

APPROPRIATIONS

CHAPTER 1

HOUSE BILL NO. 1001

(Appropriations Committee)
(At the request of the Governor)

GOVERNOR

AN ACT to provide an appropriation for defraying the expenses of the office of the governor; and to amend and reenact sections 54-07-04 and 54-08-03 of the North Dakota Century Code, relating to the salaries of the governor and lieutenant governor.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the office of the governor for the purpose of defraying the expenses of the governor, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$2,127,065
Operating expenses	214,370
Equipment	4,200
Contingency	10,000
Roughrider awards	<u>10,800</u>
Total general fund appropriation	\$2,366,435

SECTION 2. APPROPRIATION - AUTHORIZATION - GOVERNOR'S OFFICE. The governor's office may receive and expend any federal or private funds which are hereby appropriated which become available during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. AMENDMENT. Section 54-07-04 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-07-04. Salary of governor. The annual salary of the governor is ~~seventy-six~~ eighty-five thousand ~~eight~~ five hundred ~~seventy-nine~~ six dollars through June 30, ~~2000~~ 2002, ~~seventy-eight~~ and eighty-seven thousand ~~four~~ two hundred ~~seventeen~~ sixteen dollars through ~~December 31, 2000~~, and ~~eighty-three~~ thirteen dollars thereafter.

SECTION 4. AMENDMENT. Section 54-08-03 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-08-03. Salary of lieutenant governor. The annual salary of the lieutenant governor is ~~sixty-three~~ sixty-six thousand ~~one~~ three hundred ~~eighty-three~~ eighty dollars through June 30, ~~2000~~ 2002, and ~~sixty-four~~ sixty-seven thousand ~~four~~ seven hundred ~~forty-seven~~ eight dollars thereafter.

Approved April 26, 2001

Filed April 26, 2001

CHAPTER 2

HOUSE BILL NO. 1002

(Appropriations Committee)
(At the request of the Governor)

SECRETARY OF STATE

AN ACT to provide an appropriation for defraying the expenses of the secretary of state and public printing; and to amend and reenact subsection 2 of section 54-05.1-03 and section 54-09-05 of the North Dakota Century Code, relating to legislative lobbying expenditure reports and the salary of the secretary of state.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the secretary of state for the purpose of defraying the expenses of the secretary of state and public printing, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

SECRETARY OF STATE

Salaries and wages	\$2,115,131
Operating expenses	2,063,790
Equipment	84,000
Petition review	12,000
Total all funds	\$4,274,921
Less estimated income	370,000
Total general fund appropriation	\$3,904,921

Subdivision 2.

SECRETARY OF STATE - PUBLIC PRINTING

Operating expenses	\$508,000
Total general fund appropriation	\$508,000
Grand total general fund appropriation H. B. 1002	\$4,412,921
Grand total special funds appropriation H. B. 1002	\$370,000
Grand total all funds appropriation H. B. 1002	\$4,782,921

SECTION 2. AMENDMENT. Subsection 2 of section 54-05.1-03 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. Each person ~~so~~ registering to act as a lobbyist shall file, on or before August first following the expiration of the registration period, ~~file~~ with the secretary of state a detailed report. The report must include a statement as to each expenditure, if any, of ~~twenty-five~~ fifty dollars or more expended on any single occasion during the legislative session or the interim, as the case may be, on any individual in carrying out the lobbyist's work or include a statement that no reportable expenditures were made during the reporting period. A state official or agency may not require reporting of lobbyist expenditures other than is required

under this subsection. The secretary of state shall provide a prescribed form for reporting pursuant to this chapter. The secretary of state shall charge and collect fees for late filing of the detailed expenditure report as follows:

- a. Within sixty days after the date provided in this subsection for filing the detailed expenditure report, twenty-five dollars;
- b. Thereafter, fifty dollars; and
- c. If any currently registered lobbyist fails to file a detailed expenditure report and pay any late fee by October first, the lobbyist's registration is automatically revoked. The lobbyist's registration may be reinstated if the lobbyist thereafter files the detailed expenditure report and pays any outstanding late fee.

SECTION 3. AMENDMENT. Section 54-09-05 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-09-05. Salary of secretary of state. The annual salary of the secretary of state is ~~forty-eight~~ sixty-four thousand ~~two~~ seven hundred ~~sixty-two~~ forty-two dollars through ~~June 30, 2000~~ December 31, 2001, ~~fifty-nine~~ sixty-six thousand ~~four~~ six hundred ~~twenty-eight~~ eighty-four dollars through ~~December 31, 2000~~ June 30, 2002, and ~~sixty-one~~ sixty-eight thousand ~~one~~ hundred ~~forty-two~~ eighteen dollars thereafter.

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 3

HOUSE BILL NO. 1003

(Appropriations Committee)
(At the request of the Governor)

ATTORNEY GENERAL

AN ACT to provide an appropriation for defraying the expenses of the attorney general; to require the state fire marshal to inspect buildings as requested by a political subdivision; to provide for a legislative council study; to provide statements of legislative intent; to amend and reenact section 53-06.1-12, subsections 1 and 3 of section 53-06.2-02, subsection 3 of section 53-06.2-11, sections 54-12-11 and 54-12-18 of the North Dakota Century Code, relating to gaming and excise tax collections, racing commission supervision and compensation, racing commission expenses, the salary of the attorney general, and the attorney general refund fund; to provide for retroactive application; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the attorney general for the purpose of defraying the expenses of the attorney general, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$14,970,368
Operating expenses	6,002,469
Equipment	414,876
Grants	5,734,398
Litigation fees	50,000
Racing commission	300,000
National criminal history improvement project	2,358,720
Arrest and return of fugitives	10,000
Gaming commission	5,109
Law enforcement programs	631,056
High-intensity drug trafficking area	<u>1,931,648</u>
Total all funds	\$32,408,644
Less estimated income	<u>17,604,259</u>
Total general fund appropriation	\$14,804,385

SECTION 2. FIRE AND TORNADO FUND. The estimated income line item in section 1 of this Act includes the sum of \$385,143, or so much of the sum as may be necessary from the state fire and tornado fund, for the purpose of defraying the expenses related to the state fire marshal program.

SECTION 3. LEGISLATIVE INTENT - STATE FIRE MARSHAL PROGRAM. It is the intent of the legislative assembly that the attorney general charge and collect a fee for services provided by the state fire marshal program to entities insured by the fire and tornado fund. For services provided to entities not insured by the fire and tornado fund, the attorney general is to prepare and submit a memorandum billing to the entity receiving the service. For the purpose of this section, a memorandum

billing means a document detailing services and cost of services provided. The memorandum billing does not require a remittance of funds.

SECTION 4. ASSET FORFEITURE FUND. The sum of \$62,504 is available from the asset forfeiture fund to the attorney general as included in estimated income of section 1 of this Act.

SECTION 5. ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND - LOCAL GAMING ENFORCEMENT GRANTS. The line item entitled grants in section 1 of this Act includes \$629,000 for local gaming enforcement grants.

SECTION 6. PETROLEUM RELEASE COMPENSATION FUND - FEES. The attorney general shall charge and collect fees for services provided by the state fire marshal program to entities covered by the petroleum release compensation fund under chapter 23-37. Fees under this section may be collected in amounts of up to a total of \$35,000 for the biennium beginning July 1, 1999, and ending June 30, 2001, and of up to a total of \$35,000 for services provided by the state fire marshal program for the biennium beginning July 1, 2001, and ending June 30, 2003. All fees collected under this section must be deposited in the attorney general's operating fund.

SECTION 7. STATE FIRE MARSHAL - BUILDING INSPECTIONS AS REQUESTED BY POLITICAL SUBDIVISIONS - FEES. The state fire marshal shall conduct, upon request of a political subdivision, an inspection of a publicly or privately owned building and shall charge a fee for the cost of providing this service for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. ATTORNEY GENERAL REFUND FUND - EXCEPTION - ESTIMATED INCOME. Notwithstanding section 54-12-18, the attorney general may retain \$100,000 in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2001. The estimated income line item in section 1 of this Act includes \$100,000 from the attorney general refund fund for the purpose of defraying the expenses of the consumer protection division for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 9. ESTIMATED INCOME - RACING PROMOTION, PURSE, AND BREEDERS' FUNDS. Notwithstanding section 53-06.2-11, the estimated income line item in section 1 of this Act includes \$50,000 from the racing promotion fund, \$50,000 from the purse fund, and \$50,000 from the breeders' fund for the purpose of defraying the administrative and operating costs of the racing commission for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LEGISLATIVE INTENT - CLANDESTINE LABORATORY CLEANUP - EMERGENCY COMMISSION REQUEST. It is the intent of the legislative assembly that the attorney general request emergency commission approval for funding from the state contingencies appropriation if additional funding is needed for defraying the cleanup costs of clandestine laboratories and if federal funds are not available for this purpose for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 11. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$197,714, or so much of the sum as may be necessary, to the attorney general for the purpose of providing local gaming enforcement grants, for the period beginning with the effective date of this section, and ending June 30, 2001.

SECTION 12. LEGISLATIVE INTENT - LITIGATION FEES. It is the intent of the legislative assembly that the attorney general submit a request to the emergency commission for an additional appropriation for litigation fees, from the contingency fund, if the \$50,000 appropriated in the litigation fees line item in section 1 of this Act is exhausted.

SECTION 13. COLLECTIONS. Section 1 of this Act includes the appropriation of up to \$18,000 in revenues collected from fees charged for gaming law and administrative rules manuals and recordkeeping booklets published by the attorney general for the period beginning July 1, 2001, and ending June 30, 2003.

SECTION 14. LEGISLATIVE COUNCIL STUDY - RACING COMMISSION. The legislative council shall consider studying, during the 2001-02 interim, the racing commission, including its authority to schedule, promote, support, and regulate live or simulcast racing in North Dakota. If chosen, the study must address the effectiveness of the commission's authority to both promote and regulate racing and whether its authority is appropriate for the commission and its members. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

¹ **SECTION 15. AMENDMENT.** Section 53-06.1-12 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-12. Gaming and excise taxes - Deposits and allocations.

1. A gaming tax is imposed on the total adjusted gross proceeds earned by a licensed organization in a quarter and it must be computed and paid to the attorney general on a quarterly basis on the tax return. This tax must be paid from adjusted gross proceeds and is not part of the allowable expenses. The tax rates are:
 - a. On adjusted gross proceeds not exceeding two hundred thousand dollars, a tax of five percent.
 - b. On adjusted gross proceeds exceeding two hundred thousand dollars but not exceeding four hundred thousand dollars, a tax of ten percent.
 - c. On adjusted gross proceeds exceeding four hundred thousand dollars but not exceeding six hundred thousand dollars, a tax of fifteen percent.
 - d. On adjusted gross proceeds exceeding six hundred thousand dollars, a tax of twenty percent.
2. In addition to any other tax provided by law and in place of sales or use taxes, there is imposed an excise tax of four and one-half percent on the gross proceeds from the sale at retail of pull tabs to a final user. This includes pull tabs provided to a player in exchange for redeemed

¹ Section 53-06.1-12 was also amended by section 1 of Senate Bill No. 2234, chapter 464.

winning pull tabs. The tax must be paid to the attorney general when tax returns are filed.

3. ~~The~~ Except as provided in subsection 4, the state treasurer shall deposit gaming and excise taxes, monetary fines, and interest and penalties collected in the general fund in the state treasury.
4. The state treasurer shall deposit three percent of the total taxes collected under this section into a gaming and excise tax allocation fund. Pursuant to legislative appropriation, moneys in the fund must be distributed quarterly to cities and counties in proportion to the taxes collected under this section from licensed organizations conducting games of chance within each city, for sites within city limits, or within each county, for sites outside city limits. If a city or county allocation under this subsection is less than two hundred dollars, that city or county is not entitled to receive a payment for the quarter and the undistributed amount must be included in the total amount to be distributed to other cities and counties for the quarter.

SECTION 16. AMENDMENT. Subsections 1 and 3 of section 53-06.2-02 of the North Dakota Century Code are amended and reenacted as follows:

1. A North Dakota racing commission is established in the office of the attorney general. The commission is subject to the supervision and direction of the attorney general, except with regard to the commission's authority to spend the funds described in subsection 6 of section 53-06.2-11. The attorney general may require payment for any services rendered to the racing commission. Payment for such services must be deposited into the attorney general's operating fund. The commission consists of the chairman and four other members appointed by the governor. Of the members appointed by the governor, one must be appointed from a list of four nominees, one of whom is nominated by the state chapter or affiliate of the American quarter horse racing association, one of whom is nominated by the state chapter or affiliate of the United States trotting association, one of whom is nominated by the state chapter or affiliate of the international Arabian horse association, and one of whom is nominated by the state chapter or affiliate of the North Dakota thoroughbred association. The members serve five-year terms and until a successor is appointed and qualified. A member appointed to fill a vacancy arising from other than the natural expiration of a term serves only for the unexpired portion of the term. The terms of the commissioners must be staggered so that one term expires each July first. At the expiration of the five-year term of each incumbent member of the commission, the governor shall appoint a new member to the commission.
3. Commission members are entitled to ~~forty~~ seventy-five dollars per day for compensation, and mileage and expense reimbursement as allowed to other state employees.

SECTION 17. AMENDMENT. Subsection 3 of section 53-06.2-11 of the North Dakota Century Code is amended and reenacted as follows:

3. Unclaimed tickets and breakage from each live race meet and simulcast program as defined by the commission and the percentage of the wagering pool to be paid to the racing promotion fund under

subsections 1 and 2 must be retained by the commission in a special fund to assist in improving and upgrading racetracks in the state, for the promotion of horse racing within the state, and in developing new racetracks in the state as necessary and approved by the commission. Notwithstanding this section, the commission may, upon approval of the ~~emergency commission~~ attorney general, receive no more than twenty-five percent of this fund for the purpose of payment of operating expenses of the commission.

SECTION 18. AMENDMENT. Section 54-12-11 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general. The annual salary of the attorney general is ~~sixty-five~~ seventy-one thousand ~~seven hundred fifty-three~~ seventy-two dollars through ~~June 30, 2000~~ December 31, 2001, ~~sixty-seven~~ seventy-three thousand ~~sixty-eight~~ two hundred four dollars through ~~December 31, 2000~~ June 30, 2002, and ~~sixty-nine~~ seventy-four thousand ~~two~~ six hundred ~~sixty-eight~~ dollars thereafter.

SECTION 19. AMENDMENT. Section 54-12-18 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-12-18. Special fund established - Continuing appropriation. A special fund is established in the state treasury and designated as the attorney general refund fund. The attorney general shall deposit all moneys recovered by the consumer protection division for refunds to consumers in cases where persons or parties are found to have violated the consumer fraud laws, all costs, expenses, attorney's fees, and civil penalties collected by the division regarding any consumer protection or antitrust matter, all cash deposit bonds paid by applicants for a transient merchant's license who do not provide a surety bond, and all funds and fees collected by the gaming section for licensing tribal gaming and for the investigation of gaming employees, applicants, organizations, manufacturers, distributors, or tribes involved in state or tribal gaming. The moneys in the fund are appropriated, as necessary, for the following purposes:

1. To provide refunds of moneys recovered by the consumer protection and antitrust division on behalf of specifically named consumers;
2. To pay valid claims against cash deposit bonds posted by transient merchant licensees;
3. To refund, upon expiration of the two-year period after the expiration of the transient merchant's license, the balance of any cash deposit bond remaining after the payment of valid claims;
4. To pay costs, expenses, and attorney's fees and salaries incurred in the operation of the consumer protection division; and
5. To pay the actual costs of background investigations, licensing, and enforcement of gaming in the state or pursuant to Indian gaming compacts.

At the end of each ~~fiscal year~~ biennium any moneys in the fund in excess of the amounts required for subsections 1, 2, 3, and 5 must be deposited in the general fund. The attorney general, with the concurrence of the director of the office of management and budget, shall establish the necessary accounting procedures for

use of the attorney general refund fund, particularly with respect to expenditures under subsection 4.

SECTION 20. RETROACTIVE APPLICATION. Section 6 of this Act is effective for services provided by the state fire marshal program beginning July 1, 1999.

SECTION 21. EMERGENCY. Sections 8 and 11 of this Act are declared to be an emergency measure.

Approved April 26, 2001
Filed April 26, 2001

CHAPTER 4

HOUSE BILL NO. 1004

(Appropriations Committee)
(At the request of the Governor)

STATE AUDITOR

AN ACT to provide an appropriation for defraying the expenses of the state auditor; and to amend and reenact section 54-10-10 of the North Dakota Century Code, relating to the salary of the state auditor.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state auditor for the purpose of defraying the expenses of the state auditor, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$5,872,615
Operating expenses	760,320
Equipment	<u>78,970</u>
Total all funds	\$6,711,905
Less estimated income	<u>2,145,837</u>
Total general fund appropriation	\$4,566,068

SECTION 2. APPROPRIATION. Section 1 of this Act includes an appropriation of up to \$1,288,567 in funds generated by the state auditor from political subdivision audit service fees for the period beginning July 1, 2001, and ending June 30, 2003. Any amount in excess of \$1,288,567 must be deposited in the state auditor operating account and made available for appropriation after June 30, 2003.

SECTION 3. AMENDMENT. Section 54-10-10 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-10-10. Salary of state auditor. The annual salary of the state auditor is ~~fifty-eight~~ sixty-four thousand ~~two~~ seven hundred ~~sixty-two~~ forty-two dollars through ~~June 30, 2000~~ December 31, 2001, ~~fifty-nine~~ sixty-six thousand ~~four~~ six hundred ~~twenty-eight~~ eighty-four dollars through ~~December 31, 2000~~ June 30, 2002, and ~~sixty-two~~ sixty-eight thousand ~~eight~~ eight hundred ~~fifty-five~~ eighteen dollars thereafter.

Approved April 26, 2001
Filed April 26, 2001

CHAPTER 5

HOUSE BILL NO. 1005

(Appropriations Committee)
(At the request of the Governor)

STATE TREASURER

AN ACT to provide an appropriation for defraying the expenses of the state treasurer; to amend and reenact subsection 1 of the new section to chapter 5-01 of the North Dakota Century Code as created by section 1 of House Bill No. 1404, as approved by the fifty-seventh legislative assembly, and sections 54-11-13 and 54-27-08 of the North Dakota Century Code, relating to issuance of farm winery licenses, the salary of the state treasurer, and the signing of warrants by electronic means; and to provide legislative intent to prohibit payment of national association of state treasurers-related activities.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the expenses of the state treasurer, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$585,879
Operating expenses	106,036
Equipment	2,000
In lieu of tax payments	<u>1,932,419</u>
Total general fund appropriation	\$2,626,334

² **SECTION 2. AMENDMENT.** Subsection 1 of the new section to chapter 5-01 of the North Dakota Century Code as created by section 1 of House Bill No. 1404, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

1. The state ~~treasurer~~ tax commissioner may issue a farm winery license to the owner or operator of a farm winery located within this state to produce table or sparkling wines. A farm winery must be operated by the owner of a North Dakota farm and produce table or sparkling wines from grapes, grape juice, other fruit bases, or honey with a majority of the ingredients by volume, excluding water, grown and produced in this state by the farm winery. Licenses may be issued and renewed for an annual fee of fifty dollars, which is in lieu of all other license fees required by this title.

SECTION 3. AMENDMENT. Section 54-11-13 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

² Section 5-01-17 was created by section 1 of House Bill No. 1404, chapter 87.

54-11-13. Salary of state treasurer. The annual salary of the state treasurer is ~~fifty-eight~~ sixty-two thousand ~~two~~ nine hundred ~~sixty-two~~ seventy-four dollars through June 30, ~~2000~~ 2002, ~~fifty-nine~~ four hundred ~~twenty-eight~~ zero dollars through December 31, ~~2000~~, and ~~sixty-one~~ sixty-four thousand ~~one~~ two hundred ~~forty-two~~ thirty-three dollars thereafter.

SECTION 4. AMENDMENT. Section 54-27-08 of the North Dakota Century Code is amended and reenacted as follows:

54-27-08. How moneys paid from state treasury - Warrants - When not necessary. Except as otherwise provided, moneys may be paid from the state treasury only upon the warrant or order prepared by the office of management and budget drawn on the state treasurer. The state auditor shall recommend a form for order and warrant-check of the state government which must conform, so far as consistent with statutory requirements, to approved banking practice ~~in order~~ to facilitate handling of such instruments by banks and other depositories. When ~~such an~~ an order and warrant-check is signed by the state auditor, the state treasurer shall accept the order or warrant with ~~his~~ the treasurer's signature, making the order and warrant-check negotiable. No warrant upon the treasurer may be delivered or mailed to the payee or ~~his~~ the payee's agent or representative until the warrant has been signed by the treasurer and entered on the treasurer's books as a check drawn on a bank depository. A record must be maintained specifying upon what fund or from what apportionment each warrant is to be paid. The state treasurer may redeem outstanding bonds or pay interest on bonds when due without the warrant of the office of management and budget, retaining the bond or interest coupon as ~~his~~ a voucher for the payment until the next ~~succeeding~~ settlement. With respect to electronic records and electronic signatures, the state treasurer shall utilize the services provided by the information technology department.

SECTION 5. LEGISLATIVE INTENT - PAYMENT OF NATIONAL ASSOCIATION OF STATE TREASURERS-RELATED ACTIVITIES. It is the intent of the legislative assembly that the state treasurer be prohibited from using state funds for activities related to the national association of state treasurers for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 26, 2001
Filed April 26, 2001

CHAPTER 6**HOUSE BILL NO. 1006**

(Appropriations Committee)
(At the request of the Governor)

TAX COMMISSIONER

AN ACT to provide an appropriation for defraying the expenses of the office of the state tax commissioner and for payment of state reimbursement under the homestead tax credit; to provide for allocations to the multistate tax compact fund; and to amend and reenact section 57-01-04 of the North Dakota Century Code, relating to the salary of the state tax commissioner.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state tax commissioner for the purpose of defraying the expenses of the state tax commissioner and paying the state reimbursement under the homestead tax credit, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

TAX COMMISSIONER

Salaries and wages	\$12,854,202
Operating expenses	4,282,461
Equipment	235,000
City tax administration fees	50,000
Motor fuels federal grant	393,729
Multistate tax commission	316,000
Total all funds	\$18,131,392
Less estimated income	709,729
Total general fund appropriation	\$17,421,663

Subdivision 2.

HOMESTEAD TAX CREDIT

Grants	4,540,813
Total general fund appropriation	\$4,540,813
Grand total general fund appropriation H.B. 1006	\$22,262,476

SECTION 2. TRANSFER. There is hereby transferred to the general fund in the state treasury, out of motor vehicle fuel tax revenue, collected pursuant to section 57-43.1-02, the sum of \$1,363,392 for the purpose of reimbursing the general fund for expenses incurred in the collection of the motor vehicle fuels and special fuels taxes and the administration of these taxes.

SECTION 3. MULTISTATE TAX COMMISSION FUND. Notwithstanding any other provision of law, during the 2001-03 biennium the tax commissioner shall designate up to \$316,000 of revenue from collections attributable to participation in the multistate tax compact for deposit in the multistate tax commission fund and, upon receipt of funds so designated, the state treasurer shall deposit those funds in

the multistate tax commission fund. The state treasurer shall transfer any balance in the multistate tax commission fund on June 30, 2003, to the state general fund.

SECTION 4. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$300,000, or so much of the sum as may be necessary, to the state tax commissioner for the costs related to implementation of the provisions of House Bill No. 1399, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. AMENDMENT. Section 57-01-04 of the North Dakota Century Code is amended and reenacted as follows:

57-01-04. Salary. The annual salary of the state tax commissioner is ~~five-eight~~ sixty-eight thousand two hundred ~~sixty-two~~ seventy-seven dollars through ~~June 30, 2000~~ December 31, 2001, ~~fifty-nine~~ seventy-two thousand ~~four~~ three hundred ~~twenty-eight~~ seventy-four dollars through ~~December 31, 2000~~ June 30, 2002, and ~~sixty-six~~ seventy-three thousand ~~two~~ eight hundred ~~eighty-two~~ twenty-one dollars thereafter.

Approved May 4, 2001
Filed May 8, 2001

CHAPTER 7**HOUSE BILL NO. 1007**

(Appropriations Committee)
(At the request of the Governor)

LABOR COMMISSIONER

AN ACT to provide an appropriation for defraying the expenses of the office of the labor commissioner.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from other special funds derived from federal funds, to the labor commissioner for the purpose of defraying the expenses of the labor commissioner, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$907,581
Operating expenses	154,199
Equipment	<u>16,604</u>
Total all funds	\$1,078,384
Less estimated income	<u>229,962</u>
Total general fund appropriation	\$848,422

Approved April 26, 2001
Filed April 26, 2001

CHAPTER 8

HOUSE BILL NO. 1008

(Appropriations Committee)
(At the request of the Governor)

PUBLIC SERVICE COMMISSION

AN ACT to provide an appropriation for defraying the expenses of the public service commission; to amend and reenact section 49-01-05 of the North Dakota Century Code, relating to the salary of public service commissioners; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the public service commission for the purpose of defraying the expenses of the public service commission, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$4,634,173
Operating expenses	1,152,662
Equipment	86,961
Grants	39,150
AML contractual services	<u>3,668,492</u>
Total all funds	\$9,581,438
Less estimated income	<u>5,724,433</u>
Total general fund appropriation	\$3,857,005

SECTION 2. AMENDMENT. Section 49-01-05 of the North Dakota Century Code is amended and reenacted as follows:

49-01-05. Salary of commissioners. The annual salary of a commissioner is ~~fifty-eight~~ sixty-six thousand ~~two~~ five hundred ~~sixty-two~~ nine dollars through ~~June 30, 2000~~ December 31, 2001, ~~fifty-nine~~ sixty-eight thousand ~~four~~ five hundred ~~twenty-eight~~ four dollars through ~~December 31, 2000~~ June 30, 2002, and ~~sixty-four~~ sixty-nine thousand ~~five~~ eight hundred ~~sixty-nine~~ seventy-four dollars thereafter. All fees received or charged by any commissioner for any act or service rendered in any official capacity must be accounted for and paid over by the commissioner monthly to the state treasurer and must be credited to the general fund of the state.

SECTION 3. APPROPRIATION. There is appropriated from federal funds the sum of \$27,560, or so much of the sum as may be necessary, to the public service commission for the "one-call" call before you dig program, for the period beginning with the effective date of this section and ending June 30, 2001.

SECTION 4. EMERGENCY. Section 3 of this Act is declared to be an emergency measure.

Approved April 13, 2001
Filed April 16, 2001

CHAPTER 9

HOUSE BILL NO. 1009

(Appropriations Committee)
(At the request of the Governor)

AGRICULTURE COMMISSIONER

AN ACT to provide an appropriation for defraying the expenses of the agriculture commissioner; to provide project safe send user fees; and to amend and reenact sections 4-01-21, 19-18-02.1, and 19-18-04 of the North Dakota Century Code and to amend and reenact the new section to chapter 4-35 of the North Dakota Century Code as created by section 3 of House Bill No. 1328, as approved by the fifty-seventh legislative assembly, relating to the salary of the agriculture commissioner, the membership of the crop protection product harmonization and registration board, uses of the environment and rangeland protection fund, and pesticide registration fees.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the agriculture commissioner for the purpose of defraying the expenses of the commissioner of agriculture, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$3,513,495
Operating expenses	1,338,864
Equipment	30,400
Grants	161,700
Board of animal health	538,614
Ag mediation	1,075,808
Ag in the classroom	96,000
State meat inspection	631,750
Waterbank program	900,000
Pride of Dakota	157,050
Wildlife services	779,694
Safe send	599,369
Noxious weeds	<u>1,346,836</u>
Total all funds	\$11,169,580
Less estimated income	<u>6,798,184</u>
Total general fund appropriation	\$4,371,396

SECTION 2. AMENDMENT. Section 4-01-21 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-01-21. Salary of agriculture commissioner. The annual salary of the agriculture commissioner is ~~fifty-eight~~ sixty-six thousand ~~two~~ five hundred ~~sixty-two~~ nine dollars through ~~June 30, 2000~~ December 31, 2001, ~~fifty-nine~~ sixty-eight thousand ~~four~~ five hundred ~~twenty-eight~~ four dollars through ~~December 31, 2000~~ June 30, 2002, and ~~sixty-four~~ sixty-nine thousand ~~five~~ eight hundred ~~sixty-nine~~ seventy-four dollars thereafter.

³ **SECTION 3. AMENDMENT.** The new section to chapter 4-35 of the North Dakota Century Code as created by section 3 of House Bill No. 1328, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

Crop protection product harmonization and registration board - Duties - Grants.

1. The crop protection product harmonization and registration board consists of:
 - a. ~~the~~ The governor or the governor's designee; ;
 - b. ~~the~~ The agriculture commissioner, or the commissioner's designee;
 - c. ~~the~~ The chairman of the house agriculture committee, or the chairman's designee;
 - d. ~~the~~ The chairman of the senate agriculture committee, ~~one crop protection product manufacturing industry representative appointed by the chairman of the legislative council, and two consumers or~~ the chairman's designee;
 - e. 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, appointed by the legislative council chairman;
 - f. A crop protection product dealer in the state appointed by the governor from a list of three nominees submitted by the North Dakota agricultural association;
 - g. A consumer of crop protection products appointed by the governor from a list of three nominees submitted by the North Dakota grain growers association;
 - h. A consumer of crop protection products appointed by the governor from a list of three nominees submitted by the North Dakota oilseed council;
 - i. A representative of the crop protection product manufacturing industry appointed by the chairman of the legislative council; and
 - j. The director of the North Dakota state university agricultural experiment station.
2. The representative of the crop protection product manufacturing industry and the director of the agricultural experiment station shall serve as nonvoting members. The governor or the governor's designee shall serve as chairman of the board.
3. The board shall:

³ Section 4-35-30 was created by section 3 of House Bill No. 1328, chapter 75.

- a. Identify and prioritize crop protection product labeling needs;
 - b. Explore the extent of authority given to this state under the federal Insecticide, Fungicide, and Rodenticide Act [7 U.S.C. 136a];
 - c. Identify the data necessary to enable registration of a use to occur in a timely manner;
 - d. Determine what research, if any, is necessary to fulfill data requirements for activities listed in this section;
 - e. Request the agriculture commissioner to pursue specific research funding options from public and private sources;
 - f. Request the North Dakota state university agricultural experiment station to pursue specific research to coordinate registration efforts; and
 - g. Pursue any opportunities to make more crop protection product options available to agricultural producers in this state through any means the board determines advisable.
- ~~2.~~ 4. The board may contract with a consultant to conduct studies or provide research or information regarding crop protection product registration and labeling needs.
- ~~3.~~ 5. The board may administer a grant program through which agriculture commodity groups ~~established under this title~~ may apply for funds to be used by the groups to address issues related to the registration of crop protection products. To be eligible for receipt of a grant, an applicant must submit an application to the board which requests a specific amount of funds, specifies the exact purposes for which the grant would be used, and provides a detailed timetable for the use of the grant funds. The board may impose any additional conditions it determines appropriate for grant recipients, including requiring periodic reports and furnishing of matching funds. The board may terminate funding of a previously approved grant at any time if the board is dissatisfied with the performance of the grant recipient.
- ~~4.~~ 6. The board may use not more than fifteen percent of the funds under its supervision for administrative purposes, including the cost of contracting for administrative services and reimbursement of board member expenses. The members of the board who are members of the legislative assembly are entitled to compensation from the legislative council for attendance at board meetings at the rate provided for members of the legislative assembly for attendance at interim committee meetings and are entitled to reimbursement for expenses incurred in attending the meetings in the amounts provided by law for other state officers.
- ~~5.~~ 7. The board may adopt rules to implement this section.

