request of the Department of Human Services)

**SB 2113:** A BILL for an Act to create and enact a new section to chapter 50-10.2 of the North Dakota Century Code, relating to authorized electronic monitoring of facility residents; to amend and reenact sections 12.1-31-14 and 50-10.2-01 of the North Dakota Century Code, relating to authorized electronic monitoring of facility residents and privacy; and to provide a penalty.

Was read the first time and referred to the **Human Services Committee**.

Judiciary Committee introduced:

(At the request of the Department of Human Services)

**SB 2114:** A BILL for an Act to amend and reenact section 5-01-08 of the North Dakota Century Code, relating to the penalty for individuals under twenty-one years of age using alcoholic beverages or entering licensed premises; and to provide a penalty.

Was read the first time and referred to the **Judiciary Committee**.

Human Services Committee introduced:

(At the request of the Department of Human Services)

**SB 2115:** A BILL for an Act to amend and reenact section 14-08.1-04, subsection 2 of section 14-09-08.1, subsection 4 of section 14-09-08.4, section 14-09-09.32, subsection 8 of section 14-09-25, and subsection 6 of section 50-09-08.6 of the North Dakota Century Code, relating to child support; and to repeal section 14-09-09.37 of the North Dakota Century Code, relating to child support.

Was read the first time and referred to the **Human Services Committee**.

Education Committee introduced:

(At the request of the North Dakota University System)

**SB 2116:** A BILL for an Act to amend and reenact section 6-09-49 of the North Dakota Century Code, relating to the infrastructure revolving loan fund.

Was read the first time and referred to the **Education Committee**.

Industry, Business and Labor Committee introduced:

(At the request of the Insurance Commissioner)

**SB 2118:** A BILL for an Act to create and enact section 26.1-36-49 of the North Dakota

Century Code, relating to short-term limited-duration health insurance plans; and to amend and reenact subsections 2 and 3 of section 26.1-36.4-02 of the North Dakota Century Code, relating to short-term limited-duration health insurance plans.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Transportation Committee introduced:

(At the request of the Department of Transportation)

**SB 2119:** A BILL for an Act to amend and reenact subsection 4 of section 39-01-15 of the North Dakota Century Code, relating to parking privileges for mobility-impaired individuals.

Was read the first time and referred to the **Transportation Committee**.

Transportation Committee introduced:

(At the request of the Department of Transportation)

**SB 2120:** A BILL for an Act to amend and reenact section 39-22-18 of the North Dakota Century Code, relating to retail motor vehicle sales.

Was read the first time and referred to the **Transportation Committee**.

Transportation Committee introduced:

(At the request of the Department of Transportation)

**SB 2121:** A BILL for an Act to amend and reenact subsection 1 of section 39-06.2-07 and subsections 15 and 16 of section 39-06.2-10 of the North Dakota Century Code, relating to commercial vehicle driver's licenses.

Was read the first time and referred to the **Transportation Committee**.

Energy and Natural Resources Committee introduced:

(At the request of the Public Service Commission)

**SB 2122:** A BILL for an Act to create and enact a new section to chapter 49-02 of the North Dakota Century Code, relating to an applicant paying the cost of publishing notice.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Sen. Patten and Rep. Longmuir introduced:

**SB 2123:** A BILL for an Act to amend and reenact sections 38-08-04.8 and 38-08-04.9 of the North Dakota Century Code, relating to confiscation of equipment and recovery for costs of plugging and reclamation of sites with bonds held by the North Dakota industrial commission.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Human Services Committee introduced:

(At the request of the Department of Human Services)

