

Sixty-eighth  
Legislative Assembly  
of North Dakota

ENGROSSED SENATE BILL NO. 2003

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general;  
2 to create and enact a new section to chapter 50-06 of the North Dakota Century Code, relating  
3 to the creation of an opioid settlement fund; to amend and reenact sections 53-12.1-09 and  
4 54-12-11 of the North Dakota Century Code, relating to transfers from the lottery operating fund  
5 to the multijurisdictional drug task force grant fund and the salary of the attorney general; to  
6 provide a transfer; to provide an exemption; to provide for a report; and to provide for a  
7 legislative management study.

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

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
10 as may be necessary, are appropriated out of any moneys in the general fund in the state  
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
12 other income, to the attorney general for the purpose of defraying the expenses of the attorney  
13 general, for the biennium beginning July 1, 2023, and ending June 30, 2025, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
14			
15			
16	Salaries and wages	\$5,642,965	\$56,475,611
17	Operating expenses	2,450,937	17,688,435
18	Capital assets	2,912,522	3,560,577
19	Grants	0	3,903,440
20	Human trafficking victims grants	9,601	1,111,480
21	Forensic nurse examiners grants	2,181	252,872
22	Statewide litigation funding pool	5,000,000	5,000,000
23	Litigation fees	0	127,500
24	Medical examinations	0	660,000

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1	North Dakota lottery	5,254,844	178,602	5,433,446
2	Arrest and return of fugitives	8,500	0	8,500
3	Gaming commission	7,489	0	7,489
4	Criminal justice information sharing	4,074,968	471,677	4,546,645
5	Law enforcement	<u>3,048,927</u>	<u>4,145,778</u>	<u>7,194,705</u>
6	Total all funds	\$85,156,437	\$20,814,263	\$105,970,700
7	Less estimated income	<u>42,509,719</u>	<u>(125,870)</u>	<u>42,383,849</u>
8	Total general fund	\$42,646,718	\$20,940,133	\$63,586,851
9	Full-time equivalent positions	253.00	7.00	260.00

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

**SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
15	Criminal history improvement system	\$400,000	\$0
16	Automated biometric identification system	300,000	0
17	Charitable gaming technology system	475,000	0
18	Additional income	250,000	0
19	Missing persons database	300,000	0
20	Prosecuting case management system	1,000,000	0
21	Charitable gaming tax information technology costs	50,000	0
22	Capital assets	1,111,706	2,818,877
23	Statewide litigation funding pool	4,650,000	5,000,000
24	Staff operating and equipment costs	0	792,090
25	Inflationary increases	0	156,463
26	Back the blue grants	0	3,500,000
27	Law enforcement resiliency grants	<u>0</u>	<u>400,000</u>
28	Total all funds	\$8,536,706	\$12,667,430
29	Total other funds	<u>8,536,706</u>	<u>2,050,084</u>
30	Total general fund	\$0	\$10,617,346

1           The 2023-25 biennium one-time funding amounts are not a part of the entity's base  
2 budget for the 2025-27 biennium. The attorney general shall report to the appropriations  
3 committees of the sixty-ninth legislative assembly on the use of this one-time funding for the  
4 biennium beginning July 1, 2023, and ending June 30, 2025.

5           **SECTION 3. ADDITIONAL INCOME - APPROPRIATION - REPORT.** In addition to the  
6 amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from  
7 federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the  
8 attorney general for the purposes of defraying the expenses of the office, for the biennium  
9 beginning July 1, 2023, and ending June 30, 2025. The attorney general shall notify the office of  
10 management and budget and the legislative council of any funding made available pursuant to  
11 this section.

12           **SECTION 4. TRANSFER - STATEWIDE LITIGATION FUNDING POOL TO STATE**  
13 **AGENCIES - ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND.** The  
14 statewide litigation funding pool line item in section 1 of this Act includes \$5,000,000, of which  
15 \$4,557,748 is from the general fund and \$442,252 is from the gaming and excise tax allocation  
16 fund, which the attorney general shall transfer to eligible state agencies for litigation expenses  
17 during the biennium beginning July 1, 2023, and ending June 30, 2025. The attorney general  
18 may not use funding from the litigation pool to pay judgments under section 32-12-04.

19           **SECTION 5. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM -**  
20 **CHARITABLE GAMING OPERATING FUND.** The estimated income line item in section 1 of  
21 this Act includes \$736,000 from the charitable gaming operating fund for defraying expenses  
22 related to the continued development and implementation of the charitable gaming technology  
23 system.

24           **SECTION 6. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS -**  
25 **REPORTS.** The human trafficking victims grants line item in section 1 of this Act includes  
26 \$1,111,480 from the general fund for the purpose of providing grants to organizations involved  
27 in providing prevention and treatment services related to human trafficking victims and related  
28 administrative costs for the biennium beginning July 1, 2023, and ending June 30, 2025. The  
29 attorney general may provide grants for the development and implementation of direct care  
30 emergency or long-term crisis services, residential care, training for law enforcement, support of  
31 advocacy services, and programs promoting positive outcomes for victims. Any organization

1 that receives a grant under this section shall report to the attorney general and the  
2 appropriations committees of the sixty-ninth legislative assembly on the use of the funds  
3 received and the outcomes of its program. The attorney general shall report to the legislative  
4 management during the 2023-24 interim on the status and results of the grant program.

