

2001 LEGISLATION DIRECTLY AFFECTING THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE ASSEMBLY

This memorandum identifies 2001 legislation that directly affects the responsibilities of the Legislative Council or the Legislative Assembly. The memorandum is arranged in two broad categories--Legislative Council and Legislative Assembly. Some provisions of 2001 legislation are listed under more than one heading to ensure that each heading contains a comprehensive list of applicable provisions. This memorandum does not describe Legislative Council study directives that are contained in concurrent resolutions.

LEGISLATIVE COUNCIL Compensation

Senate Bill No. 2001, Section 3, amends North Dakota Century Code (NDCC) Section 54-03-20 to provide that the chairman of the Legislative Council, if not a majority or minority leader, is to receive the additional \$250 per month compensation allowed leaders.

Senate Bill No. 2176, Section 1, amends NDCC Section 54-35-10 to increase the per diem compensation of Legislative Council and interim committee members from \$75 to \$100.

Responsibilities of the Legislative Council

House Bill No. 1038, Sections 6 and 7, authorize the Legislative Council to insert appropriate references in North Dakota Century Code sections and in legislative measures, respectively, which refer to the North Dakota School for the Blind consistent with the change in name to North Dakota Vision Services - School for the Blind.

House Bill No. 1125, Section 4, declares legislative intent that the Office of Management and Budget in consultation with the Attorney General develop standards and guidelines for the procurement of contracts for services. The section also provides that state agencies are encouraged to follow the standards and guidelines as set forth by the Office of Management and Budget and develop agency guidelines for procurement of contracts for service.

House Bill No. 1255, Section 1, creates NDCC Section 11-18-01.1, which requires the substitution of "register of deeds" with "recorder" throughout the North Dakota Century Code. (Presumably, the Legislative Council staff will do this as code materials are published.)

House Bill No. 1323, Section 13, authorizes the Legislative Council to replace references to the North Dakota Firemen's Association in measures enacted by

the 57th Legislative Assembly with references to the North Dakota Firefighter's Association.

House Bill No. 1407, Section 1, requires the Legislative Council to contract with a private entity, after receiving recommendations from the Insurance Commissioner, to provide a cost-benefit analysis of every legislative measure mandating health insurance coverage of services or payment for specified providers of services, or an amendment that mandates such coverage or payment. The Insurance Commissioner is required to pay for the cost of the contracted services.

House Bill No. 1441, Section 5, provides Section 1 of the bill becomes effective upon certification by the Department of Human Services to the Legislative Council that the state plan amendments to the children's health insurance program have received federal approval (but not before January 1, 2002, nor after June 30, 2003).

Senate Bill No. 2032, Section 59, authorizes the Legislative Council to replace references to the Department of Economic Development and Finance, Division of Community Services, Tourism Department, and Department of Economic Development and Finance Division of Finance with references to the Department of Commerce; Department of Commerce Division of Economic Development and Finance, Division of Community Services, Division of Tourism, or Division of Economic Development and Finance Finance Office; or Commissioner of Commerce or any variation of these terms as appropriate in any measure enacted by the 57th Legislative Assembly.

Senate Bill No. 2039, Section 1, amends NDCC Section 15-10-12.1 to require the Legislative Council to notify each member of the Legislative Assembly if the State Board of Higher Education requests approval of the Budget Section to construct a building, or a campus improvement or building maintenance project of more than \$385,000, financed by donations.

Senate Bill No. 2164, Section 91, authorizes the Legislative Council to replace appropriate references to the Department of Banking and Financial Institutions in any measure enacted by the 57th Legislative Assembly with references to the Department of Financial Institutions, as appropriate.

Senate Bill No. 2178, Section 2, authorizes the Game and Fish Department to enter or withdraw from, and to adopt amendments to, the Interstate Wildlife Violator Compact, in consultation with the chairman of the Legislative Council.

Senate Bill No. 2285, Section 3, provides the effective date of the bill is the date the State Engineer certifies to the Governor that a program has been designed to effectively assume responsibility for the Section 404 program of the Clean Water Act and the State Water Commission is ready to assume those responsibilities, and requires the Governor to notify the Legislative Council of the effective date.

Senate Concurrent Resolution No. 4002 authorizes the Budget Section to hold the required legislative hearings on state plans for the receipt and expenditure of new or revised block grants passed by Congress.

Appointments

House Bill No. 1015, Section 26, amends NDCC Section 54-16-01, to provide that, at the request of the chairman of the Legislative Council, the vice chairman of the Council is to serve as a member of the Emergency Commission in the place of the chairman of the Council if that individual is serving on the commission in another capacity or is unable to attend a commission meeting.

House Bill No. 1328, Section 3, as amended by House Bill No. 1009, creates NDCC Section 4-35-30, which establishes a 10-member Crop Protection Product Harmonization and Registration Board. The 10 members include the chairman of the House Agriculture Committee or the chairman's designee, the chairman of the Senate Agriculture Committee or the chairman's designee, and a member of the House or Senate Agriculture Committee who is not a member of the faction in which the committee chairman is a member and one crop protection product manufacturing industry representative appointed by the chairman of the Legislative Council.

House Bill No. 1408, Section 1, adopts the Midwest Interstate Passenger Rail Compact. Article 3 of the compact provides that the commission consists of four resident members of each party state. Two of those members are to be legislators, one from each house appointed by the chairman of the Legislative Council to serve two-year terms.

Senate Bill No. 2019, Section 9, declares legislative intent that the Department of Commerce, with the assistance of an economic development consultant, develop a strategic plan including the new economy initiative, with the assistance from a task force including members of the Economic Development Foundation, three legislators appointed by the chairman of the Legislative Council, and one member of the Economic Development Association of North Dakota for the 2001-03 biennium.