SECTION 4. AMENDMENT. Section 19-18-02.1 of the North Dakota Century Code is amended and reenacted as follows:

19-18-02.1. Environment and rangeland protection fund. The environment and rangeland protection fund is a special fund in the state treasury. The moneys in this fund may be used for rangeland improvement projects and to address issues relating to harmonization of crop protection product standards. ~~These~~ The rangeland improvement projects may include noxious weed control; ground water testing, analysis, protection, and improvement; analysis of food products for residues of pesticides and other materials; and analysis and disposal of unusable pesticides and pesticide containers.

SECTION 5. AMENDMENT. Section 19-18-04 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

19-18-04. (Effective through June 30, ~~2004~~ 2003) Registration - Fees.

1. Any person before selling or offering for sale any pesticide for use within this state shall file biennially with the commissioner an application for registration of the pesticide. The application must:
 - a. Give the name and address of each manufacturer or distributor.
 - b. Give the name and brand of each product registered.
 - c. Be accompanied by a current label of each product so registered.
 - d. Be accompanied by a registration fee of three hundred fifty dollars for each product registered. At the close of each calendar month, the commissioner shall transmit to the state treasurer all moneys received for the registrations. The state treasurer shall credit fifty dollars for each registered product to the general fund in the state treasury and the remainder of the registration fee for each registered product to the environment and rangeland protection fund.
 - e. Be accompanied by a material safety data sheet.
2. The commissioner may require an applicant or registrant to provide efficacy, toxicity, residue, and any other data necessary to determine if the pesticide will perform its intended function without unreasonable adverse effects on the environment. If the commissioner finds that the application conforms to law, the commissioner shall issue to the applicant a certificate of registration of the product. If after public hearing before the commissioner the application is denied, the product may not be offered for sale.
3. Each registration covers a two-year period beginning January first and expiring December thirty-first of the following year. A certificate of registration may not be issued for a term longer than two years, and is not transferable from one person to another, or from the ownership to whom issued to another ownership, or from one place to another place or location. A penalty of fifty percent of the license or registration fee must be imposed if the license or certificate of registration is not applied for on or before January thirty-first following the expiration date, or within the same month the pesticides are first manufactured or sold within this state. Each product must go through a two-year discontinuance period in order to clear all outstanding products in the channel of trade.

4. This section does not apply to a pesticide sold by a retail dealer if the registration fee has been paid by the manufacturer, jobber, or any other person, as required by this section.

(Effective July 1, 2001 2003) Registration - Fees. Any person before selling or offering for sale any pesticide for use within this state shall file biennially with the commissioner an application for registration of the pesticide. The application must:

1. Give the name and address of each manufacturer or distributor.
2. Give the name and brand of each product registered.
3. Be accompanied by a current label of each product so registered.
4. Be accompanied by a registration fee of three hundred dollars for each product registered. At the close of each calendar month, the commissioner shall transmit to the state treasurer all moneys received for the registrations. The state treasurer shall credit fifty dollars for each registered product to the general fund in the state treasury and the remainder of the registration fee for each registered product to the environment and rangeland protection fund.
5. Be accompanied by a material safety data sheet.

The commissioner may require an applicant or registrant to provide efficacy, toxicity, residue, and any other data necessary to determine if the pesticide will perform its intended function without unreasonable adverse effects on the environment. If the commissioner finds that the application conforms to law, the commissioner shall issue to the applicant a certificate of registration of the product. If after public hearing before the commissioner the application is denied, the product may not be offered for sale.

Each registration covers a two-year period beginning January first and expiring December thirty-first of the following year. A certificate of registration may not be issued for a term longer than two years, and is not transferable from one person to another, or from the ownership to whom issued to another ownership, or from one place to another place or location. A penalty of fifty percent of the license or registration fee must be imposed if the license or certificate of registration is not applied for on or before January thirty-first following the expiration date, or within the same month the pesticides are first manufactured or sold within this state. Each product must go through a two-year discontinuance period in order to clear all outstanding products in the channel of trade.

This section does not apply to a pesticide sold by a retail dealer if the registration fee has been paid by the manufacturer, jobber, or any other person, as required by this section.

SECTION 6. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION FUND. The estimated income line item in section 1 of this Act includes the sum of \$2,341,815, or so much of the sum as may be necessary, from the environment and rangeland protection fund for the purpose of defraying the expenses of various agriculture department programs, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 7. ESTIMATED INCOME - ANHYDROUS AMMONIA STORAGE INSPECTION FUND. The estimated income line item in section 1 of this Act includes the sum of \$139,775, or so much of the sum as may be necessary, from the anhydrous ammonia storage inspection fund for the purpose of defraying the expenses of regulating anhydrous ammonia storage facilities, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. ESTIMATED INCOME - GAME AND FISH FUND. The estimated income line item in section 1 of this Act includes the sum of \$668,000, or so much of the sum as may be necessary, from the game and fish department operating fund for the purpose of defraying the expenses of various agriculture department programs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 9. SAFE SEND PESTICIDE AND PESTICIDE CONTAINER COLLECTION - USER FEES. The agriculture commissioner, in consultation with the advisory board for the safe send pesticide and pesticide container disposal program, shall charge a fee for collection of rinsate during the biennium beginning July 1, 2001, and ending June 30, 2003. The fees must be established at a level that will generate enough revenues to cover the cost of disposal associated with the rinsate collected for the biennium beginning July 1, 2001, and ending June 30, 2003. Collections from this fee must be deposited in the environment and rangeland protection fund.

SECTION 10. SAFE SEND PESTICIDE AND PESTICIDE CONTAINER COLLECTION - RECYCLING. The agriculture commissioner, in consultation with the advisory board for the safe send pesticide and pesticide container disposal program, shall research the potential of recycling select products collected during the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 28, 2001
Filed April 28, 2001

CHAPTER 10

HOUSE BILL NO. 1010

(Appropriations Committee)
(At the request of the Governor)

INSURANCE COMMISSIONER

AN ACT to provide an appropriation for defraying the expenses of the insurance commissioner; to create and enact a new subsection to section 54-44.3-20 of the North Dakota Century Code, relating to employees exempt from the state classified service; and to amend and reenact section 26.1-01-09 of the North Dakota Century Code, relating to the salary of the insurance commissioner.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the insurance regulatory trust fund in the state treasury, not otherwise appropriated, and from other special funds derived from federal funds and other income, to the insurance commissioner for the purpose of defraying the expenses of the insurance commissioner, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$4,513,847
Operating expenses	1,637,196
Equipment	<u>119,355</u>
Total special funds appropriation	\$6,270,398

SECTION 2. APPROPRIATION - INSURANCE TAX PAYMENTS TO FIRE DEPARTMENTS AND NORTH DAKOTA FIREMEN'S ASSOCIATION. There is hereby appropriated out of any moneys in the insurance tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$5,304,000, or so much of the sum as may be necessary, to the insurance commissioner of which \$5,200,000 is for the purpose of making payments of insurance premiums to fire departments and \$104,000 is for the purpose of making two equal payments to the North Dakota firemen's association for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. BONDING FUND. Section 1 of this Act includes the sum of \$67,431, or so much of the sum as may be necessary, from the state bonding fund to pay bonding fund administrative expenses for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. FIRE AND TORNADO FUND. Section 1 of this Act includes the sum of \$831,145, or so much of the sum as may be necessary, from the state fire and tornado fund to pay fire and tornado fund administrative expenses for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. UNSATISFIED JUDGMENT FUND. Section 1 of this Act includes the sum of \$60,000, or so much of the sum as may be necessary, from the state unsatisfied judgment fund to pay unsatisfied judgment fund administrative expenses for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 6. PETROLEUM TANK RELEASE COMPENSATION FUND.

Section 1 of this Act includes the sum of \$80,000, or so much of the sum as may be necessary, from the petroleum tank release compensation fund to pay petroleum tank release compensation fund administrative expenses for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 7. ANHYDROUS AMMONIA STORAGE FACILITY INSPECTION FUND. Section 1 of this Act includes the sum of \$75,000, or so much of the sum as may be necessary, from the anhydrous ammonia storage facility inspection fund to pay for anhydrous ammonia tank inspection costs, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. AMENDMENT. Section 26.1-01-09 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

26.1-01-09. Salary of commissioner. The annual salary of the commissioner is ~~fifty-eight~~ sixty-four thousand ~~two~~ seven hundred ~~sixty-two~~ forty-two dollars through ~~June 30, 2000~~ December 31, 2001, ~~fifty-nine~~ sixty-six thousand ~~four~~ six hundred ~~twenty-eight~~ eighty-four dollars through ~~December 31, 2000~~ June 30, 2002, and ~~sixty-two~~ sixty-eight thousand ~~eight~~ hundred ~~fifty-five~~ eighteen dollars thereafter.

⁴ **SECTION 9.** A new subsection to section 54-44.3-20 of the 1999 Supplement to the North Dakota Century Code is created and enacted as follows:

Attorneys employed by the insurance commissioner.

Approved April 13, 2001
Filed April 16, 2001

⁴ Section 54-44.3-20 was also amended by section 44 of Senate Bill No. 2032, chapter 488.

CHAPTER 11**HOUSE BILL NO. 1011**

(Appropriations Committee)
(At the request of the Governor)

SECURITIES COMMISSIONER

AN ACT to provide an appropriation for defraying the expenses of the office of the securities commissioner.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the securities commissioner for the purpose of defraying the expenses of the office of the securities commissioner, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$899,728
Operating expenses	210,713
Equipment	<u>10,800</u>
Total general fund appropriation	\$1,121,241

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 12

HOUSE BILL NO. 1012

(Appropriations Committee)
(At the request of the Governor)

HUMAN SERVICES

AN ACT to provide an appropriation for defraying the expenses of the department of human services; to provide for the transfer of appropriation authority between agencies and institutions; to provide for legislative council studies; to provide an exception to section 54-44.1-06 of the North Dakota Century Code, relating to the preparation of the department of human services appropriations bill for the 2003-05 biennium; to provide statements of legislative intent; to provide an exception to section 54-16-04 of the North Dakota Century Code, relating to emergency commission approval for line item transfers; to provide for basic care facility rates; to create and enact a new subsection to section 50-10-06 of the North Dakota Century Code, relating to eligibility for children's special health services; to amend and reenact subsection 2 of section 25-02-01.1, subsection 3 of section 50-01.2-03.2, and section 50-09-06.1 of the North Dakota Century Code, relating to compensation for members of the state hospital governing body, county reimbursements, and assignment of support rights; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of human services and its various divisions, for the purpose of defraying their expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

MANAGEMENT

Salaries and wages	\$11,810,001
Operating expenses	34,511,962
Equipment	1,185,704
Capital improvements	1,308
Loan fund - DD	<u>2,261,556</u>
Total all funds	\$49,770,531
Less estimated income	<u>31,715,182</u>
Total general fund appropriation	\$18,055,349

Subdivision 2.

ECONOMIC ASSISTANCE

Salaries and wages	\$11,679,203
Operating expenses	17,297,140
Equipment	17,950
Capital improvements	2,543
Grants - assistance payments	126,393,606
Grants - medical assistance	<u>736,187,339</u>
Total all funds	\$891,577,781

Less estimated income	<u>678,799,617</u>
Total general fund appropriation	<u>\$212,778,164</u>

Subdivision 3.

PROGRAM AND POLICY

Salaries and wages	\$9,650,689
Operating expenses	11,388,152
Equipment	53,728
Capital improvements	789
Grants	<u>132,341,763</u>
Total all funds	<u>\$153,435,121</u>
Less estimated income	<u>123,325,366</u>
Total general fund appropriation	<u>\$30,109,755</u>

Subdivision 4.

NORTHWEST HUMAN SERVICE CENTER

Total all funds	\$8,157,433
Less estimated income	<u>4,083,037</u>
Total general fund appropriation	<u>\$4,074,396</u>

NORTH CENTRAL HUMAN SERVICE CENTER

Total all funds	\$14,201,485
Less estimated income	<u>5,797,056</u>
Total general fund appropriation	<u>\$8,404,429</u>

LAKE REGION HUMAN SERVICE CENTER

Total all funds	\$8,122,652
Less estimated income	<u>3,598,587</u>
Total general fund appropriation	<u>\$4,524,065</u>

NORTHEAST HUMAN SERVICE CENTER

Total all funds	\$18,677,059
Less estimated income	<u>11,195,028</u>
Total general fund appropriation	<u>\$7,482,031</u>

SOUTHEAST HUMAN SERVICE CENTER

Capital improvements	\$573,124
Human service center operations	<u>19,640,332</u>
Total all funds	<u>\$20,213,456</u>
Less estimated income	<u>11,119,701</u>
Total general fund appropriation	<u>\$9,093,755</u>

SOUTH CENTRAL HUMAN SERVICE CENTER

Total all funds	\$11,128,925
Less estimated income	<u>5,466,466</u>
Total general fund appropriation	<u>\$5,662,459</u>

WEST CENTRAL HUMAN SERVICE CENTER

Total all funds	\$18,616,938
Less estimated income	<u>10,452,773</u>
Total general fund appropriation	<u>\$8,164,165</u>

BADLANDS HUMAN SERVICE CENTER

Total all funds	\$9,535,626
Less estimated income	<u>5,127,922</u>
Total general fund appropriation	\$4,407,704

STATE HOSPITAL

Capital improvements	\$970,176
Operations	<u>50,154,275</u>
Total all funds	\$51,124,451
Less estimated income	<u>17,961,143</u>
Total general fund appropriation	\$33,163,308

DEVELOPMENTAL CENTER

Capital improvements	\$864,363
Operations	<u>39,823,524</u>
Total all funds	\$40,687,887
Less estimated income	<u>30,020,107</u>
Total general fund appropriation	\$10,667,780
Total all funds - subdivision 4	\$200,465,912
Total estimated income - subdivision 4	\$104,821,820
Total general fund appropriation - subdivision 4	\$95,644,092
Grand total general fund appropriation H.B. 1012	\$356,587,360
Grand total special fund appropriation H.B. 1012	\$938,661,985
Grand total all funds H.B. 1012	\$1,295,249,345

SECTION 2. LANDS AND MINERALS TRUST FUND. The amount of \$2,261,556, or so much of the sum as may be necessary, as appropriated in the developmentally disabled facility loan fund line item in section 1 of this Act, may be expended by the department of human services from the lands and minerals trust fund for the purpose of making payments of principal and interest to the common schools trust fund on any loans made from it pursuant to the developmentally disabled loan fund program nos. 2 and 3 for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. DEVELOPMENTAL DISABILITIES REVOLVING LOAN FUND. There may be expended by the department of human services, on or before June 1, 2003, from the cash balance of, any payments deposited in, the revolving loan fund created under section 6-09.6-01, the sum of \$871,765, or so much of the sum as may be necessary, which is appropriated in section 1 of this Act.

SECTION 4. TRANSFER. Subject to the provisions of chapter 54-16, the director of the department of human services may transfer appropriation authority between agencies and institutions included in subdivisions 1 through 4 of section 1 of this Act.

SECTION 5. CORRELATION OF RESOURCES FOR DEPARTMENTAL CLIENTS. Notwithstanding section 4 of this Act, the director of the department of human services may transfer appropriation authority and authorized positions between agencies and institutions included within subdivision 4 of section 1 of this Act to correlate fiscal and staff resources with the flow of institutional residents and human service center clients between community-based programs and institutions. The transfers from human service centers require prior consultation with the regional human service center advisory boards.

SECTION 6. ALCOHOL AND DRUG EDUCATION PROGRAM - EXPENDITURE - LIMITATIONS. The moneys appropriated in the grants line item in

subdivision 3 of section 1 of this Act for the native American alcohol and drug abuse education program may not be spent for the services provided by the tribes to administer the program. The local grant recipient is required to provide matching equal to the grant amount with funding or in-kind service.

SECTION 7. DEPARTMENT OF HUMAN SERVICES - FUNDING OR EMPLOYEE TRANSFERS - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY. The department of human services shall prepare and present a report to the appropriations committees of the fifty-eighth 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 biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. LINE ITEM TRANSFER AUTHORITY. Notwithstanding section 54-16-04, the department of human services may transfer amounts of up to \$250,000 from the operating expenses line item in subdivision 1 of section 1 of this Act to the equipment line item in subdivision 1 of section 1 of this Act for the biennium beginning July 1, 2001, and ending June 30, 2003. The department shall notify the office of management and budget of each transfer.

SECTION 9. LEGISLATIVE INTENT - MEDICAL SERVICES - UTILIZATION REVIEW. It is the intent of the legislative assembly that the department of human services enhance the effectiveness of its utilization review efforts in the medical services program during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - SHARING OF WORKSTATIONS. It is the intent of the legislative assembly that the department of human services consider requiring the sharing of workstations by its employees for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 11. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - TELEPHONE COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider distributing prepaid telephone calling cards to its employees for use when making allowable long-distance personal telephone calls when traveling on official state business during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 12. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - PRINTING COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider expanding its use of e-mail for distributing information to reduce printing costs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 13. LEGISLATIVE INTENT - GENERAL FUND AND HEALTH CARE TRUST FUND MONEYS - SPENDING PRIORITY. It is the intent of the legislative assembly that for any programs receiving appropriations from both the general fund and health care trust fund, the department of human services spend moneys appropriated from the general fund before spending moneys from the health care trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 14. LEGISLATIVE INTENT - STATE HOSPITAL LANDFILL CLOSURE. It is the intent of the legislative assembly that the state hospital seek the assistance of the adjutant general in the closure of the state hospital landfill and that the adjutant general complete the project subject to the approval of the associated

general contractors of North Dakota for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 15. LEGISLATIVE INTENT - FEDERAL FAMILY CAREGIVER FUNDS. It is the intent of the legislative assembly that the department of human services determine the requirements related to the acceptance of federal family caregiver funds, including allowable uses, maintenance of effort, and future funding projections.

SECTION 16. LEGISLATIVE INTENT - PAYMENT SCHEDULE FOR CRITICAL ACCESS HOSPITALS. It is the intent of the legislative assembly that the department of human services implement a charge-based payment schedule for critical access hospitals, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 17. LEGISLATIVE COUNCIL STUDY - STATE ADMINISTRATION OF CHILD SUPPORT. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of state administration of child support, including the fiscal effect on counties and the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. LEGISLATIVE COUNCIL STUDY - SENIOR CITIZEN MILL LEVY MATCHING PROGRAM. The legislative council shall consider studying during the 2001-02 interim, the senior citizen mill levy matching grant program. If chosen, the study must address the appropriateness of whether the program match a percentage of the total mills levied by each county or match funds only on the first mill levied by each county. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 19. LEGISLATIVE INTENT - NORTHEAST HUMAN SERVICE CENTER FUNDING. It is the intent of the legislative assembly that any budget adjustments made by the northeast human service center relating to the unspecified \$175,000 reduction in general fund support made by the fifty-seventh legislative assembly not be made in areas of the budget that provide funding for contracts with private providers for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 20. MEDICAID FUNDING - REPORTS TO BUDGET SECTION. The department of human services shall 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 biennium beginning July 1, 2001, and ending June 30, 2003. Each report must include the department's medical services utilization review efforts and the effect of these efforts on utilization and expenditures. If the department of human services anticipates that actual expenditures will exceed the funding provided by the legislative assembly for medical assistance grants, the department shall report to the budget section on the department's efforts to manage the funds appropriated to the department to provide for the anticipated shortfall and, if necessary, seek budget section approval to spend funds at a level which would require a request for a general fund deficiency appropriation from the next legislative assembly.

⁵ **SECTION 21. DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS BILL - EXECUTIVE BUDGET RECOMMENDATION.**

Notwithstanding North Dakota Century Code section 54-44.1-06, the office of the budget shall submit for introduction to the fifty-eighth legislative assembly the department of human services appropriations bill reflecting the same funding levels by line item and employee levels authorized by the fifty-seventh legislative assembly for the 2001-03 biennium. Any budget changes recommended by the office of the budget for the department of human services for the 2003-05 biennium must be presented to the appropriations committees of the fifty-eighth legislative assembly as a recommendation for change to the bill as introduced.

SECTION 22. COMPULSIVE GAMBLING SERVICES - CONTINGENT FUNDING.

The operating expenses line item in subdivision 3 of section 1 of this Act includes \$150,000 from the general fund for compulsive gambling services. The department of human services may spend \$50,000 of this funding for compulsive gambling services only if the mental health association of North Dakota certifies to the department of human services that it has received at least \$220,000 of funding from Indian gaming sources for compulsive gambling services during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 23. STATE HOSPITAL LANDFILL CLOSURE - PROJECTED SAVINGS.

During the second year of the biennium beginning July 1, 2001, and ending June 30, 2003, the state hospital may use projected savings from other areas of the state hospital budget for the costs of closing the state hospital landfill. The state hospital may transfer appropriation authority between line items to provide the funding needed for the project, subject to emergency commission and budget section approval.

SECTION 24. Basic care facility private room rates. The department of human services shall allow a basic care facility to charge a higher rate for a private room used by a recipient of benefits under chapter 50-24.5 if the private room is not necessary to meet the resident's care needs; the resident, or a person acting on behalf of the resident, has requested the private room and the facility informs the person making the request, at the time of the request, of the amount of payment and that the payment must come from sources other than a resident's monthly income; and the payment does not exceed the amount charged to private pay residents.

SECTION 25. AMENDMENT. Subsection 2 of section 25-02-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The department, in consultation with the state hospital, shall create a state hospital governing body and shall by rules describe the powers and duties of the governing body. The department shall compensate members not employed by the department in the amount of ~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day and reimburse members for expenses incurred in attending meetings in the amounts provided by sections 44-08-04 and 54-06-09.

⁵ Section 21 was vetoed by the Governor, see chapter 587.

⁶ **SECTION 26. AMENDMENT.** Subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:
 - a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at one hundred percent a percentage based on the level of legislative appropriations;
 - b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable valuations published pursuant to section 57-13-07 available on that date; and
 - c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation; and
 - d. ~~For calendar year 2000, up to fifteen percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement. For the first six months of calendar year 2001, up to seven and one-half percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement.~~

⁷ **SECTION 27. AMENDMENT.** Section 50-09-06.1 of the North Dakota Century Code, as amended in section 3 of House Bill No. 1108, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

50-09-06.1. Assignment of support rights. An application under this chapter is deemed to create and effect an assignment of all rights to support, which a family member or foster child may have or come to have, to the state agency. The assignment:

1. Is effective as to all current and accrued support obligations and periods of eligibility;

⁶ Section 50-01.2-03.2 was also amended by section 25 of House Bill No. 1015, chapter 15.

⁷ Section 50-09-06.1 was also amended by section 3 of House Bill No. 1108, chapter 418.

2. Is limited to the total cost of benefits provided to the family or foster child; ~~and~~
3. Terminates when eligibility ceases, except with respect to any support obligation unpaid at that time; and
4. Is not effective as to any child subject to a benefit cap imposed under section 50-09-29.

⁸ **SECTION 28.** A new subsection to section 50-10-06 of the North Dakota Century Code is created and enacted as follows:

Establish eligibility criteria for services under this chapter at one hundred eighty-five percent of the poverty line, except for criteria relating to phenylketonuria or maple syrup urine disease treatment services for which income is not to be considered when determining eligibility. For purposes of this chapter, "poverty line" has the same meaning as defined in section 50-29-01.

SECTION 29. EFFECTIVE DATE. Section 27 of this Act becomes effective January 1, 2002.

SECTION 30. EMERGENCY. Section 24 of this Act is declared to be an emergency measure. The department of human services shall authorize the basic care facility private room rate through emergency rulemaking.

Approved May 9, 2001
Filed May 10, 2001

⁸ Section 50-10-06 was also amended by section 8 of Senate Bill No. 2239, chapter 260.

CHAPTER 13

HOUSE BILL NO. 1013

(Appropriations Committee)
(At the request of the Governor)

PUBLIC INSTRUCTION

AN ACT to provide an appropriation for defraying the expenses of the department of public instruction, the division of independent study, the school for the deaf, the school for the blind, the state library, and the state board for vocational and technical education; to provide statements of legislative intent; and to amend and reenact subsection 1 of section 15-40.1-16 or in the alternative to amend and reenact subsection 1 of section 15.1-27-26, and section 15.1-02-02 of the North Dakota Century Code, relating to transportation payments and the salary of the superintendent of public instruction.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of public instruction, the division of independent study, the school for the deaf, the school for the blind, and the state library for the purpose of defraying the expenses of their various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

DEPARTMENT OF PUBLIC INSTRUCTION

Salaries and wages	\$8,985,148
Operating expenses	15,310,080
Equipment	344,140
Grants - Foundation aid and transportation	473,971,648
Grants - Teacher compensation payments	35,036,000
Grants - Revenue supplement payments	2,200,000
Grants - Tuition apportionment	67,239,025
Grants - Special education	49,898,695
Grants - Other grants	149,420,263
Geographic education	100,000
Total all funds	\$802,504,999
Less estimated income	232,691,705
Total general fund appropriation	\$569,813,294

Subdivision 2.

DIVISION OF INDEPENDENT STUDY

Salaries and wages	\$3,257,968
Operating expenses	1,718,498
Equipment	190,000
Capital improvements	55,000
Total all funds	\$5,221,466

Less estimated income	4,353,250
Total general fund appropriation	<u>\$868,216</u>

Subdivision 3.

STATE LIBRARY

Salaries and wages	\$2,084,108
Operating expenses	1,135,660
Equipment	40,000
Grants	<u>1,453,745</u>
Total all funds	\$4,713,513
Less estimated income	<u>1,598,857</u>
Total general fund appropriation	<u>\$3,114,656</u>

Subdivision 4.

SCHOOL FOR THE DEAF

Salaries and wages	\$4,888,058
Operating expenses	1,156,267
Equipment	60,190
Capital improvements	<u>45,410</u>
Total all funds	\$6,149,925
Less estimated income	<u>1,095,624</u>
Total general fund appropriation	<u>\$5,054,301</u>

Subdivision 5.

SCHOOL FOR THE BLIND

Salaries and wages	\$2,725,158
Operating expenses	662,238
Equipment	60,000
Capital improvements	<u>25,416</u>
Total all funds	\$3,472,812
Less estimated income	<u>1,357,821</u>
Total general fund appropriation	<u>\$2,114,991</u>
Grand total general fund appropriation H.B. 1013	\$580,978,458
Grand total special funds appropriation H.B. 1013	\$241,097,257
Grand total all funds appropriation H.B. 1013	<u>\$822,075,715</u>

SECTION 2. APPROPRIATION - TUITION APPORTIONMENT. The sum of \$67,239,025, or such greater or lesser sums as become available, included in the grants - tuition apportionment and estimated income line items in subdivision 1 of section 1 of this Act, are appropriated to the department of public instruction out of any moneys in the state tuition fund in the state treasury to the public schools of this state as provided in section 2 of article IX of the Constitution of North Dakota and chapter 15-44 for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. EXPENDITURE AUTHORITY. The superintendent of public instruction may expend funds appropriated in the foundation aid and transportation and special education grants line items in subdivision 1 of section 1 of this Act in payment of grants for education services that were due in the 1999-2001 biennium but which were not filed, claimed, or properly supported by the education provider in question until after June 30, 2001.

SECTION 4. RED RIVER VALLEY WRITING PROJECT. The operating expenses line item in subdivision 1 of section 1 of this Act includes \$20,000 from the

general fund which must be used to support the Red River valley writing project during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. STANDARDS-BASED STUDENT TESTING. The operating expenses line item in subdivision 1 of section 1 of this Act includes \$1,217,928 from the general fund which must be used to develop and administer student tests aligned with the state content standards and to report the results of the tests during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 6. COMPENSATION PAYMENTS TO TEACHERS AT STATE INSTITUTIONS. In addition to amounts otherwise appropriated for salary increases for teachers at the division of independent study, the school for the deaf, and the school for the blind, the amounts appropriated for salaries and wages in subdivisions 2, 4, and 5 of section 1 of this Act include the following general fund amounts which must be used to increase teacher compensation by \$1,000 per year the first year of the biennium and by an additional \$2,000 per year the second year of the biennium:

Division of independent study	\$72,800
School for the deaf	\$74,000
School for the blind	\$56,200

SECTION 7. LEGISLATIVE INTENT - FULL-TIME EQUIVALENT POSITIONS. It is the intent of the fifty-seventh legislative assembly that the department of public instruction base budget request for the biennium beginning July 1, 2003, and ending June 30, 2005, include no more than 94.25 full-time equivalent positions.

SECTION 8. LEGISLATIVE INTENT - DISTRIBUTION OF SPECIAL EDUCATION AID. It is the intent of the legislative assembly that the amount included in the grants - special education line item in subdivision 1 of section 1 of this Act be distributed as follows:

1. Twelve million six hundred sixty-five thousand dollars to reimburse school districts or special education units for excess costs incurred relating to contracts for students with disabilities.
2. Four hundred thousand dollars to reimburse school districts or special education units for gifted and talented programs upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction. The superintendent of public instruction shall encourage cooperative efforts for gifted and talented programs among school districts and special education units.
3. Any amount remaining in the line item must be distributed on a per student basis as required by section 15-40.1-07.6 or 15.1-27-10, excluding reimbursements for student contracts, boarding care, and gifted and talented programs. State special education payments distributed as required by section 15-40.1-07.6 or 15.1-27-10 must be reduced by the amount of matching funds required to be paid by school districts or special education units for students participating in the medicaid program. Special education funds equal to the amount of the matching funds required to be paid by the school district or special education unit must be paid by the superintendent of public instruction to the department of human services on behalf of the school district or unit.

SECTION 9. LEGISLATIVE INTENT - TECHNOLOGY GRANTS. It is the intent of the legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act include \$4,037,500 for grants to schools for technology or teacher professional development-related expenditures.

SECTION 10. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS. Payments to school districts educating limited English proficient students, as required by section 15-40.1-07.7 or 15.1-27-12, must be paid using up to \$650,000 of the amount appropriated in subdivision 1 of section 1 of this Act for grants - foundation aid and transportation.

SECTION 11. INDIRECT COST ALLOCATION. Notwithstanding section 54-44.1-15, the department of public instruction may deposit indirect cost recoveries in its operating account.

SECTION 12. DISPLACED HOMEMAKER FUND. The amount of \$251,747, or so much of the sum as may be necessary, included in the estimated income line item in subdivision 1 of section 1 of this Act is from the displaced homemaker fund for the purpose of providing services for displaced homemakers as provided in chapter 14-06.1 for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 13. GRANTS. The line item entitled grants in subdivision 3 of section 1 of this Act includes \$888,745 for aid to public libraries of which no more than one-half is to be expended during the fiscal year ending June 30, 2002.