5 **SECTION 7. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS.** The  
6 forensic nurse examiners grants line item in section 1 of this Act includes \$252,872 from the  
7 general fund for the purpose of providing forensic nurse examiner program grants for  
8 community-based or hospital-based sexual assault examiner programs and related  
9 administrative costs, for the biennium beginning July 1, 2023, and ending June 30, 2025. Any  
10 organization that receives a grant under this section shall report to the attorney general and the  
11 appropriations committees of the sixty-ninth legislative assembly on the use of the funds  
12 received and the outcomes of its programs. The attorney general shall report to the  
13 appropriations committees of the sixty-ninth legislative assembly on the number of nurses  
14 trained, the number and location of nurses providing services related to sexual assault nurse  
15 examiner programs, and documentation of collaborative efforts to assist victims which includes  
16 nurses, the hospital or clinic, law enforcement, and state's attorneys.

17 **SECTION 8. BACK THE BLUE GRANT PROGRAM - MATCHING REQUIREMENT -**  
18 **REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The law enforcement line item in  
19 section 1 of this Act includes \$3,500,000 from the general fund for the purpose of providing  
20 back the blue grants to assist local law enforcement agencies with workforce recruitment and  
21 retention, for the biennium beginning July 1, 2023, and ending June 30, 2025. Of the funding  
22 available under this program, \$1,500,000 is available exclusively to local law enforcement  
23 agencies employing ten or fewer employees working in a law enforcement capacity.

- 24 1. To be eligible for a grant under this section, a law enforcement agency must have  
25 incurred workforce recruitment and retention-related expenditures. Eligible  
26 expenditures include:
- 27 a. Bonuses paid to new and current law enforcement officers;
  - 28 b. Tuition and fee payments made on behalf of law enforcement trainees; and
  - 29 c. Costs to upgrade law enforcement equipment.

- 1       2. Law enforcement agencies seeking reimbursement for workforce recruitment and  
2           retention-related expenditures must submit a report of actual expenditures incurred to  
3           the attorney general with the grant application.
- 4       3. The attorney general:
  - 5           a. May spend the funds for this program only to the extent the applicant has  
6                secured one dollar of matching funds from nonstate sources for every four dollars  
7                provided by the attorney general;
  - 8           b. Shall reimburse each eligible applicant fifty percent of allowable expenditures;
  - 9           c. May not award funding for this program to state or federal law enforcement  
10                entities; and
  - 11           d. Shall report to the sixty-ninth legislative assembly regarding the number of grants  
12                awarded under this section.

13       **SECTION 9. LAW ENFORCEMENT RESILIENCY GRANT PROGRAM - REPORT TO**

14       **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The law enforcement line item in section 1 of this  
15       Act includes \$400,000 from the general fund for the purpose of providing law enforcement  
16       resiliency program grants, for the biennium beginning July 1, 2023, and ending June 30, 2025.  
17       Funding provided under this Act must be used to defray administrative, therapeutic, training,  
18       and outreach-related costs of providing mental health and wellness support services to current  
19       and retired correctional and law enforcement personnel. The attorney general shall establish  
20       guidelines to award funding under this section. Any organization that receives a grant under this  
21       section shall report to the attorney general and the attorney general shall report to the  
22       appropriations committees of the sixty-ninth legislative assembly on the use of the funds  
23       received and the outcomes of its programs.

24       **SECTION 10.** A new section to chapter 50-06 of the North Dakota Century Code is created  
25       and enacted as follows:

26       **Opioid settlement fund.**

27       There is created in the state treasury an opioid settlement fund. The fund consists of opioid  
28       litigation funds received by the state. Moneys received by the state as a result of opioid litigation  
29       must be deposited in the fund. Moneys in the fund may be used as authorized by legislative  
30       appropriation. The legislative assembly shall consult with the governor in determining the use of  
31       the moneys in the fund. As used in this section, "opioid litigation" means civil litigation, demand,

1 or settlement in lieu of litigation alleging unlawful conduct related to the marketing, sale, or  
2 distribution of opioids in this state or other alleged illegal actions that contributed to the  
3 excessive use of opioids.