Senate Bill No. 2021, Section 12, amends NDCC Section 4-05.1-16, relating to the membership of the State Board of Agricultural Research and Education, to provide that the chairman of the Legislative Council is to appoint two members of the Legislative Assembly to

the board, one from each political faction, for two-year terms. The Legislative Council is to pay the compensation and expense reimbursement for the legislative members. (Section 13 of the bill amends NDCC Section 4-05.1-17 to provide that appointed members of the board receive \$75 per day as compensation and expenses as other state officials.)

Senate Bill No. 2230, Section 1, amends NDCC Section 16.1-13-10 to provide that notification of a vacancy in the Legislative Assembly is to be given to the chairman of the Legislative Council, who is to notify the district committee of the political party that the former member represented for purposes of selecting an individual to fill the vacancy. If the district committee fails to fill the vacancy or if the former member was elected as an independent candidate, the chairman of the Legislative Council is to appoint a resident of the district to fill the vacancy. Section 44-02-02 is amended to provide that a legislator who resigns during the interim is to notify the chairman of the Legislative Council rather than the Governor.

Senate Bill No. 2455, Section 2, provides for the state to enter multistate discussions for a streamlined sales and use tax agreement. Representation of the state is to be by two members of the House of Representatives and two members of the Senate appointed by the chairman of the Legislative Council, and the Tax Commissioner is to designate a member of the commissioner's staff to accompany and advise the members.

House Concurrent Resolution No. 3039 encourages the Secretary of State to appoint a committee to conduct a comprehensive study of North Dakota election laws, and if the committee is appointed, the Legislative Council is authorized to appoint up to four members of the Legislative Assembly to the committee, with members from the majority and minority parties and from the House of Representatives and the Senate.

Interim Committees of the Legislative Council

Administrative Rules Committee

House Bill No. 1027, Section 2, amends NDCC Section 28-32-11 to require administrative agencies to adopt a procedure to provide notice to interested parties of the date and place administrative rules will be reviewed by the committee.

House Bill No. 1029, Section 2, amends NDCC Section 28-32-15 to require an administrative agency to file a copy of each written comment and a written summary of each oral comment on each rule adopted by the agency with the Legislative Council.

House Bill No. 1030 revises and rearranges NDCC Chapter 28-32, the Administrative Agencies Practice Act, which includes provisions governing the authority of the committee.

House Bill No. 1451, Section 1, authorizes the committee to request an administrative agency to brief the committee on the agency's rules. The section also authorizes an agency to amend or repeal a rule without complying with other provisions of the chapter if the agency initiates the request, the agency notifies the regulated community, and the agency and the committee agree the amendment or repeal eliminates a provision that is obsolete or no longer in compliance with law.

Advisory Commission on Intergovernmental Relations

House Bill No. 1032, Section 1, amends NDCC Section 54-35.2-01 to add a member appointed by the North Dakota School Boards Association Board of Directors to the commission (thus increasing the membership from 11 to 12).

Crop Harmonization Committee

House Bill No. 1328, Section 14, repeals the statutory authorization of the Crop Harmonization Committee.

Information Technology Committee

Senate Bill No. 2043, Section 1, amends NDCC Section 54-35-15.2 to require the committee to review the cost-benefit analysis of any major project of the State Board of Higher Education if the project significantly impacts the statewide wide area network, impacts the statewide library system, or is an administrative project.

Senate Bill No. 2043, Section 8, creates NDCC Section 54-59-19, which requires the Information Technology Department to prepare and present an annual report to the Information Technology Committee, and to present a summary of the report to the Budget Section and to the Legislative Audit and Fiscal Review Committee.

Senate Bill No. 2043, Section 9, declares legislative intent that the Information Technology Department develop performance measures to assist the Legislative Assembly in determining the effectiveness and efficiency of the department's operations during the 2001-03 biennium and report to the Information Technology Committee, the Budget Section, and the Legislative Audit and Fiscal Review Committee during the 2001-02 interim on the performance measures developed.

Legislative Audit and Fiscal Review Committee

Senate Bill No. 2043, Section 8, creates NDCC Section 54-59-19, which requires the Information Technology Department to prepare and present an annual report to the Information Technology Committee, and to present a summary of the report to the Budget Section

and to the Legislative Audit and Fiscal Review Committee.

Senate Bill No. 2043, Section 9, declares legislative intent that the Information Technology Department develop performance measures to assist the Legislative Assembly in determining the effectiveness and efficiency of the department's operations during the 2001-03 biennium and report to the Information Technology Committee, the Budget Section, and the Legislative Audit and Fiscal Review Committee during the 2001-02 interim on the performance measures developed.

Required Interim Studies (Not Subject to Prioritization by the Council)

House Bill No. 1269, Section 1, requires the Legislative Council to study issues relating to resident and nonresident hunting in this state.

House Bill No. 1390, Section 1, requires the Legislative Council to study the use of biodiesel fuel in this state.

Senate Bill No. 2016, Section 5, requires the Legislative Council to study, with the use of a consultant as determined by the Legislative Council, the facilities and operations of the Department of Corrections and Rehabilitation. (Section 6 appropriates \$200,000 to the Legislative Council for the purpose of contracting with a consultant to conduct the study.)

Discretionary Interim Studies in Bills (Subject to Prioritization by the Council)

House Bill No. 1003, Section 14, provides the Legislative Council shall consider studying the racing commission.