SECTION 14. FEES DEPOSITED IN OPERATING FUND. Any moneys included in estimated income in subdivision 5 of section 1 of this Act, collected for subscription fees or braille fees, must be deposited in the school for the blind operating fund in the state treasury and must be spent subject to appropriation by the legislative assembly.

SECTION 15. AMENDMENT. If House Bill No. 1045 does not become effective, subsection 1 of section 15-40.1-16 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

1. There must be paid from state funds to each school district providing schoolbus transportation in contract schoolbuses or in district-owned and operated schoolbuses, and to school districts with students riding commercial buses to and from school, the following amounts:
 - a. For schoolbuses and school vehicles transporting students who live outside the incorporated limits of the city in which the students' school is located, a sum equal to twenty-five cents per mile [1.61 kilometers] for vehicles having a capacity of nine or fewer students and sixty-seven cents per mile [1.61 kilometers] for schoolbuses having a capacity of ten or more students ~~and~~, for schoolbuses and school vehicles having a capacity of nine or fewer students and transporting students who live within the incorporated limits of a city in which the students' school is located, a sum equal to twenty-five cents per mile [1.61 kilometers], and for schoolbuses and school vehicles having a capacity of ten or more students and transporting students who live within the incorporated limits of a city in which the students' school is located, a sum equal to thirty-five cents per mile [1.61 kilometers]. School districts qualifying for payments for buses having a capacity of ten or more students are entitled to an amount equal to forty cents per day for

each public school student living outside the city limits who is transported in such buses.

- b. For students who ride schoolbuses or commercial buses to or from school and who live within the incorporated limits of the city within which the school that the students attend is located, a sum equal to twenty cents per student per one-way trip.

The mileage payments provided for in this subsection must be made to each school district for transporting students to and from school. Payments may be made only to school districts operating schoolbuses in accordance with the laws of this state relating to standards for schoolbuses, and to the qualifications of schoolbus drivers. Certification as to compliance with the laws of this state in regard to schoolbuses and their drivers must be made in such manner and detail as the superintendent of public instruction may require at the time an application is made for payments provided under this subsection.

SECTION 16. AMENDMENT. Section 15.1-02-02 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

15.1-02-02. Salary. The annual salary of the superintendent of public instruction is ~~fifty-nine~~ sixty-nine thousand ~~four~~ six hundred ~~thirty-seven~~ forty-eight dollars through ~~June 30, 2000~~ December 31, 2001, ~~sixty~~ sixty-seven thousand ~~six~~ six hundred ~~twenty-six~~ sixteen dollars through ~~December 31, 2000~~ June 30, 2002, and ~~sixty-seven~~ seventy-seven thousand ~~six~~ six hundred ~~nineteen~~ thirty-four dollars thereafter.

⁹ **SECTION 17. AMENDMENT.** Subsection 1 of section 15.1-27-26 of the North Dakota Century Code as created by House Bill No. 1045, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

1. Each school district providing transportation to students in contract schoolbuses or in district-owned and operated schoolbuses, and each school district with students riding commercial buses to and from school is entitled to receive the following amounts:
 - a. Twenty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of nine or fewer students and transporting students who reside outside the incorporated limits of the city in which the students' school is located.
 - b. Sixty-seven cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of ten or more students and transporting students who reside outside the incorporated limits of the city in which the students' school is located.
 - c. Twenty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of nine or fewer students and

⁹ Section 15.1-27-26 was created by section 11 of House Bill No. 1045, chapter 181.

transporting students who reside within the incorporated limits of a city in which the students' school is located.

- d. Thirty-five cents per mile [1.61 kilometers] for each schoolbus and school vehicle having a capacity of ten or more students and transporting students who reside within the incorporated limits of a city in which the students' school is located.
- e. Twenty cents for each one-way trip by a student who rides a schoolbus or a commercial bus to or from school and who resides within the incorporated limits of the city in which the student's school is located.

SECTION 18. APPROPRIATION - STATE BOARD FOR VOCATIONAL AND TECHNICAL EDUCATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$13,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of providing grants to support vocational education programs for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved May 4, 2001
Filed May 8, 2001

CHAPTER 14**HOUSE BILL NO. 1014**

(Appropriations Committee)
(At the request of the Governor)

COMMITTEE ON PROTECTION AND ADVOCACY

AN ACT to provide an appropriation for defraying the expenses of the committee on protection and advocacy.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds, to the committee on protection and advocacy for the purpose of defraying the expenses of the committee on protection and advocacy and related services, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Total all funds	\$2,948,096
Less estimated income	<u>2,171,548</u>
Total general fund appropriation	\$776,548

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 15

HOUSE BILL NO. 1015

(Appropriations Committee)
(At the request of the Governor)

OFFICE OF MANAGEMENT AND BUDGET

AN ACT to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to provide other appropriations; to provide for various transfers and financial transactions; to provide an exemption from the provisions of section 54-44.1-11 of the North Dakota Century Code; to provide statements of legislative intent; to provide a conditional exemption for certain state property from special assessments for flood control; to provide for additional lodging reimbursement for members of the legislative assembly; to provide levee protection funding authority; to provide for forgiveness of the Fargo family healthcare center debt; to provide for a legislative council study; to create and enact a new section to chapter 15-10, a new section to chapter 54-44.1, and a new section to chapter 65-04 of the North Dakota Century Code, relating to local fund sources for capital construction projects, new building construction cost-benefit analyses, and a state entities workers' compensation account; to amend and reenact section 6-08.3-13, subsection 3 of section 50-01.2-03.2, section 54-16-01, and section 54-23.2-09 of the North Dakota Century Code, relating to interstate banking, county reimbursements, membership of the emergency commission, and provision of 911 services by the state radio communications division; to repeal section 18 of chapter 37 of the 1995 Session Laws and section 12 of chapter 15 of the 1997 Session Laws, relating to the provision of 911 services by the state radio communications division; to provide an expiration date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the various divisions under the supervision of the director of the office of management and budget for the purpose of defraying their expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

OFFICE OF MANAGEMENT AND BUDGET

Salaries and wages	\$12,018,846
Operating expenses	9,696,346
Equipment	171,000
Capital improvements	1,320,620
Grants	274,000
Statewide compensation plan	<u>5,000,000</u>
Total all funds	\$28,480,812
Less estimated income	<u>9,592,120</u>
Total general fund appropriation	\$18,888,692

Subdivision 2.

STATE RADIO COMMUNICATIONS

Salaries and wages	\$2,655,238
Operating expenses	1,870,810
Equipment	<u>314,136</u>
Total all funds	\$4,840,184
Less estimated income	<u>524,432</u>
Total general fund appropriation	\$4,315,752
Grand total general fund appropriation H.B. 1015	\$23,329,444
Grand total special funds appropriation H.B. 1015	\$10,116,552
Grand total all funds appropriation H.B. 1015	\$33,445,996

SECTION 2. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES.

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$125,000, or so much of the sum as may be necessary, to the department of human services for the purpose of reimbursing counties with economic assistance administrative costs in excess of the statewide average, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. CAPITOL BUILDING FUND. The amount of \$25,000, or so much of the sum as is necessary, included in the estimated income line item in subdivision 1 of section 1 of this Act, is to be spent by the administration division from the capitol building fund for capitol grounds planning during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. EXEMPTION. The fiscal management appropriation contained in subdivision 1 of section 1 of chapter 37 of the 1999 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for continued development and operating costs of the accounting, management, and payroll systems during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. SPECIAL COMPENSATION ADJUSTMENTS FOR CLASSIFIED STATE EMPLOYEES. It is the intent of the fifty-seventh legislative assembly that the statewide compensation plan appropriation included in subdivision 1 of section 1 of this Act be used for market equity compensation adjustments for classified state employees. The special market equity adjustments are to begin with the month of July 2001, to be paid in August 2001. The special market equity adjustments are to be independent of any general salary increase provided by this legislative assembly.

The special market equity increases are to be prioritized based on equity for employees whose salaries are furthest from their respective salary range midpoints effective July 1, 2001. Special market equity increases may not be given to employees whose salary exceeds the midpoints of their assigned salary ranges effective July 1, 2001.

Probationary employees are eligible for the special market equity increases. Employees whose documented performance levels do not meet standards are not eligible for the special market equity increases.

The central personnel division shall provide a model base plan to each agency. Agencies may adopt the model plan, adopt the model plan with exceptions, or offer an alternative plan that meets the intent outlined in this section.

Upon adoption of an appropriate plan and application to the central personnel division, the division shall transfer appropriated general funds or special fund spending authority for the increases to the agencies.

SECTION 6. INTENT - STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES. It is the intent of the fifty-seventh legislative assembly that 2001-03 compensation adjustments for permanent state employees are to be increases of a minimum of \$35 per month, beginning with the month of July 2001, to be paid in August 2001, and a minimum of \$35 per month, beginning with the month of July 2002, to be paid in August 2002. Any increases greater than \$35 per month may not be given across-the-board and must be based on merit and equity. Each agency appropriation is increased by 3.0 percent the first year of the 2001-03 biennium and 2.0 percent the second year of the 2001-03 biennium.

Employees whose documented performance levels do not meet standards are not eligible for the general or additional increases.

Probationary employees are not entitled to the general or additional increases. However, probationary employees may be given all or a portion of the increases effective July, paid in August, or upon completion of probation, at the discretion of the appointing authority.

During the biennium, no salary increase other than the \$35 per month in July 2001 and \$35 per month in July 2002 may be given to an employee whose salary exceeds or would exceed the salary range maximum.

It is the intent of the fifty-seventh legislative assembly that the workers compensation bureau provide pay raises based on merit and performance throughout the 2001-03 biennium.

Agency salaries and wages appropriations are increased in total by approximately two percent for the 2001-03 biennium relating to increased health insurance benefit costs.

SECTION 7. INTENT. Within the authority included in subdivision 1 of section 1 of this Act, are the following grants and special items:

Boys and girls clubworks	\$53,000
State contingencies	500,000
State memberships and related expenses	333,200
Firemen's association	126,000
Unemployment insurance	1,200,000
Capitol grounds planning commission	25,000
State consultant	120,000

SECTION 8. TRANSFER. During the biennium beginning July 1, 2001, and ending June 30, 2003, the director of the office of management and budget is authorized to transfer special funds to the general fund as follows:

Land and minerals trust fund	\$3,545,102
Financial institutions regulatory fund	300,000

SECTION 9. DEVELOPMENTAL DISABILITIES REVOLVING LOAN FUND - AUTHORITY TO SELL LOANS - TRANSFERS. At the request of the director of the office of management and budget, the executive director or the department of human services shall sell such loans in the developmental disabilities revolving loan fund created under North Dakota Century Code section 6-09.6-01, as may be necessary

to the Bank of North Dakota to provide \$2,000,000, or so much thereof as may be necessary, with the proceeds to be deposited in the general fund.

SECTION 10. FIRE AND TORNADO FUND. The amount of \$126,000, or so much of the amount as is necessary, included in the estimated income line item in subdivision 1 of section 1 of this Act, is from the fire and tornado fund.

SECTION 11. BANK OF NORTH DAKOTA TRANSFERS TO STATE GENERAL FUND. During the biennium ending June 30, 2003, the industrial commission shall transfer to the state general fund up to \$60,000,000 from the current earnings and the accumulated undivided profits of the Bank of North Dakota. No more than \$15,000,000 of the amount transferred shall come from accumulated undivided profits. The moneys shall be transferred in the amounts and at such times as requested by the director of the office of management and budget.

No transfers may be made that would reduce the Bank's capital structure below \$140,000,000.

SECTION 12. CONTINGENT BANK OF NORTH DAKOTA TRANSFERS TO STATE GENERAL FUND - BUDGET SECTION APPROVAL. If, during the biennium ending June 30, 2003, the director of the office of management and budget determines via revised projections that general fund revenue collections will not meet the revenues as forecast in the March 2001 legislative forecast, then the industrial commission shall transfer to the state general fund an additional amount, as determined by the director of the office of management and budget as approved by the budget section, from the earnings and accumulated and undivided profits of the Bank of North Dakota. The moneys must be transferred in amounts and at such times as requested by the director of the office of management and budget. The additional amount transferred may not exceed the lesser of \$25,000,000 or the revenue shortfall of actual collections compared to the March 2001 legislative forecast.

No transfers may be made that would reduce the Bank's capital structure below \$140,000,000.

SECTION 13. STUDENT LOAN TRUST TRANSFER TO STATE GENERAL FUND. The industrial commission shall transfer to the general fund in the state treasury, the sum of \$9,000,000 from the North Dakota student loan trust. The moneys must be transferred in such amounts and at such times as requested by the director of the office of management and budget during the biennium beginning July 1, 2001, and ending June 30, 2003, and upon certification by the student loan trust trustee that sufficient moneys remain available to pay all debt service on student loan trust bonds, all required rebate payments to the United States treasury, and all program operating expenses.

SECTION 14. FEDERAL PROGRAM TERMINATIONS - BLOCK GRANT - FUNDING REDUCTIONS - RELATED PROGRAM REDUCTIONS - REPORTS TO THE BUDGET SECTION. If the federal government during the 2001-03 biennium terminates funding for any program administered by an agency, department, or institution of the state of North Dakota, the agency, department, or institution, subject to budget section approval, may terminate the program and not replace the reduction in federal funds with state funds, notwithstanding any other provision of law. If the federal government combines funding for separate programs in a block grant resulting in a reduction of total federal funds available for those programs, the administering agency, department, or institution may, subject to budget section approval, prioritize or reprioritize programs as necessary in making programmatic

reductions. The agency, department, or institution may administer funds available under a new federal block grant or similar measure, consistent with the terms of that measure, notwithstanding any other provision of law intended to conform to or implement the provisions of the repealed federal Act, and shall report any program terminations, reductions, or changes resulting from this section to the budget section of the legislative council for its approval.

SECTION 15. LEGISLATIVE INTENT - STATEWIDE RADIO SYSTEM ENGINEERING PLAN. It is the intent of the legislative assembly that state radio communications may request a transfer of \$100,000 from the state contingency appropriation of the emergency commission for matching funds from federal or other sources for developing a statewide radio system engineering plan during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 16. TRANSFER OF STATE CONTINGENCY APPROPRIATION. Notwithstanding sections 54-16-04 and 54-16-09, the office of management and budget is authorized to transfer \$160,000 from the state contingency appropriation of the emergency commission to the emergency fund of the office of the adjutant general during the time period beginning with the effective date of this Act and ending on June 30, 2001.

SECTION 17. City flood control special assessment exemption for state property. Notwithstanding any other provision of law, property of the state in a city subject to this section is exempt from special assessments levied for flood control purposes. Upon request by the governing body of the city, the exemption under this section may be completely or partially waived by majority vote of the budget section of the legislative council. A city is subject to the exemption under this section in recognition of state financial assistance for flood control provided to the city pursuant to section 61-02.1-01 or other appropriation or commitment of state funds.

SECTION 18. ADDITIONAL LODGING REIMBURSEMENT FOR APRIL 2001 - LEGISLATIVE ASSEMBLY. Notwithstanding the \$650 per calendar month lodging maximum provided in section 54-03-20 for members of the legislative assembly during a legislative session, a member of the fifty-seventh legislative assembly is entitled to lodging reimbursement as provided in section 44-08-04 for state officers and employees for each calendar day the fifty-seventh legislative assembly is in session during the month of April 2001.

SECTION 19. LEVEE PROTECTION FUNDING AUTHORITY. The state water commission may use up to \$5,000,000 from the resources trust fund and from bond proceeds to provide a cost share for constructing and improving levees at Devils Lake during the biennium beginning July 1, 2001, and ending June 30, 2003. This authority is for the nonfederal cost share of any Devils Lake levee construction or improvement project, however, this authority exists only if no other funds, whether from state, federal, or local sources, may be used by the state water commission to satisfy the project's nonfederal cost share. If bonds are issued, the state water commission may use an amount over \$5,000,000 necessary to cover the cost of issuing the bonds. To the extent money is used under this section, the \$20,000,000 cap in subsection 1 of section 14 of House Bill No. 1023, and the \$67,800,000 cap in section 16 of House Bill No. 1023 is increased by the amount used. The proceeds of any bonds issued under the authority provided in this section are appropriated to the state water commission for the purposes set forth in this section.

¹⁰ **SECTION 20. LEGISLATIVE INTENT - ELIMINATION OF CERTAIN DEPUTY POSITIONS IN 2003-05 BIENNIUM.** It is the intent of the legislative assembly that the appropriations measures submitted to the fifty-eighth legislative assembly do not include funding for the positions of deputies in any agency with fewer than thirty full-time equivalent positions for the 2003-05 biennium. It is the intent of the legislative assembly that the governor, when submitting the budget for the 2003-05 biennium, include legislation to amend North Dakota Century Code section 44-03-01 and any other appropriate statutory provisions to eliminate the authority to appoint a deputy for any state officer whose office has fewer than thirty full-time equivalent positions authorized for the 2003-05 biennium.

SECTION 21. FORGIVENESS OF FARGO FAMILY HEALTHCARE CENTER DEBT - BUDGET SECTION APPROVAL. The university of North Dakota school of medicine and health sciences shall forgive the amount of debt owed by the Fargo family healthcare center in an amount not to exceed \$395,000 upon adoption by the family healthcare center of a plan to address sustainability of programs and services at the family healthcare center, approval of the plan by the budget section of the legislative council, adoption by the city of Fargo of a plan to provide support to the family healthcare center, and forgiveness by the city of Fargo of at least \$100,000 in family healthcare center debt relating to rental expenses and approval by the budget section. The family healthcare center plan to address sustainability of programs and services must include information regarding immediate steps taken to reduce expenses, implementation of consultants' recommendations concerning internal operations and family healthcare center board functions, the center's role in the community including the identification of community support, core services, noncritical services to be reduced, and enhanced fundraising capacity and organizational capacity. The plan must be presented to and approved by the budget section before the budget section considers approval of the debt writeoff.

SECTION 22. LEGISLATIVE COUNCIL STUDY. The legislative council shall consider studying during the 2001-02 interim health insurance company benefit limitations, including maximum payments or reimbursements for prescribed medicines and treatments and the effect of limiting benefit payments or reimbursements on consumers, family members, and individuals with incurable illnesses. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 23. AMENDMENT. Section 6-08.3-13 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

6-08.3-13. Interstate banking authorization. This chapter specifically authorizes, in accordance with section 3 of the Bank Holding Company Act of 1956 [12 U.S.C. 1842], and section 101 of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 [Pub. L. 103-328; 108 Stat. 2338; 12 U.S.C. 1811 et seq.], interstate banking in this state. However, to the extent a state imposes a restriction on the ability of a North Dakota bank holding company to acquire a bank in that state and the restriction is based on the length of time either bank has existed, that restriction must apply to any acquisition of a North Dakota bank by a bank holding company located in that state but does not apply to any bank established in this state on July 31, 1997.

¹⁰ Section 20 was vetoed by the Governor, see chapter 588.

SECTION 24. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Capital construction projects - Local fund sources - Local matching funds - Report to budget section. If any institution under the control of the state board of higher education undertakes a capital construction project, including any renovation or expansion, with the approval of the legislative assembly, all local funds to be used for the project must be derived from sources that have been presented to and approved by the legislative assembly or the budget section pursuant to section 15-10-12.1. The source of any local matching funds required for state-funded or bonded projects must be funds raised and designated for the project and may not include funding from the state general fund, state and federal grant and contract funds, tuition or fees, endowment or investment income, institutional sales and services income including indirect and administrative costs, or transfers or loans from other institutions' funds or agency funds unless the institution has received prior approval from the legislative assembly or from the budget section pursuant to section 15-10-12.1. Each institution undertaking a capital construction project that was approved by the legislative assembly and for which local funds are to be used shall present a biennial report to the budget section of the legislative council detailing the source of all funds used in the capital construction project including local funds. This section applies to projects approved after July 1, 2001.

¹¹ **SECTION 25. AMENDMENT.** Subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:
 - a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at ~~one hundred~~ ninety percent;
 - b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable valuations published pursuant to section 57-13-07 available on that date; and
 - c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation; ~~and.~~
 - d. ~~For calendar year 2000, up to fifteen percent of the social service block grant funds available to all counties during that calendar year~~

¹¹ Section 50-01.2-03.2 was also amended by section 26 of House Bill No. 1012, chapter 12.

or general fund equivalents of social service block grant funds must be used for part of this reimbursement. For the first six months of calendar year 2001, up to seven and one-half percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement.

SECTION 26. AMENDMENT. Section 54-16-01 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-16-01. Emergency commission - Members - Organization - Quorum - Meetings. The emergency commission consists of the governor, the chairman of the legislative council, the secretary of state, and the chairmen of the senate and house of representatives appropriations committees. If the chairman of an appropriations committee ceases to be a member of the legislative assembly, the vice chairman of that committee succeeds to that position on the commission. An appropriations committee vice chairman may serve in the place of the appropriations committee chairman as a member of the commission at the request of the appropriate appropriations committee chairman, if the appropriations committee chairman is unable to attend a commission meeting. The vice chairman of the legislative council may serve as a member of the commission in the place of the chairman of the legislative council at the request of the chairman of the legislative council if that individual is serving on the commission in another capacity or is unable to attend a commission meeting. Four members of the commission constitute a quorum. The governor is the chairman and the secretary of state is the secretary of the commission. The commission shall meet at the call of the chairman.

SECTION 27. AMENDMENT. Section 54-23.2-09 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-23.2-09. Mobile data terminal and 911 service fees. State radio communications shall establish and charge fees to provide mobile data terminal service to interested local law enforcement agencies. The fees must be based on actual costs incurred by state radio communications for providing the service.

State radio communications may provide 911 services to a political subdivision with a population of fewer than twenty thousand and shall charge at least twenty cents per telephone access line and wireless access line for 911 services provided to political subdivisions. Each county currently receiving 911 services from state radio communications shall abide by the standards established by ~~the governor's emergency services advisory committee law.~~

SECTION 28. A new section to chapter 54-44.1 of the North Dakota Century Code is created and enacted as follows:

Office of the budget and information technology department - New building construction cost-benefit analyses. The office of the budget shall complete a cost-benefit analysis for each new building construction project included in budget requests submitted by state agencies, departments, and institutions. The analysis must review options for co-locating with other state agencies, departments, or institutions and consider information on related technology costs and savings. The office of the budget shall obtain the assistance of the information technology department, and that department shall review the technology costs and savings involved in the proposed building and provide the analysis to the office of the budget. The office of the budget shall report on the cost-benefit analyses 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.

SECTION 29. A new section to chapter 65-04 of the North Dakota Century Code is created and enacted as follows:

State entities account - Continuing appropriation - Report to budget section.

1. The bureau shall establish a single workers' compensation account for state entities covered by chapter 32-12.2. The bureau shall use the combined payroll, premium, and loss history of selected agencies to determine future experience rates, dividends, assessments, and premiums. Classifications and premium rates must be based on the hazards and risks of the different occupations covered by this account. The payroll reporting period for this account is for a fiscal year of July first through June thirtieth. The office of management and budget shall furnish combined payroll information to the bureau in a format prescribed by the bureau.
2. Workers' compensation premiums from state entities covered by chapter 32-12.2 must be deposited in the risk management workers' compensation fund. The state investment board shall invest this fund in accordance with chapter 21-10. Funds received as contributions from state entities, all other payments deposited in this fund, and interest and income received on investments are appropriated on a continuing basis for the purposes of this fund. The purposes of this fund are to pay workers' compensation premiums for state agencies and to pay workers' compensation claims costs not covered by the deductible contract. The risk management division of the office of management and budget shall administer this fund. Section 54-44.1-11 does not apply to this fund.
3. A state entity covered by chapter 32-12.2 shall participate in the risk management workers' compensation program unless exempted by the director of the office of management and budget.
4. The risk management division of the office of management and budget shall administer the account's internal workers' compensation return-to-work program. Every state entity is required to participate in the return-to-work program. The program may include assigning employees to agencies other than the agency for which the employee worked on the date of the injury.
5. The office of management and budget may adopt rules to administer the risk management workers' compensation program. The workers compensation bureau and the risk management division of the office of management and budget periodically shall report to the budget section of the legislative council on the success of this program.

SECTION 30. REPEAL. Section 18 of chapter 37 of the 1995 Session Laws and section 12 of chapter 15 of the 1997 Session Laws are repealed.

SECTION 31. EXPIRATION DATE. Sections 19 and 29 of this Act are effective through June 30, 2003, and after that date are ineffective.

SECTION 32. EMERGENCY. Sections 16 and 18 of this Act are declared to be an emergency measure.

Approved May 9, 2001

Filed May 10, 2001

CHAPTER 16

HOUSE BILL NO. 1016

(Appropriations Committee)
(At the request of the Governor)

EMERGENCY MANAGEMENT

AN ACT to provide an appropriation for defraying the expenses of the division of emergency management; and to amend and reenact subsection 2 of section 37-17.1-07.1 of the North Dakota Century Code, relating to the termination of the fee system for the hazardous chemicals preparedness and response program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the division of emergency management under the supervision of the adjutant general for the purpose of defraying its expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$2,611,942
Operating expenses	923,692
Equipment	156,400
Grants	<u>67,141,954</u>
Total all funds	\$70,833,988
Less estimated income	<u>69,870,828</u>
Total general fund appropriation	\$963,160

SECTION 2. STATE HAZARDOUS MATERIAL PREPAREDNESS AND RESPONSE FUND. The estimated income line item in section 1 of this Act includes \$200,000 from the state hazardous material preparedness and response fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. AMENDMENT. Subsection 2 of section 37-17.1-07.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. Establishment of funds.

- a. State hazardous chemicals preparedness and response fund. There is ~~hereby~~ created in the state treasury a nonlapsing restricted account to be known as a state hazardous chemicals preparedness and response fund. The fund consists of revenue collected from the state hazardous chemical fee system and funds appropriated by the general assembly. Moneys in the fund shall be appropriated biennially to the division of emergency management for carrying out the purposes, goals, and objectives of SARA title III, and the state hazardous chemicals preparedness and response program.

- b. County hazardous chemicals preparedness and response account. The county treasurer of each county shall establish a nonlapsing restricted account, to be known as the county hazardous chemicals preparedness and response account. The county hazardous chemicals preparedness and response account consists of revenue from the state hazardous chemicals fee system, county, federal or state funds, grants, and any private donations provided to finance the county hazardous chemicals preparedness and response program.
- c. Facility fee system. Each owner and operator of a facility, as defined in SARA title III, shall pay an annual hazardous chemicals fee to the division of emergency management by March first of each year. The fee is twenty-five dollars for each chemical within the meaning of 40 CFR 355.20 or its successor which is required under section 312 of SARA, title III, to be listed on the hazardous chemical inventory form (tier II) which the owner or operator must submit to the division. The federal requirements must be used for completing the tier II form, including the threshold amounts, as outlined in 40 CFR 370.20. The maximum fee for a facility under this section is one hundred fifty dollars. The division of emergency management shall transfer to the county hazardous chemicals preparedness and response account one-half of the funds collected from the state's hazardous chemicals fee system.
- d. Exemptions. The owners or operators of family farm enterprises that are not engaged in the retail or wholesale of hazardous chemicals and facilities owned by the state or local governments are exempt from the fee under subdivision c. For purposes of this section, the terms "family farm" and "farmer" have the same meaning as set forth in section 6-09.11-01.
- e. Accept funding. The state and county governments are authorized to accept and may deposit grants, gifts, and federal funds into the hazardous chemicals preparedness and response fund and accounts for the purpose of carrying out the hazardous chemicals preparedness and response program.
- f. Definition. "Hazardous chemical" means as defined in 40 CFR 355.20 and 29 CFR 1910.1200.
- g. ~~Termination of fee system. The fee system in this section terminates ten years after July 7, 1991, unless reestablished by the legislative assembly by statute.~~
- h. City fee system. The state hazardous chemicals fee system does not supersede a city fee system for hazardous chemicals.

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 17

HOUSE BILL NO. 1017

(Appropriations Committee)
(At the request of the Governor)

ADJUTANT GENERAL

AN ACT to provide an appropriation for defraying the expenses of the adjutant general; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the adjutant general's office for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$3,507,859
Operating expenses	2,967,722
Equipment	50,000
Capital improvements	11,607,950
Grants	348,026
Civil air patrol	109,730
Civil air patrol - Workers' compensation payment	9,186
Tuition and enlistment compensation	1,007,500
Air guard contract	5,960,184
Army guard contract	<u>14,665,661</u>
Total all funds	\$40,233,818
Less estimated income	<u>31,242,854</u>
Total general fund appropriation	<u>\$8,990,964</u>

SECTION 2. APPROPRIATION. There is appropriated any funds received by the adjutant general from federal and private sources for the purpose of operating the North Dakota veterans' cemetery at or adjacent to Fort Abraham Lincoln state park for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. EMERGENCY. The line item entitled capital improvements in section 1 of this Act is declared to be an emergency measure.

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 18

HOUSE BILL NO. 1018

(Appropriations Committee)
(At the request of the Governor)

SEED DEPARTMENT

AN ACT to provide an appropriation for defraying the expenses of the state seed department.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from income, to the state seed department for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$3,232,447
Operating expenses	1,472,000
Equipment	200,000
Capital improvements	50,000
Grants	200,000
Contingency	<u>300,000</u>
Total appropriation from seed department fund	\$5,454,447

SECTION 2. APPROPRIATION LINE ITEM TRANSFERS. Upon approval of the state seed commission, the state seed department may transfer from the contingency line item in its appropriation to all other line items except the capital improvement line item. The commission shall notify the office of management and budget of each transfer.

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 19

HOUSE BILL NO. 1019

(Appropriations Committee)
(At the request of the Governor)

GAME AND FISH DEPARTMENT

AN ACT to provide an appropriation for defraying the expenses of the state game and fish department.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the game and fish fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state game and fish department for the purpose of defraying the expenses of the various divisions of the department, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$13,889,059
Operating expenses	8,320,714
Equipment	793,505
Capital improvements	1,259,486
Grants	3,578,050
Noxious weed control	250,000
Land habitat and deer depredation	5,138,476
Grants, gifts, and donations	150,000
Nongame wildlife conservation	120,000
Waterbank program	200,000
Wildlife services	400,000
Lonetree reservoir	1,220,351
Total special funds appropriation	\$35,319,641

SECTION 2. LAND HABITAT AND DEER DEPREDATION. The amount of \$2,930,036, or such lesser amount as may be available, for the line item entitled land habitat and deer depredation in section 1 of this Act, is from the habitat and depredation fund, to lease privately owned lands for wildlife habitat to reestablish wildlife population, to improve wildlife habitat on private lands, and to alleviate big game and furbearer depredation for the biennium beginning July 1, 2001, and ending June 30, 2003. These funds may be spent only for the purposes and using guidelines contained in sections 20.1-02-05 and 20.1-03-12.1.

