

**FIRST ENGROSSMENT  
with Senate Amendments**Fifty-fifth  
Legislative Assembly  
of North Dakota**ENGROSSED HOUSE BILL NO. 1028**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of various state  
2 departments and institutions; to provide for a transfer from the accumulated and undivided  
3 profits of the Bank of North Dakota to the general fund; to create and enact a new section to  
4 chapter 5 of the 1995 Session Laws, relating to capital improvements at the north central  
5 research center; to amend and reenact section 4 of chapter 25 of the 1995 Session Laws,  
6 relating to state employee defense costs; and to declare an emergency.

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

8 **SECTION 1. APPROPRIATION.** There is hereby appropriated out of any moneys in  
9 the general fund in the state treasury, not otherwise appropriated, and from special funds  
10 derived from federal funds and other income, the sums as hereinafter provided or so much of  
11 the sums as may be necessary. These sums increase the general fund and special funds  
12 appropriation authority enacted by the fifty-fourth legislative assembly to the stated  
13 departments and institutions of the state of North Dakota for the purpose of defraying their  
14 expenses, for the period beginning January 1, 1997, and ending June 30, 1997, as follows:

## 15 Subdivision 1.

## 16 OFFICE OF MANAGEMENT AND BUDGET

17 Administration	\$ 863,481
18 Facility management	<u>25,000</u>
19 Total general fund appropriation	\$ 888,481

## 20 Subdivision 2.

## 21 OFFICE OF THE ATTORNEY GENERAL

22 Grants	\$ <u>153,000</u>
23 Total general fund appropriation	\$ 153,000

## 24 Subdivision 3.

1	BISMARCK STATE COLLEGE	
2	Capital improvements	<u>\$ 160,000</u>
3	Total general fund appropriation	\$ 160,000
4	Subdivision 4.	
5	DIVISION OF EMERGENCY MANAGEMENT	
6	Operating expenses	<u>\$3,500,000</u>
7	Total general fund appropriation	\$3,500,000
8	Subdivision 5.	
9	DEPARTMENT OF CORRECTIONS AND REHABILITATION	
10	Operating expenses	<u>\$ 852,000</u>
11	Total all funds	\$ 852,000
12	Less estimated income	<u>245,000</u>
13	Total general fund appropriation	\$ 607,000
14	Grand total general fund appropriation H.B. 1028	\$5,523,021
15	Grand total special funds appropriation H.B. 1028	\$ 245,000
16	Grand total all funds appropriation H.B. 1028	\$5,768,021

17       **SECTION 2. TRANSFER.** If a settlement is reached with the United States department  
18 of health and human services, there is hereby transferred from the accumulated and undivided  
19 profits of the Bank of North Dakota to the general fund, an amount equal to the amount set forth  
20 in the settlement agreement for settlement of a claim made against the state for imputed  
21 interest on health professions student loan and nursing student loan program funds held by  
22 various North Dakota institutions of higher learning. The amount of the transfer provided for in  
23 this Act may not exceed \$214,540. The industrial commission shall transfer the amount  
24 necessary for payment of the settlement agreed to into the general fund within ten days of  
25 execution of an agreement between the state and the United States department of health and  
26 human services or the effective date of this Act, whichever is later. In the event section 5 of  
27 this Act does not become effective, the industrial commission shall transfer to the general fund  
28 the amount necessary to pay the settlement on July 1, 1997.

29       **SECTION 3. APPROPRIATION.** There is hereby appropriated to the North Dakota  
30 university system out of any moneys in the general fund in the state treasury, not otherwise  
31 appropriated, the sum of \$214,540, or so much of that amount as may be necessary, to comply

with the terms of a settlement agreement of claims made against the state by the United States department of health and human services for imputed interest on health professions student loan and nursing student loan program funds held by various institutions of higher learning.

The North Dakota university system shall disburse the funds appropriated by this section in amounts not to exceed the amounts set forth below to the:

Nursing student loan program at North Dakota state university	\$ 25,888
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Nursing student loan program at Minot state university	42,887
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Health professions student loan program at the university	2,852
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of North Dakota

Nursing student loan program at the university of North Dakota	32,973
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United States department of health and human services	109,940
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The state board of higher education shall disburse the amounts set forth above, or a lesser amount as required by the settlement agreement reached with the United States department of health and human services, within ten days of the date the industrial commission makes the transfer provided for in section 3 of this Act, but in any event the board shall pay the settlement on or before July 11, 1997.

**SECTION 4.** A new section to chapter 5 of the 1995 Session Laws is created and enacted as follows:

**NORTH CENTRAL RESEARCH CENTER CAPITAL IMPROVEMENTS.** The capital improvements line item in subdivision 8 of section 1 of this Act may be used to construct a new headquarters building at the north central research center.

**SECTION 5. AMENDMENT.** Section 4 of chapter 25 of the 1995 Session Laws is amended and reenacted as follows:

**SECTION 4. BONDING FUND.** The appropriation in section 1 of this Act includes up to \$250,000, or so much of the sum as may be necessary, from the state bonding fund to the attorney general for the purpose of providing state employee defense services pursuant to section 26.1-21-10.2. The emergency commission, notwithstanding section 54-16-04, is authorized during the biennium beginning July 1, 1995, and ending June 30, 1997, to approve the expenditure of the funds from the state bonding fund appropriated in section 1 of this Act to the extent necessary and based upon applications by the attorney general. ~~Funds expended by the attorney general for state employee defense must be reimbursed to the state bonding~~

~~fund through deficiency appropriation and the attorney general shall report to the budget  
section of the legislative council the amount of any deficiency appropriation that may be  
introduced to the fifty-fifth legislative assembly.~~

**SECTION 6. LEGISLATIVE INTENT.** It is the intent of the fifty-fifth legislative  
assembly that the general fund appropriation of \$863,481 included in subdivision 1 of section 1  
of this Act is to be used by the administration division of the office of management and budget  
to pay the United States department of health and human services for its share of fire and  
tornado fund money previously transferred to the general fund of the state treasury. If this  
appropriation is not sufficient to pay the amount due, including interest, the director of the office  
of management and budget may request state contingencies funding from the emergency  
commission, use available general fund moneys appropriated to the fiscal management division  
of the office of management and budget, or request a deficiency appropriation from the  
fifty-sixth legislative assembly to obtain funds to pay the remaining amount due.

**SECTION 7. EMERGENCY.** This Act is declared to be an emergency measure.