**SB 2124:** A BILL for an Act to create and enact four new sections to chapter 50-01.1 and chapter 50-35 of the North Dakota Century Code, relating to creation of human service zones; to amend and reenact sections 11-16-01 and 11-23-01, subdivision c of subsection 1 of section 14-02.1-02.1, sections 14-08.1-01, 14-09-06.3, 14-09-06.4, 14-09-12, and 14-09-19, subdivision i of subsection 1 of section 14-15-09, sections 14-15-12.1, 23-06-03, 23-41-01, 23-41-06, 25-04-08.1, and 25-04-11, subsection 2 of section 25-04-16, sections 26.1-45-13 and 27-20-11, subsection 7 of section 27-20-20.1, sections 27-20-30 and 27-20-30.1, subsection 2 of section 27-20-31, sections 27-20-44, 27-20-49, and 27-20-54, subsection 2 of section 27-21-12, section 30-16-04, subsection 1 of section 30.1-26-01, subsection 3 of section 30.1-28-11, subdivision h of subsection 1 of section 40-01.1-04, sections 50-01-01, 50-01-01.1, 50-01-02, 50-01-04, 50-01-13, 50-01-17, 50-01-17.1, 50-01-17.2, 50-01-17.3, 50-01-17.5, 50-01-19, 50-01-21, 50-01-26, 50-01-27, 50-01-28, 50-01-29, 50-01.1-01, 50-01.1-02, 50-01.1-03, 50-01.1-04, 50-01.2-00.1, 50-01.2-01, 50-01.2-02, 50-01.2-03, 50-01.2-03.2, 50-01.2-04, and 50-01.2-05, subsection 4 of section 50-06-01, sections 50-06-01.4, 50-06-01.9, and 50-06-05.1, subsection 3 of section 50-06-05.3, sections 50-06-05.8, 50-06-06.2, 50-06-06.5, 50-06-06.14, 50-06-12, 50-06-20, 50-06.2-01, 50-06.2-02, 50-06.2-03, 50-06.2-04, 50-06.2-06, 50-09-01, 50-09-02, 50-09-02.2, 50-09-03, 50-09-04, 50-09-06, 50-09-07, and 50-09-08, subsections 2, 3, and 4 of section 50-09-08.2, sections 50-09-08.3, 50-09-08.4, and 50-09-09, subsection 1 of section 50-09-14, sections 50-09-29 and 50-09-30, subsection 2 of section 50-11-00.1, sections 50-11.1-02, 50-11.2-01, 50-11.2-02, 50-24.1-03.1, 50-24.1-03.2, and 50-24.5-01, subsection 1 of section 50-24.5-02, sections 50-24.5-03, 50-24.5-07, 50-24.5-09 and 50-24.7-01, subsection 1 of section 50-24.7-02, sections 50-24.7-03 and 50-24.7-06,

subsections 6 and 11 of section 50-25.1-02, sections 50-25.1-04.3, 50-25.2-14, 50-29-01, 50-29-02, 50-29-03, and 54-46-13, subsection 3 of section 57-15-01.1, sections 57-15-06.7 and 57-20-07.1, subdivision b of subsection 1 of section 57-55-10, and subsection 16 of section 65-01-02 of the North Dakota Century Code, relating to the establishment and operation of human service zone areas, taxing district levy limitations, and property tax statements; to repeal sections 50-01-03, 50-01.1-02.1, 50-01.2-03.1, and 50-01.2-06, chapter 50-03, and sections 50-06-05.7, 50-06-06.1, 50-06-20.1, 50-06.2-05, and 50-25.1-06.1 of the North Dakota Century Code, relating to administration of county social service boards, the county human services fund, and caseload standards; to provide a contingent appropriation; to provide an effective date; and to declare an emergency.

Was read the first time and referred to the **Human Services Committee**.