SECTION 3. NONGAME WILDLIFE. The amount of \$75,000, or such lesser amount as may be available, for the line item entitled nongame wildlife in section 1 of this Act, is from the nongame wildlife fund for the purpose of preservation, inventory, perpetuation, and conservation of nongame wildlife, natural areas, and nature preserves in this state for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. WATERBANK PROGRAM - DEPARTMENT OF AGRICULTURE. The amount of \$200,000, or such lesser amount as may be available, for the line item entitled waterbank program in section 1 of this Act, is from

the game and fish department operating fund and must be used to increase water storage and enhance wildlife habitat in North Dakota. Contracts and agreements relating to the waterbank program may be entered into by the director of the game and fish department, in cooperation with the agriculture commissioner.

SECTION 5. WILDLIFE SERVICES - DEPARTMENT OF AGRICULTURE.

The amount of \$400,000, or such lesser amount as may be available, for the line item entitled wildlife services in section 1 of this Act, is from the game and fish department operating fund and must be used to alleviate wildlife depredation and damage in North Dakota. Projects funded may include projects to alleviate waterfowl depredation and damage and must be approved by the director of the state game and fish department. Contracts and agreements relating to the wildlife services program may be entered into by the director of the state game and fish department, in cooperation with the agriculture commissioner.

SECTION 6. PRIVATE LAND HABITAT AND ACCESS IMPROVEMENT PROGRAM. The amount of \$400,000 or such lesser amount as may be available, from the line item entitled land habitat and deer depredation in section 1 of this Act, is from the additional revenue generated by hunting license fee increases contained in House Bill No. 1468. It is the intent of the fifty-seventh legislative assembly that these funds be spent to carry out the private land habitat and access improvement program by providing access to private land, establishing food plots, alleviating depredation, and enhancing habitat pursuant to subsection 19 of section 20.1-02-05, for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 13, 2001
Filed April 16, 2001

CHAPTER 20

HOUSE BILL NO. 1020

(Appropriations Committee)
(At the request of the Governor)

HISTORICAL SOCIETY

AN ACT to provide an appropriation for defraying the expenses of the state historical society; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state historical society for the purpose of defraying the expenses of the state historical society, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$4,717,780
Operating expenses	1,129,334
Equipment	185,744
Capital improvements	1,159,200
Capital improvements - Fort Buford	3,543,160
Grants	485,559
Yellowstone-Missouri-Fort Union Commission	4,727
Lewis and Clark bicentennial	<u>1,523,844</u>
Total all funds	\$12,749,348
Less estimated income	<u>5,584,946</u>
Total general fund appropriation	\$7,164,402

SECTION 2. EMERGENCY. The line item entitled capital improvements - Fort Buford in section 1 of this Act is declared to be an emergency measure.

Approved May 4, 2001
Filed May 8, 2001

CHAPTER 21

HOUSE BILL NO. 1021

(Appropriations Committee)
(At the request of the Governor)

PARKS AND RECREATION DEPARTMENT

AN ACT to provide an appropriation for defraying the expenses of the parks and recreation department and the International Peace Garden.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the parks and recreation department for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

Salaries and wages	\$4,876,341
Operating expenses	3,015,677
Equipment	325,750
Capital improvements	2,008,000
Grants	3,684,727
Lewis and Clark bicentennial	765,441
Total all funds	\$14,675,936
Less estimated income	7,397,000
Total general fund appropriation	\$7,278,936

Subdivision 2.

INTERNATIONAL PEACE GARDEN

International Peace Garden	\$377,083
Total general fund appropriation	\$377,083
Grand total general fund appropriation H.B. 1021	\$7,656,019
Grand total special funds appropriation H.B. 1021	\$7,397,000
Grand total all funds appropriation H.B. 1021	\$15,053,019

SECTION 2. FUNDING - INTERNATIONAL PEACE GARDEN AND THE INTERNATIONAL PEACE GARDEN FOUNDATION. The director of the parks and recreation department shall transfer from the amount appropriated in the International Peace Garden line item in subdivision 2 of section 1 of this Act a total of \$364,583 to the International Peace Garden and a total of \$12,500 to the International Peace Garden foundation, a United States corporation. The transfers to the International Peace Garden must be made in two amounts; \$182,292 transferred within ten days of July 1, 2001, and \$182,291 transferred within ten days of July 1, 2002. The transfer to the International Peace Garden foundation must be made only when the foundation has raised \$12,500 of other funds to be used to match the funds appropriated in subdivision 2 of section 1 of this Act. The parks and recreation department may not reduce the funds appropriated in the International Peace Garden line item in subdivision 2 of section 1 of this Act by a percentage greater

than any percentage allotment of general fund moneys required of the department pursuant to the provisions of sections 54-44.1-12 and 54-44.1-13.1.

SECTION 3. SNOWMOBILE FUND. The amount of \$600,000, or so much of the amount as is necessary, included in the estimated income line item in section 1 of this Act, is from the snowmobile fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. TRAIL TAX TRANSFER FUND. The amount of \$50,000, or so much of the amount as is necessary, included in the estimated income line item in section 1 of this Act, is from the trail tax transfer fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. STATE PARKS GIFT FUND. The amount of \$200,000, or so much of the amount as is necessary, included in the estimated income line item in section 1 of this Act, is from the state parks gift fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 22

HOUSE BILL NO. 1023

(Appropriations Committee)
(At the request of the Governor)

WATER COMMISSION

AN ACT to provide an appropriation for defraying the expenses of the state water commission; to provide for the sale of the land and building used by the state water commission as a maintenance shop and the purchase of new property for such use; to provide for a continuing appropriation; to provide statements of legislative intent; to create and enact a new subsection to section 61-02-14, a new section to chapter 61-02.1, and a new subsection to section 61-02.1-04 of the North Dakota Century Code, relating to funding of water development projects, repayment of bonds, and the powers and duties of the state water commission; to amend and reenact subsections 4 and 5 of section 61-01-26 and section 61-01-26.1 of the North Dakota Century Code, sections 10 and 11 of chapter 535 of the 1999 Session Laws, and section 2 of House Bill No. 1151, as approved by the fifty-seventh legislative assembly, relating to funds deposited in the water development trust fund, sharing costs for water quality protection programs, supplementing the water resources of eastern North Dakota, the statewide water development program, the expiration date for the issuance of bonds, and construction of a Devils Lake outlet; to transfer funds from the water development trust fund to the general fund; to provide requirements for the Fargo flood control project; and to provide a line of credit and an appropriation for repayment.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the water development trust fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state water commission for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$9,066,759
Operating expenses	7,503,485
Equipment	499,833
Capital improvements	28,710,864
Grants	22,475,067
Cooperative research	3,050,000
Statewide water development projects	<u>28,572,333</u>
Total all funds	\$99,878,341
Less estimated income	<u>90,144,521</u>
Total general fund appropriation	\$9,733,820

SECTION 2. STATEWIDE WATER DEVELOPMENT PROJECTS. The amount of \$200,000, or so much of the funds as may be necessary, included in the statewide water development projects line item in section 1 of this Act is for cost-sharing for projects authorized under section 319 of the Federal Water Pollution Control Act [Pub. L. 100-4; 100 Stat. 52; 33 U.S.C. 1329] for the control of nonpoint

sources of pollution for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. RESOURCES TRUST FUND. The amount of \$21,718,031, or so much of the funds as may be necessary, included in the total special funds appropriation line item in section 1 of this Act is from the resources trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. WATER DEVELOPMENT TRUST FUND. The amount of \$37,631,684 or so much of the funds as may be necessary, included in the total special funds appropriation line item in section 1 of this Act is from the water development trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. ALLOCATION OF GRANT FUNDS. The funds appropriated in the grants line item in section 1 of this Act must be disbursed by the state water commission in accordance with section 61-02-64.1.

SECTION 6. GRANTS - STATEWIDE WATER DEVELOPMENT PROJECTS. Section 54-44.1-11 does not apply to appropriations made for grants or for statewide water development projects in this Act. However, this exclusion is only in effect for two years after June 30, 2003. Any unexpended funds appropriated from the resources trust fund after that period has expired must be transferred to the resources trust fund and any unexpended funds appropriated from the water development trust fund after that period has expired must be transferred to the water development trust fund.

SECTION 7. RESOURCES TRUST FUND APPROPRIATION - ADJUSTMENT. If the resources trust fund 2001-03 revenues are in excess of \$21,718,031, any excess is appropriated, subject to emergency commission approval, from the resources trust fund to the state water commission for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. Sale and purchase of land and building - Authority - Continuing appropriation.

1. The state water commission, on behalf of the state of North Dakota, may sell in one or more parcels the land and building known as the "state water commission maintenance shop" located at 2603 East Broadway Avenue, Bismarck, North Dakota, and legally described as follows:

A tract of land lying in the Northwest Quarter (NW 1/4) of Section Two (2), Township One Hundred Thirty-Eight (138) North, Range Eighty (80) West of the Fifth (5) Principal Meridian, in the County of Burleigh and State of North Dakota, and described as follows:

Commencing at the northwest corner of said section two; thence traveling in a southerly direction along the west boundary of said section two for a distance of seven hundred seventy-four and six-tenths feet (774.60); thence turning a right angle to the left in an easterly direction along a line which is parallel to the north boundary of said section two for a distance of forty-seven feet (47.00), which shall be called the true point of beginning; thence continuing due east along said line for a distance of eight hundred forty-two and nine-tenths feet (842.90); thence turning a deflection

angle of ninety degrees and twenty-two minutes (90 degrees 22') to the right and traveling in a southerly direction to a point of intersection with the north fifty foot railroad right-of-way line; thence traveling in a westerly direction along said north fifty foot railroad right-of-way line to a point of intersection with the west boundary of said section two; thence traveling in a northerly direction along the west boundary of said section two for a distance of four hundred seventy-two and one-tenth feet (472.10); thence turning a right angle to the right in an easterly direction along a line which is parallel to the north boundary of said section two for a distance of forty-seven feet (47.00); thence traveling in a northerly direction along a line which is parallel to the west boundary of said section two for a distance of one hundred fifty feet (150.00) to the point of beginning. Including all of the property bounded by the above described line, subject to existing rights-of-way and easements.

The above described tract of land contains 11.77 acres, more or less.

2. The conveyance authorized by this Act is exempt from sections 54-01-05.2 and 54-01-05.5. The conveyance may only be made after the property has been appraised and the property must be sold at public auction unless no bid equals or exceeds the minimum appraised value. The appraisal must be dated no earlier than eighteen months before the auction. If at the public auction no bid equals or exceeds the minimum appraised value, the state water commission may negotiate a price for the land with a purchaser.
3. All proceeds from the sale or so much of the sale proceeds as may be necessary, not otherwise appropriated, are appropriated on a continuing basis to the state water commission for the purchase of land and the construction of a building and associated appurtenances to be used as a new maintenance facility. The purchase authorized by this subsection may proceed only after completion of a certified appraisal of the property to be purchased and completion of a physical inspection of any building to be purchased demonstrating that the building is structurally sound and suitable for the state water commission's purposes.
4. The attorney general shall review and approve the form and legality of all legal documents required for the conveyance and purchase authorized by this Act, including title opinions.

SECTION 9. LEGISLATIVE INTENT. It is the intent of the fifty-seventh legislative assembly that the proceeds of the sale of the state water commission maintenance shop located in east Bismarck be used to purchase land and construct a new maintenance shop building. If the proceeds from the sale are less than \$977,100, the state water commission may use other funds appropriated to the state water commission for the purpose of purchasing land and constructing a new maintenance shop building.

It is further the intent of the fifty-seventh legislative assembly that if the proceeds from the sale are not available at the time the state water commission needs to purchase and construct the new building and associated appurtenances, the state water commission may use other funds appropriated to it provided that, upon receipt of the proceeds of the sale, the state water commission shall transfer to the funds from which money was taken an amount equal to any funds utilized for the

purchase of land and construction of the new maintenance building. If the state water commission uses other funds appropriated to it because the funds from the sale of the land and building are insufficient, the state water commission need not make a transfer of sale proceeds.

It is further the intent of the fifty-seventh legislative assembly that no more than a total of \$977,100 may be expended from the amounts appropriated under this Act to purchase land and construct the new maintenance building and associated appurtenances.

SECTION 10. AMENDMENT. Subsections 4 and 5 of section 61-01-26 of the North Dakota Century Code are amended and reenacted as follows:

4. Accruing benefits from these resources can best be achieved for the people of the state through the development, execution, and periodic updating of comprehensive, coordinated, and well-balanced short-term and long-term plans and programs for the conservation and development of such resources by the departments and agencies of the state having responsibilities therefor. The plans and programs for the conservation and development of these resources may include implementation of a program to cost-share with local sponsors of water quality improvement projects.
5. Adequate implementation of such plans and programs shall be provided by the state through cost-sharing and cooperative participation with the appropriate federal and state departments and agencies and political subdivisions within the limitation of budgetary requirements and administrative capabilities, including consideration of cost-sharing for water quality improvement projects.

SECTION 11. AMENDMENT. Section 61-01-26.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

61-01-26.1. Findings and declaration of policy - Water to eastern North Dakota a critical priority - Water supplementation study - Employment of staff. The legislative assembly finds that many areas and localities in eastern North Dakota do not enjoy safe drinking water; ~~and that the water in these areas and localities contains iron, sulfates, alkali, salt, nitrates, fluoride, and other hazardous and discoloring substances.~~ It is also found that other areas and localities in eastern North Dakota do not have sufficient quantities of water to ensure a dependable, long-term water supply. The legislative assembly further finds that supplementation of the water resources of eastern North Dakota ~~with water supplies from other available sources, including the Missouri River,~~ may be the only alternative to provide eastern North Dakota with a dependable source of safe, good quality water and an adequate quantity of water.

It is further declared that effective development and utilization of the land and water resources of this state; the opportunity for greater economic security; the protection of health, property, enterprise, and the preservation of the benefits from the land and water resources of this state; and the promotion of the prosperity and general welfare of all of the people of North Dakota involve, necessitate, and require the exercise of the sovereign powers of the state and concern a public purpose. Therefore, in order to accomplish this public purpose, it is declared necessary that a means to supply and distribute water to the people of eastern North Dakota for all beneficial purposes including domestic, rural water, municipal, livestock, light industrial, mining, agriculture, and other uses must be developed. In furtherance of

this public purpose, the supply and delivery of water to eastern North Dakota is established as a critical priority and the state water commission shall ~~continue to cooperate~~, in cooperation with the Garrison diversion conservancy district ~~in addressing~~ and the communities and rural water systems in eastern North Dakota, address this critical priority by developing a plan and estimate of the costs for supplementing the water resources of eastern North Dakota with water supplies from other available resources, including the Missouri River.

The state water commission may employ full-time personnel and may employ such other personnel as are necessary for the administration of this section as appropriated funds permit. Notwithstanding section 61-02-64.1, funds disbursed from the contract fund or appropriated for purposes of administering this section may be used for salaries and expenses of persons employed pursuant to this section.

¹² **SECTION 12. AMENDMENT.** Section 2 of House Bill No. 1151, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

SECTION 2. A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

Devils Lake outlet - Eminent domain - Design and build construction. In the construction of an outlet from Devils Lake, the commission:

1. Shall make a reasonable and diligent effort to acquire the property interests needed by negotiation. The commission is deemed to have made a reasonable and diligent effort if it has contacted or attempted to contact the owner of the property interest needed at least three times over a thirty-day period. If the commission is unable to acquire the interest needed by negotiation, then it may take possession of the interests needed after making a written offer to purchase and depositing the amount of the offer with the clerk of the district court of the county in which the property interest is located. The amount of the offer must be at least the average value per acre of comparable property. The clerk shall immediately notify the property owner in writing of the deposit. Within thirty days after receiving notice, the property owner may appeal to district court by serving notice of appeal upon the commission and the matter must be tried in the manner prescribed under chapter 32-15.
2. May issue, when it determines that it would be advantageous to the state or that it is necessary in order to construct the outlet in a timely manner, a request for proposals to design and build the outlet. The request for proposals must require that each proposal submitted contain a single price that includes the cost to design and build the outlet. Neither chapter 48-01.1 or 54-44.7, nor any other law requiring competitive bidding applies to the construction of the outlet if the commission determines to use the design and build procedure. The commission shall select the proposal that it determines is the most advantageous to the state.

¹² Section 61-02-23.2 was created by section 2 of House Bill No. 1151, chapter 562.

SECTION 13. A new subsection to section 61-02-14 of the North Dakota Century Code is created and enacted as follows:

To consider cost-sharing for water quality improvement projects.

SECTION 14. A new section to chapter 61-02.1 of the North Dakota Century Code is created and enacted as follows:

Funding - Statewide water development projects - Bond issuance amount.

1. The priorities for the statewide water development program for the 2001-03 biennium include municipal, rural, and industrial projects; irrigation projects; general water management projects, including rural flood control, snagging and clearing, channel improvement, recreation, and planning studies; flood control projects; and weather modification projects. The state water commission may provide the funds necessary to construct these projects from money appropriated to the state water commission from the resources trust fund, the water development trust fund, or by issuing bonds in an amount not to exceed twenty million dollars plus the costs of issuance of the bonds, capitalized interest, and reasonably required reserves. The commission may utilize up to five million five hundred thousand dollars from the water development trust fund, the resources trust fund, or from bond proceeds to provide cost share for a flood control channel and levy project designed to provide protection from overland flooding to a city with a population in excess of eighty thousand as of the 2000 federal decennial census. The amount provided may not exceed fifty percent of the city's share of the cost to construct the project. Bonds may be issued utilizing the procedures set forth in chapter 61-02. The proceeds of any bonds issued under the authority provided in this section are appropriated to the state water commission for the purposes set forth in this section.
2. If the state water commission determines it is appropriate to do so, it may, in lieu of issuing or in combination with the issuance of bonds pursuant to sections 61-02.1-01 and 61-02.1-02, for all or part of the state's cost share for the projects set forth in those provisions, use funds appropriated to it from the resources trust fund or the water development trust fund. Regardless of the source, the amount of funds used may not exceed the limits set forth in section 61-02.1-02.

SECTION 15. A new subsection to section 61-02.1-04 of the 1999 Supplement to the North Dakota Century Code is created and enacted as follows:

Principal and interest on bonds issued for projects authorized pursuant to section 14 of this Act are payable from transfers to be made and appropriated by the legislative assembly from the water development trust fund as provided in section 61-02.1-05, then from transfers to be made and appropriated by the legislative assembly from revenues in the resources trust fund other than revenues from state taxes, then from appropriations of other available revenues in the then current biennium, and then from any other revenues the state water commission makes available during the then current biennium for that purpose. If sufficient funds from these sources are not available, then from transfers to be made and appropriated by the legislative assembly from the first available current biennial earnings of the Bank of North Dakota not to

exceed six million five hundred thousand dollars per biennium prorated with any other bonds payable from transfers to be made and appropriated by the legislative assembly from the available current biennial earnings of the Bank of North Dakota, to be credited by the trustee to the fund established for paying principal and interest on the bonds under a trust indenture.

SECTION 16. LEGISLATIVE INTENT - STATEWIDE WATER PROJECT FUNDING LIMIT. Notwithstanding the amounts of \$28,572,333 included in the statewide water development projects line item in section 1 of this Act and \$20,000,000 included in section 14 of this Act, and the amount appropriated in chapter 61-02.1, it is the intent of the fifty-seventh legislative assembly that no more than a total of sixty-seven million eight hundred thousand dollars, plus, if bonds are issued, the costs of issuance of the bonds, capitalized interest, and reasonably required reserves, may be expended for statewide water development projects for the 2001-03 biennium. Contracts for water projects to be paid from the water development trust fund may initially be issued up to an amount equal to seventy-five percent of the amount appropriated from that fund for projects. Contracts for the remaining twenty-five percent appropriated may only be issued to the extent uncommitted funds are available in the water development trust fund.

SECTION 17. LINE OF CREDIT - APPROPRIATION. The Bank of North Dakota shall extend a line of credit not to exceed \$25,000,000, which is appropriated for the biennium beginning July 1, 2001, and ending June 30, 2003, to the state water commission for the purpose of interim financing until bonds are issued under chapter 61-02.1.

SECTION 18. APPROPRIATION. There is appropriated out of any moneys in the water development trust fund, not otherwise appropriated, or from bond proceeds, the sum of \$25,000,000, or so much of the sum as may be necessary, to the state water commission for the purpose of repaying the line of credit extended to the state water commission under section 17 of this Act, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 19. TRANSFER. Notwithstanding section 54-27-25, during the biennium beginning July 1, 2001, and ending June 30, 2003, the director of the office of management and budget may transfer \$9,733,820 from the water development trust fund to the general fund.

SECTION 20. Section 10 of chapter 535 of the 1999 Session Laws is amended and reenacted as follows:

SECTION 10. STATEWIDE WATER DEVELOPMENT PROGRAM - LEGISLATIVE INTENT. The state water commission shall develop a new comprehensive statewide water development program with priorities based upon expected funds available from the water development trust fund for water development projects. This program may include water quality improvement projects. It is the intent of the legislative assembly that the state water commission consider the delivery of water for usable purposes a priority for water development projects after the projects authorized in section 3 of this Act are completed.

SECTION 21. AMENDMENT. Section 11 of chapter 535 of the 1999 Session Laws is amended and reenacted as follows:

SECTION 11. EXPIRATION DATE. The authority of the commission to issue bonds as provided in chapter 61-02.1 is effective through June 30, ~~2004~~ 2003, and

after that date is ineffective provided, however, that the commission may continue to exercise all other powers granted to it under this Act and to comply with any covenants entered into pursuant to this Act.

SECTION 22. LEGISLATIVE INTENT - ADMINISTRATIVE EXPENSES. It is the intent of the fifty-seventh legislative assembly that the water development trust fund not be used as a source of funding for state water commission administrative expenses after the 2001-03 biennium.

SECTION 23. FARGO FLOOD CONTROL - REQUIREMENTS. Except for planning, the state water commission may not issue bonds or provide funding for Fargo flood control projects until applicable permits are issued, southeast Cass water resource district has approved the project, and a public hearing process is held on the approved project plan. The total authorization consists of \$500,000 for expenses for preliminary study and planning of the project and \$5,000,000 for project construction expenses.

Approved April 20, 2001
Filed April 20, 2001

CHAPTER 23

HOUSE BILL NO. 1024

(Appropriations Committee)
(At the request of the Governor)

WORKERS COMPENSATION BUREAU

AN ACT to provide an appropriation for defraying the expenses of the workers compensation bureau; to authorize and provide an appropriation for additional full-time equivalent positions for the workers compensation bureau; to create and enact a new section to chapter 65-02 of the North Dakota Century Code, relating to the creation of a building maintenance account; and to amend and reenact sections 65-02-03.2 and 65-05.1-06.2 of the North Dakota Century Code, relating to workers compensation board members and workers' compensation vocational rehabilitation services.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from the workers compensation fund in the state treasury, not otherwise appropriated, to the workers compensation bureau for the purpose of defraying the expenses of the workers compensation bureau for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Total special funds appropriation	\$31,141,340
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SECTION 2. NORTH DAKOTA WORKERS COMPENSATION BUREAU FULL-TIME EQUIVALENT EMPLOYEE POSITIONS AUTHORIZATION - APPROPRIATION - REPORT TO BUDGET SECTION. The North Dakota workers compensation board of directors may authorize the workers compensation bureau to hire, upon a determination that employees are needed to facilitate the economic and efficient administration of the bureau, up to ten full-time equivalent employee positions in addition to the full-time equivalent employee positions authorized in section 1 of this Act for the biennium beginning July 1, 2001, and ending June 30, 2003. There is appropriated out of any moneys in the workers' compensation fund, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the workers compensation bureau for the purpose of providing wages, salaries, and benefits for any additional full-time equivalent positions authorized under this section. The workers compensation board of directors shall report to the budget section of the legislative council on any additional full-time equivalent employee positions and related funding authorized.

SECTION 3. PROJECT AUTHORIZATION. The industrial commission, acting as the North Dakota building authority, may, at the request of the workers compensation board of directors, arrange for funding of an office building project authorized by this section, declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2, during the biennium beginning July 1, 2001, and ending June 30, 2003. The proceeds of the evidences of indebtedness and other available funds are appropriated during the period beginning July 1, 2001, and ending July 31, 2003, for a workers compensation bureau office building.

The industrial commission may issue evidences of indebtedness in the principal amount requested plus costs of issuance, capitalized interest, and any reasonable required reserves under this section with the condition that lease rental payments need not begin until July 1, 2003. This authority of the industrial commission to issue evidences of indebtedness ends June 30, 2003, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and to comply with any covenants entered into before that date.

SECTION 4. BOND ISSUANCE REPAYMENT RESPONSIBILITY. Funding must be made available by the workers compensation bureau from non-general fund sources to be appropriated to the industrial commission to retire the evidences of indebtedness issued for the project costs associated with the construction of the project authorized by this Act.

SECTION 5. LEGISLATIVE INTENT - WORKERS COMPENSATION BUREAU BUILDING - OTHER STATE AGENCIES LEASING. It is the intent of the legislative assembly that if a new facility is built to house the operations of the workers compensation bureau that the facility be built to include rental space for other state agencies and that the workers compensation bureau work with the office of management and budget to identify which agencies will lease space in the workers compensation bureau building and report to the budget section of the legislative council on plans for leasing to other agencies. The bureau shall set and collect rental amounts and maintain and control the building and its grounds.

SECTION 6. A new section to chapter 65-02 of the North Dakota Century Code is created and enacted as follows:

Building maintenance account - Continuing appropriation. There is a building maintenance account within the workers' compensation fund, to which the workers compensation bureau shall deposit all building rental proceeds if the workers compensation bureau builds a building that includes rental space for other state entities. The moneys in the account are appropriated on a continuing basis to the workers compensation bureau to pay bond principal and interest payments, operating, maintenance, repair, and payments in lieu of taxes expenses of the building and grounds. This account may be used only for the purposes identified in this section. The workers compensation bureau may either hire or contract for building maintenance and repair services anticipated by this section. The bureau shall report to the budget section of the legislative council on a biennial basis on all revenues deposited into this account and expenditures made from the account.

SECTION 7. AMENDMENT. Section 65-02-03.2 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

65-02-03.2. Compensation of board members. A board member is entitled to receive compensation ~~in the amount of sixty-two dollars and fifty cents per day as determined by the board~~ for days spent in attendance at board meetings or other business as approved by the board. A board member is entitled to reimbursement for mileage and expenses as provided for state officers.

SECTION 8. AMENDMENT. Section 65-05.1-06.2 of the North Dakota Century Code is amended and reenacted as follows:

65-05.1-06.2. Bids Contract for vocational rehabilitation services. The bureau ~~shall solicit bids from~~ may contract with vocational rehabilitation vendors to provide vocational rehabilitation services ~~relative to vocational rehabilitation of claimants. The bureau shall contract with the lowest and best bidders to provide these services on a biennial basis.~~ The bureau shall determine the criteria that render a vocational rehabilitation vendor qualified. ~~The request for bids must contain a detailed outline of services each vendor will be expected to provide. The accepted bid is binding upon both the bureau and the rehabilitation vendor.~~ If additional services are determined to be necessary as a result of failed or inappropriate rehabilitation of an injured employee through no fault of the employee, the bureau may contract with the vendor for additional services. If the failure or inappropriateness of the rehabilitation of the injured employee is due to the vendor's failure to provide the necessary services to fulfill the contract, the bureau is not obligated to use that vendor for additional services on that claim and the bureau may refuse payment for a service that the vendor failed to perform which was a material requirement of the contract.

Approved April 24, 2001

Filed April 24, 2001

CHAPTER 24**HOUSE BILL NO. 1025**
(Appropriations Committee)
(At the request of the Governor)**RETIREMENT AND INVESTMENT AGENCIES**

AN ACT to provide an appropriation for defraying the expenses of various state retirement and investment agencies.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys from special funds derived from income, to the retirement and investment agencies listed in this section for the purpose of defraying their expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

RETIREMENT AND INVESTMENT OFFICE

Salaries and wages	\$1,664,041
Operating expenses	1,021,492
Equipment	22,600
Contingency	<u>82,000</u>
Total special funds appropriation	\$2,790,133

Subdivision 2.

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Salaries and wages	\$2,314,750
Operating expenses	1,507,730
Equipment	12,000
Contingency	<u>25,000</u>
Total special funds appropriation	\$3,859,480
Grand total special funds appropriation H.B. 1025	\$6,649,613

Approved April 24, 2001
Filed April 24, 2001

CHAPTER 25**HOUSE BILL NO. 1026**

(Appropriations Committee)
(At the request of the Governor)

STATE DEPARTMENTS AND INSTITUTIONS

AN ACT making an appropriation for defraying the expenses of various state departments and institutions; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, the sums as hereinafter provided or so much of the sums as may be necessary. These sums increase the appropriation authority enacted by the fifty-sixth legislative assembly to the stated departments and institutions of the state of North Dakota for the purpose of defraying their expenses, for the period beginning January 1, 2001, and ending June 30, 2001, as follows:

Subdivision 1.

OFFICE OF ADMINISTRATIVE HEARINGS

Operating expenses	<u>\$120,000</u>
Total general fund appropriation	<u>\$120,000</u>

Subdivision 2.

HIGHWAY PATROL

Administration	\$7,000
Field operations	<u>193,000</u>
Total general fund appropriation	<u>\$200,000</u>

Subdivision 3.

DIVISION OF EMERGENCY MANAGEMENT

Operating expenses	<u>\$14,000,000</u>
Total general fund appropriation	<u>\$14,000,000</u>

Subdivision 4.

DEPARTMENT OF PARKS AND RECREATION

Natural resources	<u>\$132,000</u>
Total general fund appropriation	<u>\$132,000</u>

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

1997 flood expenditures	<u>\$3,115,908</u>
Total general fund appropriation	<u>\$3,115,908</u>

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

2000 flood expenditures	<u>\$1,609,200</u>
Total general fund appropriation	\$1,609,200

Subdivision 7.

ATTORNEY GENERAL

Operating expenses	\$40,000
Arrest and return of fugitives	<u>7,000</u>
Total general fund appropriation	\$47,000

Subdivision 8.

MAYVILLE STATE UNIVERSITY

Operating expenses	\$14,630
Capital improvements	<u>25,000</u>
Total general fund appropriation	\$39,630

Subdivision 9.

STATE COLLEGE OF SCIENCE

Operating expenses	\$279,945
Capital improvements	<u>32,745</u>
Total general fund appropriation	\$312,690

Subdivision 10.

STATE TREASURER

In lieu of tax payments	<u>\$783,413</u>
Total general fund appropriation	\$783,413

Subdivision 11.

DEPARTMENT OF CORRECTIONS AND REHABILITATION

Victims services	<u>\$250,000</u>
Total special funds appropriation	\$250,000
Grand total general fund appropriation H.B. 1026	\$20,359,841
Grand total special funds appropriation H.B. 1026	<u>\$250,000</u>
Grand total all funds appropriation H.B. 1026	\$20,609,841

SECTION 2. EXEMPTION. The appropriation contained in subdivision 3 of section 1 of this Act is not subject to the provisions of section 54-44.1-11 and any unexpended funds from this appropriation are available during the biennium beginning July 1, 2001, and ending June 30, 2003, for the purpose of providing state matching funds for public assistance and disaster hazard mitigation.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 13, 2001
Filed April 16, 2001

CHAPTER 26

SENATE BILL NO. 2001

(Appropriations Committee)
(At the request of the Legislative Council)

LEGISLATIVE BRANCH

AN ACT providing an appropriation for defraying the expenses of the legislative branch of government; to amend and reenact section 54-03-20 of the North Dakota Century Code, relating to legislative compensation; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION FOR THE LEGISLATIVE BRANCH OF STATE GOVERNMENT. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the legislative branch of the state government for the purpose of defraying the expenses of that branch, for the fiscal period beginning with the effective date of this Act and ending June 30, 2003, as follows:

Subdivision 1.

