

## 2003 LEGISLATION DIRECTLY AFFECTING THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE ASSEMBLY

This memorandum identifies 2003 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 2003 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

#### Responsibilities of the Legislative Council

**House Bill No. 1065**, Section 3, amends North Dakota Century Code (NDCC) Section 65-02-01.1 to authorize the Legislative Council to replace references to "workers compensation bureau" or "bureau" with references to "workforce safety and insurance" or "organization" throughout the North Dakota Century Code.

**House Bill No. 1076**, Section 1, amends NDCC Section 54-44.1-07 to provide that the director of the budget must submit drafts of appropriation bills to the Legislative Council within seven days after adjournment of the organizational session, rather than at the organizational session.

**House Bill No. 1309**, Section 6, provides that the provisions extending the special fuels tax reduction for fuels containing biodiesel to July 1, 2005, become effective on the first day of the first month after the Tax Commissioner certifies to the Governor and the Legislative Council that a refining facility is operational in this state which has a production capacity of at least 10 million gallons of biodiesel per year.

**House Bill No. 1388**, Section 2, requires the Governor to certify to the Legislative Council the effective date of federal legislation that preempts state regulation of false, misleading, or unsolicited commercial electronic mail messages. Section 1 creates NDCC Chapter 51-27, which will expire as of the date of the preemption.

**Senate Bill No. 2015**, Section 31, appropriates \$30,000 to the Legislative Council for the purpose of upgrading the sound systems in the House and Senate chambers.

**Senate Bill No. 2086**, Section 5, requires the Department of Human Services to certify to the Legislative Council by October 1, 2004, whether the department and developmental disabilities service providers have reached an agreement on a new fee-for-service system.

**Senate Bill No. 2151**, Section 14, provides for the Legislative Council to transfer administrative rules that the Attorney General designates as relating to the State Crime Laboratory from the North Dakota Administrative Code title relating to the State Department of Health to the North Dakota Administrative Code title relating to the

Attorney General and authorizes changes in references in the rules to conform to the bill, which transfers the Forensic Sciences Division of the State Department of Health to the State Crime Laboratory, which is created as a division of the Attorney General's office.

**Senate Bill No. 2155**, Section 3, amends NDCC Section 50-09-29 to delete provisions under the administration of the temporary assistance for needy families program which provided for Legislative Council approval for expending all funds earlier than June 30, 1999, if the caseload of households provided assistance exceeds projections provided to the 55th Legislative Assembly (1997).

**Senate Bill No. 2340**, Section 1, amends NDCC Section 46-03-10 to authorize the Legislative Council, in publishing and maintaining state laws, to change statutory references to numbers and letters to correct references to redesignated or repealed chapters, sections, or portions of sections and change statutory references to institutions, agencies, offices, and officers to be consistent with other statutory usage and constitutional provisions.

#### Appointments

**House Bill No. 1043**, Section 5, amends NDCC Section 54-59-07 to revise the membership of the State Information Technology Advisory Committee with the revised membership to include two members of the Legislative Assembly appointed by the Legislative Council.

**House Bill No. 1088**, Section 4, creates NDCC Section 27-05.2-09, which establishes a five-member Court Facilities Improvement Advisory Committee, one member of which is appointed by the chairman of the Legislative Council. The committee makes grants from the court facilities improvement and maintenance fund to counties to provide funds for court facilities improvement and maintenance projects.

**House Bill No. 1243**, Section 3, creates NDCC Section 53-12-17, which establishes a five-member North Dakota Lottery Advisory Commission, three members of which are selected by the chairman of the Legislative Council and two of which are selected by the Attorney General. Terms of office are three years, and no member may be appointed to more than two consecutive terms.

**House Bill No. 1254**, Section 1, adopts the Interstate Compact for Juveniles. Article 9 of the compact establishes a seven-member North Dakota State Council for Interstate Juvenile Supervision, two members of which are appointed by the chairman of the Legislative Council--one member from the House of Representatives and one member from the Senate.

**Senate Bill No. 2108**, Section 1, amends NDCC Section 54-06-25(2) to specifically authorize the

chairman of the Legislative Council to fill vacancies among the four legislative members of the State Employees Compensation Commission (who are appointed to the commission by the chairman of the Legislative Council).

**Senate Bill No. 2282**, Section 1, amends NDCC Section 15-52-03 to provide that the chairman of the Legislative Council appoints two members of the Senate and two members of the House of Representatives to the Medical Center Advisory Council, rather than one member of the Senate being appointed by the President of the Senate and one member of the House being appointed by the Speaker of the House.

**Senate Bill No. 2015**, Section 14, amends NDCC Section 15-52-03, as amended by Senate Bill No. 2282, to provide that of the two members of the Senate, one must be from the majority party and one must be from the minority party, and of the two members of the House, one must be from the majority party and one must be from the minority party.