Sens. Burckhard, Anderson, Oban and Reps. D. Anderson, Dobervich, Karls introduced:

**SB 2125:** A BILL for an Act to create and enact a new subsection to section 43-26.1-10, a new subsection to section 43-26.1-13, and a new subsection to section 43-26.1-15 of the North Dakota Century Code, relating to the regulation of the practice of physical therapy; and to amend and reenact sections 43-26.1-01, 43-26.1-02, 43-26.1-03, 43-26.1-04, 43-26.1-05, 43-26.1-08, 43-26.1-11, and 43-26.1-14 of the North Dakota Century Code, relating to the board of physical therapy and physical therapy licensure; and to provide for application.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Sens. Burckhard, Bekkedahl, Meyer and Reps. Louser, Nathe, Rohr introduced:

**SB 2126:** A BILL for an Act to amend and reenact section 43-51-06 of the North Dakota Century Code, relating to licensure of foreign practitioners of occupations and professions.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Sens. Burckhard, Bekkedahl, Meyer and Reps. Nathe, Rohr, Satrom introduced:

**SB 2127:** A BILL for an Act to create and enact section 43-51-11.2 of the North Dakota Century Code, relating to regulation of the practice of occupations and professions by military dependents; and to amend and reenact sections 15.1-13-17, 27-11-01, 43-51-01, and 43-51-11.1 of the North Dakota Century Code, relating to regulation of occupations and professions.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Sens. Grabinger, Mathern, Oban and Reps. P. Anderson, Boe, Boschee introduced:

**SB 2128:** A BILL for an Act to provide a statement of legislative intent regarding state employee compensation adjustments.

Was read the first time and referred to the **Appropriations Committee**.

Sens. D. Larson, Poolman and Reps. Heinert, Lefor introduced:

**SB 2129:** A BILL for an Act to create and enact a new paragraph to subdivision a of subsection 3 of section 39-06.1-10 and a new section to chapter 39-08 of the North Dakota Century Code, relating to entries against a driving record and prohibiting a minor from riding within the open bed of a truck; to amend and reenact section 39-06.1-09 of the North Dakota Century Code, relating to moving violations; and to provide a penalty.

Was read the first time and referred to the **Transportation Committee**.

Sens. Cook, Bekkedahl, Schaible and Reps. Dockter, Headland, Louser introduced:

**SB 2130:** A BILL for an Act to provide for a legislative management study relating to state agency fees.

Was read the first time and referred to the **Political Subdivisions Committee**.

Sen. O. Larsen and Reps. Becker, McWilliams, D. Ruby introduced:

**SB 2131:** A BILL for an Act to create and enact a new section to chapter 62.1-01 of the North Dakota Century Code, relating to manufactured firearms, accessories, or ammunition.

Was read the first time and referred to the **Judiciary Committee**.

Sens. O. Larsen, Luick and Reps. Becker, Schatz introduced:

**SB 2132:** A BILL for an Act to amend and reenact sections 54-52.1-06, 54-52.1-07, and 54-52.1-18 of the North Dakota Century Code, relating to state contribution for the

uniform group insurance program; to provide for application; to provide an effective date; and to declare an emergency.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Sens. O. Larsen, Bekkedahl and Reps. Hoverson, McWilliams, Paulson introduced:

**SB 2133:** A BILL for an Act to amend and reenact sections 39-10-41 and 39-10-43 of the North Dakota Century Code, relating to railroad grade crossings; and to provide a penalty.

Was read the first time and referred to the **Transportation Committee**.

Sen. O. Larsen and Reps. Becker, Jones, McWilliams, Vetter introduced:

**SB 2134:** A BILL for an Act to create and enact a new section to chapter 19-24.1 of the North Dakota Century Code, relating to cultivation of medical marijuana; and to amend and reenact sections 19-24.1-01, 19-24.1-03, 19-24.1-11, 19-24.1-32, and 19-24.1-35 of the North Dakota Century Code, relating to purchase and cultivation of medical marijuana.

Was read the first time and referred to the **Judiciary Committee**.

Sens. O. Larsen, Vedaa and Reps. Kasper, Schobinger introduced:

**SB 2135:** A BILL for an Act to create and enact section 26.1-26-31.9 of the North Dakota Century Code, relating to insurance producer and consultant continuing education; and to amend and reenact sections 26.1-26-02 and 26.1-26-35 of the North Dakota Century Code, relating to definitions relating to insurance producers and consultants.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Sens. O. Larsen, Kannianen and Reps. Kasper, McWilliams introduced:

**SB 2136:** A BILL for an Act to amend and reenact sections 15.1-21-02 and 15.1-21-02.2 of the North Dakota Century Code, relating to public and nonpublic high schools offering elective instruction on the Bible.

