

**FIRST ENGROSSMENT  
with House Amendments  
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 54-12 of the North Dakota Century Code, relating  
3 to the creation of a retired law enforcement dogs program; to amend and reenact sections  
4 53-06.1-11.2, 53-12.1-09, and 54-12-11 of the North Dakota Century Code, relating to transfers  
5 from the charitable gaming operating fund, transfers from the lottery operating fund to the  
6 multijurisdictional drug task force grant fund, and the salary of the attorney general; to provide a  
7 transfer; to provide an exemption; to provide for a legislative management study; and to declare  
8 an emergency.

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

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

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
17 Salaries and wages	\$50,832,646	(\$537,204)	\$50,295,442
18 Operating expenses	15,237,498	3,533,607	18,771,105
19 Capital assets	648,055	4,585,572	5,233,627
20 Grants	3,903,440	400,000	4,303,440
21 Human trafficking victims grants	1,101,879	3,525	1,105,404
22 Forensic nurse examiners grants	250,691	791	251,482
23 Statewide litigation funding pool	0	5,000,000	5,000,000
24 Litigation fees	127,500	0	127,500

Sixty-eighth  
Legislative Assembly

1	Medical examinations	660,000	0	660,000
2	Children's medical examinations	0	304,560	304,560
3	North Dakota lottery	5,254,844	61,790	5,316,634
4	Arrest and return of fugitives	8,500	0	8,500
5	Gaming commission	7,489	0	7,489
6	Criminal justice information sharing	4,074,968	412,169	4,487,137
7	Law enforcement	<u>3,048,927</u>	<u>82,770</u>	<u>3,131,697</u>
8	Total all funds	\$85,156,437	\$13,847,580	\$99,004,017
9	Less estimated income	<u>42,509,719</u>	<u>4,836,388</u>	<u>47,346,107</u>
10	Total general fund	\$42,646,718	\$9,011,192	\$51,657,910
11	Full-time equivalent positions	253.00	13.00	266.00

**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:

16	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
17	Criminal history improvement system	\$400,000	\$0
18	Automated biometric identification system	300,000	0
19	Charitable gaming technology system	475,000	0
20	Additional income	250,000	0
21	Missing persons database	300,000	0
22	Prosecuting case management system	1,000,000	0
23	Charitable gaming tax information technology costs	50,000	0
24	Capital assets	1,111,706	2,818,877
25	State crime laboratory capital improvements	0	250,000
26	Statewide litigation funding pool	4,650,000	5,000,000
27	Staff operating and equipment costs	0	792,090
28	Inflationary increases	0	156,463
29	Anti-methamphetamine program	0	1,772,038
30	Law enforcement resiliency grants	<u>0</u>	<u>400,000</u>
31	Total all funds	\$8,536,706	\$11,439,468

1	Total other funds	<u>8,536,706</u>	<u>6,832,122</u>
2	Total general fund	\$0	\$4,607,346

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

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

14       **SECTION 4. TRANSFER - LOTTERY OPERATING FUND TO GAMING AND EXCISE TAX**  
15 **ALLOCATION FUND - STATEWIDE LITIGATION FUNDING POOL.** Notwithstanding sections  
16 53-12.1-09 and 53-12.1-10, the attorney general shall transfer \$2,760,000 from the lottery  
17 operating fund to the gaming and excise tax allocation fund by June 30, 2023, for the purpose  
18 of defraying litigation expenses of the state through the statewide litigation funding pool during  
19 the period beginning with the effective date of this Act, and ending June 30, 2025.

20       **SECTION 5. TRANSFER - STATEWIDE LITIGATION FUNDING POOL TO STATE**  
21 **AGENCIES - ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND.** The  
22 statewide litigation funding pool line item in section 1 of this Act includes \$5,000,000, of which  
23 \$1,797,748 is from the general fund and \$3,202,252 is from the gaming and excise tax  
24 allocation fund, which the attorney general shall transfer to eligible state agencies for litigation  
25 expenses during the biennium beginning July 1, 2023, and ending June 30, 2025. The attorney  
26 general may not use funding from the statewide litigation funding pool to pay judgments under  
27 section 32-12-04.