### **Interim Committees of the Legislative Council Electric Industry Competition Committee**

**Senate Bill No. 2015**, Sections 19, 20, and 21, extend the expiration date of NDCC Sections 54-35-18, 54-35-18.1, and 54-35-18.2, which provide for the Electric Industry Competition Committee and its duties, from August 1, 2003, to August 1, 2007.

**Senate Bill No. 2015**, Section 20, in addition to extending the expiration date of NDCC Section 54-35-18.1, revises the membership of the committee to consist of six members of the House of Representatives, four of whom must be from the majority party and two from the minority party; and six members of the Senate, four of whom must be from the majority party and two from the minority party.

### **Garrison Diversion Overview Committee**

**House Bill No. 1230**, Section 1, amends NDCC Section 54-35-02.7 to delete the requirement that the Legislative Council appoint a Garrison Diversion Overview Committee. The section is amended to provide that the Legislative Council (rather than the Garrison Diversion Overview Committee) is responsible for legislative overview of the Garrison Diversion Unit Project and related matters and for any necessary discussions with adjacent states on water-related topics.

### **Government Performance and Accountability Committee (New)**

**House Bill No. 1497**, Section 1, provides that if the Legislative Council studies state government performance and accountability practices, the Legislative Council is to appoint a 10-member government performance and accountability committee, of which at least six members must be legislators, two members may be citizen members, and the Governor or the Governor's representative and another executive branch representative may be members. The Legislative Council is to designate the chairman of the committee.

### **Information Technology Committee**

**House Bill No. 1043**, Section 1, amends NDCC Section 54-35-15.1 to provide for the Information Technology Committee to consist of six members of the House and five members of the Senate appointed by the Legislative Council, rather than four and three, respectively.

**House Bill No. 1505**, Section 7, requires the Information Technology Department to establish information technology equipment and software product specifications for the Office of Management and Budget in establishing policies for procuring equipment and software. Executive branch agencies, except for higher education institutions, are to comply with the policies. The Office of Management and Budget, in conjunction with the Information Technology Department, is to aggregate equipment and software purchases. The Information Technology Department is to provide periodic reports to the Information Technology Committee regarding budgeted and actual information technology equipment and software purchases and estimated savings by funding source.

**Senate Bill No. 2015**, Section 30, requires the Information Technology Department to document information relating to the delivery of consolidated services to agencies and report that information and status of accumulated savings to the Information Technology Committee and the Budget Section as requested. The section also authorizes any agency receiving consolidated information technology services from the Information Technology Department to provide information with respect to those services to the Information Technology Committee.

**House Bill No. 1505**, Section 12, is identical to Section 30 of Senate Bill No. 2015.

**House Bill No. 1505**, Section 13, appropriates \$350,000 to the Legislative Council for the purpose of contracting with consultants to conduct an information technology organizational study and an information technology management study and consultant oversight by October 1, 2003. Periodic progress reports on the status of the studies must be provided to the Information Technology Committee and a final report is to be presented to the Budget Section upon completion of the studies.

**House Bill No. 1505**, Section 14, creates NDCC Section 54-10-28, which assigns information technology responsibilities to the State Auditor, including conducting information technology compliance reviews as determined necessary by the Information Technology Committee and presenting results of compliance reviews to the committee.

**House Bill No. 1505**, Section 15, creates NDCC Section 54-35-15.4, which authorizes the Information Technology Committee to request the State Auditor to conduct an information technology compliance review, which may consist of an audit of an agency's information technology management, information technology planning, compliance with information technology plans, and compliance with information technology standards and

policies, or an audit of statewide compliance with specific information technology standards and policies.

**House Bill No. 1505**, Section 16, creates NDCC Section 54-59-02.1, which provides for the Information Technology Department to appoint an advisory committee for the purposes of prioritizing major computer software projects and establishing standards for the executive branch. The judicial and legislative branches are to annually notify the advisory committee on their major computer software projects and priorities. The Chief Information Officer is to submit recommendations of the advisory committee regarding major software projects to the Information Technology Committee for consideration and the drafting of appropriate legislation to implement the recommendations.

#### **Legislative Audit and Fiscal Review Committee**

**Senate Bill No. 2004**, Section 3, amends NDCC Section 54-10-01(4) to provide that the State Auditor may not hire a consultant to assist with conducting a performance audit of a state agency without the prior approval of the Legislative Audit and Fiscal Review Committee.

**House Bill No. 1007**, Section 3, requires the State Auditor to conduct a performance audit of the Department of Veterans Affairs and the Administrative Committee on Veterans Affairs during the 2003-05 biennium and to report the results of the audit to the Legislative Audit and Fiscal Review Committee by July 1, 2004.