FIFTY-SEVENTH AND FIFTY-EIGHTH LEGISLATIVE ASSEMBLIES AND BIENNIUM

Salaries and wages	\$5,566,499
Operating expenses	2,987,567
Equipment	350,800
National conference of state legislatures	165,297
Total general fund appropriation	\$9,070,163

Subdivision 2.

LEGISLATIVE COUNCIL

Salaries and wages	\$4,594,446
Operating expenses	2,190,656
Equipment	148,300
Information technology program	240,000
Total general fund appropriation	\$7,173,402
Grand total general fund appropriation	\$16,243,565

SECTION 2. TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget and the state treasurer shall make transfers of funds between line items of appropriations for the legislative council as may be requested by the chairman of the council or the chairman's designee upon the finding by the chairman or designee that the nature of studies and duties assigned to the council requires the transfers in properly carrying on the council's functions and duties. The director of the office of management and budget and the state treasurer shall similarly make transfers of funds between the line items for the fifty-seventh and fifty-eighth legislative assemblies, upon request by the chairman of the legislative council or the chairman's designee upon the finding by the chairman or designee that the transfers are required for the legislative assembly to carry on its functions and duties.

¹³ **SECTION 3. AMENDMENT.** Section 54-03-20 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-03-20. Compensation and expense reimbursement of members of the legislative assembly. Each member of the legislative assembly of the state of North Dakota is entitled to receive as compensation for services the sum of one hundred eleven dollars for each calendar day during any organizational, special, or regular legislative session. Each member of the legislative assembly is entitled to receive reimbursement for lodging, which may not exceed a maximum of six hundred fifty dollars per calendar month for lodging in state, at the rates and in the manner provided in section 44-08-04 for each calendar day during the period of any organizational, special, or regular session. Members of the legislative assembly who receive reimbursement for lodging are also entitled to reimbursement for travel for not to exceed one round trip taken during any calendar week, or portion of a week, the legislative assembly is in session, between their residences and the place of meeting of the legislative assembly, at the rate provided for state employees with the additional limitation that reimbursement for travel by common carrier may be only at the cost of coach fare and may not exceed one and one-half times the amount the member would be entitled to receive as mileage reimbursement for travel by motor vehicle. A member of the legislative assembly who does not receive reimbursement for lodging and whose place of residence in the legislative district that the member represents is not within the city of Bismarck is entitled to reimbursement at the rate provided for state employees for necessary travel for not to exceed one round trip taken per day between the residence and the place of meeting of the legislative assembly when it is in session and may receive reimbursement for lodging at the place of meeting of the legislative assembly as provided in section 44-08-04 for each calendar day for which round trip travel reimbursement is not claimed, provided that the total reimbursement may not exceed six hundred fifty dollars per month. The amount to which each legislator is entitled must be paid following the organizational session in December and following each month during a regular or special session.

A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session must be included as a calendar day during a legislative session for the purposes of this section.

In addition, each member is entitled to receive during the term for which the member was elected, as compensation for the execution of public duties during the biennium, the sum of two hundred fifty dollars a month, which is payable every six months or monthly, at the member's option. If a member dies or resigns from office during the member's term, the member may be paid only the allowances provided for in this section for the period for which the member was actually a member. The majority and minority leaders of the house and senate and the chairman of the legislative council, if the chairman is not a majority or minority leader, are each entitled to receive as compensation, in addition to any other compensation or expense reimbursement provided by law, the sum of two hundred fifty dollars per month during the biennium for their execution of public duties.

Attendance at any organizational, special, or regular session of the legislative assembly by any member is a conclusive presumption of entitlement as set out in this section and compensation and expense allowances must be excluded from

¹³ Section 54-03-20 was also amended by section 1 of Senate Bill No. 2048, chapter 467, and section 1 of Senate Bill No. 2175, chapter 468.

gross income for income tax purposes to the extent permitted for federal income tax purposes under section 127 of the Economic Recovery Tax Act of 1981 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 23, 2001
Filed April 23, 2001

CHAPTER 27

SENATE BILL NO. 2002 (Appropriations Committee) (At the request of the Supreme Court)

JUDICIAL BRANCH

AN ACT to provide an appropriation for defraying the expenses of the judicial branch; to amend and reenact sections 27-02-02 and 27-05-03 of the North Dakota Century Code, relating to salaries of supreme and district court judges; to provide an exemption from the provisions of section 54-44.1-11 of the North Dakota Century Code; to provide a statement of legislative intent; and to provide for a legislative council study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the judicial branch for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

SUPREME COURT

Salaries and wages	\$5,657,954
Operating expenses	1,583,678
Equipment	153,250
Judges retirement	<u>209,069</u>
Total general fund appropriation	\$7,603,951

Subdivision 2.

DISTRICT COURTS

Salaries and wages	\$25,056,564
Operating expenses	10,004,669
Equipment	875,150
Judges retirement	878,381
UND - Central legal research	80,000
Alternative dispute resolution	<u>40,000</u>
Total all funds	\$36,934,764
Less estimated income	<u>1,194,071</u>
Total general fund appropriation	\$35,740,693

Subdivision 3.

JUDICIAL CONDUCT COMMISSION AND DISCIPLINARY BOARD

Judicial conduct commission and disciplinary board	<u>\$528,262</u>
Total all funds	\$528,262
Less estimated income	<u>273,750</u>
Total general fund appropriation	\$254,512

Subdivision 4.

CLERK OF DISTRICT COURT FUNDING

Salaries and wages	\$7,132,966
Operating expenses	3,338,737
Equipment	382,650
Collection of restitution	<u>50,000</u>
Total all funds	\$10,904,353
Less estimated income	<u>750,000</u>
Total general fund appropriation	\$10,154,353
Grand total general fund appropriation	\$53,753,509
Grand total special funds appropriation	\$2,217,821
Grand total all funds appropriation	\$55,971,330

SECTION 2. APPROPRIATION. There are hereby appropriated any funds received by the supreme court, district courts, and judicial conduct commission and disciplinary board, not otherwise appropriated, pursuant to federal acts and private gifts, grants, and donations for the purpose as designated in the federal acts or private gifts, grants, and donations for the period beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. TRANSFERS. The director of the office of management and budget and the state treasurer shall make such transfers of funds between line items of appropriation for the judicial branch of government as may be requested by the supreme court upon a finding by the court that the nature of the duties of the court and its staff requires the transfers to carry on properly the functions of the judicial branch of government.

SECTION 4. EXEMPTION. The district courts' appropriation contained in subdivision 2 of section 1 of chapter 2 of the 1999 Session Laws is not subject to the provisions of section 54-44.1-11 for up to an amount of \$350,000 and any unexpended funds from this appropriation are available to be used to consolidate and integrate the east central judicial district's case management system with the unified court information system used by the other six judicial districts during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. JUDICIAL BRANCH - RECORDS MANAGEMENT. The judicial branch is encouraged to explore the opportunities of using the electronic document management system services provided by the information technology department for enhanced records management and data storage.

SECTION 6. LEGISLATIVE INTENT - RESTITUTION COLLECTION AND ENFORCEMENT. It is the intent of the legislative assembly that the county and state offices performing restitution collection and enforcement activities as of April 1, 2001, continue to perform those activities until June 30, 2003.

SECTION 7. LEGISLATIVE COUNCIL STUDY - CLERK OF COURT. The legislative council shall consider studying, during the 2001-02 interim, the implementation of the clerk of court unification including a review of the delivery of services by clerks of court and the responsibility for restitution collection and enforcement activities.

SECTION 8. AMENDMENT. Section 27-02-02 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

27-02-02. Salaries of judges of supreme court. The annual salary of each judge of the supreme court is ~~eighty-three~~ ninety-two thousand ~~eight~~ two hundred

~~seven~~ eighty-nine dollars through June 30, ~~2000~~ 2002, and ~~eighty-five~~ ninety-nine thousand ~~four~~ one hundred ~~eighty-three~~ twenty-two dollars thereafter. The chief justice of the supreme court is entitled to receive an additional two thousand ~~three~~ five hundred ~~sixty-five~~ sixty-nine dollars per annum through June 30, ~~2000~~ 2002, and two thousand ~~four~~ eight hundred ~~twelve~~ ninety-nine dollars per annum thereafter.

SECTION 9. AMENDMENT. Section 27-05-03 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

27-05-03. Salaries and expenses of district judges. The annual salary of each district judge is ~~seventy-seven~~ eighty-four thousand ~~three~~ seven hundred ~~forty~~ sixty-five dollars through June 30, ~~2000~~ 2002, and ~~seventy-eight~~ ninety thousand ~~eight~~ six hundred ~~eighty-seven~~ seventy-one dollars thereafter. Each district judge is entitled to travel expenses including mileage and subsistence while engaged in the discharge of official duties outside the city in which the judge's chambers are located. The salary and expenses are payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled to receive an additional one thousand ~~eight~~ nine hundred ~~thirty-one~~ eighty-nine dollars per annum, through June 30, ~~2000~~ 2002, and ~~one~~ two thousand ~~eight~~ six hundred ~~sixty-eight~~ seventy-two dollars thereafter.

Approved April 28, 2001
Filed April 28, 2001

CHAPTER 28

SENATE BILL NO. 2003

(Appropriations Committee)
(At the request of the Governor)

UNIVERSITY SYSTEM

AN ACT to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for legislative council studies; to provide statements of legislative intent; to authorize the University of North Dakota to purchase certain land in Grand Forks County; to amend and reenact sections 15-10-12, 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-11 of the North Dakota Century Code, relating to higher education institutions' special revenue funds, budget requests and block grant appropriations, and unexpended appropriations; to repeal section 2 of House Bill No. 1283, section 2 of House Bill No. 1444, and section 22 of chapter 37 of the 1999 Session Laws, relating to a technology occupations student loan program, a student loan forgiveness program, and the university of North Dakota winter sports facility maintenance fund; to provide an expiration date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, to the North Dakota university system and to the various institutions of higher learning under the supervision of the board of higher education for the purpose of defraying their expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

Operations	\$3,563,887
Student financial assistance grants	4,223,031
Information technology management	216,676
Professional student exchange program	1,560,716
Disabled student services	51,560
Technical administration	194,788
Contingency and capital improvement emergency fund	344,309
Scholars program	770,730
Native American scholarships	204,082
Title II	534,000
Competitive research program	4,000,000
Board initiatives	1,370,797
Capital bond payments	12,730,841
Education incentive programs	<u>830,000</u>
Total all funds	\$30,595,417
Less estimated income	<u>3,716,822</u>
General fund appropriation	\$26,878,595

Subdivision 2.

NORTH DAKOTA UNIVERSITY SYSTEM

Equity and special needs pool	\$4,628,824
Technology pool	<u>26,938,419</u>
General fund appropriation	\$31,567,243

Subdivision 3.

BISMARCK STATE COLLEGE

Operations	\$15,381,193
Capital assets	<u>846,000</u>
General fund appropriation	\$16,227,193

Subdivision 4.

LAKE REGION STATE COLLEGE

Operations	\$4,881,954
Capital assets	<u>399,831</u>
Total all funds	\$5,281,785
Less estimated income	<u>325,000</u>
General fund appropriation	\$4,956,785

Subdivision 5.

WILLISTON STATE COLLEGE

Operations	\$5,390,441
Capital assets	<u>88,790</u>
General fund appropriation	\$5,479,231

Subdivision 6.

UNIVERSITY OF NORTH DAKOTA

Operations	\$85,601,876
Capital assets	<u>13,572,136</u>
Total all funds	\$99,174,012
Less estimated income	<u>11,210,000</u>
General fund appropriation	\$87,964,012

Subdivision 7.

NORTH DAKOTA STATE UNIVERSITY

Operations	\$66,931,216
Capital assets	<u>22,937,531</u>
Total all funds	\$89,868,747
Less estimated income	<u>21,200,000</u>
General fund appropriation	\$68,668,747

Subdivision 8.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

Operations	\$24,099,302
Capital assets	<u>3,800,220</u>
Total all funds	\$27,899,522
Less estimated income	<u>916,720</u>
General fund appropriation	\$26,982,802

Subdivision 9.

DICKINSON STATE UNIVERSITY

Operations	\$13,746,171
Capital assets	<u>4,393,962</u>
Total all funds	\$18,140,133

Less estimated income	<u>4,000,000</u>
General fund appropriation	\$14,140,133

Subdivision 10.

MAYVILLE STATE UNIVERSITY

Operations	\$8,330,748
Capital assets	<u>4,724,589</u>
Total all funds	\$13,055,337
Less estimated income	<u>4,000,000</u>
General fund appropriation	\$9,055,337

Subdivision 11.

MINOT STATE UNIVERSITY

Operations	\$25,919,536
Capital assets	<u>612,850</u>
General fund appropriation	\$26,532,386

Subdivision 12.

VALLEY CITY STATE UNIVERSITY

Operations	\$11,325,513
Capital assets	<u>1,115,334</u>
General fund appropriation	\$12,440,847

Subdivision 13.

MINOT STATE UNIVERSITY - BOTTINEAU

Operations	\$4,097,577
Capital assets	<u>187,663</u>
General fund appropriation	\$4,285,240

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

Salaries and wages	\$1,909,839
Operating expenses	442,998
Equipment	48,011
Capital improvements	171,061
Grants to centennial trees	<u>247,486</u>
Total all funds	\$2,819,395
Less estimated income	<u>1,050,526</u>
General fund appropriation	\$1,768,869

Subdivision 15.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH
SCIENCES

Operations	<u>\$30,006,416</u>
General fund appropriation	\$30,006,416
Grand total general fund appropriation S.B. 2003	\$366,953,836
Grand total estimated income S.B. 2003	\$46,560,068
Grand total all funds appropriation S.B. 2003	\$413,513,904

SECTION 2. APPROPRIATION TRANSFER. The contingency and capital improvement emergency fund, board initiatives, and disabled student services line items in subdivision 1 of section 1 of this Act must be used for the benefit of the institutions and entities in section 1 of this Act as determined by the board of higher education. The university system office shall notify the office of management and budget of the allocation to the various entities and institutions and which line items in the various institutions and entities must be adjusted.

SECTION 3. FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION. All funds, in addition to those appropriated in section 1 of this Act, received by the entities under the control of the state board of higher education pursuant to federal acts, private grants, and other sources are appropriated.

SECTION 4. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$16,441, or so much of the sum as may be necessary, to Mayville state university for the purpose of defraying repair costs for the university's fieldhouse floor, for the period beginning with the effective date of this Act and ending June 30, 2003.

SECTION 5. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the university of North Dakota for the purpose of defraying flood-related expenses, for the period beginning with the effective date of this Act and ending June 30, 2003, as follows:

1997 flood expenditures	<u>\$269,676</u>
Total general fund appropriation	<u>\$269,676</u>

SECTION 6. AUTHORIZATION. Notwithstanding section 3 of chapter 3 of the 1999 Session Laws, Lake Region state college is authorized to expend \$130,000 in excess tuition collections in the biennium beginning July 1, 1999, and ending June 30, 2003.

SECTION 7. TRANSFER AUTHORITY. The state board of higher education may approve transfer of funds between line items for each entity included in section 1 of this Act and shall notify the office of management and budget of each transfer; however, funds may not be transferred out of the capital assets appropriations.

SECTION 8. EXEMPTION. The appropriations contained in section 1 of chapter 3 of the 1999 Session Laws are not subject to the provisions of section 54-44.1-11. Capital improvement appropriations contained in section 1 of chapter 3 of the 1999 Session Laws may be expended as directed by the university system for capital repairs and improvements.

SECTION 9. LEGISLATIVE INTENT - FULL-TIME EQUIVALENTS. The state board of higher education is authorized to adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities in subdivisions 3 through 15 of section 1 of this Act. The university system shall report any adjustments to the office of management and budget prior to the submission of the 2003-05 biennium budget request. The number of full-time equivalent positions for the university system office may not be increased above the level employed as of April 28, 2001.

SECTION 10. STUDENT FINANCIAL ASSISTANCE GRANTS. The funds appropriated for student financial assistance grants in section 1 of this Act must be allocated not less than twenty percent to students at private institutions with the remaining funds allocated to students at public and Native American institutions.

SECTION 11. EDUCATION INCENTIVE PROGRAMS. Of the funds appropriated for education incentives in section 1 of this Act, \$60,000 is to provide incentives to encourage additional doctoral graduates in North Dakota, \$370,000 is provided for teacher retraining scholarships and a teacher student loan forgiveness

program, and \$400,000 is provided for a technology occupations student loan program authorized in House Bill No. 1283.

SECTION 12. TECHNOLOGY POOL. The technology pool amount in subdivision 2 of section 1 must be used for the benefit of the institutions and entities in section 1 as determined by the state board of higher education. Technology funding allocations are to be made based on historic funding, the North Dakota university system information technology plan, the statewide network plan, base funding for higher education computer network computer center operations, and base funding for interactive video network and on-line dakota information network operations.

SECTION 13. EQUITY AND SPECIAL NEEDS POOL. The equity and special needs pool in subdivision 2 of section 1 must be used for the benefit of the institutions and entities in subdivisions 3 through 15 of section 1 as determined by the state board of higher education. When making allocations from the equity and special needs pool, the state board of higher education shall allocate the funds to address equity and parity funding needs and to support new initiatives or program costs consistent with board and statewide needs.

SECTION 14. STATE FORESTER RESERVE ACCOUNT APPROPRIATION - BUDGET SECTION APPROVAL. The estimated income in subdivision 14 of section 1 of this Act includes the sum of \$120,000 from the state forester reserve account, established in section 4-19-01.2, for the construction of the Towner nursery tree storage building.

After receiving approval from the budget section, the forest service may obtain and utilize any available funds, in addition to the \$120,000 from the reserve account, received from federal, public, private, or other sources, which are appropriated to the state forest service to assist in the construction of the Towner nursery tree storage building.

SECTION 15. LEGISLATIVE INTENT - ENROLLMENT MANAGEMENT PLAN. It is the intent of the legislative assembly that the state board of higher education establish a long-term enrollment management plan and procedures for implementation of the plan. The board shall report to the legislative council during the 2001-02 interim on the board's progress toward establishing a long-term enrollment management plan and related implementation procedures and provide the final report to the fifty-eighth legislative assembly.

SECTION 16. LEGISLATIVE INTENT - ALTERNATIVE HEATING SOURCES. It is the intent of the legislative assembly that institutions under the control of the state board of higher education explore the possible use of alternative heating sources, including the use of North Dakota coal.

SECTION 17. LEGISLATIVE COUNCIL STUDY - COLLEGE TECHNICAL EDUCATION COUNCIL. The legislative council shall consider studying during the 2001-02 interim the responsibilities and the functions of the college technical education council and the implementation of the workforce training regions including how the regions are functioning. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. LEGISLATIVE COUNCIL STUDY - HIGHER EDUCATION ACCOUNTABILITY MEASURES. The legislative council shall consider studying during the 2001-02 interim the board of higher education's implementation of the

performance and accountability measures report required by Senate Bill No. 2041. If conducted, the study may include the use of the higher education roundtable format. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 19. LEGISLATIVE INTENT - HIGHER EDUCATION ACCOUNTABILITY MEASURES. It is the intent of the legislative assembly that the board of higher education's performance and accountability report as required by Senate Bill No. 2041 include an executive summary and information regarding:

1. Education excellence, including:
 - a. Student performance on nationally recognized exams in their major fields compared to the national averages.
 - b. First-time licensure pass rates compared to other states.
 - c. Alumni-reported and student-reported satisfaction with preparation in selected major, acquisition of specific skills, and technology knowledge and abilities.
 - d. Employer-reported satisfaction with preparation of recently hired graduates.
 - e. Biennial report on employee satisfaction relating to the university system and local institutions.
 - f. Ratio of faculty and staff to students.
 - g. Student graduation and retention rates.
2. Economic development, including:
 - a. Enrollment in entrepreneurship courses and the number of graduates of entrepreneurship programs.
 - b. Percentage of university system graduates obtaining employment appropriate to their education in the state.
 - c. Number of businesses and employees in the region receiving training.
3. Student access, including:
 - a. Proportion of residents of the state who are within a forty-five-minute drive of a location at which they can receive educational programs from a provider.
 - b. Number and proportion of enrollments in courses offered by nontraditional methods.
4. Student affordability, including:
 - a. Tuition and fees on a per student basis compared to the regional average.

- b. Tuition and fees as a percentage of median North Dakota household income.
 - c. Cost per student in terms of general fund appropriations and total university system funding.
 - d. Administrative, instructional, and other cost per student.
 - e. Per capita general fund appropriations for higher education.
 - f. State general fund appropriation levels for university system institutions compared to peer institutions general fund appropriation levels.
5. Financial operations, including:
- a. Percentage of total university system funding used for instruction, research, and public service.
 - b. Percentage of total university system funding used for institutional support, operations, and maintenance of physical plant.
 - c. Ratio measuring the funding derived from operating and contributed income compared to total university system funding.
 - d. Ratio measuring the size of the university system's outstanding maintenance as compared to its expendable net assets.
 - e. Ratio measuring the amount of expendable net assets as compared to the amount of long-term debt.
 - f. Research expenditures in proportion to the amount of revenue generated by research activity and funding received for research activity.
 - g. Report on new construction and major renovation capital projects for which specific appropriations are made, including budget to actual comparison, use of third-party funding, and related debt.

SECTION 20. LEGISLATIVE INTENT - STATE COLLEGE OF SCIENCE - BLIKRE ACTIVITIES CENTER RENOVATION. It is the intent of the legislative assembly that the funding of \$368,920 included in the estimated income in subdivision 8 of section 1 of this Act for an addition to the Blikre activities center at the state college of science must be collected before construction of an addition may begin. The state college of science, after receiving approval from the budget section, may obtain and utilize any available funds, in addition to the \$368,920, received from federal, public, private, or other sources which are appropriated to the state college of science to assist in the Blikre activities center addition.

SECTION 21. LEGISLATIVE INTENT - BISMARCK STATE COLLEGE - SCHAFER HALL RENOVATION. It is the intent of the legislative assembly that funding of \$596,000 included in the capital assets line item in subdivision 3 of section 1 of this Act for renovation of Schafer hall be used only for renovation of classroom or student-related areas. No funds from any source may be used for renovation of administrative offices in Schafer hall.

SECTION 22. PURCHASE OF LAND AUTHORIZED.

1. The university of North Dakota may purchase the land described in this subsection for the price and on the terms as determined by the university of North Dakota. The land to be purchased is that portion of the burlington northern and santa fe railway company's (formerly great northern railway company) yard property at Grand Forks, North Dakota, situated in the S 1/2 SE 1/4 SE 1/4 of section 5, township 151 north, range 50 west of the fifth principal meridian, Grand Forks County, North Dakota, being a portion of the same 5 1/2 acre tract of land described in warranty deed from Thomas Campbell, et ux, to the Saint Paul, Minneapolis and Manitoba railway company filed for record July 29, 1880 in book c of deed, page 85 in and for said county, described as follows, to-wit:

Beginning at a point on the north line of said 5 1/2 acre tract of land distant 33.0 feet west of the east line of said section 5, said point being 75.0 feet north, as measured at right angles from said railway company's main track centerline, as originally located and constructed, and 85 feet, more or less, north of the south line of said section 5; thence west along said north line, and parallel with said main track centerline, a distance of 848.5 feet; thence south at right angles to the last described course 46.5 feet; thence east parallel with the north line of said 5 1/2 acre tract to the intersection with a line drawn parallel with and distant 33.0 feet west, as measured at right angles from the east line of said section 5, thence north along the last described parallel line to the point of beginning,

EXCEPTING THEREFROM, that portion, if any, lying within 10.0 feet of said railway company's most northerly spur track centerline, as now located and constructed upon, over and across said S 1/2 SE 1/4 SE 1/4.

ALSO,

That portion of the burlington northern and santa fe railway company's (formerly great northern railway company) yard property at Grand Forks, North Dakota, situated in the S 1/2 SW 1/4 SE 1/4 of section 5, township 151 north, range 50 west of the fifth principal meridian, Grand Forks County, North Dakota, being a portion of the same 5 1/2 acre tract of land described in warranty deed from Thomas Campbell, et ux, to the Saint Paul, Minneapolis and Manitoba railway company filed for record July 29, 1880 in book c of deed, page 85 in and for said county, described as follows, to-wit:

Beginning at a point on the north line of said 5 1/2 acre tract of land distant 290.0 feet east of the west line of said S 1/2 SW 1/4 SE 1/4, said point being 75.0 feet north, as measured at right angles from said railway company's main track centerline, as originally located and constructed, and 85 feet, more or less, north of the south line of said section 5; thence east along said north line, and parallel with said main track centerline, a distance of 990 feet, more or less, to the intersection with a line drawn concentric with and distant 15.0 feet northwesterly, as measured radially from said railway company's university power house spur track centerline, as now located and constructed; thence southwesterly along said concentric line to the intersection with a line

drawn parallel with and distant 50.0 feet south, as measured at right angles from said north line; thence west along said parallel line to the intersection with a line drawn parallel with and distant 290.0 feet east, as measured at right angles from the west line of said S 1/2 SW 1/4 SE 1/4; thence north along the last described parallel line 50.0 feet to the point of beginning.

2. The attorney general shall review and approve as to form and legality all legal documents, papers, and instruments required for the purchase authorized by this section.

SECTION 23. APPROPRIATION. There is appropriated out of any moneys received by the university of North Dakota pursuant to federal acts, private grants, and other sources enumerated in section 3 of this Act, not otherwise appropriated, the sum of \$141,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of purchasing the land described in section 22 of this Act, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 24. AMENDMENT. Section 15-10-12 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

15-10-12. Board may accept gifts and bequests - Deposit and appropriation of institutional funds. The Subject to the limitations of section 15-10-12.1, the state board of higher education may, subject to the limitations of section 15-10-12.1, receive donations, gifts, grants, and bequests offered or tendered to or for the benefit of any institution of higher education under its control or subject to its administration, and all moneys coming into the hands of the board as donations, gifts, grants, and bequests must be used for the specific purpose for which they are donated or given. A special revenue fund, for each institution of higher education under the control of the board or subject to its administration, must be maintained within the state treasury and all institutional income from tuition collections must be placed in the special fund for the use of the institution for which the money was raised. All rent, interest, or income from land, money, or property, donated or granted by the United States and allocated to specific institutions of higher learning under the terms of the Enabling Act and the Constitution of North Dakota must be deposited in the special revenue fund of each institution and expended in accordance with section 1 of article IX of the Constitution of North Dakota. Moneys in the special revenue fund are subject to legislative appropriations. All other funds, unless restricted by the terms of a grant, donation, or bequest, received by the institutions from federal, state, and local grants and contracts, indirect cost recoveries, tuition, special student fees, room and board fees and other auxiliary enterprise fees, student activity fees, continuing education program fees, internal service fund revenues, and all other revenues must be deposited in the institution special revenue funds. The state treasurer shall immediately transfer the funds deposited in the special revenue funds to institution accounts in the Bank of North Dakota. Biennial estimates of revenue and expenditures of the other funds by source of funds must be presented at the same time biennial budget requests for appropriations from the special revenue fund and state general fund are prepared and submitted to the office of the budget pursuant to section 15-10-15. Payments from each institution's general fund appropriation must be made in amounts as may be necessary for the operation and maintenance of each institution; except that at the close of the biennium the balance of funds not paid from the general fund appropriation must be deposited in the special revenue funds of the institutions. The funds in the institution accounts are appropriated on a continuing basis to the state board of higher education. All such appropriations are subject to proration in the same manner as other appropriations are prorated if insufficient funds are available

to meet expenditures from the general fund. Sinking funds for the payment of interest and principal of institutional revenue bonds must be deposited pursuant to section 15-55-06.

SECTION 25. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-04. Budget estimates of budget units filed with the office of the budget - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget, estimates of financial requirements of his budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The budget estimates for the North Dakota university system must include block grants for the university system for a base funding component and for an initiative funding component for specific strategies or initiatives and a budget estimate for an asset funding component for renewal and replacement of physical plant assets at the institutions of higher education. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget in ~~his~~ the director's discretion may extend the filing date for any budget unit if ~~he~~ the director finds there is some circumstance which makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare such budget unit's estimate of financial requirements except such estimate may not exceed ninety percent of such budget unit's previous biennial appropriation. The director of the budget or such subordinate officer as ~~he~~ shall designate the director designates shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 26. AMENDMENT. Subsection 7 of section 54-44.1-06 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

7. Drafts of a proposed general ~~appropriations act~~ and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium, and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act. The draft of the proposed appropriations act for the North Dakota university system must include block grants for a base funding appropriation and for an initiative funding appropriation for specific strategies or initiatives, and an appropriation for asset funding for renewal and replacement of physical plant assets at the institutions of higher education in the format approved by the fifty-seventh legislative assembly.

SECTION 27. AMENDMENT. Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. ~~The~~ Except as otherwise provided by

law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairman of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase where the total purchase price is within the authorized appropriation.

SECTION 28. REPEAL. Section 2 of House Bill No. 1283 and section 2 of House Bill No. 1444, as approved by the fifty-seventh legislative assembly, and section 22 of chapter 37 of the 1999 Session Laws are repealed.

SECTION 29. EXPIRATION DATE. Sections 24, 25, 26, and 27 of this Act are effective through June 30, 2003, and after that date are ineffective.

SECTION 30. EMERGENCY. The capital assets line items contained in section 1 of this Act and sections 4, 5, 6, and 9 of this Act are declared to be an emergency measure, and those funds are available immediately upon the filing of this Act with the secretary of state.