28       **SECTION 6. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM -**  
29 **CHARITABLE GAMING OPERATING FUND.** The estimated income line item in section 1 of  
30 this Act includes \$736,000 from the charitable gaming operating fund for defraying expenses

1 related to the continued development and implementation of the charitable gaming technology  
2 system.

3 **SECTION 7. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS -**

4 **REPORTS.** The human trafficking victims grants line item in section 1 of this Act includes  
5 \$1,105,404 from the general fund for the purpose of providing grants to organizations involved  
6 in providing prevention and treatment services related to human trafficking victims and related  
7 administrative costs for the biennium beginning July 1, 2023, and ending June 30, 2025. The  
8 attorney general may provide grants for the development and implementation of direct care  
9 emergency or long-term crisis services, residential care, training for law enforcement, support of  
10 advocacy services, and programs promoting positive outcomes for victims. Any organization  
11 that receives a grant under this section shall report to the attorney general and the  
12 appropriations committees of the sixty-ninth legislative assembly on the use of the funds  
13 received and the outcomes of its program. The attorney general shall report to the legislative  
14 management during the 2023-24 interim on the status and results of the grant program.

15 **SECTION 8. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS.** The  
16 forensic nurse examiners grants line item in section 1 of this Act includes \$251,482 from the  
17 general fund for the purpose of providing forensic nurse examiner program grants for  
18 community-based or hospital-based sexual assault examiner programs and related  
19 administrative costs, for the biennium beginning July 1, 2023, and ending June 30, 2025. Any  
20 organization that receives a grant under this section shall report to the attorney general and the  
21 appropriations committees of the sixty-ninth legislative assembly on the use of the funds  
22 received and the outcomes of its programs. The attorney general shall report to the  
23 appropriations committees of the sixty-ninth legislative assembly on the number of nurses  
24 trained, the number and location of nurses providing services related to sexual assault nurse  
25 examiner programs, and documentation of collaborative efforts to assist victims which includes  
26 nurses, the hospital or clinic, law enforcement, and state's attorneys.

27 **SECTION 9. LAW ENFORCEMENT RESILIENCY GRANT PROGRAM - REPORT TO**  
28 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The law enforcement line item in section 1 of this  
29 Act includes \$400,000 from the general fund for the purpose of providing law enforcement  
30 resiliency program grants, for the biennium beginning July 1, 2023, and ending June 30, 2025.  
31 Funding provided under this Act must be used to defray administrative, therapeutic, training,

1 and outreach-related costs of providing mental health and wellness support services to current  
2 and retired correctional and law enforcement personnel. The attorney general shall establish  
3 guidelines to award funding under this section. Any organization that receives a grant under this  
4 section shall report to the attorney general and the attorney general shall report to the  
5 appropriations committees of the sixty-ninth legislative assembly on the use of the funds  
6 received and the outcomes of its programs.

7 **SECTION 10. AMENDMENT.** Section 53-06.1-11.2 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9 **53-06.1-11.2. Charitable gaming operating fund - Attorney general - State treasurer -**  
10 **Allocations - Transfer to the general fund.**

- 11 1. There is created in the state treasury the charitable gaming operating fund. The fund  
12 consists of all gaming taxes, monetary fines, and interest and penalties collected  
13 under this chapter.
- 14 2. Excluding moneys in the charitable gaming operating fund appropriated by the  
15 legislative assembly for administrative and operating costs associated with charitable  
16 gaming, the attorney general shall allocate remaining moneys in the charitable gaming  
17 operating fund on a quarterly basis as follows:
  - 18 a. Ten thousand dollars to the gambling disorder prevention and treatment fund.
  - 19 b. Subject to legislative appropriations, five percent of the total moneys deposited in  
20 the charitable gaming operating fund to cities and counties in proportion to the  
21 taxes collected under section 53-06.1-12 from licensed organizations conducting  
22 games within each city, for sites within city limits, or within each county, for sites  
23 outside city limits. If a city or county allocation is less than two hundred dollars,  
24 that city or county is not entitled to receive a payment for the quarter and the  
25 undistributed amount must be included in the total amount to be distributed to  
26 other cities and counties for the quarter.
- 27 3. ~~On or before June thirtieth of each odd-numbered year~~Before the final accounting has  
28 closed for each biennium, the attorney general shall certify to the state treasurer the  
29 ~~amount of accumulated funds~~balance in the charitable gaming operating fund which  
30 exceed the amount appropriated by the legislative assembly for administrative and  
31 operating costs associated with charitable gaming for the subsequent biennium. The

1 state treasurer shall transfer the certified amount from the charitable gaming operating  
2 fund to the ~~general fund~~ prior to following funds at the end of each biennium;

3 a. The first twenty-five million dollars to the general fund;

4 b. The next four million dollars to the attorney general operating fund;

5 c. Any remaining amounts to the general fund.