**House Bill No. 1506**, Section 8, provides the State Auditor is to consider conducting a performance audit of the Department of Corrections and Rehabilitation during the period beginning July 1, 2003, and ending January 1, 2005. The results of the audit are to be presented to the Legislative Audit and Fiscal Review Committee and the Appropriations Committees during the Department of Corrections and Rehabilitation's budget presentation during the 59th Legislative Assembly.

**House Bill No. 1362**, Section 135, creates NDCC Section 45-10.1-71, which requires any limited partnership that produces agricultural ethyl alcohol or methanol and which receives a production subsidy from the state, whether in the form of reduced taxes or otherwise, to submit an annual audit report, prepared by a certified public accountant based on an audit of all records and accounts of the limited liability partnership, to the Legislative Audit and Fiscal Review Committee within 90 days of the close of the taxable year of the limited partnership. On request of the committee, the State Auditor is to conduct an audit of the records and accounts of any limited partnership required to submit an annual report under the section. (Similar to NDCC Sections 10-19.1-152, corporations; 10-32-156, limited liability companies; and 45-22-25, limited liability partnerships.)

#### **No Child Left Behind Committee (New)**

**Senate Bill No. 2418**, Section 1, codified as NDCC Section 54-35-21, requires the Legislative Council to appoint a select committee consisting of five members of the Senate and six members of the House for the purpose of investigating the adoption of the No Child Left Behind Act of 2001, its rationale, the promulgation of any

federal regulations implementing the Act, the direct and indirect impact of the Act and its regulations on the school districts of this state, and the financial impact of the Act and its regulations on the budget of this state and on the taxpayers of this state. The Legislative Council is to name the chairman and vice chairman of the committee. When an agency files notice of proposed rule-making on any matter governed by the Act, the agency is to provide a copy of the notice to the committee chairman, who is to convene the committee within 60 days for the purpose of receiving a presentation by the agency regarding the proposed rules. The committee is to report to the 59th Legislative Assembly if the committee determines the state is not in compliance with any requirement of the Act.

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

**House Bill No. 1504**, Section 1, requires the Legislative Council to study the state's business climate. Section 2 of the bill appropriates \$25,000 for the purpose of conducting the study.

**House Bill No. 1505**, Section 13, appropriates \$350,000 to the Legislative Council for the purpose of contracting with consultants to conduct an information technology organizational study and an information technology management study and to provide assistance with the preparation of the request for proposals and consultant oversight by October 1, 2003.

**Senate Bill No. 2262**, Section 1, requires the Legislative Council to study the motor vehicle no-fault, underinsured motorist, and uninsured motorist insurance systems.

**Senate Bill No. 2358**, Section 5, requires the Legislative Council to study the sale and lease of railroad rights of way.

**Senate Bill No. 2418**, Section 1, codified as NDCC Section 54-35-21, requires the Legislative Council to appoint a select committee consisting of five members of the Senate and six members of the House for the purpose of investigating the adoption of the No Child Left Behind Act of 2001.

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

**House Bill No. 1003**, Section 24, provides the Legislative Council shall consider continuing the study of higher education, which may include use of the higher education roundtable format, to further refine the expectations of the North Dakota University System.

**House Bill No. 1004**, Section 14, provides the Legislative Council shall consider studying the nursing home survey process.

**House Bill No. 1007**, Section 8, provides the Legislative Council shall consider studying the feasibility and desirability of establishing a separate payment rate class for the Veterans Home.

**House Bill No. 1017**, Section 5, provides the Legislative Council shall consider studying the impact of pending federal legislation that would significantly change the respective federal-state responsibilities and

funding for workforce development, workforce training, public labor exchange, and unemployment insurance programs.

**House Bill No. 1023**, Section 3, provides the Legislative Council shall consider studying the provisions of NDCC Section 54-17.2-23 regarding the statutory limitation on the amount of capital construction lease payments paid from the general fund.

**House Bill No. 1155**, Section 1, provides the Legislative Council shall consider studying the criteria by which a student's school district of residence is established.

**House Bill No. 1186**, Section 1, provides the Legislative Council shall consider studying the leasing or renting of county court facilities by the state or other political subdivision.

**House Bill No. 1212**, Section 2, provides the Legislative Council shall consider studying the effects and operation of requiring agency consideration of the effect of proposed administrative rules on small businesses, organizations, and political subdivisions.

**House Bill No. 1386**, Section 1, provides the Legislative Council shall consider studying NDCC provisions requiring public officers and other individuals and entities to provide bonds.

**House Bill No. 1430**, Section 11, provides the Legislative Council shall consider studying the value of medical assistance program use of benefit purchasing pools, preferred drug lists, and other pharmacy benefit management concepts.