House Bill No. 1012, Section 17, provides the Legislative Council shall consider studying the feasibility and desirability of state administration of child support.

House Bill No. 1012, Section 18, provides the Legislative Council shall consider studying the senior citizen mill levy matching grant program.

House Bill No. 1015, Section 22, provides the Legislative Council shall consider studying health insurance company benefit limitations.

House Bill No. 1196, Section 29, provides the Legislative Council shall consider studying the long-term care needs and the nursing facility payment system in this state.

House Bill No. 1206, Section 2, provides the Legislative Council shall consider studying all aspects of improvements by special assessment and property tax assessment and abatements.

House Bill No. 1338, Section 1, provides the Legislative Council shall consider studying issues related to genetic modification.

House Bill No. 1344, Section 17, provides the Legislative Council shall consider studying the feasibility and desirability of implementing a teacher compensation package that recognizes four levels of teachers from beginning to advanced.

House Bill No. 1377, Section 2, provides the Legislative Council shall consider studying the ability of occupational and professional boards with fewer than 100 licensees to carry out statutory responsibilities.

House Bill No. 1407, Section 2, provides the Legislative Council shall consider studying existing mandated health insurance coverage of services. (See also **Responsibilities of the Legislative Council and Reports to the Legislative Council**, House Bill No. 1407.)

House Bill No. 1431, Section 1, provides the Legislative Council shall consider studying the correctional system in this state.

House Bill No. 1441, Section 3, provides the Legislative Council shall consider studying the coordination of the medical assistance and the children's health insurance programs.

Senate Bill No. 2002, Section 7, provides the Legislative Council shall consider studying the implementation of clerk of court unification.

Senate Bill No. 2003, Section 17, provides the Legislative Council shall consider studying the responsibilities and the functions of the college technical education council and the implementation of the workforce training regions.

Senate Bill No. 2003, Section 18, provides the Legislative Council shall consider studying the State Board of Higher Education's implementation of the performance and accountability measures report required by Senate Bill No. 2041 (2001).

Senate Bill No. 2007, Section 3, provides the Legislative Council shall consider studying the management structure and oversight of the Veterans Home and the selection process for the commandant or administrator of the home.

Senate Bill No. 2012, Section 2, provides the Legislative Council shall consider studying the efficiency and effectiveness of the operations of the State Fleet Services program of the Department of Transportation.

Senate Bill No. 2015, Section 16, provides the Legislative Council shall consider studying the mission of the Industrial Commission relating to the responsibilities of the Oil and Gas Division and Geological Survey.

Senate Bill No. 2016, Section 4, provides the Legislative Council shall consider studying wages paid to inmates sentenced to the state correctional system and the various deductions from those wages.

Senate Bill No. 2019, Section 16, provides the Legislative Council shall consider studying the availability of venture capital, tax credits, and other

financing and research and development programs for new or expanding businesses.

Senate Bill No. 2019, Section 17, provides the Legislative Council shall consider studying the feasibility and desirability of expanding the state's economic development marketing efforts to include international markets.

Senate Bill No. 2020, Section 4, provides the Legislative Council shall consider studying workforce training and development programs in the state.

Senate Bill No. 2027, Section 2, provides the Legislative Council shall consider studying during the 2003-04 interim the efficiency and effectiveness of each motor vehicle branch office included in the motor vehicle branch office pilot project (which was established by Section 1 and is effective through June 30, 2005).

Senate Bill No. 2159, Section 5, provides the Legislative Council shall consider studying highway construction and maintenance funding.

Senate Bill No. 2174, Section 1, provides the Legislative Council shall consider studying the feasibility of altering North Dakota medical assistance requirements to permit the disregard of income of the spouse of a disabled individual up to the amount of the cap established under federal law.

Senate Bill No. 2187, Section 1, provides the Legislative Council shall consider studying trusts for individuals with disabilities.

Senate Bill No. 2282, Section 1, provides the Legislative Council shall consider studying methods to encourage production and consumption of ethanol.

Senate Bill No. 2324, Section 1, provides the Legislative Council shall consider studying the delivery of a core curriculum to each elementary and high school student in this state and the feasibility and desirability of providing total state funding solely for the delivery of a core curriculum.

Senate Bill No. 2330, Section 1, provides the Legislative Council shall consider studying the coordination of benefits for children with special needs under the age of 21 among the Department of Public Instruction, the Department of Human Services, and private insurance companies.

Senate Bill No. 2354, Section 1, provides the Legislative Council shall consider studying the feasibility and desirability of an alternatives-to-abortion services program.

Senate Bill No. 2380, Section 6, provides the Legislative Council shall consider studying the programs that deal with the prevention and treatment of risk-associated behavior which are operated by various state agencies.

Senate Bill No. 2419, Section 2, provides the Legislative Council shall consider studying issues regarding financial responsibility requirements for commercial pesticide applicators.

Senate Bill No. 2428, Section 1, provides the Legislative Council shall consider studying the state and local tax structure for funding of elementary and secondary education.

Senate Bill No. 2448, Section 1, provides the Legislative Council shall consider studying compliance and jurisdictional issues under the tobacco, alcohol, and fuels tax laws.

Reports to the Legislative Council

House Bill No. 1084, Section 1, amends NDCC Section 52-02-17 to replace the requirement that Job Service North Dakota notify the members of the Budget Section if the job insurance trust fund balance is projected to go below \$40 million, with a requirement that Job Service North Dakota report to the Legislative Council before March 1 of each year the actual trust fund balance and the targeted modified average high-cost multiplier, as of December 31 of the previous year, and a projected trust fund balance for the next three years.

