

HOUSE BILL NO. 1009

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the agriculture
 2 commissioner; ~~and~~ to provide for a transfer; to amend and reenact sections 4.1-01-02 and
 3 4.1-01-17 of the North Dakota Century Code, relating to the salary of the agriculture
 4 commissioner and the pipeline restoration and reclamation oversight program; to amend and
 5 reenact section 7 of chapter 34 of the 2019 Session Laws, relating to the waterbank program; to
 6 provide for a report; and to provide for a legislative management study.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
 9 as may be necessary, are appropriated out of any moneys in the general fund in the state
 10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
 11 other income, to the agriculture commissioner for the purpose of defraying the expenses of the
 12 agriculture commissioner, for the biennium beginning July 1, 2021, and ending June 30, 2023.

	<u>Governor's</u>		
	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
13			
14			
15	Salaries and wages	\$14,232,746	\$14,235,822
16	Operating expenses	6,592,780	7,748,840
17	Capital assets	15,000	15,000
18	Grants	8,823,774	8,576,774
19	Environmental impact mitigation	5,000,000	4,900,000
20	Agricultural products utilization	1,760,417	1,760,417
21	—commission		
22	Board of animal health	865,718	787,718
23	Wildlife services	1,457,400	1,457,400
24	Pipeline restoration and reclamation	200,000	200,000

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1	—oversight program			
2	Crop harmonization board	75,000	75,000	75,000
3	Total all funds	\$39,022,835	\$39,756,971	\$39,022,835
4	Less estimated income	28,322,406	28,689,324	28,322,406
5	Total general fund	\$10,700,429	\$11,067,647	\$10,700,429
6	Full-time equivalent positions	78.00	78.00	78.00
7		<u>Adjustments or</u>		
8		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
9	<u>Salaries and wages</u>	<u>\$14,232,746</u>	<u>\$1,487,555</u>	<u>\$15,720,301</u>
10	<u>Operating expenses</u>	<u>6,592,780</u>	<u>255,272</u>	<u>6,848,052</u>
11	<u>Capital assets</u>	<u>15,000</u>	<u>0</u>	<u>15,000</u>
12	<u>Grants</u>	<u>8,823,774</u>	<u>708,000</u>	<u>9,531,774</u>
13	<u>Environmental impact mitigation</u>	<u>5,000,000</u>	<u>(5,000,000)</u>	<u>0</u>
14	<u>Agricultural products utilization</u>	<u>1,760,417</u>	<u>2,700,000</u>	<u>4,460,417</u>
15	<u>commission</u>			
16	<u>North Dakota trade office</u>	<u>0</u>	<u>1,600,000</u>	<u>1,600,000</u>
17	<u>Board of animal health</u>	<u>865,718</u>	<u>0</u>	<u>865,718</u>
18	<u>Wildlife services</u>	<u>1,457,400</u>	<u>0</u>	<u>1,457,400</u>
19	<u>Pipeline restoration and reclamation</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
20	<u>oversight program</u>			
21	<u>Crop harmonization board</u>	<u>75,000</u>	<u>0</u>	<u>75,000</u>
22	<u>Total all funds</u>	<u>\$39,022,835</u>	<u>\$1,750,827</u>	<u>\$40,773,662</u>
23	<u>Less estimated income</u>	<u>28,322,406</u>	<u>(1,007,568)</u>	<u>27,314,838</u>
24	<u>Total general fund</u>	<u>\$10,700,429</u>	<u>\$2,758,395</u>	<u>\$13,458,824</u>
25	<u>Full-time equivalent positions</u>	<u>78.00</u>	<u>1.00</u>	<u>79.00</u>

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

30	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
31	Master customer database	\$110,000	\$0

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1	Grain insolvency litigation	100,000	0
2	Agricultural products utilization commission	2,000,000	0
3	Total all funds	\$2,210,000	\$0
4	Less estimated income	2,000,000	0
5	Total general fund	\$210,000	\$0
6	<u>Agricultural products utilization commission</u>	<u>2,000,000</u>	<u>2,700,000</u>
7	<u>Soil health grants</u>	<u>0</u>	<u>500,000</u>
8	<u>Total all funds</u>	<u>\$2,210,000</u>	<u>\$3,200,000</u>
9	<u>Less estimated income</u>	<u>2,000,000</u>	<u>3,200,000</u>
10	<u>Total general fund</u>	<u>\$210,000</u>	<u>\$0</u>

11 The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget
 12 for the 2023-25 biennium. The agriculture commissioner shall report to the appropriations
 13 committees of the sixty-eighth legislative assembly on the use of this one-time funding for the
 14 biennium beginning July 1, 2021, and ending June 30, 2023.

15 ~~SECTION 3. TRANSFER -- ENVIRONMENT AND RANGELAND PROTECTION FUND --~~
 16 ~~MINOR USE PESTICIDE FUND.~~ The agriculture commissioner shall transfer \$325,000 from the
 17 environment and rangeland protection fund to the minor use pesticide fund during the biennium
 18 beginning July 1, 2021, and ending June 30, 2023.