**House Bill No. 1439**, Section 4, provides the Legislative Council shall consider studying the administrative and criminal laws of driving under the influence of intoxicating liquor.

**House Bill No. 1497**, Section 1, provides the Legislative Council shall consider studying state government performance and accountability practices.

**House Bill No. 1506**, Section 6, provides the Legislative Council shall consider studying the long-term needs of all state inmates and if the Department of Corrections and Rehabilitation should continue to contract to house state female inmates with county jails.

**Senate Bill No. 2006**, Section 4, provides the Legislative Council shall consider studying, with the assistance of the Tax Commissioner, the effect on cities and counties of repeal of the estate tax.

**Senate Bill No. 2008**, Section 4, provides the Legislative Council shall consider studying the feasibility and desirability of transferring inspection and standards functions conducted by various state agencies to the Public Service Commission.

**Senate Bill No. 2008**, Section 5, provides the Legislative Council shall consider studying the feasibility and desirability of funding the Public Service Commission entirely from special fund revenue sources.

**Senate Bill No. 2012**, Section 14, provides the Legislative Council shall consider studying administrative costs of human service programs.

**Senate Bill No. 2012**, Section 15, provides the Legislative Council shall consider studying programs providing services to children with special health care

needs in this state and service needs of these children which are not available under current programs.

**Senate Bill No. 2012**, Section 16, provides the Legislative Council shall consider studying the feasibility and desirability of establishing an advisory council for the medical assistance program of the Department of Human Services.

**Senate Bill No. 2012**, Section 17, provides the Legislative Council shall consider studying North Dakota's long-term care continuum of services.

**Senate Bill No. 2015**, Section 41, provides the Legislative Council shall consider studying public employee health insurance benefits.

**Senate Bill No. 2249**, Section 4, provides the Legislative Council shall consider studying issues relating to the protection of historical or archaeological artifacts or sites that are found or located upon land owned by the state or its political subdivisions or otherwise come into the custody or possession of the state or its political subdivisions.

**Senate Bill No. 2252**, Section 5, provides the Legislative Council shall consider studying consumer protection in regard to contractor competency and out-of-state contractors licensed in the state.

**Senate Bill No. 2287**, Section 1, provides the Legislative Council shall consider studying the feasibility and desirability of providing for the licensure of accredited business accountants.

**Senate Bill No. 2310**, Section 1, provides the Legislative Council shall consider studying issues related to wind energy development in this state.

**Senate Bill No. 2379**, Section 1, provides the Legislative Council shall consider studying the doctrine of assumption of risk and the impact the reenactment of the doctrine would have on other state laws.

**Senate Bill No. 2421**, Section 32, provides the Legislative Council shall consider studying the manner in which elementary and secondary education is funded in this state.

### Reports to the Legislative Council

**House Bill No. 1014**, Section 5, requires the Children's Services Coordinating Committee to report to the Legislative Council at least twice during the 2003-04 interim on the amount of "refinancing" funds generated and the uses of the funds for the 2003-05 biennium.

**House Bill No. 1019**, Section 9, requires the commissioner of the Department of Commerce to monitor and report annually during the 2003-04 interim to the Legislative Council or to the Budget Section regarding specified economic goals and associated benchmarks.

**House Bill No. 1019**, Section 23, creates NDCC Section 15-10-41, which requires the State Board of Higher Education to establish a centers of excellence program relating to economic development. The board is to present the definitions and eligibility criteria for the centers of excellence relating to economic development to the Legislative Council.

**House Bill No. 1093**, Section 2, eliminates the expiration date of NDCC Section 54-06-31, which authorizes

state agencies to develop programs to provide bonuses to recruit or retain employees in hard-to-fill positions and requires the Central Personnel Division to report periodically to the Legislative Council on the implementation, progress, and bonuses provided under these programs.

**House Bill No. 1295**, Section 1, amends NDCC Section 15.1-02-13 to revise the contents of the school district employee compensation reports required to be submitted by each school district to the Superintendent of Public Instruction before September 11 of each year and which the Superintendent compiles and submits to the Governor and the chairman of the Legislative Council.

**House Bill No. 1489**, Section 10, requires the Education Standards and Practices Board to report, before July 1, 2004, to the Legislative Council regarding potential changes to the licensure process and the impact of those changes.

**Senate Bill No. 2065**, Section 1, amends NDCC Section 15.1-21-10 to require the report by the Superintendent of Public Instruction to the Legislative Council concerning the compilation of scores of state content and achievement standards tests include the established cut scores, the methodology used to determine the cut scores, and the validation of all test products.

**Senate Bill No. 2086**, Section 1, creates NDCC Section 25-18-12, which requires the Department of Human Services to report to the Legislative Council during the 2003-04 interim regarding the department's progress in developing a fee-for-service payment system for treatment or care centers.