6 **SECTION 11.** A new section to chapter 54-12 of the North Dakota Century Code is created  
7 and enacted as follows:

8 **Retired law enforcement dogs - Reimbursement.**

9 1. The attorney general shall create a program to assist local and state law enforcement  
10 dogs that are retired by reason of age or medical condition.

11 2. The attorney general shall reimburse the handler of a law enforcement dog if the  
12 handler:

13 a. Is authorized to retain possession of a retired law enforcement dog in a private  
14 setting at the handler's home; and

15 b. Submits itemized receipts each quarter for medical bills of the law enforcement  
16 dog.

17 3. Reimbursements under this section may not exceed one thousand dollars per retired  
18 law enforcement dog per calendar year.

19 4. The attorney general shall adopt any rules necessary to implement this section.

20 **SECTION 12. AMENDMENT.** Section 53-12.1-09 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22 **53-12.1-09. Operating fund - Continuing appropriation - Authorization of**  
23 **disbursements - Report - Net proceeds.**

24 There is established within the state treasury the lottery operating fund into which must be  
25 deposited all revenue from the sale of tickets, interest received on money in the fund, and all  
26 other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket  
27 paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund  
28 appropriated by the legislative assembly for administrative and operating costs of the lottery  
29 under section 53-12.1-10, all other money in the fund is continuously appropriated for the  
30 purposes specified in this section. During each regular session, the attorney general shall  
31 present a report to the appropriations committee of each house of the legislative assembly on

1 the actual and estimated operating revenue and expenditures for the current biennium and  
2 projected operating revenue and expenditures for the subsequent biennium authorized by this  
3 section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made  
4 only against the fund or money collected from a retailer on the sale of a ticket. A disbursement  
5 from the fund must be for the following purposes:

- 6 1. Payment of a prize as the director deems appropriate to the owner of a valid, winning  
7 ticket;
- 8 2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly  
9 offset by cosponsorship funds collected;
- 10 3. Payment of a gaming system or related service expense, retailer record and credit  
11 check fees, game group dues, and retailer commissions; and
- 12 4. Transfer of net proceeds:
  - 13 a. Eighty thousand dollars must be transferred to the state treasurer each quarter  
14 for deposit in the gambling disorder prevention and treatment fund;
  - 15 b. An amount for the lottery's share of a game's prize reserve pool must be  
16 transferred to the multistate lottery association;
  - 17 c. Starting July 1, ~~2019~~2023, two hundred fifty thousand dollars must be transferred  
18 to the state treasurer each quarter for deposit in the attorney general  
19 multijurisdictional drug task force grant fund; and
  - 20 d. The balance of the net proceeds, less holdback of any reserve funds the director  
21 may need for continuing operations, must be transferred to the state treasurer on  
22 at least an annual basis for deposit in the state general fund.

23 **SECTION 13. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code is  
24 amended and reenacted as follows:

25 **54-12-11. Salary of attorney general.**

26 The annual salary of the attorney general is one hundred ~~sixty-five~~seventy-nine thousand  
27 ~~eight~~three hundred ~~forty-five~~twelve dollars through June 30, ~~2022~~2024, and one hundred  
28 ~~sixty-nine~~eighty-six thousand ~~one~~four hundred ~~sixty-two~~eighty-four dollars thereafter.

29 **SECTION 14. CRIMINAL HISTORY RECORD CHECKS - FEES.** Any individual or entity  
30 requesting a criminal history record check from the bureau of criminal investigation, as a result  
31 of legislation enacted by the sixty-eighth legislative assembly, shall pay a reasonable fee

1 established by the attorney general to the attorney general to be deposited in the general fund  
2 for the biennium beginning July 1, 2023, and ending June 30, 2025.