4 **SECTION 11. AMENDMENT.** Section 53-12.1-09 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **53-12.1-09. Operating fund - Continuing appropriation - Authorization of**  
7 **disbursements - Report - Net proceeds.**

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

- 21 1. Payment of a prize as the director deems appropriate to the owner of a valid, winning  
22 ticket;
- 23 2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly  
24 offset by cosponsorship funds collected;
- 25 3. Payment of a gaming system or related service expense, retailer record and credit  
26 check fees, game group dues, and retailer commissions; and
- 27 4. Transfer of net proceeds:
  - 28 a. Eighty thousand dollars must be transferred to the state treasurer each quarter  
29 for deposit in the gambling disorder prevention and treatment fund;
  - 30 b. An amount for the lottery's share of a game's prize reserve pool must be  
31 transferred to the multistate lottery association;

- 1           c. Starting July 1, ~~2019~~2023, two hundred fifty thousand dollars must be transferred  
2           to the state treasurer each quarter for deposit in the attorney general  
3           multijurisdictional drug task force grant fund; and
- 4           d. The balance of the net proceeds, less holdback of any reserve funds the director  
5           may need for continuing operations, must be transferred to the state treasurer on  
6           at least an annual basis for deposit in the state general fund.

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

9           **54-12-11. Salary of attorney general.**

10          The annual salary of the attorney general is one hundred ~~sixty-five~~seventy-five thousand  
11 ~~eight~~nine hundred ~~forty-five~~twenty-eight dollars through June 30, ~~2022~~2024, and one hundred  
12 ~~sixty-nine~~eighty-two thousand ~~one~~nine hundred ~~sixty-two~~sixty-five dollars thereafter.

13          **SECTION 13. CRIMINAL HISTORY RECORD CHECKS - FEES.** Any individual or entity  
14 requesting a criminal history record check from the bureau of criminal investigation, as a result  
15 of legislation enacted by the sixty-eighth legislative assembly, shall pay a reasonable fee  
16 established by the attorney general to the attorney general to be deposited in the general fund  
17 for the biennium beginning July 1, 2023, and ending June 30, 2025.

18          **SECTION 14. EXEMPTION - CONTINGENT FEE ARRANGEMENT.** Notwithstanding  
19 section 54-12-08.1, the attorney general may contract for legal services compensated by a  
20 contingent fee arrangement for ongoing multistate technology litigation during the biennium  
21 beginning July 1, 2023, and ending June 30, 2025.

22          **SECTION 15. EXEMPTION - ATTORNEY GENERAL REFUND FUND.** Notwithstanding  
23 section 54-12-18, the attorney general may retain the balance in the attorney general refund  
24 fund which would otherwise be transferred to the general fund on June 30, 2023.

25          **SECTION 16. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT.** The amount  
26 appropriated to the attorney general from the general fund for a concealed weapon rewrite  
27 project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the  
28 2017-19, 2019-21, and 2021-23 bienniums, is not subject to the provisions of section  
29 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general  
30 for the concealed weapon rewrite project, during the biennium beginning July 1, 2023, and  
31 ending June 30, 2025.

1       **SECTION 17. EXEMPTION - CRIMINAL HISTORY IMPROVEMENT PROJECT.** The  
2 amount of \$400,000 appropriated from the attorney general refund fund in the operating  
3 expenses line item for the criminal history improvement project in section 1 of chapter 3 of the  
4 2021 Session Laws is not subject to section 54-44.1-11 and is available for the project during  
5 the biennium beginning July 1, 2023, and ending June 30, 2025.

6       **SECTION 18. EXEMPTION - COVID-19 FUNDS - JUSTICE ASSISTANCE GRANTS.** The  
7 amount of \$2,082,871 appropriated from federal funds derived from COVID-19 funds for justice  
8 assistance grants during the 2019-21 biennium in section 1 of chapter 27 and continued into the  
9 2021-23 biennium in section 2 of chapter 27 of the 2021 Session Laws is not subject to section  
10 54-44.1-11 and is available for the program during the biennium beginning July 1, 2023, and  
11 ending June 30, 2025.

12       **SECTION 19. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amount  
13 of \$1,350,000 appropriated from federal funds derived from the state fiscal recovery fund, of  
14 which \$300,000 was for a missing persons database, \$1,000,000 was for the replacement of  
15 the prosecuting case management system, and \$50,000 was for charitable gaming information  
16 technology costs, in subsections 19, 20, and 42 of section 1 of chapter 550 of the 2021 Special  
17 Session Session Laws is not subject to section 54-44.1-11 and is available for the program  
18 during the biennium beginning July 1, 2023, and ending June 30, 2025.

19       **SECTION 20. LEGISLATIVE MANAGEMENT STUDY - STATE CRIME LABORATORY.**  
20 During the 2023-24 interim, the legislative management shall study the services and needs of  
21 the North Dakota state crime laboratory, including staffing and equipment needs; the need for  
22 forensic scientists with training in firearms and fingerprint analysis; the feasibility and desirability  
23 of remodeling current state crime laboratory facilities, acquiring other vacant laboratory facilities  
24 in the state, and operating additional state crime laboratory facilities in the state; services the  
25 state crime laboratory should have the capability of providing to support law enforcement  
26 entities in the state; and whether the state crime laboratory should be administratively separate  
27 from the bureau of criminal investigation. The legislative management shall report its findings  
28 and recommendations, together with any legislation required to implement the  
29 recommendations, to the sixty-ninth legislative assembly.