**Senate Bill No. 2297**, Section 1, amends NDCC Section 23-38-02 to require the State Health Officer to provide a report to the Legislative Council not later than September 30, 2004, regarding implementation of the community health grant program.

**Senate Bill No. 2414**, Section 1, creates NDCC Section 15.1-02-15, which requires the Superintendent of Public Instruction to provide the members of any Legislative Council interim committee that is considering any bill or amendment that contains a provision required by the No Child Left Behind Act of 2001 or federal regulations promulgated to implement that Act the specific language of the Act or regulation which sets forth the requirement, together with the statutory citation for that language.

**Senate Bill No. 2421**, Section 33, requires the Superintendent of Public Instruction to confer with public and nonpublic entities to determine the estimated costs that are likely to be incurred by this state during the ensuing eight years to meet the requirements of the No Child Left Behind Act of 2001 and provide the information obtained to the Legislative Council.

**Senate Bill No. 2421**, Section 34, requires the Superintendent of Public Instruction to complete the data envelopment analysis project by September 1, 2004, and report any findings and conclusions to the Legislative Council as soon after that date as practicable.

**Senate Bill No. 2421**, Section 38, requires the Superintendent of Public Instruction to report to the Legislative Council the notices received from school

boards which detail the grounds for not using at least 70 percent of new money received for per student payments and tuition apportionment payments for the purpose of increasing compensation paid to teachers.

## Budget Section

### Reports to the Budget Section

**House Bill No. 1003**, Section 31, requires the State Board of Higher Education to study the use of internships to attract students to high-growth occupations in the state and implement a student internship program by July 1, 2004, and provide a report on the program implemented to the first meeting of the Budget Section after July 1, 2004, and present a report to the 59th Legislative Assembly.

**House Bill No. 1004**, Section 13, declares legislative intent that the State Department of Health consider the option of outsourcing employee positions whenever reasonable and report to the Budget Section during the 2003-04 interim on the status of outsourcing employees.

**House Bill No. 1007**, Section 4, requires a representative of the Veterans Home governing board to report periodically to the Budget Section on the status of the board's progress in developing and implementing a strategic plan for the Veterans Home during the 2003-04 interim.

**House Bill No. 1007**, Section 6, authorizes the Veterans Home to transfer up to \$150,000 of appropriation authority between line items for the 2001-03 biennium to implement changes in technology and telecommunications. Any line item transfer is to be reported to the Budget Section.

**House Bill No. 1013**, Section 6, creates NDCC Section 47-30.1-24.1, which requires the commissioner of University and School Lands to present a report to the Budget Section identifying every state agency that has not submitted a claim for property belonging to that agency within one year of the date of the certified mail receipt for the notice to the agency of the receipt of state agency property by the administrator of the abandoned property office.

**House Bill No. 1015**, Section 14, requires the Industrial Commission to review the implementation of the merger of the Oil and Gas Division and the Geological Survey and present a report to the Budget Section before November 1, 2004, regarding the recommendations for the Oil and Gas Division and Geological Survey merger and to report its findings and recommendations to the 59th Legislative Assembly.

**House Bill No. 1019**, Section 9, requires the commissioner of the Department of Commerce to monitor and report annually during the 2003-04 interim to the Budget Section or to the Legislative Council regarding specified economic goals and associated benchmarks.

**House Bill No. 1052**, Section 1, creates NDCC Section 49-21-31, effective through June 30, 2005, which appropriates money deposited in the performance assurance fund to the Public Service Commission on a continuing basis, but limits deposits in the fund to \$100,000 in any biennium, and requires any excess

payments received by the commission under the performance assurance plan to be deposited in the general fund and requires the commission to report annually to the Budget Section with respect to payments received under the plan and expenditures from the performance assurance fund.

**House Bill No. 1441**, Section 1, creates NDCC Section 54-44-16, effective through June 30, 2005, which authorizes the State Investment Board to purchase oil put options for the Office of Management and Budget to offset reduced state general fund oil and gas tax revenues due to oil and gas prices falling below selected levels. The Office of Management and Budget is to report any purchase of put options to the Budget Section.

**House Bill No. 1505**, Section 8, requires the director of the Office of Management and Budget and the State Treasurer to make transfers of funds between line items for state agencies as may be requested to accommodate information technology funding reductions made by the 58th Legislative Assembly, and requires the Office of Management and Budget to report to the Budget Section regularly on the transfers.

**House Bill No. 1505**, Section 13, requires the Legislative Council to contract with consultants to conduct an information technology organizational study and an information technology management study by October 1, 2003. Periodic progress reports on the status of the studies must be provided to the Information Technology Committee and a final report is to be presented to the Budget Section upon completion of the studies.