3 **SECTION 15. EXEMPTION - CONTINGENT FEE ARRANGEMENT.** Notwithstanding  
4 section 54-12-08.1, the attorney general may contract for legal services compensated by a  
5 contingent fee arrangement for ongoing multistate technology litigation during the biennium  
6 beginning July 1, 2023, and ending June 30, 2025.

7 **SECTION 16. EXEMPTION - GAMING TAX REVENUE GRANTS.** Notwithstanding section  
8 53-06.1-12, the attorney general may distribute gaming tax revenue grants to cities and  
9 counties relating to the seventh and eighth quarters of the 2021-23 biennium through  
10 October 31, 2023.

11 **SECTION 17. EXEMPTION - ATTORNEY GENERAL REFUND FUND.** Notwithstanding  
12 section 54-12-18, the attorney general may retain the balance in the attorney general refund  
13 fund which would otherwise be transferred to the general fund on June 30, 2023.

14 **SECTION 18. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT.** The amount  
15 appropriated to the attorney general from the general fund for a concealed weapon rewrite  
16 project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the  
17 2017-19, 2019-21, and 2021-23 bienniums, is not subject to the provisions of section  
18 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general  
19 for the concealed weapon rewrite project, during the biennium beginning July 1, 2023, and  
20 ending June 30, 2025.

21 **SECTION 19. EXEMPTION - LEGAL CASE MANAGEMENT SYSTEM.** The amount  
22 appropriated to the attorney general from other funds for the statewide automated victim  
23 information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017  
24 Session Laws, continued into the 2019-21 biennium for the statewide automated victim  
25 information and notification system, and continued into the 2021-23 biennium for the legal case  
26 management system, is not subject to the provisions of section 54-44.1-11. Any unexpended  
27 funds from this appropriation are available to the attorney general for the legal case  
28 management system during the biennium beginning July 1, 2023, and ending June 30, 2025.

29 **SECTION 20. EXEMPTION - CRIMINAL HISTORY IMPROVEMENT PROJECT.** The  
30 amount of \$400,000 appropriated from the attorney general refund fund in the operating  
31 expenses line item for the criminal history improvement project in section 1 of chapter 3 of the



1 2021 Session Laws is not subject to section 54-44.1-11 and is available for the project during  
2 the biennium beginning July 1, 2023, and ending June 30, 2025.

3 **SECTION 21. EXEMPTION - AUTOMATED BIOMETRIC IDENTIFICATION SYSTEM.** The  
4 amount of \$300,000 appropriated from federal funds to upgrade the automated biometric  
5 identification system during the 2021-23 biennium in section 1 of chapter 3 of the 2021 Session  
6 Laws is not subject to section 54-44.1-11 and is available for the system during the biennium  
7 beginning July 1, 2023, and ending June 30, 2025.

8 **SECTION 22. EXEMPTION - COVID-19 FUNDS - JUSTICE ASSISTANCE GRANTS.** The  
9 amount of \$2,082,871 appropriated from federal funds derived from COVID-19 funds for justice  
10 assistance grants during the 2019-21 biennium in section 1 of chapter 27 and continued into the  
11 2021-23 biennium in section 2 of chapter 27 of the 2021 Session Laws is not subject to section  
12 54-44.1-11 and is available for the program during the biennium beginning July 1, 2023, and  
13 ending June 30, 2025.

14 **SECTION 23. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amount  
15 of \$1,000,000 appropriated from federal funds derived from the state fiscal recovery fund for the  
16 replacement of the prosecuting case management system in subsection 20 of section 1 of  
17 chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and  
18 is available for the program during the biennium beginning July 1, 2023, and ending June 30,  
19 2025.

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

- 1       **SECTION 25. ATTORNEY COST-SAVINGS - REPORT TO SIXTY-NINTH LEGISLATIVE**  
2 **ASSEMBLY.** The attorney general shall report to the appropriations committees of the  
3 sixty-ninth legislative assembly regarding any cost-savings realized by hiring full-time equivalent  
4 attorney positions instead of contracting for third-party legal counsel during the 2023-25  
5 biennium.
- 6       **SECTION 26. EMERGENCY.** The \$250,000 appropriated from the general fund in the  
7 capital assets line item in section 1 for state crime laboratory capital improvements and  
8 sections 4 and 16 of this Act are declared to be an emergency measure.