House Bill No. 1120, Section 1, creates NDCC Section 54-06-30 to authorize state agencies to develop pilot programs to provide bonuses to recruit or retain classified state employees in hard-to-fill positions and requires the Central Personnel Division to report periodically to a legislative committee designated by the Legislative Council on the implementation, progress, and bonuses provided under these pilot programs.

House Bill No. 1293, Section 10, requires the Superintendent of Public Instruction notify the Legislative Council upon receiving notice that the compilation of test scores of a test aligned to the state content standards in reading and mathematics, given annually to students in three grades statewide. The superintendent is to present the test scores publicly for the first time at a meeting of a legislative committee designated by the Legislative Council.

House Bill No. 1344, Section 6, creates NDCC Section 15.1-02-13, which requires school districts to provide annual school district employee compensation reports to the Superintendent of Public Instruction, requires the Superintendent of Public Instruction to compile the reports, and requires the Superintendent of Public Instruction to forward a copy of the compiled information to the chairman of the Legislative Council.

House Bill No. 1360, Section 1, creates NDCC Section 43-12.1-08.2, which authorizes the Board of Nursing to study the nursing educational requirements in this state and study the nursing shortage in this state and the implications for rural communities. If the study is conducted, the board is required to report annually to the Legislative Council and provide a final report to the 60th Legislative Assembly (2007).

House Bill No. 1407, Section 2, requires the Insurance Commissioner, subject to adequate funding, to

evaluate each existing health insurance coverage mandate on the basis of cost or effect on insurance premiums as these relate to the benefits and evaluate the benefits of reducing the need for future health care services due to early identification and treatment, and to present the report to the Legislative Council before July 1, 2002. (See also **Discretionary Interim Studies in Bills**, House Bill No. 1407.)

House Bill No. 1409, Section 3, requires State Radio, in cooperation with the entities affected, to facilitate the review of emergency 911 telephone system standards and guidelines and to report annually to the Legislative Council on the operation of and any recommended changes in the standards and guidelines.

Senate Bill No. 2003, Section 15, declares legislative intent that the State Board of Higher Education establish a long-term enrollment management plan and procedures for implementation of the plan and report to the Legislative Council during the 2001-02 interim on the board's progress toward establishing the plan and procedures and provide a final report to the 58th Legislative Assembly.

Senate Bill No. 2041, Section 2, amends NDCC Section 15-10-14.2 to replace the requirement that the State Board of Higher Education report to the Governor and the Legislative Council regarding the status of the University System, with a requirement that the board adopt a strategic planning process and develop a strategic plan, and report to the Legislative Assembly during each regular legislative session regarding the status of higher education in this state.

Senate Bill No. 2067, Section 9, creates NDCC Section 57-40.6-12, which requires a governing body of a city or county which adopts fees on telephone exchange access service and wireless service to make an annual report to the state radio division and the public safety answering points coordinating committee, and the committee is to file its report with the Legislative Council by November 1 of each even-numbered year.

Senate Bill No. 2084, Section 5, requires the Public Employees Retirement System Board to notify the Legislative Council of the date the board receives a letter ruling from the Internal Revenue Service that the section allowing a member to purchase service credit with pretax or after tax moneys does not jeopardize the qualified status of the Highway Patrolmen's Retirement System (which is the effective date of the section).

Senate Bill No. 2090, Section 15, requires the Securities Commissioner to review policies and procedures relating to access to capital for North Dakota companies, with the goal of increasing North Dakota companies' access to capital investment, and to report the commissioner's findings and any recommendations to the Legislative Council before August 1, 2002.

Senate Bill No. 2166, Section 2, amends NDCC Section 15.1-06-08 to authorize a school or school

district to apply to the Superintendent of Public Instruction for a waiver of any rule governing the accreditation of schools. If the waiver is approved, the superintendent is to file with a committee designated by the Legislative Council a report detailing the waiver. If the waiver is denied, the superintendent is to file a notice of denial with the Legislative Council. If requested, the Superintendent of Public Instruction is to appear before the Legislative Council committee that received the report and respond to questions regarding the application.

Senate Bill No. 2166, Section 3, creates NDCC Section 15.1-06-08, which authorizes a school or school district to apply to the Superintendent of Public Instruction for a waiver of NDCC Section 15.1-21-03. If the waiver is approved, the superintendent is to file with a committee designated by the Legislative Council a report detailing the waiver. If the waiver is denied, the superintendent is to file a notice of denial with the Legislative Council. If requested, the Superintendent of Public Instruction is to appear before the Legislative Council committee that received the report and respond to questions regarding the application.

Senate Bill No. 2235, Section 2, requires the State Seed Commissioner, before July 1, 2002, to present a report to the Legislative Council regarding the regional, national, and international status of genetically enhanced or modified seeds and crops, with attention to the ecological, environmental, health, and marketing aspects of genetically enhanced or modified seeds and crops.

Senate Bill No. 2251, Section 10, requires the Superintendent of Public Instruction to vigorously pursue grant funds during the 2001-03 biennium for projects relating to the use of technology in elementary and secondary education and to report to the Legislative Council, when requested, at least once every five months during the 2001-02 interim.

Senate Bill No. 2288, Section 1, requires the Insurance Commissioner to submit a report to the Legislative Council before November 1, 2002, regarding motor vehicle insurance independent medical examinations. The report is to include an analysis of the impact independent medical examinations have on the provision of motor vehicle insurance benefits in the state, a review of the medical service providers who perform independent medical examinations, a review of how other states regulate independent medical examinations, and any recommendations.