Was read the first time and referred to the **Education Committee**.

Sens. O. Larsen, Vedaa and Reps. Becker, D. Ruby introduced:

**SB 2137:** A BILL for an Act to amend and reenact section 23-12-10 of the North Dakota Century Code, relating to cigar bars.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Sens. J. Lee, Unruh and Reps. Damschen, Mitskog, Porter introduced:

**SB 2138:** A BILL for an Act to amend and reenact subsection 10 of section 20.1-02-05 of the North Dakota Century Code, relating to allowing advanced practice registered nurses to verify the physical conditions necessary for special hunting permits to be issued to individuals to shoot from stationary motor vehicles.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

Sens. Luick, Osland, Vedaa and Reps. Beadle, Mitskog, Pyle introduced:

**SB 2139:** A BILL for an Act to amend and reenact sections 61-02-01.3, 61-02-01.4, 61-02-02, and 61-02-14 of the North Dakota Century Code, relating to cost-sharing and duties of the state water commission.

Was read the first time and referred to the **Political Subdivisions Committee**.

Sens. O. Larsen, Kannianen, Myrdal, Vedaa and Reps. Becker, D. Ruby introduced:

**SB 2140:** A BILL for an Act to amend and reenact section 62.1-04-04 of the North Dakota Century Code, relating to producing a concealed weapon license upon request.

Was read the first time and referred to the **Judiciary Committee**.

Sen. O. Larsen and Rep. Schatz introduced:

**SB 2141:** A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to the allocation of resources at the time of a child's birth; and to provide legislative intent.

Was read the first time and referred to the **Education Committee**.

Sens. O. Larsen, Unruh and Rep. Johnston introduced:

**SB 2142:** A BILL for an Act to create and enact chapter 15.1-39 of the North Dakota Century Code, relating to the establishment of an education savings account program.

Was read the first time and referred to the **Education Committee**.

Sens. K. Roers, Anderson, Oban and Reps. D. Anderson, P. Anderson, Rohr introduced:  
**SB 2143:** A BILL for an Act to amend and reenact subsection 1 of section 43-12.3-06 of the North Dakota Century Code, relating to the health care professional student loan repayment program.

Was read the first time and referred to the **Education Committee**.

Sens. Klein, Myrdal, Wanzek and Reps. Boe, C. Johnson, D. Johnson introduced:  
**SB 2144:** A BILL for an Act to amend and reenact sections 4.1-06-03 and 4.1-06-04 of the North Dakota Century Code, relating to elections of members to the North Dakota dry bean council.

Was read the first time and referred to the **Agriculture Committee**.

Sens. Klein, Hogue, Robinson and Reps. Keiser, Lefor, Roers Jones introduced:  
**SB 2145:** A BILL for an Act to amend and reenact sections 34-14-05 and 34-14-09 of the North Dakota Century Code, relating to investigation of wage collection claims; to provide an effective date; and to declare an emergency.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Sens. O. Larsen, Piepkorn and Reps. Meier, Rohr introduced:  
**SB 2146:** A BILL for an Act to provide an appropriation to the state historical society for relocating pioneer village.

Was read the first time and referred to the **Political Subdivisions Committee**.

Sens. Erbele, Klein, Luick and Reps. Fisher, Headland, Trottier introduced:  
**SB 2147:** A BILL for an Act to amend and reenact section 15-10-43 of the North Dakota Century Code, relating to admission committee members for the veterinary medical education program.

Was read the first time and referred to the **Education Committee**.

Sens. Heckaman, Grabinger, Robinson and Reps. Devlin, Vigesaa introduced:  
**SB 2149:** A BILL for an Act to amend and reenact section 15.1-07-34 of the North Dakota Century Code, relating to mandatory instruction for students in mental health awareness and suicide prevention.