19 ~~SECTION 4. ESTIMATED INCOME -- STATE WATER COMMISSION -- TRANSFER.~~ The
 20 estimated income line item in section 1 of this Act includes the sum of \$125,000 which the state
 21 water commission shall transfer to the agriculture commissioner for the purpose of defraying the
 22 expenses of the wildlife services program.

23 ~~SECTION 5. WATERBANK PROGRAM -- MATCHING FUNDS.~~ The salaries and wages line
 24 item in section 1 of this Act includes \$50,000 from the general fund for matching funds for the
 25 North Dakota outdoor heritage fund grant provided for the waterbank program.

26 ~~SECTION 6. ESTIMATED INCOME -- ENVIRONMENT AND RANGELAND PROTECTION~~
 27 ~~FUND.~~ The estimated income line item in section 1 of this Act includes the sum of \$6,725,799
 28 from the environment and rangeland protection fund for the purpose of defraying the expenses
 29 of various agriculture commissioner programs.

30 ~~SECTION 7. ESTIMATED INCOME -- GAME AND FISH FUND.~~ The estimated income line
 31 item in section 1 of this Act includes the sum of \$614,430 from the game and fish department

1 ~~operating fund for the purpose of defraying the expenses of various agriculture commissioner-~~
2 ~~programs.~~

3 ~~— SECTION 8. ESTIMATED INCOME - PIPELINE RESTORATION AND RECLAMATION.~~

4 ~~The estimated income line item in section 1 of this Act includes the sum of \$200,000 from the~~
5 ~~abandoned oil and gas well plugging and site reclamation fund for the purpose of defraying the~~
6 ~~expenses of the pipeline restoration and reclamation program.~~

7 **SECTION 3. APPROPRIATION - TRANSFER - GENERAL FUND TO BIOSCIENCE**

8 **INNOVATION GRANT FUND - ONE-TIME FUNDING.** There is appropriated out of any moneys
9 in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,500,000, or
10 so much of the sum as may be necessary, which the office of management and budget shall
11 transfer to the bioscience innovation grant fund for the biennium beginning July 1, 2021, and
12 ending June 30, 2023. The agriculture commissioner shall use these funds for providing
13 bioscience innovation grants. This funding is considered a one-time funding item.

14 **SECTION 4. APPROPRIATION - TRANSFER - GENERAL FUND TO FEDERAL**

15 **ENVIRONMENTAL LAW IMPACT REVIEW FUND - ONE-TIME FUNDING.** There is
16 appropriated out of any moneys in the general fund in the state treasury, not otherwise
17 appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, which the
18 office of management and budget shall transfer to the federal environmental law impact review
19 fund for the biennium beginning July 1, 2021, and ending June 30, 2023. The agriculture
20 commissioner shall use these funds for defraying costs associated with federal environmental
21 legislation or regulations which detrimentally impact or potentially impact the state's agricultural,
22 energy, or oil production sectors. This funding is considered a one-time funding item.

23 **SECTION 5. ESTIMATED INCOME - TRANSFER - BANK OF NORTH DAKOTA**

24 **PROFITS - AGRICULTURAL PRODUCTS UTILIZATION COMMISSION - ONE-TIME**
25 **FUNDING.** The estimated income line item in section 1 of this Act includes the sum of
26 \$2,700,000 which the Bank of North Dakota shall transfer from the Bank's current earnings and
27 undivided profits to the agriculture commissioner for deposit in the agricultural products
28 utilization commission fund for defraying the expenses of the agricultural products utilization
29 commission for the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is
30 considered a one-time funding item.

1 **SECTION 6. ESTIMATED INCOME - TRANSFER - BANK OF NORTH DAKOTA**

2 **PROFITS - OUTDOOR HERITAGE FUND - SOIL HEALTH COVER CROP GRANT**

3 **PROGRAM - ONE-TIME FUNDING.** The estimated income line item in section 1 of this Act
4 includes the sum of \$500,000, of which the Bank of North Dakota shall transfer \$300,000 from
5 the Bank's current earnings and undivided profits and the industrial commission shall transfer
6 \$200,000 from the outdoor heritage fund to the agriculture commissioner for deposit in the
7 agriculture commissioner's operating fund for defraying the expenses of the soil health cover
8 crop grant program for the biennium beginning July 1, 2021, and ending June 30, 2023. The
9 agriculture commissioner shall establish guidelines for the use of grant funding provided for this
10 program. This funding is considered a one-time funding item.

11 **SECTION 7. ESTIMATED INCOME - TRANSFER - STATE WATER COMMISSION.** The
12 estimated income line item in section 1 of this Act includes the sum of \$125,000 which the state
13 water commission shall transfer to the agriculture commissioner for the purpose of defraying the
14 expenses of the wildlife services program.