Senate Bill No. 2307, Section 1, requires the Department of Human Services, during the 2001-02 interim, to report quarterly to the Legislative Council regarding the progress in cooperating with developmental disabilities services providers representing each of the eight human service regions in the preparation of a joint recommendation for consideration by the 58th Legislative Assembly regarding a new statewide

developmental disability services provider reimbursement system.

Senate Bill No. 2380, Section 2, requires the State Health Officer to provide reports to the Legislative Council regarding the implementation of the community health grant program not later than December 31, 2001, and November 1, 2002.

Senate Bill No. 2445, Section 1, creates NDCC Section 19-03.1-44, to require the Attorney General or a designee of the Attorney General to report the current status and trends of unlawful drug use and abuse and drug control and enforcement efforts in this state to an interim legislative committee before July 2 of every even-numbered year.

Budget Section

Reports to the Budget Section

House Bill No. 1012, Section 20, requires the Department of Human Services to report to each meeting of the Budget Section during the 2001-02 interim on the status of actual medical assistance expenditures to projections based on legislative appropriations for the 2001-03 biennium.

House Bill No. 1015, Section 24, creates NDCC Section 15-10-12.3, which details the local fund sources allowed for capital construction by an institution under the control of the State Board of Higher Education and which requires each institution undertaking a capital construction project that was approved by the Legislative Assembly and for which local funds are to be used to present a biennial report to the Budget Section detailing the source of all funds used in the project.

House Bill No. 1015, Section 29, creates NDCC Section 65-04-03.1, which requires the Workers Compensation Bureau to establish a single workers' compensation account for state entities covered by NDCC Chapter 32-12.2, requires workers' compensation premiums from state entities covered by Chapter 32-12.2 to be deposited in the risk management workers' compensation fund, requires state entities covered by Chapter 32-12.2 to participate in the risk management workers' compensation program unless exempted by the director of the Office of Management and Budget, and requires the bureau and the risk management division of the Office of Management and Budget periodically to report to the Budget Section on the success of this program.

House Bill No. 1024, Section 2, authorizes the North Dakota Workers Compensation Board of Directors to authorize the bureau to hire up to 10 full-time equivalent employee positions in addition to the full-time equivalent employee positions authorized in Section 1 for the 2001-2003 biennium and requires the board to report to the Budget Section on any additional full-time equivalent employee positions and related funding authorized.

House Bill No. 1024, Section 5, declares legislative intent that if a new facility is built to house the operations of the Workers Compensation Bureau, the facility be built to include rental space for other state agencies and the bureau work with the Office of Management and Budget to identify which agencies will lease space in the building and report to the Budget Section on plans for leasing to other agencies.

House Bill No. 1024, Section 6, establishes a building maintenance account within the workers' compensation fund, to which the workers compensation bureau is to deposit all building rental proceeds if the bureau builds a building that includes rental space for other state entities, and requires the bureau to report to the Budget Section on a biennial basis on all revenues deposited into and expenditures from the account.

House Bill No. 1058, Section 1, requires the Superintendent of Public Instruction to report annually to the Budget Section regarding any transfer to the state tuition fund by the superintendent of federal or other moneys received by the superintendent to pay programmatic administrative expenses for which the superintendent received a state general fund appropriation.

House Bill No. 1084, Section 1, amends NDCC Section 52-02-17 to replace the requirement that Job Service North Dakota notify the members of the Budget Section if the job insurance trust fund balance is projected to go below \$40 million, with a requirement that Job Service North Dakota report to the Legislative Council before March 1 of each year the actual trust fund balance and the targeted modified average high-cost multiplier, as of December 31 of the previous year, and a projected trust fund balance for the next three years.

House Bill No. 1215, Section 1, appropriates funds to the Adjutant General for the purpose of distributing on an equal matching fund basis grants to political subdivisions for the maintenance and repair of political subdivision-owned armories. Before approval of any project under the program, the Adjutant General is to conduct a major repair and maintenance needs survey of all political subdivision-owned armories and provide a written report of the survey results and project recommendations for the biennium to the Budget Section.

House Bill No. 1460, Section 1, amends NDCC Section 40-63-07, to provide for annual audits of renaissance fund organizations and audit reports that include statements of percentage of annual net investments received by the organizations which have been invested by the organizations in investments permitted under Chapter 40-63. The audit reports are to be filed with the Division of Community Services, and the division is to provide an annual report to the Budget Section showing the conclusions of the audit reports.

Senate Bill No. 2016, Section 12, creates NDCC Section 54-23.3-08, which provides the director of the Department of Corrections and Rehabilitation may not authorize any new program that serves adult or juvenile offenders, including alternatives to conventional incarceration and programs operated on a contract basis, if the program is anticipated to cost in excess of \$100,000 during a biennium without first reporting to the Legislative Assembly or, if the Legislative Assembly is not in session, the Budget Section.

Senate Bill No. 2020, Section 5, requires the North Dakota University System to report during the 2001-02 interim to the Budget Section regarding the amount of funds raised in each region of the state during the first fiscal year of the biennium and the amount anticipated to be raised before June 30, 2003.

Senate Bill No. 2019, Section 4, requires any North Dakota ethanol plant receiving production incentives from the state to file with the Budget Section, within 90 days after the close of each fiscal year, a statement as to whether the plant produced a profit from its operation in the preceding fiscal year after deducting payments received from the incentive program.

Senate Bill No. 2019, Section 7, requires the Commissioner of Commerce to report periodically to the Budget Section during the 2001-02 interim on the status of the establishment of the Department of Commerce.

Senate Bill No. 2019, Section 7, requires the Commissioner of Commerce to establish performance measures and report to the Budget Section at the Budget Section's first meeting after June 30, 2002, on the department's progress in achieving its performance measures for the 2001-03 biennium.