Approved May 2, 2001
Filed May 3, 2001

CHAPTER 29

SENATE BILL NO. 2004

(Appropriations Committee)
(At the request of the Governor)

HEALTH DEPARTMENT

AN ACT to provide an appropriation for defraying the expenses of the state department of health; to create and enact a new section to chapter 23-01 of the North Dakota Century Code, relating to a donated dental services program; to amend and reenact subdivision b of subsection 1 of section 14-02.1-02.1 and section 23-01-05 of the North Dakota Century Code, relating to information regarding fetal development and to the qualifications of the state health officer; to provide an exception to section 54-44.1-06 of the North Dakota Century Code, relating to the preparation of the state department of health appropriations bill for the 2003-05 biennium; and to provide statements of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state department of health for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$28,636,615
Operating expenses	15,647,794
Equipment	1,265,451
Capital improvements	41,704
Grants	23,387,670
Centers for disease control tobacco funds	2,369,934
Tobacco prevention and control	4,700,000
WIC food payments	<u>17,000,000</u>
Total all funds	\$93,049,168
Less estimated income	<u>78,236,232</u>
Total general fund appropriation	\$14,812,936

SECTION 2. ABANDONED MOTOR VEHICLE DISPOSAL FUND. The estimated income line item included in section 1 of this Act includes \$300,000, or so much of the sum as may be necessary, to be made available to the state department of health from the abandoned motor vehicle disposal fund, under section 39-26-11 for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. ENVIRONMENT AND RANGELAND PROTECTION FUND. The estimated income line item included in section 1 of this Act includes \$200,000, or so much of the sum as may be necessary, to be made available to the state department of health from the environment and rangeland protection fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. DOMESTIC VIOLENCE PREVENTION FUND. The estimated income line item included in section 1 of this Act includes \$280,000, or so much of

the sum as may be necessary, to be made available to the state department of health from the domestic violence prevention fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. ENVIRONMENTAL HEALTH PRACTITIONER LICENSURE FEE ADMINISTRATIVE FUND. The estimated income line item included in section 1 of this Act includes \$2,000, or so much of the sum as may be necessary, to be made available to the state department of health from the environmental health practitioner licensure fee administrative fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 6. WASTEWATER OPERATORS CERTIFICATION FUND. The estimated income line item included in section 1 of this Act includes \$21,000, or so much of the sum as may be necessary, to be made available to the state department of health from the wastewater operators certification fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 7. COMMUNITY HEALTH TRUST FUND. The estimated income line item included in section 1 of this Act includes \$4,700,000, or so much of the sum as may be necessary, to be made available to the state department of health from the community health trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. WATER DEVELOPMENT TRUST FUND. The estimated income line item included in section 1 of this Act includes \$99,756, or so much of the sum as may be necessary, to be made available to the state department of health from the water development trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 9. GRANTS - NORTH DAKOTA STOCKMEN'S ASSOCIATION - REFUND FUND TRANSFER. The grants line item in section 1 of this Act includes \$50,000 from the attorney general refund fund from lawsuit settlement collections, which the state department of health shall distribute to the North Dakota stockmen's association for the purpose of developing and beginning to implement a plan to reduce the potential environmental impact from livestock operations, for the biennium beginning July 1, 2001, and ending June 30, 2003. These funds, and funds of the North Dakota stockmen's association, must be used as matching funds for federal environmental protection agency 319 funds. The funds from the attorney general refund fund must be transferred to the state department of health operating fund as requested by the state health officer.

¹⁴ **SECTION 10. AMENDMENT.** Subdivision b of subsection 1 of section 14-02.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- b. Materials, published in a booklet format, designed to inform the woman of the probable anatomical and physiological characteristics of the fetus at two-week gestational increments from the time when a woman can be known to be pregnant to full term, including any relevant information on the possibility of the survival

¹⁴ Section 14-02.1-02.1 was also amended by section 1 of Senate Bill No. 2361, chapter 144.

of the fetus and pictures representing the development of a fetus at two-week gestational increments. The majority of the pictures included in the booklet must be full color photograph-style images and the pictures must contain the dimensions of the fetus and must be realistic and appropriate for the stage of pregnancy depicted. The materials must be objective, nonjudgmental, and designed to convey only accurate scientific information about the fetus at the various gestational ages.

SECTION 11. AMENDMENT. Section 23-01-05 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-01-05. Health officer - Qualifications, salary, term, duties - Advisory committee. The governor shall appoint the state health officer who must have had ~~postgraduate training or experience in public health administration~~ substantive private or public administrative experience and demonstrated experience in the management of people. The state health officer is entitled to receive a salary commensurate with that person's training and experience. The governor shall set the salary of the state health officer within the limits of legislative appropriations to the department. The state health officer is entitled to receive all necessary traveling expenses incurred in the performance of official business. The state health officer may not engage in any other occupation or business that may conflict with the statutory duties of the state health officer and holds office for a term of four years beginning January 1, 1993. The state health officer is the administrative officer of the state department of health. If the governor does not appoint as state health officer a physician licensed in this state, the governor shall appoint at least three licensed physicians recommended by the state medical association to serve as an advisory committee to the state health officer. Each member of the advisory committee is entitled to receive reimbursement of expenses in performing official duties in amounts provided by law for other state officers. The term of the advisory committee coincides with the term of the state health officer. A committee member serves at the pleasure of the governor. The duties of the state health officer are as follows:

1. Enforce all rules and regulations as promulgated by the health council.
2. Hold public health unit boards of health responsible for enforcement of state rules, serve in an advisory capacity to public health unit boards of health, and provide for coordination of health activities.
3. Establish and enforce minimum standards of performance of the work of the local department of health.
4. Study health problems and plan for their solution as may be necessary.
5. Collect, tabulate, and publish vital statistics for each important political or health administrative unit of the state and for the state as a whole.
6. Promote the development of local health services and recommend the allocation of health funds to local jurisdictions subject to the approval of the health council.
7. Collect and distribute health education material.
8. Maintain a central public health laboratory and where necessary, branch laboratories for the standard function of diagnostic, sanitary and

chemical examinations, and production and procurement of therapeutic and biological preparations for the prevention of disease and their distribution for public health purposes.

9. Establish a service for medical hospitals and related institutions to include licensing of such institutions according to the standards promulgated by the health council and consultation service to communities planning the construction of new hospitals and related institutions.
10. Comply with the state merit system policies of personnel administration.
11. Establish a program to provide information to the surviving family of a child whose cause of death is suspected to have been the sudden infant death syndrome.
12. Issue any orders relating to disease control measures deemed necessary to prevent the spread of communicable disease. Disease control measures may include special immunization activities and decontamination measures. The state health officer may apply to the district court in a judicial district where a communicable disease is present for an injunction canceling public events or closing places of business. On application of the state health officer showing the necessity of such cancellation, the court may issue an ex parte preliminary injunction, pending a full hearing.
13. Make bacteriological examination of bodily secretions and excretions and of waters and foods.
14. Make preparations and examinations of pathological tissues submitted by the state health officer, by any county superintendent of public health, or by any physician who has been regularly licensed to practice in this state.
15. Make all required analyses and preparations, and furnish the results thereof, as expeditiously and promptly as possible.
16. Cause sanitary statistics to be collected and tabulated, and cause to be ascertained by research work such methods as will lead to the improvement of the sanitation of the various parts of the state.
17. From time to time, cause to be issued bulletins and reports setting forth the results of the sanitary and pathological work done in the laboratories embodying all useful and important information resulting from the work carried on in the laboratories during the year, the substance of such bulletins and reports to be incorporated in the annual report of the state health officer.
18. Establish by rule a schedule of reasonable fees that may be charged for laboratory analysis. No charge may be made for any analysis conducted in connection with any public health incident affecting an entire region, community, or neighborhood.

SECTION 12. A new section to chapter 23-01 of the North Dakota Century Code is created and enacted as follows:

Donated dental services program. The state department of health shall contract with the North Dakota dental association, or other appropriate and qualified organizations, to develop and administer a donated dental services program through which volunteer dentists provide comprehensive dental care for needy, disabled, aged, or medically compromised individuals. The volunteers will treat individuals through the program and, with the exception of certain dental laboratory costs, will fully donate their services and supplies. The contract must specify the responsibilities of the administering organization and include:

1. Establishment of a network of volunteer dentists, including dental specialists, volunteer dental laboratories, and other appropriate volunteer professionals to donate dental services to eligible individuals;
2. Establishment of a system to refer eligible individuals to appropriate volunteers;
3. Development and implementation of a public awareness campaign to educate eligible individuals about the availability of the program;
4. Provision of appropriate administrative and technical support to the program; and
5. Submission of an annual report to the state department of health that:
 - a. Accounts for all program funds;
 - b. Reports the number of individuals served by the program and the number of dentists and dental laboratories participating as providers in the program;
 - c. Includes any other information required by the state department of health; and
 - d. Performs, as required by the state department of health, any other duty relating to the program.

¹⁵ **SECTION 13. STATE DEPARTMENT OF HEALTH APPROPRIATIONS BILL - EXECUTIVE BUDGET RECOMMENDATION.**

Notwithstanding North Dakota Century Code section 54-44.1-06, the office of the budget shall submit for introduction to the fifty-eighth legislative assembly the state department of health appropriations bill for the 2003-05 biennium reflecting the same funding levels by line item and employee levels authorized by the fifty-seventh legislative assembly for the 2001-03 biennium. Any budget changes recommended by the office of the budget for the state department of health for the 2003-05 biennium must be presented to the appropriations committees of the fifty-eighth legislative assembly as a recommendation for change to the bill as introduced.

SECTION 14. INTENT - INDIRECT COST RECOVERIES. Notwithstanding section 54-44.1-14, the state department of health may deposit indirect cost recoveries in its operating account.

¹⁵ Section 13 was vetoed by the Governor, see chapter 589.

SECTION 15. LEGISLATIVE INTENT - STATE AID TO LOCAL HEALTH DISTRICTS. It is the intent of the legislative assembly that the state department of health provide aid to local health districts grants during the biennium beginning July 1, 2001, and ending June 30, 2003, totaling \$1,100,000 and that the additional \$100,000 necessary to fund that level be found by the department within its appropriation.

SECTION 16. LEGISLATIVE INTENT - CENTERS FOR DISEASE CONTROL AND PREVENTION FUNDS. It is the intent of the legislative assembly that the state department of health use the grant funds from the centers for disease control and prevention, as allowed, to fund tobacco counter-marketing and public education campaigns and local tobacco prevention coordinators and that local public health administrators supervise the local tobacco prevention coordinators. Funds may not be used for lobbying purposes.

Approved May 9, 2001
Filed May 10, 2001

CHAPTER 30**SENATE BILL NO. 2005**

(Appropriations Committee)
(At the request of the Governor)

INDIAN AFFAIRS COMMISSION

AN ACT to provide an appropriation for defraying the expenses of the Indian affairs commission.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the Indian affairs commission for the purpose of defraying the expenses of the Indian affairs commission, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$300,037
Operating expenses	35,022
Equipment	<u>1,000</u>
Total general fund appropriation	\$336,059

Approved April 17, 2001
Filed April 17, 2001

CHAPTER 31**SENATE BILL NO. 2006**

(Appropriations Committee)
(At the request of the Governor)

AERONAUTICS COMMISSION

AN ACT to provide an appropriation for defraying the expenses of the aeronautics commission.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the aeronautics commission for the purpose of defraying the expenses of the aeronautics commission, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$636,277
Operating expenses	1,314,767
Equipment	61,500
Capital improvements	110,000
Grants	<u>13,005,000</u>
Total all funds	\$15,127,544
Less estimated income	<u>14,577,544</u>
Total general fund appropriation	\$550,000

Approved April 17, 2001

Filed April 17, 2001

CHAPTER 32**SENATE BILL NO. 2007**

(Appropriations Committee)
(At the request of the Governor)

**VETERANS' HOME AND DEPARTMENT OF
VETERANS' AFFAIRS**

AN ACT to provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; to provide for a performance audit of the veterans' home; to provide for a report to the legislative assembly; and to provide for a legislative council study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the veterans' home and the department of veterans' affairs for the purpose of defraying their expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

VETERANS' HOME

Salaries and wages	\$6,861,243
Operating expenses	2,137,631
Equipment	88,675
Capital improvements	<u>344,460</u>
Total all funds	\$9,432,009
Less estimated income	<u>6,099,935</u>
Total general fund appropriation	\$3,332,074

Subdivision 2.

VETERANS' AFFAIRS

Total all funds	\$514,319
Less estimated income	<u>20,789</u>
Total general fund appropriation	\$493,530
Grand total general fund appropriation S.B. 2007	\$3,825,604
Grand total special funds appropriation S.B. 2007	\$6,120,724
Grand total all funds appropriation S.B. 2007	\$9,946,328

SECTION 2. NORTH DAKOTA VETERANS' HOME - PERFORMANCE AUDIT. The state auditor shall conduct a performance audit of the veterans' home during the biennium beginning July 1, 2001, and ending June 30, 2003. The state auditor may use the services of a consultant, as needed, and the cost of such consultant may be assessed to the veterans' home. The performance audit may include a review of the contractual arrangements for physician services at the veterans' home. The results of the performance audit must be presented to the appropriations committees during the agency's budget presentation during the fifty-eighth legislative assembly.

SECTION 3. LEGISLATIVE COUNCIL STUDY - VETERANS' HOME MANAGEMENT STRUCTURE AND OVERSIGHT. The legislative council shall consider studying during the 2001-02 interim the management structure and oversight of the veterans' home and the selection process for the commandant or administrator of the home. The study, if conducted, may review the timing of expenditures by the veterans' home from the general fund.

SECTION 4. VETERANS' POSTWAR TRUST FUND - REPORT. The department of veterans' affairs shall report on the use of moneys in the veterans' postwar trust fund to the appropriations committees of the fifty-eighth legislative assembly. The report must be presented during the agency's budget presentation.

Approved April 23, 2001
Filed April 23, 2001

CHAPTER 33

SENATE BILL NO. 2008

(Appropriations Committee)
(At the request of the Governor)

BANKING AND FINANCIAL INSTITUTIONS

AN ACT to provide an appropriation for defraying the expenses of the department of banking and financial institutions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the financial institutions regulatory fund in the state treasury, not otherwise appropriated, to the department of banking and financial institutions for the purpose of defraying the expenses of the department of banking and financial institutions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$2,759,337
Operating expenses	731,818
Equipment	52,700
Contingency	<u>20,000</u>
Total appropriation from the financial institutions regulatory fund	\$3,563,855

SECTION 2. ADDITIONAL FULL-TIME EQUIVALENT POSITION - DEFERRED PRESENTMENT SERVICE PROVIDER REGULATION. The department of banking and financial institutions shall assess the need for additional staff relating to the licensing and regulation of deferred presentment service providers during the biennium beginning July 1, 2001, and ending June 30, 2003. If determined necessary by the department, the department is authorized an additional .5 full-time equivalent position for the licensing and regulation of deferred presentment service providers, upon approval of the emergency commission and the budget section of the legislative council.

Approved April 23, 2001
Filed April 23, 2001

CHAPTER 34**SENATE BILL NO. 2009**

(Appropriations Committee)
(At the request of the Governor)

STATE FAIR ASSOCIATION

AN ACT to provide an appropriation for defraying the expenses of the state fair association.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, to the state fair association for the purpose of defraying the expenses of the state fair association, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Capital improvements	\$210,000
Premiums	<u>385,000</u>
Total all funds	\$595,000
Less estimated income	<u>20,000</u>
Total general fund appropriation	\$575,000

Approved April 27, 2001
Filed April 27, 2001

CHAPTER 35**SENATE BILL NO. 2010**

(Appropriations Committee)
(At the request of the Governor)

COUNCIL ON THE ARTS

AN ACT to provide an appropriation for defraying the expenses of the council on the arts and an appropriation of funds from the cultural endowment fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the council on the arts for the purpose of defraying the expenses of the council on the arts, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$410,542
Operating expenses	200,810
Equipment	5,700
Grants	1,242,657
Lewis and Clark bicentennial	174,948
Total all funds	\$2,034,657
Less estimated income	1,052,229
Total general fund appropriation	\$982,428

SECTION 2. APPROPRIATION. All income from the cultural endowment fund is appropriated for the furthering of the cultural arts in the state for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 17, 2001
Filed April 17, 2001

CHAPTER 36

SENATE BILL NO. 2011

(Appropriations Committee)
(At the request of the Governor)

HIGHWAY PATROL

AN ACT to provide an appropriation for defraying the expenses of the highway patrol; and to provide a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the highway patrol for the purpose of defraying its expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Administration	\$2,164,675
Field operations	30,095,704
Law enforcement training academy	<u>982,723</u>
Total all funds	\$33,243,102
Less estimated income	<u>13,629,443</u>
Total general fund appropriation	\$19,613,659

SECTION 2. SPECIAL FUNDS TRANSFER. The less estimated income line item in section 1 of this Act includes the sum of \$6,200,000, or so much of the sum as may be necessary, from the state highway fund which may be transferred at the direction of the superintendent of the highway patrol for the purpose of defraying the expenses of the highway patrol during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. PAYMENTS TO HIGHWAY PATROL OFFICERS. Each patrol officer of the state highway patrol is entitled to receive from funds appropriated in section 1 of this Act an amount not to exceed \$170 per month for the biennium beginning July 1, 2001, and ending June 30, 2003. The payments are in lieu of reimbursement for meals and other expenses, except lodging, while in travel status within the state of North Dakota or while at their respective home stations. The amounts must be paid without the presentation of receipts or other memorandums at the time and in the same manner as salaries of members of the highway patrol are paid.

SECTION 4. LEGISLATIVE INTENT - PERFORMANCE MEASURE MONITORING. It is the intent of the legislative assembly that the highway patrol monitor its actual to planned expenditures and its actual to projected performance measures by program for the biennium beginning July 1, 2001, and ending June 30, 2003. The highway patrol shall make this information available as requested by the appropriations committees of the fifty-eighth legislative assembly.

Approved May 4, 2001
Filed May 8, 2001

CHAPTER 37

SENATE BILL NO. 2012

(Appropriations Committee)
(At the request of the Governor)

DEPARTMENT OF TRANSPORTATION

AN ACT to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the department of transportation; to provide for a legislative council study; to provide a contingent appropriation; to amend and reenact section 39-06-19, subsection 1 of section 39-06.2-09, and section 39-09-02 of the North Dakota Century Code, relating to highways and operators' licenses; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the various divisions under the supervision of the director of the department of transportation for the purpose of defraying their expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$99,859,596
Operating expenses	118,331,562
Equipment	28,251,600
Capital improvements	457,084,500
Grants	<u>32,839,085</u>
Total special funds appropriation	\$736,366,343

SECTION 2. LEGISLATIVE COUNCIL STUDY - FLEET SERVICES. The legislative council shall consider studying, during the 2001-02 interim, the efficiency and effectiveness of the operations of the state fleet services program of the department of transportation.

SECTION 3. CONTINGENT APPROPRIATION - GENERAL LICENSE PLATE ISSUE. If the fifty-seventh legislative assembly approves additional revenues specifically identified for the purpose of providing funding for the additional cost of a general license plate issue, there is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of \$3,200,000, to the department of transportation for the purpose of defraying the expenses of a general license plate issue, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. APPROPRIATION - 1999-2001 BIENNIUM. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the department of transportation for the purpose of defraying the expenses of its various divisions, for the period beginning with the effective date of this Act and ending June 30, 2001, as follows:

Motor vehicle	\$508,083
Highways	49,186,400
Total special funds	\$49,694,483

SECTION 5. AMENDMENT. Section 39-06-19 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

39-06-19. Expiration of license - Renewal.

1. Every operator's license issued under this chapter expires and is renewed according to this section. The expiration date of an operator's license for ~~every a~~ person whose birth occurred in a year ending in an odd numeral is twelve midnight on the anniversary of the birthday in the second subsequent year ending in an odd numeral. The expiration date of an operator's license for ~~every a~~ person whose birth occurred in a year ending in an even numeral is twelve midnight on the anniversary of the birthday in the second subsequent year ending in an even numeral.
2. If the licensee has reached the age of eighteen, and desires reissuance of a license with the distinctive background for licensees at least the age of eighteen and under the age of twenty-one, the applicant may apply at any time for a replacement license. If the licensee has reached the age of twenty-one and desires reissuance of a license without the distinctive color background required by section 39-06-14, the applicant may apply at any time for a replacement license. ~~In all other cases,~~
3. An applicant for renewal must present the application with fee for renewal of license must be presented to the director not prior to before ten months before the expiration date of the operator's license. The director may require an examination of an applicant as upon an original application. After the initial application for a license in this state, the director may not require an applicant for renewal, replacement, or a substitute to provide a social security card unless the applicant is changing the distinguishing number on the license to the applicant's social security number. The director may not renew an operator's license if the license has been suspended under section 14-08.1-07. Upon the recommendation of the court, the director may issue a temporary permit to the licensee under section 39-06.1-11 if the temporary permit is necessary for the licensee to work and the court has determined the licensee is making a good-faith effort to comply with the child support order.
4. Every application for renewal of a license by an applicant must be accompanied by a certificate of examination from either the driver licensing or examining authorities or a physician or an optometrist, licensed in this or another state, containing a statement as to the corrected and uncorrected vision of the applicant. The director shall provide visual examination equipment at each location where a license may be renewed. The initial application for a motor vehicle operator's license may be accompanied by a statement of examination from a licensed physician or an optometrist, stating the corrected and uncorrected vision of the applicant, in lieu of the department examination. ~~Such~~ This examination must be within six months of the driver license application.

5. Every person submitting an application and fee for renewal of license one year or more after the expiration of a license, except an applicant whose military service has terminated less than thirty days prior to such application, must be treated as a new driver.
6. The fee for renewal or replacement of an operator's license is ten dollars.

¹⁶ **SECTION 6. AMENDMENT.** Subsection 1 of section 39-06.2-09 of the North Dakota Century Code is amended and reenacted as follows:

1. Content of license. The commercial driver's license must be marked "commercial driver's license", and must be, to the maximum extent practicable, tamper proof. It must include the following information:
 - a. The name and residential address of the person;
 - b. The person's color photograph;
 - c. A physical description of the person, including sex, height, weight, and eye and hair color;
 - d. Date of birth;
 - e. ~~The~~ A distinguishing number assigned to the person which upon request may be a number different from the person's social security number;
 - f. The person's signature;
 - g. The class or type of commercial motor vehicle or vehicles which the person is authorized to drive together with any endorsements or restrictions;
 - h. The name of this state; and
 - i. The dates between which the license is valid.

¹⁷ **SECTION 7. AMENDMENT.** Section 39-09-02 of the North Dakota Century Code is amended and reenacted as follows:

39-09-02. Speed limitations.

1. Subject to the provisions of section 39-09-01 and except in those instances where a lower speed is specified in this chapter, it presumably is lawful for the driver of a vehicle to drive the same at a speed not exceeding:

¹⁶ Section 39-06.2-09 was also amended by section 2 of House Bill No. 1175, chapter 344.

¹⁷ Section 39-09-02 was also amended by section 2 of House Bill No. 1239, chapter 342. Section 7 was vetoed by the Governor, see chapter 586.

- a. Twenty miles [32.19 kilometers] an hour when approaching within fifty feet [15.24 meters] of a grade crossing of any steam, electric, or street railway when the driver's view is obstructed. A driver's view is deemed to be obstructed when at any time during the last two hundred feet [60.96 meters] of the driver's approach to such crossing, the driver does not have a clear and uninterrupted view of such railway crossing and of any traffic on such railway for a distance of four hundred feet [121.92 meters] in each direction from such crossing.
 - b. Twenty miles [32.19 kilometers] an hour when passing a school during school recess or while children are going to or leaving school during opening or closing hours.
 - c. Twenty miles [32.19 kilometers] an hour when approaching within fifty feet [15.24 meters] and in traversing an intersection of highways when the driver's view is obstructed. A driver's view is deemed to be obstructed when at any time during the last fifty feet [15.24 meters] of the driver's approach to such intersection, the driver does not have a clear and uninterrupted view of such intersection and of the traffic upon all of the highways entering such intersection for a distance of two hundred feet [60.96 meters] from such intersection.
 - d. Twenty miles [32.19 kilometers] an hour when the driver's view of the highway ahead is obstructed within a distance of one hundred feet [30.48 meters].
 - e. Twenty-five miles [40.23 kilometers] an hour on any highway in a business district or in a residence district or in a public park, unless a different speed is designated and posted by local authorities.
 - f. Fifty-five miles [88.51 kilometers] an hour on gravel, dirt, or loose surface highways, and on paved two-lane highways if there is no speed limit posted or if within the time period of one-half hour after sunset to one-half hour before sunrise, unless otherwise permitted, restricted, or required by conditions.
 - g. Sixty-five miles [104.61 kilometers] an hour on paved two-lane highways if within the time period of one-half hour before sunrise to one-half hour after sunset and if posted for that speed, and on paved and divided multilane highways, unless otherwise permitted, restricted, or required by conditions.
 - h. ~~Seventy~~ Seventy-five miles [~~112.65~~ 120.70 kilometers] an hour on access-controlled, paved and divided, multilane interstate highways, unless otherwise permitted, restricted, or required by conditions.
2. The director may designate and post special areas of state highways where lower speed limits apply. If there is a violation of a highway construction zone speed limit, where within that zone individuals engaged in construction were present at the time of the violation, then the fees required for a noncriminal disposition are forty dollars for one through ten miles per hour over the posted speed; and forty dollars, plus one dollar for each additional mile per hour over ten miles per hour over

the limit. However, if a greater fee would be applicable under section 39-06.1-06, then that fee is required for the noncriminal disposition. The highway construction zone speed limit posted sign must state "Minimum Fee \$40".

3. Except as provided by law, it is unlawful for any person to drive a vehicle upon a highway at a speed that is unsafe or at a speed exceeding the speed limit prescribed by law or established pursuant to law.
4. In charging a violation of the provisions of this section, the complaint must specify the speed at which the defendant is alleged to have driven and the speed which this section prescribes is prima facie lawful at the time and place of the alleged offense.
5. ~~Repealed by S.L. 1975, ch. 346, § 3.~~

SECTION 8. EMERGENCY. Section 4 of this Act is declared to be an emergency measure.

Approved April 28, 2001
Filed May 3, 2001

CHAPTER 38

SENATE BILL NO. 2013

(Appropriations Committee)
(At the request of the Governor)

COMMISSIONER OF UNIVERSITY AND SCHOOL LANDS

AN ACT to provide an appropriation for defraying the expenses of the commissioner of university and school lands.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from the state lands maintenance fund and the oil and gas impact grant fund in the state treasury, not otherwise appropriated, to the commissioner of university and school lands for the purpose of defraying the expenses of the commissioner of university and school lands, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$1,836,257
Operating expenses	736,457
Equipment	48,050
Grants	4,888,100
Total special funds	\$7,508,864

SECTION 2. OIL AND GAS IMPACT GRANT FUND. The amount of \$5,000,000, or so much of the amount as may be necessary, included in the total special funds appropriated in section 1 of this Act may be spent from the oil and gas impact grant fund by the commissioner of university and school lands for the purpose of providing oil and gas development impact grants and the administration of the oil and gas development impact grant program for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. GRANTS. Section 54-44.1-11 does not apply to appropriations made for oil impact grants in section 1 of this Act.

SECTION 4. DISTRIBUTIONS TO STATE INSTITUTIONS. Notwithstanding section 15-03-05.2, during the biennium beginning July 1, 2001, and ending June 30, 2003, the board of university and school lands shall distribute the following amounts, or so much income as may be available, from the permanent funds managed for the benefit of the following entities:

North Dakota state university	\$1,330,974
University of North Dakota	995,011
Youth correctional center	502,823
School for the deaf	465,000
North Dakota state college of science	392,994
State hospital	374,856
Veterans' home	320,000
Valley City state university	310,199

School for the blind	290,000
Mayville state university	217,891
Minot state university - Bottineau	38,900
Dickinson state university	38,864
Minot state university	<u>38,850</u>
Total	\$5,316,362

Approved April 23, 2001

Filed April 23, 2001

CHAPTER 39

SENATE BILL NO. 2014

(Appropriations Committee)
(At the request of the Governor)

CHILDREN'S SERVICES COORDINATING COMMITTEE

AN ACT to provide an appropriation for defraying the expenses of the children's services coordinating committee; and to provide a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income to the children's services coordinating committee for the purpose of defraying the expenses of the children's services coordinating committee, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$75,549
Operating expenses	65,901
Grants	<u>7,680,361</u>
Total all funds	\$7,821,811

SECTION 2. GRANTS - BUDGET SECTION APPROVAL. Of the \$7,680,361 appropriated in the grants line item in section 1 of this Act, the children's services coordinating committee shall provide grants of \$600,000 to the department of human services for the partnership project that is providing services to children with serious emotional disorders in the eight human service centers, \$200,000 to the department of human services for the Native American alcohol and drug abuse education program, and \$50,000 to the sacred child project during the biennium beginning July 1, 2001, and ending June 30, 2003. Any other statewide grants distributed by the committee, unless specifically approved by the legislative assembly, are subject to budget section approval.

SECTION 3. ADDITIONAL INCOME - EMERGENCY COMMISSION APPROVAL. All income of the children's services coordinating committee in excess of the estimated income line item appropriated in section 1 of this Act is appropriated to the children's services coordinating committee for the biennium beginning July 1, 2001, and ending June 30, 2003, and may be spent only upon authorization of the emergency commission.

SECTION 4. LEGISLATIVE INTENT - FUNCTION OF REGIONAL AND TRIBAL CHILDREN'S SERVICES COORDINATING COMMITTEES. It is the intent of the legislative assembly that each regional and tribal children's services coordinating committee function as a regional planning committee to monitor and coordinate children's services in each region and that the regional and tribal children's services coordinating committees not directly provide services or programs.

SECTION 5. REFINANCING FUND ALLOCATIONS. Of the \$8,333,333 of federal funds estimated to be generated as a result of participating entities claiming

federal administrative cost reimbursements through the department of human services, the following allocations are made for the biennium beginning July 1, 2001, and ending June 30, 2003:

AGENCY/ORGANIZATION	ALLOCATION
Department of human services	10 percent
Children's services coordinating committee - Administration	1.7 percent
Children's services coordinating committee - Grants to regional and tribal children's services coordinating committees for administrative costs	16.2 percent
Children's services coordinating committee - Grants to regional and tribal children's services coordinating committees for collaboration efforts	1.8 percent
Regional and tribal children's services coordinating committees - Grants, including those to participating entities	60.10 percent, includes 20 percent that is returned to participating entities
Children's services coordinating committee - Statewide grants	10.2 percent

If less than \$8,333,333 is generated as a result of participating entities claiming federal administrative cost reimbursements for the 2001-03 biennium, the children's services coordinating committee shall proportionately reduce the percentage allocation for regional and tribal children's services coordinating committee grants to generate the funds necessary to provide \$141,450 for children's services coordinating committee administration for the 2001-03 biennium, \$1,350,000 for grants to regional and tribal committees for administrative costs for the 2001-03 biennium, \$150,000 for grants to regional and tribal children's services coordinating committees for collaboration efforts for the 2001-03 biennium, and \$850,000 for statewide grants for the 2001-03 biennium under this section. Any funds received by the state as a result of participating entities claiming federal administrative cost reimbursements through the department of human services in excess of \$8,333,333 for the biennium beginning July 1, 2001, and ending June 30, 2003, and must be distributed, subject to emergency commission approval, as follows:

AGENCY/ORGANIZATION	ALLOCATION
Regional and tribal children's services coordinating committees - Grants, including those to participating entities	100 percent, includes 20 percent that is returned to participating entities

Approved April 17, 2001
 Filed April 17, 2001

CHAPTER 40

SENATE BILL NO. 2015

(Appropriations Committee)
(At the request of the Governor)

INDUSTRIAL COMMISSION

AN ACT to provide an appropriation for defraying the expenses of the state industrial commission and the agencies under the management of the industrial commission; to provide a continuing appropriation; to authorize transfers; to limit Bank of North Dakota transfers to the general fund; to provide legislative intent; to provide for a legislative council study; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state industrial commission and agencies under its control for the purpose of defraying the expenses of their various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

INDUSTRIAL COMMISSION

Salaries and wages	\$6,330,025
Operating expenses	1,805,269
Equipment	154,000
Grants	16,450,000
Bond payments	17,956,059
Geophysical exploration	<u>254,818</u>
Total all funds	\$42,950,171
Less estimated income	<u>35,585,990</u>
Total general fund appropriation	\$7,364,181

Subdivision 2.