**House Bill No. 1506**, Section 5, requires the Department of Corrections and Rehabilitation and county jails contracting to house state female inmates to report to the fall 2003 and summer 2004 meetings of the Budget Section on the implementation and procedures of contracting with counties to house state female inmates.

**Senate Bill No. 2012**, Section 7, requires the Department of Human Services to report to the Budget Section after June 30, 2004, and to the Appropriations Committees of the 59th Legislative Assembly any transfer of appropriation authority between line items and between subdivisions in excess of \$50,000.

**Senate Bill No. 2015**, Section 30, requires the Information Technology Department to document information relating to the delivery of consolidated services to agencies and report that information and status of accumulated savings to the Information Technology Committee and the Budget Section as requested.

**House Bill No. 1505**, Section 12, is identical to Section 30 of Senate Bill No. 2015.

**Senate Bill No. 2015**, Section 42, requires the director of the Office of Management and Budget to report to the Budget Section in December of even-numbered years on specified commodities and services exempted by the director from the procurement requirements of NDCC Chapter 54-44.4.

**Senate Bill No. 2030**, Section 1, creates NDCC Section 54-60-10, which requires the Department of Commerce to report annually to the Budget Section regarding money spent to administer an Internet web site

that provides career guidance and job opportunity services.

**Senate Bill No. 2222**, Section 5, amends NDCC Section 4-14.1-07 to require an ethanol production plant receiving ethanol production incentives to submit to the Budget Section, within 90 days after conclusion of a plant's fiscal year, a statement by a certified public accountant indicating whether the plant produced a profit from its operation in the preceding fiscal year, after deducting ethanol production incentive payments received.

**Senate Bill No. 2423**, Section 1, declares legislative intent that the number of full-time equivalent employees be reduced through employee retirements, employee turnover, and vacant employee positions during the 2003-05 biennium. Agencies are required to report employee positions eliminated and projected savings to the Office of Management and Budget. The Office of Management and Budget is required to provide periodic reports on the employee positions eliminated by agencies and reported agency budgetary savings to the Budget Section.

**Senate Bill No. 2423**, Section 3, declares legislative intent that funding for state employee salary increases during the 2003-05 biennium be provided from savings resulting from reductions in full-time equivalent positions and vacancies. Executive branch agencies and the judicial branch may provide 1 percent salary increases effective January 1, 2004, and 2 percent salary increases effective January 1, 2005. The Office of Management and Budget and the judicial branch are to provide reports on the state employee salary increases provided for each year of the biennium to the Budget Section.

#### **Budget Section Approval Requirements**

**House Bill No. 1003**, Section 11, authorizes the Forest Service, after receiving approval from the Budget Section, to obtain and use funds received from any source to assist in the construction of equipment and supply storage buildings in Towner and Bottineau.

**House Bill No. 1013**, Section 6, creates NDCC Section 47-30.1-24.1, which requires the commissioner of University and School Lands to present a report to the Budget Section identifying every state agency that has not submitted a claim for property belonging to that agency, and provides that upon approval of the Budget Section, the agency relinquishes its right to recover its property.

**Senate Bill No. 2015**, Section 10, provides that if the director of the Office of Management and Budget determines there will be a general fund revenue collection shortfall during the 2003-05 biennium, 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 approved by the Budget Section, from the earnings and undivided profits of the Bank of North Dakota, which amount cannot exceed the lesser of \$9 million or the shortfall of actual general fund revenue collections compared to the March 2003 legislative forecast.

**Senate Bill No. 2030**, Section 1, creates NDCC Section 54-60-10, which authorizes the Department of Commerce to deposit in its operating fund money received as subscriptions, commissions, fees, or other revenue from its career guidance and job opportunity services web site and to spend amounts deposited over \$130,000 during a biennium for web site maintenance pursuant to legislative appropriations or with Budget Section approval.

**Senate Bill No. 2422**, Section 6, amends NDCC Section 54-16-04.1 to provide that when the Budget Section is involved with approvals of the Emergency Commission in excess of \$50,000, the approval of the Budget Section is not required if the acceptance of federal funds is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or an imminent financial loss to the state, but Budget Section approval is required before expenditure of federal funds accepted under these conditions.

**Senate Bill No. 2422**, Section 7, amends NDCC Section 54-16-04.2 to provide that when the Budget Section is involved with approvals of the Emergency Commission in excess of \$50,000, the approval of the Budget Section is not required if the acceptance of funds is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or an imminent financial loss to the state, but Budget Section approval is required before expenditure of funds accepted under these conditions.

**Senate Bill No. 2422**, Section 8, amends NDCC Section 54-16-09 to provide that when the Budget Section is involved with approvals of the Emergency Commission of transfer of spending authority from the state contingencies appropriation in excess of \$50,000, the approval of the Budget Section is not required if the transfer is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or an imminent financial loss to the state.