Senate Bill No. 2021, Section 10, requires the State Board of Agricultural Research and Education to present a status report to the Budget Section during the 2001-03 biennium concerning employees, expenditures, research and cooperative projects, and source of income for the extension centers and main station.

Senate Bill No. 2021, Section 14, amends NDCC Section 4-05.1-19 to provide that the State Board of Agricultural Research and Education is to present a status report to the Budget Section (the current requirement of Section 4-05.1-19(7) that the board is to annually evaluate the results of research and extension activities and expenditures and report the findings to the Legislative Council and the State Board of Higher Education is continued and redesignated as subsection 8).

Senate Bill No. 2022, Section 2, authorizes the director of the Office of Management and Budget and the State Treasurer to make transfers of funds between line items of appropriations for the Information Technology Department as requested by the Chief

Information Officer and requires the Chief Information Officer to inform the Budget Section of the transfers.

Senate Bill No. 2043, Section 8, creates NDCC Section 54-59-19, which requires the Information Technology Department to prepare and present an annual report to the Information Technology Committee, and to present a summary of the report to the Budget Section and to the Legislative Audit and Fiscal Review Committee.

Senate Bill No. 2043, Section 9, declares legislative intent that the Information Technology Department develop performance measures to assist the Legislative Assembly in determining the effectiveness and efficiency of the department's operations during the 2001-03 biennium and report to the Information Technology Committee, the Budget Section, and the Legislative Audit and Fiscal Review Committee during the 2001-02 interim on the performance measures developed.

Budget Section Approval Requirements

House Bill No. 1012, Section 20, requires the Department of Human Services to report any anticipated shortfall in medical assistance grants during the 2001-03 biennium and seek Budget Section approval to spend funds at a level that would require a request for a general fund deficiency appropriation from the 58th Legislative Assembly.

House Bill No. 1012, Section 23, authorizes the State Hospital, during the second year of the 2001-03 biennium, to use projected savings from other areas of the budget and transfer appropriation authority between line items to provide funding for the costs of closing the State Hospital landfill, subject to Emergency Commission and Budget Section approval.

House Bill No. 1015, Section 12, provides that if the director of the Office of Management and Budget determines by revised projections that general fund revenue collections will not meet the revenues as forecast in the March 2001 legislative forecast, the Industrial Commission is to transfer to the state general fund an additional amount, as determined by the director of the Office of Management and Budget and as approved by the Budget Section, from the earnings and accumulated profits of the Bank of North Dakota.

House Bill No. 1015, Section 14, provides that if the federal government during the 2001-03 biennium terminates funding for any program administered by a state agency, the agency may terminate the program with Budget Section approval. If the federal government combines funding into a block grant, the agency may prioritize or reprioritize programs as necessary, with Budget Section approval. The agency may administer funds under a new federal block grant notwithstanding any other provision of law and must report any program termination, reduction, or change to the Budget Section for its approval.

House Bill No. 1015, Section 17, provides state property in a city is exempt from special assessments levied for flood control purposes unless the governing body of the city requests waiver of the exemption and the exemption is completely or partially waived by the Budget Section.

House Bill No. 1015, Section 21, requires the University of North Dakota School of Medicine and Health Sciences to forgive the amount of debt owed by the Fargo Family Healthcare Center upon the center's adoption of a plan to address sustainability of programs at the center, approval of the plan by the Budget Section, adoption by the city of Fargo of a plan to provide support to the center, forgiveness by the city of Fargo of center debt relating to rental expenses, and final approval by the Budget Section.

Senate Bill No. 2003, Section 14, authorizes the Forest Service, after receiving approval from the Budget Section, to obtain and use funds received from any source for construction of the Towner nursery tree storage building.

Senate Bill No. 2003, Section 20, authorizes the State College of Science, after receiving approval from the Budget Section, to obtain and use funds received from any source to assist in the Blikre activities center addition.

Senate Bill No. 2008, Section 2, authorizes the Department of Banking and Financial Institutions, upon approval of the Emergency Commission and the Budget Section, an additional one-half full-time position for the licensing and regulation of deferred presentment service providers.

Senate Bill No. 2014, Section 2, requires certain types of statewide grants distributed by the Children's Services Coordinating Committee without specific approval by the Legislative Assembly to be approved by the Budget Section.

Senate Bill No. 2016, Section 7, provides if during the 2001-03 biennium the federal government reduces funding below the level anticipated by the 57th Legislative Assembly for any programs administered by the Department of Corrections and Rehabilitation, the department may not supplant the federal funds with general or special fund moneys without first obtaining approval from the Budget Section.

Senate Bill No. 2022, Section 2, authorizes the director of the Office of Management and Budget and the State Treasurer to make transfers of funds between line items of appropriations for the Information Technology Department as requested by the Chief Information Officer, but transfers that increase line items in excess of the amount included in the January 7, 2002, executive recommendation may only be made after Emergency Commission and Budget Section approval.

Senate Bill No. 2039, Section 1, amends NDCC Section 15-10-12.1 to provide that the State Board of Higher Education may not authorize construction of a

building, campus improvements, and building maintenance of more than \$385,000, if financed by donations, without the consent of the Legislative Assembly or the Budget Section if the Legislative Assembly is not in session and will not convene in six months. (If the board submits a request to the Budget Section for approval under this section, the Legislative Council is to notify each member of the Legislative Assembly of the date of the Budget Section meeting at which the request will be considered and is to provide a copy of the meeting agenda to each member of the Legislative Assembly. The chairman of the Budget Section is to allow any member of the Legislative Assembly an opportunity to present testimony to the Budget Section regarding any such request.)