Was read the first time and referred to the **Human Services Committee**.

Sens. Davison, Schaible, Vedaa and Rep. Monson introduced:  
**SB 2150:** A BILL for an Act to amend and reenact section 15.1-09.1-12 and subsection 1 of section 54-10-14 of the North Dakota Century Code, relating to audits of regional education associations by the state auditor.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Sen. Oehlke and Reps. D. Johnson, Vigesaa introduced:  
**SB 2151:** A BILL for an Act to amend and reenact subsection 3 of section 39-12-02 of the North Dakota Century Code, relating to annual permits for vehicles of excessive size or weight; and to declare an emergency.

Was read the first time and referred to the **Transportation Committee**.

Sens. Luick, Erbele, Klein and Reps. D. Johnson, Pollert introduced:  
**SB 2152:** A BILL for an Act to amend and reenact sections 4.1-37-02, 4.1-37-03, and 4.1-37-04 of the North Dakota Century Code, relating to the licensing of anhydrous ammonia storage tanks and mobile storage containers.

Was read the first time and referred to the **Agriculture Committee**.

Sens. Poolman, Kannianen, D. Larson, Marcellais and Reps. Keiser, Roers Jones introduced:

**SB 2153:** A BILL for an Act to create and enact a new section to chapter 27-20 of the North Dakota Century Code, relating to cooperative agreements to provide services to juveniles adjudicated in tribal court; to provide for a report to legislative management; and to provide an expiration date.

Was read the first time and referred to the **Judiciary Committee**.

Sens. Poolman, Dever, Hogan and Reps. Beadle, Dobervich, Meier introduced:  
**SB 2154:** A BILL for an Act to create and enact chapter 23-49 of the North Dakota Century Code, relating to hospital discharge policies.

Was read the first time and referred to the **Human Services Committee**.

Sens. Anderson, J. Lee, Oban and Reps. Beadle, Dobervich, J. Nelson introduced:

**SB 2155:** A BILL for an Act to create and enact a new subsection to section 43-15-02 of the North Dakota Century Code, relating to an exemption from the practice of pharmacy; and to declare an emergency.

Was read the first time and referred to the **Human Services Committee**.

Sen. Schaible and Reps. Rohr, Schmidt introduced:

**SB 2156:** A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to registration fees for motor vehicles and a driver's education fund; and to provide a continuing appropriation.

Was read the first time and referred to the **Education Committee**.

Sens. Schaible, Wardner and Reps. Rohr, Schmidt introduced:

**SB 2157:** A BILL for an Act to amend and reenact section 39-06-05 of the North Dakota Century Code, relating to the age of students enrolled in a driver's training course.

Was read the first time and referred to the **Education Committee**.

Sens. Schaible, Wardner and Reps. Rohr, Schmidt introduced:

**SB 2158:** A BILL for an Act to create and enact a new section to chapter 15.1-13 of the North Dakota Century Code, relating to professional development exemption for certain driver education instructors.

Was read the first time and referred to the **Education Committee**.

Sens. Dever, Grabinger, Myrdal and Reps. Beadle, Meier, Mock introduced:

**SB 2159:** A BILL for an Act to provide an appropriation to the attorney general for human trafficking victims treatment and support services; and to provide for reports to the attorney general, legislative assembly, and legislative management.

Was read the first time and referred to the **Judiciary Committee**.

Sens. Rust, Bekkedahl and Reps. B. Anderson, Hatlestad, Richter, Steiner introduced:

**SB 2160:** A BILL for an Act to amend and reenact section 15.1-27-04.1 of the North Dakota Century Code, relating to state foundation aid payments to school districts.

Was read the first time and referred to the **Education Committee**.