15 **SECTION 8. TRANSFER - ENVIRONMENT AND RANGELAND PROTECTION FUND -**
16 **MINOR USE PESTICIDE FUND.** The agriculture commissioner shall transfer \$325,000 from the
17 environment and rangeland protection fund to the minor use pesticide fund during the biennium
18 beginning July 1, 2021, and ending June 30, 2023.

19 **SECTION 9. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION**
20 **FUND.** The estimated income line item in section 1 of this Act includes the sum of \$6,900,301
21 from the environment and rangeland protection fund for the purpose of defraying the expenses
22 of various agriculture commissioner programs.

23 **SECTION 10. ESTIMATED INCOME - GAME AND FISH FUND.** The estimated income line
24 item in section 1 of this Act includes the sum of \$619,329 from the game and fish department
25 operating fund for the purpose of defraying the expenses of various agriculture commissioner
26 programs.

27 **SECTION 11. TRADE OFFICE - MATCHING FUND REQUIREMENT.** The North Dakota
28 trade office line item and the general fund appropriation in section 1 of this Act include
29 \$1,600,000 of funding related to the North Dakota trade office. The agriculture commissioner
30 may spend sixty percent of this amount without requiring any matching funds from the trade
31 office. Any additional amounts may be spent only to the extent the North Dakota trade office

1 provides one dollar of matching funds from private or other public sources for each one dollar
2 provided by the agriculture commissioner. Matching funds may include money spent by
3 businesses or organizations to pay salaries to export assistants, providing training to export
4 assistants, or to purchase computer equipment as part of the North Dakota trade office's export
5 assistant program.

6 **SECTION 12. AMENDMENT.** Section 4.1-01-02 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **4.1-01-02. Salary of agriculture commissioner.**

9 The annual salary of the agriculture commissioner is one hundred ~~sixteen~~twenty-one
10 thousand ~~eight~~five hundred ~~thirty-six~~fifty-three dollars through June 30, ~~2020~~2022, and one
11 hundred ~~nineteen~~twenty-three thousand ~~seven~~three hundred ~~fifty-seven~~seventy-six dollars after
12 that date.

13 **SECTION 13. AMENDMENT.** Section 4.1-01-17 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **4.1-01-17. Pipeline restoration and reclamation oversight ~~pilot~~ program - Generally.**

- 16 1. The commissioner shall establish a ~~pilot~~ program providing technical assistance and
17 support to surface owners and surface tenants on pipeline restoration and followup
18 support to surface owners and surface tenants on pipeline reclamation.
- 19 2. The commissioner may contract for ombudsmen to be a resource for technical
20 assistance and followup on pipeline issues. The ombudsmen may not investigate or
21 assist with any pipeline installed before January 1, 2006, or regulated by the public
22 service commission under title 49, and may not assist in easement negotiations.
- 23 3. The ~~pilot~~ program may provide technical education, support, and outreach on
24 pipeline-related matters in coordination with other entities.
- 25 4. The commissioner may contract with local individuals, deemed trustworthy by the
26 surface owners and surface tenants, to be ombudsmen. The commissioner is not
27 subject to the provisions of chapter 54-44.4 when contracting for the services of
28 ombudsmen.

29 5. The names of surface owners and surface tenants who receive assistance under the
30 program are closed records as defined in section 44-04-17.1.

1 | **SECTION 14. ESTIMATED INCOME - PIPELINE RESTORATION AND RECLAMATION.**

2 | The estimated income line item in section 1 of this Act includes the sum of \$200,000 from the
3 | abandoned oil and gas well plugging and site reclamation fund for the purpose of defraying the
4 | expenses of the pipeline restoration and reclamation program.

5 | **SECTION 15. AMENDMENT.** Section 7 of chapter 34 of the 2019 Session Laws is
6 | amended and reenacted as follows:

7 | **SECTION 7. WATERBANK PROGRAM - MATCHING FUNDS.** The salaries and
8 | wages line item in section 1 of this Act includes up to \$50,000 from the general fund
9 | for matching funds for the North Dakota outdoor heritage fund grant provided for the
10 | waterbank program.

11 | **SECTION 16. WATERBANK PROGRAM - MATCHING FUNDS.** The salaries and wages
12 | line item in section 1 of this Act includes up to \$50,000 from the general fund for matching funds
13 | for the North Dakota outdoor heritage fund grant provided for the waterbank program.

14 | **SECTION 17. LEGISLATIVE MANAGEMENT STUDY - NORTH DAKOTA BEEF**

15 | **COMMISSION.** During the 2021-22 interim, the legislative management shall consider studying
16 | the North Dakota beef commission, including its operations and the selection of commission
17 | members. The legislative management shall report its findings and recommendations, together
18 | with any legislation required to implement the recommendations, to the sixty-eighth legislative
19 | assembly.