Senate Bill No. 2043, Section 2, amends NDCC Section 54-59-05(4) to require the Information Technology Department to receive Budget Section approval before executing any proposed agreement to finance the purchase of software, equipment, or implementation of services in excess of \$1 million.

LEGISLATIVE ASSEMBLY

Appointments

House Bill No. 1270, Section 1, adopts the Interstate Compact for Adult Offender Supervision. Article 4 of the compact establishes a seven-member North Dakota State Council for Interstate Adult Offender Supervision. The director of the Department of Corrections and Rehabilitation is the chairman. The Governor appoints three members and the Chief Justice of the Supreme Court, the President of the Senate, and the Speaker of the House of Representatives each appoint one member. (Although the term of office of a member is four years, the Act expires and is ineffective after August 1, 2003).

House Bill No. 1353, Section 2, amends NDCC Section 44-01-05, relating to the oath of civil officers, to define civil officer as including every "elected official; any individual appointed by the governor; appointed member of any state authority, board, bureau, commission, and council; and the appointed head of any state agency and agency division, whether the individual serves with or without compensation." The section also provides that except for an individual appointed to fill a vacancy existing in the Legislative Assembly, the term does not include an individual receiving a legislative appointment.

Members

House Bill No. 1015, Section 18, provides that notwithstanding the \$650 per calendar month lodging maximum provided in NDCC Section 54-03-20 for members of the Legislative Assembly during a legislative session, a member is entitled to lodging reimbursement as provided in Section 44-08-04 for each calendar day in session during April 2001.

House Bill No. 1205, Section 1, amends NDCC Section 54-03-22 to provide that a member of the Legislative Assembly who is a witness or party to a civil action or is an attorney of record for a party in a civil action is entitled to a continuance or an extension of time for any matter related to the civil action during the time the member is performing duties at a legislative session.

House Bill No. 1328, Section 3, as amended by House Bill No. 1009, creates NDCC Section 4-35-30, which establishes a 10-member Crop Protection Product Harmonization and Registration Board. The 10 members include the chairman of the House Agriculture Committee or the chairman's designee, the chairman of the Senate Agriculture Committee or the chairman's designee, and one member of the House or Senate Agriculture Committee who is not a member of the faction in which the committee chairman is a member and one crop protection product manufacturing industry representative appointed by the chairman of the Legislative Council.

House Bill No. 1449, Section 1, amends NDCC Section 54-52.3-01 to specifically include members of the Legislative Assembly within the state employee eligibility for participating in the pretax benefits program, effective January 1, 2002.

House Bill No. 1474, Section 1, amends NDCC Section 54-03-27, relating to employment rights of members of the Legislative Assembly, to provide that any employer, rather than only public employers, may grant a leave of absence to a member of the Legislative Assembly during absence due to legislative sessions and includes absence for attendance at Legislative Council committee meetings.

Senate Bill No. 2048, Section 1, amends NDCC Section 54-03-20 to provide that members attending meetings of legislative committees between the organizational session and the regular session as authorized by legislative rule are entitled to receive compensation at the daily rate paid for legislative sessions. The bill is retroactive to December 7, 2000.

Senate Bill No. 2115, Section 1, relates to practitioners licensed in other jurisdictions practicing an occupation or profession in this state. A new section designates the Secretary of State as agent for service of process on a foreign practitioner and provides a member of the Legislative Assembly or a state or county officer may not be charged for filing any process, notice, or demand for service upon the foreign practitioner.

Senate Bill No. 2175, Section 1, amends NDCC Section 54-03-20 to increase the daily rate paid for legislative sessions from \$111 to \$125. The bill is retroactive to January 1, 2001.

Senate Bill No. 2230, Section 1, amends NDCC Section 16.1-13-10 to provide that notification of a vacancy in the Legislative Assembly is to be given to

the chairman of the Legislative Council who is to notify the district committee of the political party that the former member represented for purposes of selecting an individual to fill the vacancy. If the district committee fails to fill the vacancy or if the former member was elected as an independent candidate, the chairman of the Legislative Council is to appoint a resident of the district to fill the vacancy. Section 44-02-02 is amended to provide that a legislator who resigns during the interim is to notify the chairman of the Legislative Council rather than the Governor.

Senate Bill No. 2363, Section 1, amends NDCC Section 39-01-05 to provide that a state officer or employee who uses any privately owned motor vehicle while engaged in political activity may not collect any expense moneys from the state for use or operation of the motor vehicle "while engaged in the political activity," rather than for use or operation "on any day" on which political work was done. (This indirectly affects legislators, in that it applies to all state officers and employees, especially because legislators generally use privately owned vehicles to attend committee meetings.)

Duties

House Bill No. 1407, Section 1, prohibits any committee of the Legislative Assembly from acting on a legislative measure mandating health insurance coverage of services or payment for specified providers of services, or an amendment that mandates such coverage or payment, unless the measure is accompanied by a cost-benefit analysis provided by the Legislative Council. The Legislative Council is required to contract with a private entity, after receiving recommendations from the Insurance Commissioner, to provide the cost-benefit analysis, and the Insurance Commissioner is required to pay for the cost of the contracted services.

Reports

House Bill No. 1012, Section 7, requires the Department of Human Services to present a report to the Appropriations Committees of the 58th Legislative Assembly on any transfers of funding or employee full-time equivalent positions made between the department's subdivisions or institutions and human service centers during the 2001-03 biennium.