Sens. Rust, Bekkedahl and Reps. B. Anderson, Hatlestad, Richter, Zubke introduced:

**SB 2161:** A BILL for an Act to create and enact section 15.1-36-08.1 of the North Dakota Century Code, relating to a rapid enrollment school construction grant program; to provide an appropriation; and to provide for a transfer.

Was read the first time and referred to the **Education Committee**.

Sens. Vedaa, O. Larsen, Osland, J. Roers and Reps. M. Ruby, Vetter introduced:

**SB 2162:** A BILL for an Act to amend and reenact subdivision a of subsection 1 of section 53-06.1-03 of the North Dakota Century Code, relating to the local permit prize limits.

Was read the first time and referred to the **Judiciary Committee**.

Sens. Vedaa, Clemens, Kreun, O. Larsen, Osland and Rep. M. Ruby introduced:

**SB 2163:** A BILL for an Act to create and enact a new section to chapter 50-11.1 of the North Dakota Century Code, relating to proof of liability insurance for early childhood programs.

Was read the first time and referred to the **Human Services Committee**.

Sens. Vedaa, Clemens, Kreun, O. Larsen, Osland and Rep. Vetter introduced:

**SB 2164:** A BILL for an Act to create and enact a new section to chapter 15-18.2 of the North Dakota Century Code, relating to contents of tuition and fees statements.

Was read the first time and referred to the **Education Committee**.

Sens. Vedaa, Clemens, Kreun and Reps. D. Anderson, M. Ruby, Vetter introduced:

**SB 2165:** A BILL for an Act to create and enact two new sections to chapter 20.1-13 of the North Dakota Century Code, relating to watercraft total loss statements and the issuance of a salvage certificate number; and to amend and reenact subdivision d of subsection 12 of section 57-39.2-01 of the North Dakota Century Code, relating to the definition of gross receipts.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

Sens. Vedaa, Oban, Osland, J. Roers and Reps. Karls, Schreiber-Beck introduced:

**SB 2166:** A BILL for an Act to amend and reenact subsection 2 of section 32-12.1-03 of the North Dakota Century Code, relating to increasing liability limits for political subdivisions.

Was read the first time and referred to the **Political Subdivisions Committee**.

Sens. Burckhard, Vedaa and Reps. Kasper, Louser, Schobinger introduced:

**SB 2167:** A BILL for an Act to create and enact section 26.1-26-31.9 of the North Dakota Century Code, relating to insurance producer and consultant continuing education; and to amend and reenact sections 26.1-26-02 and 26.1-26-35 of the North Dakota Century Code, relating to definitions relating to insurance producers and consultants.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

#### **FIRST READING OF SENATE CONCURRENT RESOLUTIONS**

Sens. Hogue, Dever, G. Lee and Reps. K. Koppelman, Louser, Nathe introduced:

**SCR 4001:** A concurrent resolution to amend and reenact section 9 of article III of the Constitution of North Dakota, relating to the process for approving constitutional amendments.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

Sens. Mathern, Erbele, Oban and Reps. Buffalo, B. Koppelman, Nathe introduced:

**SCR 4002:** A concurrent resolution directing the Legislative Management to consider studying diabetes, including the forms and costs of treatment, avenues of payment, and impact of the federal Affordable Care Act.

Was read the first time and referred to the **Human Services Committee**.

Sens. Patten, Piepkorn and Reps. Kempenich, Richter introduced:

**SCR 4003:** A concurrent resolution declaring the fourth Saturday in July as "National Day of the Cowboy".

Was read the first time and referred to the **Agriculture Committee**.

Sens. Oban, Davison, Holmberg and Reps. Hanson, Pyle, Schreiber-Beck introduced:

**SCR 4004:** A concurrent resolution directing the Legislative Management to consider studying the impact of violent, disruptive, and inappropriate behavior within the educational environment perpetrated by students against other students, teachers, and other school personnel, and the need to implement a uniform reporting system.

Was read the first time and referred to the **Education Committee**.

The Senate stood adjourned pursuant to Senator Klein's motion.

**Shanda Morgan, Secretary**