## LEGISLATIVE ASSEMBLY

### Appointments

**Senate Bill No. 2195**, Section 4, creates NDCC Section 26.1-08-02.1, which establishes an eight-member board of directors of the Comprehensive Health Association of North Dakota, one of whom is a senator appointed by the majority leader of the Senate and one of whom is a representative appointed by the Speaker of the House of Representatives.

**Senate Bill No. 2282**, Section 1, amends NDCC Section 15-52-03 to provide that the chairman of the Legislative Council appoints legislative members to the Medical Center Advisory Council, rather than the President of the Senate and the Speaker of the House.

### Members

**House Bill No. 1507**, Section 1, amends NDCC Section 54-03-20 to provide that if during a special session the Legislative Assembly adjourns for more than three days, a legislator is entitled to receive compensation during those days only while attending a standing committee meeting if that legislator is a member of that

committee, is a majority or minority leader, or if not a member of that committee that the legislator has the approval of a majority or minority leader to attend the committee meeting.

**Senate Bill No. 2015**, Section 40, provides that a member of the 58th Legislative Assembly is entitled to lodging reimbursement as provided for state officers for each calendar day the 58th Legislative Assembly is in session during April 2003, notwithstanding the \$650 per month lodging maximum provided under NDCC Section 54-03-20.

**Senate Bill No. 2072**, Section 1, amends NDCC Section 54-09-04 to remove the prohibition on the Secretary of State from charging a member of the Legislative Assembly for filing any process, notice, or demand for service. Section 2 creates Section 54-09-04.1, which prohibits the Secretary of State from charging a member of the Legislative Assembly for filing any process, notice, or demand for service relative to the legislator's official duties.

**Senate Bill No. 2138**, Section 1, amends NDCC Section 54-03-03, which provides the procedure for certifying members of the Senate and House. The Secretary of State is to certify to the Secretary of the Senate and Chief Clerk of the House of Representatives the respective members of each house whose certificates of election have been issued or whose appointments have been filed with the Secretary of State since the preceding session and the members who served in the preceding session and whose terms have not expired.

**Senate Bill No. 2405**, Section 2, amends NDCC Section 16.1-13-10 to provide for a special election to fill a vacancy in the Legislative Assembly upon filing a petition signed by qualified electors equal in number to 4 percent of the population of the district with the Secretary of State within 30 days following an appointment to fill the vacancy. In addition, upon making an appointment to fill a legislative vacancy, the district committee or the chairman of the Legislative Council is to notify the Secretary of State, and the Secretary of State is to issue a certificate of appointment and oath of office to the individual to file with the Secretary of State.

### Duties

**Senate Bill No. 2029**, Section 6, amends NDCC Section 54-03-28 to provide that a legislative measure mandating health insurance coverage of services or payment for specified providers of services cannot be acted on by any committee of the Legislative Assembly unless the measure, as recommended by the committee, includes provisions that the measure is ineffective after June 30 of the next odd-numbered year following the year of enactment, that the mandate applies only to the public employees health insurance program effective after June 30 of the year in which the measure becomes effective, and that the Public Employees Retirement System prepare and request introduction of a bill in the next following legislative session to repeal the expiration date and to extend the mandated coverage or payment to apply to accident and health insurance policies.

**Senate Bill No. 2050**, Section 1, creates NDCC Section 54-07-01.6 to require the Governor to accept delivery of bills passed by the Legislative Assembly and presented to the Governor during regular business hours.

**Senate Bill No. 2051**, Section 1, amends NDCC Section 54-03.1-03 to provide the agenda of the organizational session include appointment of procedural committees and include party caucuses to review proposed legislative rules and committee assignments.

### Reports

**House Bill No. 1003**, Section 18, is a statement of legislative intent that under NDCC Section 15-10-14.2 the report of the State Board of Higher Education to the Legislative Assembly during each regular legislative session regarding the status of higher education in this state include an executive summary and certain specific information.

**House Bill No. 1003**, Section 31, requires the State Board of Higher Education to study the use of internships to attract students to high-growth occupations in the state and implement a student internship program by July 1, 2004, and provide a report on the program implemented to the first meeting of the Budget Section after July 1, 2004, and present a report to the 59th Legislative Assembly.

**House Bill No. 1003**, Section 37, amends NDCC Section 54-44.1-11 to extend from June 30, 2003, to June 30, 2005, the expiration date of the provision 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.

**House Bill No. 1007**, Section 2, requires the Department of Veterans Affairs to report on the use of money in the veterans' postwar trust fund to the Appropriations Committees of the 59th Legislative Assembly during the agency's budget presentation.

**House Bill No. 1007**, Section 3, requires the results of the performance audit of the Department of Veterans Affairs and the Administrative Committee on Veterans Affairs to be filed with the Appropriations Committees during the 59th Legislative Assembly.