BANK OF NORTH DAKOTA - OPERATIONS

Salaries and wages	\$15,416,543
Operating expenses	11,747,824
Equipment	736,500
Capital improvements	30,000
Contingency	<u>2,850,000</u>
Total appropriation from Bank of North Dakota fund	\$30,780,867

Subdivision 3.

BANK OF NORTH DAKOTA - ECONOMIC DEVELOPMENT

Partnership in assisting community expansion fund	\$6,000,000
Agriculture partnership in assisting community expansion fund	1,500,000
Beginning farmer	<u>1,000,000</u>
Total general fund appropriation	\$8,500,000

Subdivision 4.

MILL AND ELEVATOR ASSOCIATION

Salaries and wages	\$13,887,818
Operating expenses	7,553,476
Contingency	250,000
Agriculture promotion	<u>50,000</u>
Total appropriation from mill and elevator fund	\$21,741,294

Subdivision 5.

HOUSING FINANCE AGENCY

Salaries and wages	\$3,369,713
Operating expenses	2,213,510
Equipment	125,000
Grants	34,064,040
HFA contingency	<u>100,000</u>
Total appropriation from housing finance agency fund	\$39,872,263
Grand total general fund appropriation S.B. 2015	\$15,864,181
Grand total special funds appropriation S.B. 2015	\$127,980,414
Grand total all funds appropriation S.B. 2015	\$143,844,595

SECTION 2. APPROPRIATION. In addition to the amount appropriated to the housing finance agency in subdivision 5 of section 1 of this Act, there is hereby appropriated any additional income or unanticipated income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. APPROPRIATION - EMERGENCY COMMISSION APPROVAL. In addition to the amount appropriated to the industrial commission in subdivision 1 of section 1 of this Act, there is hereby appropriated, with the approval of the emergency commission, funds that may become available to the commission from bonds authorized by law to be issued by the industrial commission under chapters 4-36 and 54-17.2 and section 54-17-25, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. TRANSFER. The sum of \$65,447, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, is from the North Dakota mill and elevator association. The moneys must be transferred during the biennium beginning July 1, 2001, and ending June 30, 2003, upon order of the industrial commission.

SECTION 5. TRANSFER. The sum of \$85,403, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, is from the accumulated and undivided profits of the Bank of North Dakota. The moneys must be transferred during the biennium beginning July 1, 2001, and ending June 30, 2003, upon order of the industrial commission.

SECTION 6. TRANSFER. The sum of \$56,936, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, is from the housing finance agency fund. The moneys must be transferred during the biennium beginning July 1, 2001, and ending June 30, 2003, upon order of the industrial commission.

SECTION 7. TRANSFER. The sum or \$19,957, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, is from the revenues of the municipal bond

bank. The available moneys must be transferred during the biennium beginning July 1, 2001, and ending June 30, 2003, upon order of the industrial commission.

SECTION 8. INCOME AUTHORIZATION - STUDENT LOAN TRUST. There is hereby authorized the receipt of fees by the industrial commission in the sum of \$75,550, or so much of the sum as is owed, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, from the student loan trust for administrative services rendered by the industrial commission to the extent permitted by sections 54-17-24 and 54-17-25. The fees must be received during the biennium beginning July 1, 2001, and ending June 30, 2003, upon order of the industrial commission.

SECTION 9. TRANSFER. The industrial commission shall transfer to the general fund in the state treasury, the sum of \$6,000,000 from the North Dakota mill and elevator association. The moneys must be transferred in amounts and at such times as requested by the director of the office of management and budget during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM - APPROPRIATION - LIGNITE MARKETING FEASIBILITY STUDY. The amount of \$1,300,000, or so much of the amount as may be necessary, included in the grants and special funds appropriation line items in subdivision 1 of section 1 of this Act, is appropriated from the lignite research fund for the purpose of contracting for independent, nonmatching lignite marketing feasibility study or studies that determine those focused priority areas where near-term, market-driven projects, activities, or processes will generate matching private industry investment and have the most potential of preserving existing lignite production and jobs or that will lead to increased development of lignite and its products and create new jobs and economic growth for the general welfare of this state. Moneys appropriated pursuant to this section may also be used for the purpose of contracting for nonmatching studies and activities in support of the Lignite Vision 21 Project; for nonmatching externality studies and activities in externality proceedings; or other marketing or environmental activities that assist with marketing of lignite-based electricity and lignite-based byproducts. Moneys not needed for the purposes stated herein are available to the commission for funding projects, processes, or activities under the lignite research, development, and marketing program.

SECTION 11. LEGISLATIVE INTENT - LEASE PAYMENTS. The amount of \$17,956,059 included in subdivision 1 of section 1 of this Act in the bond payments line item must be paid from the following funding sources during the biennium beginning July 1, 2001, and ending June 30, 2003:

Higher education institutions	\$12,730,841
Job service	295,047
Department of human services	577,764
Department of human services - State hospital	566,500
Department of human services - Developmental center at westwood park, Grafton	649,234
Department of corrections - State penitentiary	2,250,168
Department of corrections - Youth correctional center	541,427
Adjutant general	73,950
Veterans' home improvement fund	271,128
Total	\$17,956,059

SECTION 12. APPROPRIATION - TRANSFER. The funds appropriated by subdivision 3 of section 1 of this Act must be transferred by the Bank of North Dakota

to the partnership in assisting community expansion fund established by section 6-09.14-02; the agricultural partnership in assisting community expansion fund established by section 6-09.13-04; and the beginning farmer loan fund established by section 6-09-15.5; in the amounts set out in that subdivision. The Bank of North Dakota may not be construed to be a general fund agency because of the appropriation made by subdivision 3 of section 1 of this Act.

SECTION 13. BEGINNING FARMER AND AG PACE FUND TRANSFERS.

Notwithstanding any other provision of law, the industrial commission may transfer any unobligated funds between the beginning farmer loan fund and the agriculture partnership in assisting community expansion fund during the period beginning January 1, 2003, and ending June 30, 2003.

SECTION 14. BANK OF NORTH DAKOTA TRANSFERS TO GENERAL FUND - LIMITATIONS. Any transfer provided for in House Bill No. 1015 may only be made to the extent that the transfer does not reduce the Bank's capital structure below \$140,000,000.

SECTION 15. LEGISLATIVE INTENT - INFORMATION TECHNOLOGY SHARED SERVICES. It is the intent of the legislative assembly that the information technology coordinators employed by the oil and gas division and geological survey share knowledge, expertise, duties, and responsibilities in an effort to increase efficiencies and avoid duplication.

SECTION 16. LEGISLATIVE COUNCIL STUDY - INDUSTRIAL COMMISSION. The legislative council shall consider studying during the 2001-02 interim the mission of the industrial commission relating to the responsibilities of the oil and gas division and geological survey and the potential for efficiencies resulting from shared administrative and service delivery functions.

SECTION 17. EMERGENCY. The appropriation in subdivision 3 of section 1 and the transfer in section 12 of this Act for the partnership in assisting community expansion fund and the agriculture partnership in assisting community expansion fund are declared to be emergency measures.

Approved April 28, 2001
Filed April 28, 2001

CHAPTER 41

SENATE BILL NO. 2016

(Appropriations Committee)
(At the request of the Governor)

DEPARTMENT OF CORRECTIONS AND REHABILITATION

AN ACT to provide an appropriation for defraying the expenses of the department of corrections and rehabilitation; to provide for line item transfers; to provide legislative intent; to provide for a legislative council study; to create and enact a new section to chapter 54-23.3 of the North Dakota Century Code, relating to the establishment of new programs by the director of the department of corrections and rehabilitation; and to amend and reenact section 12-59-02, subsection 1 of section 12.1-32-08, and subsection 2 of section 54-23.4-12 of the North Dakota Century Code, relating to compensation of parole board members, indigent defense costs and expenses, and crime victims compensation subrogation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of corrections and rehabilitation for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

CENTRAL OFFICE

Salaries and wages	\$1,155,357
Operating expenses	171,447
Equipment	<u>65,750</u>
Total all funds	\$1,392,554
Less estimated income	<u>11,160</u>
Total general fund appropriation	\$1,381,394

Subdivision 2.

JUVENILE SERVICES

Salaries and wages	\$10,647,498
Operating expenses	4,917,407
Equipment	148,700
Capital improvements	707,747
Grants	<u>4,413,877</u>
Total all funds	\$20,835,229
Less estimated income	<u>7,825,075</u>
Total general fund appropriation	\$13,010,154

Subdivision 3.

ADULT SERVICES

Victims services	\$3,423,566
Institutional offender services	3,863,128

Community offender services	11,353,870
Support services	21,514,202
Program services	3,778,761
Security and safety	24,977,530
Roughrider industries	10,842,290
Total all funds	\$79,753,347
Less estimated income	17,296,864
Total general fund appropriation	\$62,456,483
Grand total general fund appropriation S.B. 2016	\$77,048,031
Grand total special fund appropriation S.B. 2016	\$25,133,099
Grand total all funds appropriation S.B. 2016	\$102,181,130

SECTION 2. LAND BOARD DISTRIBUTIONS. The estimated income line item in subdivision 2 of section 1 of this Act includes \$502,823 from permanent funds managed for the benefit of the youth correctional center by the board of university and school lands.

SECTION 3. AUTHORITY TO LEASE LAND UNDER THE JURISDICTION OF THE DEPARTMENT. The department of corrections and rehabilitation may lease land under the jurisdiction of the department for the purpose of the construction and operation of a prerelease center. Subsection 12 of section 54-23.3-04 does not apply to the lease authorized by this section. The lease expires when the leased property is no longer used for a prerelease center, when the lease operator breaches any material part of the lease, or twenty years after the date of the lease, whichever occurs first, and all rights, title, and interest in any buildings, fixtures, and improvements vest and remain with the state.

SECTION 4. DEPARTMENT OF CORRECTIONS AND REHABILITATION - LEGISLATIVE COUNCIL STUDY AND REPORTS. During the 2001-02 interim, the legislative council shall consider studying wages paid to inmates sentenced to the state correctional system and the various deductions from those wages, including methods used to determine rates of pay; actual wages paid to inmates; deductions from inmate wages; and the effect deductions for incarceration costs, facility operation costs, and capital improvement costs have on inmate payments for child support and restitution. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 5. DEPARTMENT OF CORRECTIONS AND REHABILITATION - FACILITY AND OPERATIONS - LEGISLATIVE COUNCIL STUDY. The legislative council shall study, during the 2001-02 interim, the facilities and operations of the department of corrections and rehabilitation and report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly. The study must include the use of consultant services as determined by the legislative council. The study must include the following:

1. An analysis and evaluation of all facilities currently used by the department of corrections and rehabilitation and all facilities currently used by the state hospital which may at some time be used by the department, including:
 - a. The age, condition, and adequacy of each facility.
 - b. The operational efficiency of each facility, including utility costs and staffing needs.

- c. Modifications, if any, required to allow the department to meet the various needs of adult offenders.
2. An analysis and evaluation of future facility needs, including:
 - a. The types of facilities needed to serve adult offenders.
 - b. The most appropriate location for the department's various facilities, considering:
 - (1) The operational inefficiencies of maintaining multiple facilities.
 - (2) The administrative benefits of having multiple facilities in which to place offenders.
 - (3) The availability of education, treatment, and work programs for inmates.
3. An analysis and evaluation of the staffing needs of the department, including:
 - a. Current staff utilization and needs at each facility.
 - b. Availability of potential employees in each region in which the department operates or may operate a correctional facility.
4. An analysis and evaluation of the anticipated need for additional prison beds, considering the following:
 - a. The impact of changes in sentencing laws.
 - b. The impact of programs that provide alternatives to conventional incarceration.
 - c. Trends in occurrence and types of crime committed in the state.
 - d. The utilization and availability of existing and proposed county or regional correctional facilities.
 - e. The utilization and availability of existing and proposed private correctional facilities.
5. A cost-benefit analysis of the department's current and proposed programs, considering:
 - a. The effect on recidivism.
 - b. The necessity and effectiveness of providing rehabilitation and treatment services.
 - c. The availability of rehabilitation and treatment services which could be provided by entities or agencies other than the department, including regional human service centers.

SECTION 6. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$200,000, or so much of the sum as may be necessary, to the legislative council for the biennium beginning July 1, 2001, and ending June 30, 2003, for the purpose of contracting with a consultant to conduct the study as provided in section 5 of this Act.

SECTION 7. FEDERAL FUNDING REDUCTIONS - BUDGET SECTION APPROVAL. If, during the biennium beginning July 1, 2001, and ending June 30, 2003, the federal government reduces funding below the level anticipated by the fifty-seventh 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 the approval of the budget section of the legislative council. The department's budget request for the biennium beginning July 1, 2003, and ending June 30, 2005, must identify any programs for which general or special fund appropriation authority is requested to replace federal funds previously available for the program.

SECTION 8. OPERATION OF "PRERELEASE" AND "DUI OFFENDER TREATMENT" PROGRAMS - REPORT TO THE FIFTY-EIGHTH LEGISLATIVE ASSEMBLY. During the biennium beginning July 1, 2001, and ending June 30, 2003, the department of corrections and rehabilitation shall monitor the operation of the programs known as the "prerelease center" and the "DUI offender treatment center" authorized by the fifty-seventh legislative assembly. The department shall present a report to the appropriations committees of the fifty-eighth legislative assembly regarding the operation of the programs, 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.

SECTION 9. LEGISLATIVE INTENT - FUNDING FOR DRUG COURT PROGRAM. It is the intent of the fifty-seventh legislative assembly that the department of corrections and rehabilitation seek federal funding to support the drug court program during the biennium beginning July 1, 2001, and ending June 30, 2003. If federal funds do not become available to the department to support the program, special funds derived from other income of the department may be used to fund the program. If federal funds become available during the biennium, the department must use the federal funds, and any required matching funds to be provided from special funds, to fund the program for the remainder of the biennium before funds from any other source are used for this purpose. Special fund moneys not used for the drug court program pursuant to this section must be used in place of general fund moneys appropriated by the fifty-seventh legislative assembly for other programs operated by the department.

SECTION 10. AMENDMENT. Section 12-59-02 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

12-59-02. Meetings - Compensation - Rules. The governor shall appoint a member of the parole board to be chairman. The chairman of the parole board shall designate three members of the parole board for each meeting of the parole board. Meetings of the parole board must be held in accordance with rules established by the parole board and must be held as often as required to properly conduct the business of the board, but in any event not less than six times per year. The parole board may only take action upon the concurrence of at least two members who participated in the same meeting. The final decision of at least two parole board members who participated in the same parole board meeting constitutes the decision

of the parole board. Members are entitled to be compensated at the rate of ~~sixty-two~~ seventy-five dollars ~~and fifty cents~~ per day for each day actually and necessarily spent in the performance of their duties as board members plus the same mileage and expenses as are authorized for state officials and employees. The director of the division of parole and probation, or the director's designee, is the clerk for the parole board.

¹⁸ **SECTION 11. AMENDMENT.** Subsection 1 of section 12.1-32-08 of the North Dakota Century Code is amended and reenacted as follows:

1. ~~Prior to~~ Before imposing restitution or reparation as a sentence or condition of probation, the court shall hold a hearing on the matter with notice to the prosecuting attorney and to the defendant as to the nature and amount thereof. The court, when sentencing a person adjudged guilty of criminal activities ~~which~~ that have resulted in pecuniary damages, in addition to any other sentence it may impose, shall order that the defendant make restitution to the victim or other recipient as determined by the court, unless the court states on the record, based upon the criteria in this subsection, the reason it does not order restitution or orders only partial restitution. In determining whether to order restitution, the court shall take into account:
 - a. The reasonable damages sustained by the victim or victims of the criminal offense, which damages ~~must be~~ are limited to those directly related to the criminal offense and expenses actually incurred as a direct result of the defendant's criminal action. This can include an amount equal to the cost of necessary and related professional services and devices relating to physical, psychiatric, and psychological care. The defendant may be required as part of the sentence imposed by the court to pay the prescribed treatment costs for a victim of a sexual offense as defined in chapters 12.1-20 and 12.1-27.2.
 - b. The ability of the defendant to restore the fruits of the criminal action or to pay monetary reparations, or to otherwise take action to restore the victim's property.
 - c. The likelihood that attaching a condition relating to restitution or reparation will serve a valid rehabilitational purpose in the case of the particular offender considered.

The court shall fix the amount of restitution or reparation, which may not exceed an amount the defendant can or will be able to pay, and shall fix the manner of performance of any condition or conditions of probation established pursuant to this subsection. The court ~~may~~ shall order restitution be paid to the division of ~~parole and probation~~ adult services for any benefits ~~it~~ the division has paid or may pay under chapter 54-23.4 unless the court, on the record, directs otherwise. Any payments made pursuant to ~~such~~ the order must be deducted from damages awarded in a civil action arising from the same incident. An

¹⁸ Section 12.1-32-08 was also amended by section 1 of Senate Bill No. 2081, chapter 299.

order that a defendant make restitution or reparation as a sentence or condition of probation may, unless the court directs otherwise, be filed, transcribed, and enforced by the person entitled to the restitution or reparation or by the division of adult services in the same manner as civil judgments rendered by the courts of this state may be enforced.

SECTION 12. A new section to chapter 54-23.3 of the North Dakota Century Code is created and enacted as follows:

Reports regarding new programs. Notwithstanding the powers granted under section 54-23.3-04, the director of the department of corrections and rehabilitation may not authorize any new program to serve adult or juvenile offenders, including programs that provide alternatives to conventional incarceration and programs operated on a contract basis, if the program is anticipated to cost in excess of one hundred thousand dollars during the biennium in which the program is implemented or any subsequent biennium without first reporting to the legislative assembly or, if the legislative assembly is not in session, the budget section of the legislative council.

SECTION 13. AMENDMENT. Subsection 2 of section 54-23.4-12 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. ~~Prior to~~ Before bringing an action to recover damages related to criminally injurious conduct for which compensation is claimed or awarded, the claimant shall give the division written notice of the proposed action. If a claimant brings an action for the recovery of damages related to criminally injurious conduct for which compensation is claimed or awarded, the division is subrogated to the rights of the claimant up to the total amount the division has paid. When there has been a recovery of damages, the costs of the action, to be paid by the division from the recovery, exclusive of attorney's fees, must be prorated and adjusted on the percentage of the total subrogation interest of the division recovered to the total recovery. If there is a recovery, the division shall pay attorney's fees to the claimant's attorney from the recovery in the amount of twenty-five percent of the subrogation interest recovered. For purposes of this section, recovery includes proceeds paid pursuant to a settlement, confession of judgment, or judgment of a court. The division may intervene in the action to recover compensation awarded. The division has a lien on a recovery to the extent it has paid compensation. The division is not liable for costs or attorney's fees when the claimant has not provided the division prior written notice of the commencement of an action. If a claimant does not bring an action for damages within six months from the date the division awarded benefits, the division may bring an action or claim for relief in the division's name and may retain as the division's subrogation interest the full amount the division has paid in compensation and benefits to a claimant. The division may bring an action within two years from the date the division first awarded benefits, notwithstanding any other statute of limitation. This section does not limit the claimant's right to bring an action to recover for other damages.

CHAPTER 42

SENATE BILL NO. 2017

(Appropriations Committee)
(At the request of the Governor)

JOB SERVICE NORTH DAKOTA

AN ACT to provide an appropriation for defraying the expenses of job service North Dakota; to create and enact a new section to chapter 52-08 of the North Dakota Century Code, relating to job task analysis services; to amend and reenact subdivision a of subsection 3 of section 52-04-05 and section 52-04-22 of the North Dakota Century Code and section 4 of chapter 433 of the 1999 Session Laws, relating to unemployment compensation employer rates, the federal advance interest repayment fund, and the unemployment compensation incentive fund; to provide a continuing appropriation; to provide for retroactive application; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to job service North Dakota for the purpose of defraying its expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$33,830,614
Operating expenses	13,420,143
Equipment	786,830
Capital improvements	453,545
Grants	7,818,672
Work Force 2000	<u>2,100,356</u>
Total all funds	\$58,410,160
Less estimated income	<u>56,309,804</u>
Total general fund appropriation	\$2,100,356

SECTION 2. APPROPRIATION. All federal funds received by job service North Dakota in excess of those funds appropriated in section 1 of this Act are hereby appropriated for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. WORK FORCE 2000 ALLOCATIONS. For the year beginning July 1, 2001, a minimum of \$150,000, of the \$2,100,356 provided for work force 2000, is to be available for projects in areas in the state which are not within five miles [8.05 kilometers] of any city with a population of more than eight thousand. Any work force 2000 funds remaining after June 30, 2002, may be used for projects in any area of the state.

¹⁹ **SECTION 4. AMENDMENT.** Subdivision a of subsection 3 of section 52-04-05 of the North Dakota Century Code as amended in section 1 of House Bill No. 1471, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

3. a. Except as otherwise provided in this subsection, an employer's rate may not be less than the negative employer minimum rate for a calendar year unless the employer's account has been chargeable with benefits throughout the thirty-six-consecutive-calendar-month period ending on September thirtieth of the preceding calendar year. If an employer in construction services has not been subject to the law as required, that employer qualifies for a reduced rate if the account has been chargeable with benefits throughout the twenty-four-consecutive-calendar-month period ending September thirtieth of the preceding calendar year. If an employer in nonconstruction services has not been subject to the law as required, the employer in nonconstruction services qualifies for a reduced rate if the account has been chargeable with benefits throughout the twelve-consecutive-calendar-month period ending September thirtieth of the preceding calendar year. During the building of the trust fund reserve, the rate assigned to an employer may not exceed one hundred thirty percent of the previous year's rate for that employer and an employer may not receive more than a ten percent decrease in that employer's rate from the previous year's rate, for the calendar years 2000, 2001, and 2002. However, this rate limitation provision for calendar years 2000, 2001, and 2002 does not apply to an experience-rated employer that was a new employer the previous year, a negative employer that was a positive employer the previous year, a positive employer that was a negative employer the previous year, an employer that has failed to file a report, a new employer, and an employer that chose to make payments in lieu of contributions. ~~During the building of the trust fund reserve for calendar years 2000, 2001, and 2002, a negative employer that was a negative employer the previous year may not make excess contributions under subsection 4 of section 52-04-06 to become a positive employer.~~ The executive director may provide any negative employer whose contributions paid into the trust fund are greater than the benefit charges against that employer's account, for a minimum of three consecutive years immediately preceding the computation date or subject to the law as required, with up to a thirty percent reduction to that employer's rate for any year if that employer has in place a plan approved by the bureau which addresses substantive changes to that employer's business operation and ensures that any rate reduction provided will not put the employer account back into a negative status.

SECTION 5. AMENDMENT. Section 52-04-22 of the North Dakota Century Code is amended and reenacted as follows:

¹⁹ Section 52-04-05 was also amended by section 1 of House Bill No. 1087, chapter 453, and section 1 of House Bill No. 1471, chapter 452.

52-04-22. Federal advance interest repayment fund - Appropriation Continuing appropriation. There is created the federal advance interest repayment fund, to which will be credited all assessments collected by the division for the purpose of paying interest due on federal advances to the state trust fund. The fund must consist of all interest collected on delinquent contributions, all penalties provided by the Unemployment Compensation Law, and funds borrowed from sources other than federal advances which are placed in this fund. All moneys accruing to this fund in any manner must be maintained in this separate interest-bearing account at the Bank of North Dakota or invested in deposits of the Bank of North Dakota.

Moneys in this fund may also be used for the purpose of repaying funds placed in this fund which are borrowed from sources other than federal advances and for the purpose of paying interest due on other than federal advances. However, moneys in this fund may not be expended or available for expenditure in any manner which would permit their substitution for, or a corresponding reduction in, federal funds which would in the absence of the moneys be available to finance expenditures for the administration of the bureau.

Moneys in this fund may also be used for the purpose of paying principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Grand Forks, North Dakota. Moneys in this fund also may be used for the purpose of paying principal and interest costs associated with the acquisition and renovation of land and building to be used as an office facility by job service North Dakota in Bismarck, North Dakota. Moneys in this fund may be used for the purpose of paying the costs of repair, renovation, or alteration of job service-owned office facilities. Moneys in this fund may be used for the purpose of paying the replacement rate charged for use of state fleet vehicles. Moneys in this fund are hereby appropriated for the purposes specified in this section including the purpose of paying principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Grand Forks, North Dakota. Moneys in this fund are appropriated for the purpose of paying the principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Bismarck, North Dakota. Moneys in this fund are appropriated for the purpose of paying the costs of repair, renovation, or alteration of job service-owned office facilities. Moneys in this fund are appropriated for the purpose of paying the replacement rate charged for use of state fleet vehicles.

SECTION 6. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Job task analysis services - Authorization to charge fees - Continuing appropriation. Job service North Dakota may provide job task analysis services to an employer requesting these services. Notwithstanding the reference to free public employment offices in this chapter or in any other provision of law, job service North Dakota may charge reasonable fees to employers for providing job task analysis services. All fees collected under this section must be deposited in a separate interest-bearing account at the Bank of North Dakota and must be used for the purpose of providing job task analysis services. Moneys in this fund are appropriated on a continuing basis for the purpose of providing job task analysis services.

SECTION 7. AMENDMENT. Section 4 of chapter 433 of the 1999 Session Laws is amended and reenacted as follows:

SECTION 4. APPROPRIATION. The unemployment compensation incentive fund is established from all moneys credited to this state under section 2 of this Act for federal fiscal years 2000, 2001, and 2002. ~~The amount of \$327,000 from this unemployment compensation incentive fund, to the extent funds are available in this fund, is hereby appropriated to job service North Dakota every year in which job service North Dakota achieves an average duration of benefits that is at least one-half week less than the average duration of benefits for the preceding program year, excluding every claimant who is on temporary layoff and returning to employment with the former employer within four weeks and excluding every claimant with demonstrated job attachment and a reasonable expectation of returning to a former base period employer once work becomes available for the biennium beginning July 1, 1999, and ending June 30, 2001. All moneys in this fund are appropriated to job service North Dakota for administration of the unemployment compensation program.~~

SECTION 8. RETROACTIVE APPLICATION. Section 4 of this Act is retroactive in application to January 1, 2000.

SECTION 9. EMERGENCY. Section 4 of this Act is declared to be an emergency measure.

Approved April 27, 2001
Filed April 27, 2001

CHAPTER 43

SENATE BILL NO. 2018

(Appropriations Committee)
(At the request of the Governor)

OFFICE OF ADMINISTRATIVE HEARINGS

AN ACT to provide an appropriation for defraying the expenses of the office of administrative hearings; and to authorize a loan from the general fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys from special funds derived from billing agencies for services, to the office of administrative hearings for the purpose of defraying its expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$656,859
Operating expenses	693,083
Equipment	21,350
Total special funds appropriation	\$1,371,292

SECTION 2. OFFICE OF ADMINISTRATIVE HEARINGS - LOAN FROM STATE GENERAL FUND - APPROPRIATION OF LOAN REPAYMENT.

Notwithstanding any other provision of law, the office of administrative hearings may borrow up to \$100,000, which amount is appropriated from the state general fund during the biennium beginning July 1, 2001, and ending June 30, 2003. The office of administrative hearings shall inform the office of management and budget of any loan required pursuant to this section. Any loan made to the office of administrative hearings under this section must be repaid to the state general fund by June 30, 2003, and any loan repayments made by the office of administrative hearings are appropriated for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 18, 2001
Filed April 18, 2001

CHAPTER 44

SENATE BILL NO. 2019

(Appropriations Committee)
(At the request of the Governor)

DEPARTMENT OF COMMERCE

AN ACT to provide an appropriation for defraying the expenses of the department of commerce; to provide for transfers of funds; to provide statements of legislative intent; to direct the state tax commissioner to audit the ethanol incentive program; to provide for legislative council studies; to provide for reports to the budget section; to create and enact a new section to chapter 54-34.4 of the North Dakota Century Code, relating to tourism copyrights and trademarks; to amend and reenact sections 4-14.1-07, 54-34.4-04, and 57-43.1-03.1 of the North Dakota Century Code, relating to ethanol plant production incentives, the motion picture development office advisory board, and tax refunds for fuel used for agricultural purposes; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of commerce for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$6,103,893
Operating expenses	10,480,832
Equipment	199,936
Grants	36,330,226
North Dakota development fund	2,350,000
Agricultural products utilization	5,082,270
Lewis and Clark bicentennial	905,751
Transitional expenses	81,104
Total all funds	\$61,534,012
Less estimated income	<u>43,653,725</u>
Total general fund appropriation	\$17,880,287

SECTION 2. APPROPRIATION. All income received in excess of the amounts appropriated in section 1 of this Act relating to agricultural products utilization commission activities is appropriated to the agricultural products utilization commission for research, marketing, and utilization grants for the biennium beginning July 1, 2001, and ending June 30, 2003. Any funds received require the approval of the emergency commission before they may be expended.

SECTION 3. AGRICULTURAL FUEL TAX REFUND FUND. The estimated income line item in section 1 of this Act includes \$575,000 from the agricultural fuel tax fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 4. HIGHWAY TAX DISTRIBUTION FUND - ETHANOL PRODUCTION INCENTIVES - INFORMATION FILED WITH BUDGET SECTION -

CONTINGENT TRANSFER. The estimated income line item in section 1 of this Act includes \$2,500,000, or so much of the amount as may be necessary, from the highway tax distribution fund for the ethanol production incentive program. Distribution from the appropriation in section 1 of this Act to the producers of agriculturally derived fuel must be at the rate of forty cents for each gallon of agriculturally derived fuel produced in the state which is marketed by the producing plant to a distributor or wholesaler for sale. For purposes of this section, "gallon of agriculturally derived fuel" means a gallon of fuel that qualifies for the alcohol credit under 26 U.S.C. 40, specifically including fuel to which a denaturant has been added. An ethanol plant shall notify the agricultural products utilization commission, in writing, by October 1, 2001, of its intent to request ethanol incentive payments for the biennium beginning July 1, 2001, and ending June 30, 2003, to be eligible to receive payments authorized by this section. Payment to the producing plant must be approved by the agricultural products utilization commission upon presentation by the plant of an affidavit to the effect that the ethanol sold from the plant and for which the producer's credit is being sought is to be sold at retail to consumers. The affidavit of the producer of the ethanol must be accompanied by an affidavit from the wholesaler or retailer to the same effect. Within ninety days after the end of each fiscal year of the ethanol plant beginning after December 31, 1992, any North Dakota ethanol plant receiving production incentives from the state shall file with the budget section of the legislative council a statement, certified by a certified public accountant, as to whether the plant produced a profit from its operation in the preceding fiscal year, after deducting the payments received from this incentive program. If an ethanol plant has not notified the agricultural products utilization commission of its intent to request ethanol incentive payments for the biennium beginning July 1, 2001, and ending June 30, 2003, or if, at the end of each fiscal year, funding appropriated for the ethanol incentive payments is not spent, the director of the office of management and budget shall transfer from the highway tax distribution fund the amount of funds certified by the agricultural products utilization commission as not needed for ethanol incentive payments or the unspent funds deposited into the fund pursuant to provisions of section 57-43.1-03.1 to the agricultural fuel tax fund for the agricultural products utilization commission for the purpose of providing grants as provided by law.