House Bill No. 1015, Section 28, creates NDCC Section 54-44.1-16, which requires the Office of the Budget to report on cost-benefit analyses prepared for building projects included in the Governor's budget recommendation to the Legislative Assembly at the same time as the Governor's budget and revenue proposals are presented.

House Bill No. 1125, Section 4, declares legislative intent that the Office of Management and Budget in consultation with the Attorney General develop

standards and guidelines for the procurement of contracts for services and, if appropriate, submit proposed legislation to the 58th Legislative Assembly regarding those standards and guidelines.

House Bill No. 1360, Section 1, creates NDCC Section 43-12.1-08.2, which authorizes the State Board of Nursing to develop a strategic statewide plan to alleviate the nursing shortage in the state and to convene various groups for reviewing data and recommending systematic changes and to report the results of these efforts to the Legislative Assembly. The board also is authorized to study nursing educational requirements and to study the nursing shortage in this state. If the study is undertaken, the board is to report annually on the progress of the study to the Legislative Council and provide a final report to the 60th Legislative Assembly (2007).

House Bill No. 1413, Section 6, requires the Division of Economic Development and Finance to report between the first and tenth legislative days of the 58th Legislative Assembly at a public hearing before the Finance and Taxation Committees, describing the usage of the credit under NDCC Chapter 57-38.5.

Senate Bill No. 2003, Section 15, declares legislative intent that the State Board of Higher Education establish a long-term enrollment management plan and procedures for implementation of the plan and report to the Legislative Council during the 2001-02 interim on the board's progress toward establishing the plan and procedures and provide a final report to the 58th Legislative Assembly.

Senate Bill No. 2003, Section 27, amends NDCC Section 54-44.1-11 to provide that unexpended appropriations for the North Dakota University System are not subject to cancellation after the close of each biennial period and the University System is to report on the amounts and uses of funds carried over from one biennium to the next to subsequent Appropriations Committees of the Legislative Assembly.

Senate Bill No. 2007, Section 2, requires the results of a performance audit of the Veterans Home by the State Auditor to be presented to the Appropriations Committees during the agency's budget presentation during the 58th Legislative Assembly.

Senate Bill No. 2007, Section 4, requires the Department of Veterans Affairs to report on the use of moneys in the veterans' postwar trust fund to the Appropriations Committees of the 58th Legislative Assembly during the agency's budget presentation.

Senate Bill No. 2016, Section 8, requires the Department of Corrections and Rehabilitation to present a report to the Appropriations Committees of the 58th Legislative Assembly regarding the operation of the prerelease center and the DUI offender treatment center, including the impact of the programs on recidivism rates; the cost-effectiveness of the programs; the success of the programs; the ability to collect fees, if

any, from the participating inmates; and a comparison of the costs and benefits of the prerelease center and the DUI offender treatment center to other forms of treatment or incarceration.

Senate Bill No. 2016, Section 12, creates NDCC Section 54-23.3-08, which provides the director of the Department of Corrections and Rehabilitation may not authorize any new program that serves adult or juvenile offenders, including alternatives to conventional incarceration and programs operated on a contract basis, if the program is anticipated to cost in excess of \$100,000 during a biennium without first reporting to the Legislative Assembly or, if the Legislative Assembly is not in session, the Budget Section.

Senate Bill No. 2020, Section 2, requires the Division of Workforce Development to prepare a report annually on workforce training and development activities of the North Dakota University System, Job Service North Dakota, Department of Human Services, State Board for Vocational and Technical Education, Department of Commerce, and other workforce partners and present the reports to the Appropriations Committees of the 58th Legislative Assembly.

Senate Bill No. 2023, Section 7, requires agencies and institutions receiving authorization for energy improvement projects to monitor the resulting energy savings and the cost-effectiveness of the projects and to report the results to the Appropriations Committees of the 58th Legislative Assembly.

Senate Bill No. 2032, Section 43, creates NDCC Section 54-60-03, which requires the Commissioner of Commerce to report between the first and tenth legislative days of each regular legislative session to a standing committee of each house of the Legislative Assembly, as determined by the Legislative Council, on the Department of Commerce's goals and objectives, its long-term goals and objectives, and on commerce benchmarks.

Senate Bill No. 2041, Section 2, amends NDCC Section 15-10-14.2 to replace the requirement that the State Board of Higher Education report to the Governor and the Legislative Council regarding the status of the University System with the requirement that the board adopt a strategic planning process and develop a strategic plan, and report to the Legislative Assembly during each regular legislative session regarding the status of higher education in this state.

Senate Bill No. 2171, Section 2, amends NDCC Section 4-24-10 to add the North Dakota Dry Pea and Lentil Council to the list of agricultural commodity promotion groups that must file a uniform report at a public hearing before the Agriculture Committees of the Legislative Assembly between the first and tenth legislative days of each regular legislative session.

Senate Bill No. 2217, Section 15, requires the Labor Commissioner to submit a report at a public hearing before a standing committee of each house of the Legislative Assembly between the first and tenth legislative days of the 58th Legislative Assembly. The report is to include information and statistics regarding the nature, number, status, and disposition of complaints received by the Department of Labor under NDCC Chapters 14-02.4 and 14-02.5.

Senate Bill No. 2224, Section 2, requires the director of the Department of Transportation to submit a plan to the 58th Legislative Assembly to eliminate areas designated as no-mow or managed-mow areas from the right of way adjacent to highways under the department's jurisdiction.

Senate Bill No. 2349, Section 2, requires the Bank of North Dakota to report the status of the beginning entrepreneur loan guarantee program to the Appropriations Committees of the 58th Legislative Assembly at the time of the Bank's appropriations hearing.