**House Bill No. 1015**, Section 9, requires the Industrial Commission to report to the 59th Legislative Assembly regarding the Mill and Elevator Association's net income to date and estimated net income for the remainder of the 2003-05 biennium.

**House Bill No. 1015**, Section 14, requires the Industrial Commission to review the implementation of the merger of the Oil and Gas Division and the Geological Survey and present a report to the Budget Section before November 1, 2004, regarding the recommendations for the Oil and Gas Division and Geological Survey merger and to report its findings and recommendations to the 59th Legislative Assembly.

**House Bill No. 1506**, Section 8, provides the State Auditor is to consider conducting a performance audit of

the Department of Corrections and Rehabilitation during the period beginning July 1, 2003, and ending January 1, 2005. The results of the audit are to be presented to the Legislative Audit and Fiscal Review Committee and the Appropriations Committees during the Department of Corrections and Rehabilitation's budget presentation during the 59th Legislative Assembly.

**House Bill No. 1019**, Section 12, requires the Department of Commerce to provide a report to the Appropriations Committees of the 59th Legislative Assembly regarding the Division of Tourism appropriations and expenditures to date detail for the biennium.

**House Bill No. 1019**, Section 21, requires the Department of Commerce to report to the Appropriations Committees of the 59th Legislative Assembly regarding the department's recommendations to improve trade of North Dakota products with other countries and to overcome trade barriers and the department's recommendation regarding continuation of the trade promotion authority.

**House Bill No. 1167**, Section 6, amends NDCC Section 54-54-09 to eliminate the requirement that the Council on the Arts submit a biennial report to the Legislative Assembly. (Under Section 54-06-04 the Council on the Arts submits a biennial report to the Legislative Council.)

**House Bill No. 1180**, Section 14, requires the director of the Office of Management and Budget to conduct a study of the state procurement practices and to prepare and request introduction during the 59th Legislative Assembly a bill to address outmoded procurement practices discovered as a result of the study.

**House Bill No. 1243**, Section 3, creates NDCC Section 53-12-07, which requires the director of the North Dakota Lottery to make biennial financial reports to the Legislative Assembly, to have an annual audit by the State Auditor of all accounts and transactions of the North Dakota Lottery, and to present the audit report to the Legislative Assembly.

**House Bill No. 1254**, Section 1, adopts the Interstate Compact for Juveniles. Article 4 of the compact requires the Interstate Commission for Juveniles to report annually to the legislatures of the compacting states.

**Senate Bill No. 2012**, Section 7, requires the Department of Human Services to report to the Budget Section after June 30, 2004, and to the Appropriations Committees of the 59th Legislative Assembly any transfer of appropriation authority between line items and between subdivisions in excess of \$50,000.

**Senate Bill No. 2015**, Section 34, requires the head of each executive branch agency having statutory authority to spend funds under a continuing appropriation to report on continuing that authority during its budget presentation to the Appropriations Committees of the 59th Legislative Assembly.

**Senate Bill No. 2029**, Section 6, amends NDCC Section 54-03-28 to provide that a legislative measure prepared by the Public Employees Retirement System which continues a mandate of health insurance

coverage of services or payment for specified providers of services include a report regarding the effect of the mandate on the system's health insurance programs.

**Senate Bill No. 2160**, Section 13, requires the Department of Human Services to prepare and present a report to the Appropriations Committees of the 59th Legislative Assembly on the department's use of any funds appropriated for a cooperative agreement with a county child support agency for centralized administration of child support enforcement services or for an agreement with an Indian tribe for child support enforcement services.

**Senate Bill No. 2319**, Section 2, appropriates \$250,000 to the Agriculture Commissioner for the purpose of controlling and eradicating saltcedar and requires the commissioner to report to the 59th Legislative Assembly the persons receiving funds to control and eradicate saltcedar, the dollars received, the efforts undertaken by those persons to control and eradicate saltcedar, and the effectiveness of those efforts.

**Senate Bill No. 2414**, Section 1, creates NDCC Section 15.1-02-15, which requires the Superintendent of Public Instruction to provide the members of any legislative standing committee or conference committee that is considering any bill or amendment that contains a provision required by the No Child Left Behind Act of 2001 or federal regulations promulgated to implement that Act the specific language of the Act or regulation which sets forth the requirement, together with the statutory citation for that language.

**Senate Bill No. 2418**, Section 1, codified as NDCC Section 54-35-21, requires the Legislative Council to appoint a select committee consisting of five members of the Senate and six members of the House for the purpose of investigating the adoption of the No Child Left Behind Act of 2001. The committee is to report to the 59th Legislative Assembly if the committee determines the state is not in compliance with any requirement of the Act.