SECTION 5. EXEMPTION. The funds appropriated in the agricultural products utilization line item in section 1 of this Act are not subject to section 54-44.1-11 and any unexpended funds from this line item relating to grants awarded may be available for continued payment of grants awarded but not paid during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 6. LEGISLATIVE INTENT - TOURISM OPERATING EXPENSES. It is the intent of the legislative assembly that the sum of \$3,300,437 included in the operating expenses line item in section 1 of this Act be allocated for tourism-related activities, including tourism-related administrative costs as approved by the tourism division director for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 7. DEPARTMENT OF COMMERCE - STATUS REPORTS - PERFORMANCE REPORT - BUDGET SECTION. The commissioner of the department of commerce shall periodically report to the budget section on the status of the establishment of the department of commerce during the 2001-02 interim. The director shall 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 biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. NORTH DAKOTA DEVELOPMENT FUND ALLOCATIONS.

The \$2,350,000 transferred to the North Dakota development fund for grants must be dedicated for projects as follows: forty percent businesses in rural areas, forty percent businesses in urban areas, and twenty percent North Dakota American Indian businesses. Any unused funds in any category may be transferred to another category during the second year of the biennium under rules adopted by the director of the department of economic development and finance. The director of the department of economic development and finance may reallocate up to twenty percent of any region's available remaining balance of regional rural development revolving loan funds to another region or regions for the biennium beginning July 1, 2001, and ending June 30, 2003. Of the amount available in the North Dakota development fund, \$4,000,000 or the unobligated balance on July 1, 2001, relating to the transfer of regional rural development revolving loan fund moneys, must continue to be dedicated for the purpose of providing financial assistance, research and development assistance, and loans or equity or debt financing on a matching basis to new or expanded primary sector businesses in areas of the state that are not within five miles [8.05 kilometers] of any city with a population of more than eight thousand. These funds must be allocated for the benefit of each of the areas delineated as regions by executive order of the governor pursuant to section 54-40.1-02.

SECTION 9. LEGISLATIVE INTENT - DEPARTMENT OF COMMERCE STRATEGIC PLAN. It is the intent of the legislative assembly that the department of commerce, with the assistance of an economic development consultant, develop a strategic plan including the new economy initiative, with input from a task force including members of the economic development foundation, three legislators appointed by the chairman of the legislative council, and one member appointed by the economic development association of North Dakota, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LEGISLATIVE INTENT - ECONOMIC DEVELOPMENT FOUNDATION AND STRATEGIC PLAN. It is the intent of the legislative assembly that up to \$100,000 of the grants line item in section 1 of this Act be allocated for expenses of the economic development foundation and for the development of a strategic plan for economic development in North Dakota for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 11. LEGISLATIVE INTENT - POLITICAL SUBDIVISION GRANTS - EXTRAORDINARY COSTS. It is the intent of the legislative assembly that \$150,000 of the Lewis and Clark bicentennial line item in section 1 of this Act be allocated for grants to reimburse political subdivisions for extraordinary costs incurred in river rescues directly related to Lewis and Clark bicentennial activities for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 12. LEGISLATIVE INTENT - GRANTS LINE ITEM - REMODELING OF ABANDONED PUBLIC SCHOOL BUILDINGS PILOT PROJECT. It is the intent of the legislative assembly that \$50,000 of the grants line item in section 1 of this Act be used to establish a pilot project to provide grants to cities, school districts, or authorized job development authorities to assist in the remodeling of abandoned public school buildings to be used for the location or relocation of a new or expanding business. The department may provide a grant only for an approved project. If the applicant provides matching funds of at least twenty percent for the approved project, the department may award a grant of up to five thousand dollars for each new full-time job to be created as a result of the project. The maximum amount of a grant under this section is fifty thousand dollars. The grant funds may be used only to remodel closed public school buildings in a city

in which the closed school was the only school in the city. The department may establish additional guidelines for the awarding of grants under this section. Any funds not obligated under this section on October 1, 2002, may be used for other purposes as determined by the commissioner of the department of commerce.

SECTION 13. LEGISLATIVE INTENT - GRANTS - CHAMPION COMMUNITIES. It is the intent of the legislative assembly that \$75,000 of the grants line item in section 1 of this Act be allocated to provide matching funds on a dollar-for-dollar basis to the United States department of agriculture designated champion/REAP alliance communities to provide funding for an economic development coordinator employed by these communities to assist in economic development and to help stem outmigration, for the biennium beginning July 1, 2001, and ending June 30, 2003. Local matching funds may be cash or in-kind contributions.

SECTION 14. STATE TAX COMMISSIONER - AUDIT OF ETHANOL PRODUCTION INCENTIVE PROGRAM. The state tax commissioner shall conduct an audit of the ethanol production incentive program during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 15. WORKFORCE DEVELOPMENT GRANTS - TALENT RECRUITMENT INITIATIVE. The grants line item in section 1 of this Act includes \$250,000 for the development of a public/private partnership statewide talent recruitment initiative for the biennium beginning July 1, 2001, and ending June 30, 2003. The department of commerce and the workforce development council shall establish criteria for the distribution of grants under this section and may require a grant applicant to provide matching funds.

SECTION 16. LEGISLATIVE COUNCIL STUDY - VENTURE CAPITAL. The legislative council shall consider studying, during the 2001-02 interim, the availability of venture capital, tax credits, and other financing and research and development programs for new or expanding businesses. If chosen, the study must include an inventory of the programs available, a review of the difference between public and private venture capital programs, an assessment of the needs of business and industry, the research and development efforts of the North Dakota university system, and a review of the investments of the state investment board and the feasibility and desirability of investing a portion of these funds in North Dakota. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 17. LEGISLATIVE COUNCIL STUDY - GLOBAL MARKETS. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of expanding North Dakota's economic development marketing efforts to include international markets and establishing a global marketing division within the department of commerce. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. AMENDMENT. Section 4-14.1-07 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-14.1-07. Duration and limitation of ethanol plant production incentives. Notwithstanding any other provision of law, an ethanol plant may not receive production incentives except as permitted under this section.

1. An ethanol plant that was in operation before July 1, 1995, may not receive production incentives in the form of direct payments from the state for more than ~~twelve~~ fourteen fiscal years of operation after June 30, 1995. An ethanol plant that begins operation after June 30, 1995, may not receive production incentives in the form of direct payments from the state for more than ~~twelve~~ fourteen fiscal years of operation. After December 31, 2009, the state may not provide production incentives in the form of direct payments to any ethanol plant.
2. An ethanol plant that was in operation before July 1, 1995, and which has a production capacity of fewer than fifteen million gallons [56781000 liters] of ethanol may receive up to seven hundred fifty thousand dollars in production incentives from the state for production in a fiscal year. An ethanol plant that was in operation before July 1, 1995, and which ~~has a production capacity of fifteen million gallons [56781000 liters] or more of ethanol per year is not eligible for production incentives from the state produced fifteen million [56781000 liters] or more gallons in the previous fiscal year and an ethanol plant that begins operations after June 30, 1995, are each eligible to receive an equal share in up to five hundred thousand dollars in production incentives from the state in a fiscal year.~~

²⁰ **SECTION 19. AMENDMENT.** Section 54-34.4-04 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-34.4-04. North Dakota motion picture development office - Advisory board. The North Dakota motion picture development office is a part of the tourism department. The office shall promote North Dakota as a location for shooting films, television shows, documentaries, and commercials, and shall provide technical expertise to persons desiring to use the state as a filming location. The director of the tourism department shall appoint staff necessary to fulfill the functions and duties of the office and ~~shall~~ may appoint an advisory board of no more than ten members to assist in advising the office and to provide technical expertise to offer prospective film companies seeking locations and advice. The board shall serve without compensation, except reimbursement for actual and necessary expenses at the same rate as allowed other state officers to be paid from funds available to the office within the limits of legislative appropriations.

SECTION 20. A new section to chapter 54-34.4 of the North Dakota Century Code is created and enacted as follows:

Copyright and trademark. The director of the tourism department may obtain copyright or trademark protection for anything that may be used to promote the policies listed in section 54-34.4-03. The director may license and charge a fee for photographs and logos and anything with copyright or trademark protection.

SECTION 21. AMENDMENT. Section 57-43.1-03.1 of the North Dakota Century Code is amended and reenacted as follows:

²⁰ Section 54-34.4-04 was also amended by section 42 of Senate Bill No. 2032, chapter 488.

57-43.1-03.1. (Effective until December 31, ~~2004~~ 2003) Refund of tax for fuel used for agricultural purposes - Reductions. Any consumer who buys or uses any motor vehicle fuel for an agricultural purpose on which the motor vehicle fuel tax has been paid may file a claim with the commissioner for a refund under this chapter. The amount of the tax refund under this section must be reduced by seven cents per gallon [3.79 liters] except for those fuels used in aircraft or with respect to refunds claimed by aircraft fuel users. Two cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural fuel tax fund, one cent per gallon [3.79 liters] withheld from the refund must be retained in the highway tax distribution fund, and four cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural research fund.

(Effective January 1, ~~2002~~ 2004) Refund of tax for fuel used for agricultural purposes - Reductions. Any consumer who buys or uses any motor vehicle fuel for an agricultural purpose on which the motor vehicle fuel tax has been paid may file a claim with the commissioner for a refund under this chapter. The amount of the tax refund under this section must be reduced by six cents per gallon [3.79 liters] except for those fuels used in aircraft or with respect to refunds claimed by aircraft fuel users. Two cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural fuel tax fund and four cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural research fund.

SECTION 22. EFFECTIVE DATE. Section 21 of this Act is effective for refund claims for motor vehicle fuel taxes paid after December 31, 2000.

SECTION 23. EMERGENCY. Section 20 of this Act is declared to be an emergency measure.

Approved April 28, 2001
Filed April 28, 2001

CHAPTER 45

SENATE BILL NO. 2020

(Appropriations Committee)
(At the request of the Governor)

BOARD FOR VOCATIONAL AND TECHNICAL EDUCATION

AN ACT to provide an appropriation for defraying the expenses of the state board for vocational and technical education; to provide for a legislative council study; to create and enact a new section to chapter 52-08 of the North Dakota Century Code, relating to workforce training funds; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state board for vocational and technical education for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$2,946,750
Operating expenses	596,147
Equipment	60,000
Grants	22,920,288
Information technology technical education program development grants	422,300
Adult farm management	575,760
Work force training	1,350,000
Postsecondary education vocational grants	<u>357,452</u>
Total all funds	\$29,228,697
Less estimated income	<u>14,887,742</u>
Total general fund appropriation	\$14,340,955

SECTION 2. WORKFORCE TRAINING AND DEVELOPMENT ACTIVITIES - DIVISION OF WORKFORCE DEVELOPMENT REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY. The division of workforce development of the department of commerce shall 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. The division of workforce development of the department of commerce shall present the reports to the House and Senate appropriations committees of the fifty-eighth legislative assembly.

SECTION 3. INFORMATION TECHNOLOGY TECHNICAL EDUCATION PROGRAM DEVELOPMENT GRANTS. The state board for vocational and technical education shall use the amount appropriated in the line item entitled information technology technical education program development grants in section 1 of this Act to contract with a nonprofit private entity to provide assistance to schools

in information technology technical education program development. The funds must be expended in accordance with the April 24, 2001, partnership agreement entered into between the state board for vocational and technical education and explornet.

SECTION 4. WORKFORCE TRAINING AND DEVELOPMENT - LEGISLATIVE COUNCIL STUDY. The legislative council shall consider studying, during the 2001-02 interim, workforce training and development programs in North Dakota, including efforts to recruit and retain North Dakota's workforce, underemployment and skills shortages, current workforce training efforts, and the involvement of the new economy initiative goals and strategies; and the work force 2000 and new jobs training programs and other workforce training and development programs administered by agencies of the state of North Dakota, and the feasibility and desirability of consolidating in a single agency the funding and administration of those programs. Agencies to be considered as part of the study include job service North Dakota, the department of economic development and finance, the state board for vocational and technical education, and the North Dakota university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 5. WORKFORCE TRAINING - REGIONAL FUNDS - REPORT TO BUDGET SECTION. The North Dakota university system shall report during the 2001-02 interim to the budget section of the legislative council 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 prior to June 30, 2003.

SECTION 6. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Workforce training funds - Distribution. Within the limits of legislative appropriations, workforce training funds must be distributed by the state board for vocational and technical education as follows:

1. During the first fiscal year of each biennium, the state board for vocational and technical education shall distribute up to one-half of the total amount appropriated for the biennium. The funds must be divided among the institutions of higher education assigned primary responsibility for workforce training pursuant to business plans approved by the state board of higher education and filed annually with the state board for vocational and technical education and the division of workforce development of the department of commerce.
2. To be eligible to receive state funding for the second fiscal year of each biennium, each institution of higher education assigned primary responsibility for workforce training must provide certification to the workforce development division of the department of commerce that at least fifty percent of the regional funds included in the approved business plan for the biennium have been received, or are pledged to be received, prior to the end of the biennium. These funds may not be distributed to an institution of higher education assigned primary responsibility for workforce training until the workforce development division notifies the state board for vocational and technical education that the institution has met the requirements of this subsection.

SECTION 7. EFFECTIVE DATE. Section 6 of this Act becomes effective July 1, 2003.

Approved May 3, 2001

Filed May 4, 2001

CHAPTER 46

SENATE BILL NO. 2021

(Appropriations Committee)
(At the request of the Governor)

EXTENSION SERVICE, CROPS INSTITUTE, TRANSPORTATION INSTITUTE, RESEARCH CENTERS, AND SEED FARM

AN ACT to provide an appropriation for defraying the expenses of the extension service, northern crops institute, upper great plains transportation institute, and the agricultural experiment station; to provide statements of legislative intent; to provide for a report to the budget section; and to amend and reenact sections 4-05.1-16, 4-05.1-17, 4-05.1-19, and 4-05.1-21 of the North Dakota Century Code, relating to the membership and duties of the state board of agricultural research and education, the compensation of board members, and the agricultural research fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income to the North Dakota state university extension service, the northern crops institute, the upper great plains transportation institute, and the North Dakota agricultural experiment station for the purpose of defraying the expenses of their various divisions, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE

Total all funds	\$33,628,046
Less estimated income	<u>19,298,301</u>
Total general fund appropriation	\$14,329,745

Subdivision 2.

NORTHERN CROPS INSTITUTE

Total all funds	\$1,457,123
Less estimated income	<u>732,697</u>
Total general fund appropriation	\$724,426

Subdivision 3.

UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

Salaries and wages	\$4,057,364
Operating expenses	2,418,063
Equipment	263,000
Grants	<u>1,150,000</u>
Total all funds	\$7,888,427
Less estimated income	<u>7,383,348</u>
Total general fund appropriation	\$505,079

Subdivision 4.

MAIN RESEARCH CENTER

Total all funds	\$54,962,097
Less estimated income	<u>26,812,612</u>
Total general fund appropriation	\$28,149,485

Subdivision 5.

RESEARCH CENTERS

Dickinson research center	\$3,577,653
Central grasslands research center	1,413,982
Hettinger research center	1,559,583
Langdon research center	1,916,894
North central research center	1,511,068
Williston research center	1,413,786
Carrington research center	<u>3,259,679</u>
Total all funds	\$14,652,645
Less estimated income	<u>6,618,485</u>
Total general fund appropriation	\$8,034,160

Subdivision 6.

AGRONOMY SEED FARM

Agronomy seed farm	<u>\$1,259,140</u>
Total special funds appropriation	<u>\$1,259,140</u>
Grand total general fund appropriation S.B. 2021	\$51,742,895
Grand total special funds appropriation S.B. 2021	\$62,104,583
Grand total all funds appropriation S.B. 2021	\$113,847,478

SECTION 2. ADDITIONAL INCOME - APPROPRIATION. Any additional income including funds from federal acts, private grants, gifts and donations, or from other sources received by the North Dakota agricultural experiment station, northern crops institute, upper great plains transportation institute, and the North Dakota state university extension service, except as otherwise provided by law, is appropriated for the purpose designated in the act, grant, or donation for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. TRANSFER AUTHORITY. Upon approval of the state board of agricultural research and education and appropriate research extension center directors, the director of the North Dakota agricultural experiment station may transfer appropriation authority within subdivisions 4, 5, and 6 of section 1 of this Act and shall notify the office of management and budget within ten days following the transfer.

SECTION 4. LEGISLATIVE INTENT - FULL-TIME EQUIVALENTS. The board of higher education is authorized to adjust or increase full-time equivalent positions as needed, subject to availability of funds. The board shall report any adjustments to the office of management and budget prior to the submission of the 2003-05 budget request.

SECTION 5. LEGISLATIVE INTENT - LANGDON LEARNING CENTER. It is the intent of the legislative assembly that the Langdon research extension center begin construction on the Langdon learning center only when the station has \$500,000 in cash or pledges for the learning center for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 6. LEGISLATIVE INTENT - DICKINSON OIL REVENUE INITIATIVES. It is the intent of the fifty-seventh legislative assembly that \$745,000 of

special funds from Dickinson oil revenues be allocated for the beefline initiative, which includes \$300,000 for a modern feedmill and feedlot at the Carrington research extension center that will address genetic, management, marketing, coproduct and environmental research needs, barley feeding research, and include outside consultation from the beef cattle industry to work with the state board of agricultural research and education to develop a complete research program with goals and priorities. The state board of agricultural research and education and researchers shall cooperatively develop the intent of the beefline initiative before implementation of the program.

SECTION 7. LEGISLATIVE INTENT - MALT BARLEYS. It is the intent of the fifty-seventh legislative assembly that the agricultural experiment station allocate from the main research center \$288,000, or so much of the sum as may be necessary, for the purpose of developing, in conjunction with the research centers, western North Dakota malt barleys.

SECTION 8. LEGISLATIVE INTENT - LIVESTOCK MARKETING CLUBS. It is the intent of the fifty-seventh legislative assembly that the North Dakota state university extension service may allocate resources for the establishment of two pilot livestock marketing clubs in western North Dakota.

SECTION 9. LEGISLATIVE INTENT - LAND PURCHASE. It is the intent of the fifty-seventh legislative assembly that the main research center may enter a financial arrangement with the north central research center to assist with the purchase of land in Ward County, North Dakota.

SECTION 10. REPORT TO THE BUDGET SECTION. The state board of agricultural research and education shall present a status report to the budget section of the legislative council during the biennium beginning July 1, 2001, and ending June 30, 2003. The report must include:

1. The number of employees and expenditures for each research extension center and the main station.
2. The expenditures from all funds for each state board of agricultural research and education gas tax research initiative.
3. A statement for each agricultural experiment station research project indicating the economic impact of each project to the state of North Dakota and how the project relates to the vision statement "North Dakota is to become the trusted provider of the highest quality agricultural products in the world," and a statement regarding North Dakota state university extension service's dissemination of information regarding each agricultural experiment station research project.
4. A report on cooperative projects undertaken by the agricultural research center, extension centers, and the main station.
5. A report identifying the source of income at the research and extension centers, the use of those funds, and the extent the research projects are affected by each income source.

SECTION 11. UNEXPENDED GENERAL FUND - EXCESS INCOME. Any unexpended general fund appropriation authority to and any excess income received by entities listed in section 1 of this Act are not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations or revenues are

available and may be expended during the biennium beginning July 1, 2003, and ending June 30, 2005.

²¹ **SECTION 12. AMENDMENT.** Section 4-05.1-16 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-05.1-16. State board of agricultural research and education - Membership - Terms.

1. The state board of agricultural research and education consists of:
 - a. The president of North Dakota state university or the president's designee;
 - b. The vice president of agricultural affairs at North Dakota state university, who serves in an ex officio nonvoting capacity;
 - c. The administrator of the agricultural experiment station, who serves in an ex officio nonvoting capacity;
 - d. The five persons appointed to the agricultural consultation board by the ag coalition and serving in that capacity on July 1, 1997;
 - e. The five persons appointed to the agricultural consultation board by the extension service's multicounty program units and serving in that capacity on July 1, 1997;
 - f. The two persons appointed to the agricultural consultation board by the president of North Dakota state university as representatives of the state's research extension centers and serving in that capacity on July 1, 1997;
 - g. The agriculture commissioner, who serves in an ex officio nonvoting capacity; ~~and~~
 - h. The director of the North Dakota state university extension service, who serves in an ex officio nonvoting capacity; and
 - i. Two members of the legislative assembly appointed by the chairman of the legislative council. The chairman shall appoint one member from each political faction. The terms of members are for two years, and members may be reappointed. The legislative council shall pay the compensation and expense reimbursement for the legislative members.
2. a. The initial five members appointed by the ag coalition shall select their terms by lot so that one member serves for one year, one member serves for two years, one member serves for three years, one member serves for four years, and one member serves for five years.

²¹ Section 4-05.1-16 was also amended by section 1 of House Bill No. 1181, chapter 58.

- b. The initial five members appointed by the extension service's multicounty program units shall select their terms by lot so that one member serves for one year, one member serves for two years, one member serves for three years, one member serves for four years, and one member serves for five years.
 - c. The two persons appointed as representatives of the state's research extension centers shall serve only through June 30, 1998.
- 3. At the completion of each initial term, the term of office for each member is five years, beginning on July first. No person may be appointed to a second five-year term.
- 4.
 - a. At least ninety days before the conclusion of the initial term of each member appointed by the ag coalition, the ag coalition shall provide to the state board of higher education a list of one or more names from which the state board of higher education shall appoint a successor. Future appointments to these five positions must be made in the same manner. The state board of higher education shall ensure that four out of the five seats are held by agricultural producers.
 - b. At least ninety days before the conclusion of the initial term of each member appointed by the extension service's multicounty program units, the units through their advisory groups shall provide to the state board of higher education a list of one or more names from which the state board of higher education shall appoint a successor. Future appointments to these five positions must be made in the same manner. The state board of higher education shall ensure that four out of the five seats are held by agricultural producers.

SECTION 13. AMENDMENT. Section 4-05.1-17 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-05.1-17. Compensation of board members - Expenses. Each appointed member of the state board of agricultural research and education is entitled to receive ~~sixty-two~~ seventy-five dollars ~~and fifty cents~~ per day as compensation for the time actually spent devoted to the duties of office and is entitled to receive necessary expenses in the same manner and amounts as state officials for attending meetings and performing other functions of office.

²² **SECTION 14. AMENDMENT.** Section 4-05.1-19 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-05.1-19. State board of agricultural research and education - Duties. Within the policies of the state board of higher education, the state board of agricultural research and education is responsible for the budgeting; ~~supervision;~~ and policymaking ~~responsibilities~~ associated with the ~~supervision of the agricultural~~

²² Section 4-05.1-19 was also amended by section 2 of House Bill No. 1181, chapter 58.

experiment station and the North Dakota state university extension service. The board of agricultural research and education ~~board~~ shall:

1. Determine the causes of any adverse economic impacts on crops and livestock produced in this state;
2. Develop ongoing strategies for the provision of research solutions and resources to negate adverse economic impacts on crops and livestock produced in this state;
3. ~~Make available financial resources, including grants and salaries, and make available equipment and facilities to implement~~ Develop ongoing strategies for the dissemination of research information through the extension service;
4. Implement the strategies developed under subsections 2 and 3, subject to approval by the state board of higher education;
4. ~~5.~~ Develop an annual budget for the operation of, with the agricultural experiment station and the North Dakota state university extension service, an annual budget for the operations of these entities;
5. ~~6.~~ Develop a biennial budget request and submit that request to the president of North Dakota state university and the state board of higher education on or before March first of each even-numbered year;
6. ~~7.~~ Maximize the use of existing financial resources, equipment, and facilities to generate the greatest economic benefit from research and extension efforts and to promote efficiency;
7. ~~8.~~ 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;
8. ~~9.~~ Advise the ~~administration~~ president of North Dakota state university regarding the recruitment and, selection, and performance of the vice president of agricultural affairs, the extension service director, and the station director; and
9. ~~10.~~ Develop ongoing strategies for the dissemination of research information and the best practices for management of the extension service Present a status report to the budget section of the legislative council.

²³ **SECTION 15. AMENDMENT.** Section 4-05.1-21 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-05.1-21. State board of agricultural research and education - Apportionment of research funds.

²³ Section 4-05.1-21 was also amended by section 4 of House Bill No. 1181, chapter 58.

1. The state board of agricultural research and education may use up to ten percent of the proceeds of the agricultural research fund, not to exceed fifty thousand dollars, for administrative expenses and annually shall apportion the remaining proceeds of the agricultural research fund as follows:
 - a. Seventy percent to research activities affecting North Dakota agricultural commodities that account for at least two percent of the gross sales of all agricultural commodities grown or produced in the state. The percentage of the dollars available for each agricultural commodity under this section may not exceed the percentage that the gross sales of the agricultural commodity bear to the North Dakota gross sales of all agricultural commodities grown or produced during the previous year, as determined by the agricultural statistics service;
 - b. Eighteen percent to research activities affecting North Dakota animal agriculture; and
 - c. Twelve percent to research activities affecting new and emerging crops in North Dakota.
2. The state board of agricultural research and education shall solicit proposals for research from the public and private sectors and shall appoint committees to review the proposals and award the agricultural research grants on a competitive basis. Each committee must consist of a majority of agricultural producers selected in consultation with the agricultural commodity groups representing commodities that are the subjects of the proposed research and may include researchers and other individuals knowledgeable about the proposed area of research. Whenever possible, the committees shall require that a grant recipient commit matching funds.
3. The state board of agricultural research and education shall develop policies regarding the award of research grants, including requirements for matching funds, cooperation with other in-state and out-of-state researchers, and coordination with other in-state and out-of-state proposed or ongoing research projects.

SECTION 16. TRANSFER AUTHORITY. Upon approval from the state board of agricultural research and education, the director of the North Dakota agricultural experiment station may transfer appropriation authority within subdivisions 1, 4, and 5 of section 1 of this Act of up to \$90,000 of estimated income for beef quality assurance and up to \$60,000 of estimated income for applied research initiatives, for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 28, 2001
Filed April 28, 2001

CHAPTER 47**SENATE BILL NO. 2022**

(Appropriations Committee)
(At the request of the Governor)

INFORMATION TECHNOLOGY DEPARTMENT

AN ACT to provide an appropriation for defraying the expenses of the information technology department.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from other income, to the information technology department for the purpose of defraying the expenses of the information technology department, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Salaries and wages	\$25,576,531
Operating expenses	35,661,772
Equipment	5,080,000
Center for innovation and instruction	800,334
Education technology commission grants	1,200,000
SENDIT network	1,673,669
Wide area network	9,968,905
Enterprise resource planning system	7,500,000
Geographic information system	750,000
Prairie public broadcasting	1,407,513
Total all funds	\$89,618,724
Less estimated income	70,838,880
Total general fund appropriation	\$18,779,844

SECTION 2. TRANSFERS - LIMITATIONS. Notwithstanding section 54-16-04, the director of the office of management and budget and the state treasurer shall make transfers of funds between line items of appropriations in section 1 of this Act for the information technology department as may be requested by the chief information officer. Transfers that increase line items in excess of the amount included in the executive recommendation presented on January 7, 2001, may only be made after emergency commission and budget section approval. The chief information officer shall inform the budget section of transfers made pursuant to this section.

Approved April 28, 2001
Filed April 28, 2001

CHAPTER 48

SENATE BILL NO. 2023

(Appropriations Committee)
(At the request of the Governor)

CAPITAL IMPROVEMENTS

AN ACT to provide an appropriation for capital projects of various state departments and institutions; to provide an appropriation for state facility energy improvement capital projects of various state departments and institutions; to authorize the industrial commission and the state board of higher education to issue and sell bonds for capital projects; to provide an appropriation; to provide a statement of legislative intent; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. PROJECT AUTHORIZATIONS. The industrial commission, acting as the North Dakota building authority, shall arrange for the funding of the projects authorized in this section, hereby declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2, during the biennium beginning July 1, 2001, and ending June 30, 2003. The proceeds of the evidences of indebtedness and other available funds are hereby appropriated during the biennium beginning July 1, 2001, and ending June 30, 2003, for the following projects:

State department of health	Laboratory addition	\$2,700,000
Minot state university	Old main renovation	7,850,000
Job service North Dakota	Bismarck service delivery office	2,302,000

The industrial commission shall issue evidences of indebtedness under this section with the condition that lease rental payments need not begin until July 1, 2003. This authority of the industrial commission to issue evidences of indebtedness ends June 30, 2003, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and to comply with any covenants entered into before that date.

Grand total special funds appropriation	\$12,852,000
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SECTION 2. BOND ISSUANCE REPAYMENT RESPONSIBILITY. Of the total amount of evidences of indebtedness issued under the provisions of section 1 of this Act, a total of \$6,356,000 must be available from nongeneral fund sources to assist in the retirement of the evidences of indebtedness issued for the project costs associated with the construction of the projects authorized by this Act:

State department of health	\$1,755,000
Job service North Dakota	2,302,000
Minot state university	2,299,000

The Minot state university local responsibility of \$2,299,000 must be paid in ten annual payments with each of the first two annual payments being \$315,000 and each of the remaining eight annual payments being \$208,625.

SECTION 3. STATE FACILITY ENERGY IMPROVEMENT PROJECT AUTHORIZATIONS. The industrial commission, acting as the North Dakota building authority, shall arrange for the funding of the projects authorized in this section, which are described in the report filed by the division of community services of the office of management and budget with the governor, dated August 30, 2000, and which are hereby declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2 and section 54-44.5-08, during the biennium beginning July 1, 2001, and ending June 30, 2003. The proceeds of the evidences of indebtedness and other available funds are hereby appropriated during the biennium beginning July 1, 2001, and ending June 30, 2003, for the following projects:

Department of transportation	Headquarters building	\$352,600
North Dakota state university	Sundry projects	296,348
University of North Dakota	Sundry projects	3,990,785

The authority of the industrial commission to issue evidences of indebtedness under this section ends June 30, 2003, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2, section 54-44.5-08, and this Act, and comply with any covenants entered into before that date.

Grand total special funds appropriation	\$4,639,733
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SECTION 4. LOCAL RESPONSIBILITY - APPROPRIATION. There is appropriated from local or other funds, the sum of \$1,300,000 to the state college of science for the purpose of providing the required local match for the student union renovation and expansion project, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 5. BOND ISSUANCE - PURPOSES - APPROPRIATION. The state board of higher education, in accordance with chapter 15-55, may issue and sell self-liquidating, tax-exempt bonds in an amount not exceeding \$17,500,000. Bonds issued pursuant to this section are not a general obligation of the state of North Dakota. The bonds may be issued, and the proceeds are appropriated, for the biennium beginning July 1, 2001, and ending June 30, 2003, for the purpose of financing the following capital projects:

University of North Dakota - Memorial student union renovation	\$3,500,000
North Dakota state university - Residence hall construction	8,000,000
North Dakota state university - Minard hall renovation	3,000,000
North Dakota state college of science - Student union renovation and expansion	2,000,000
North Dakota state college of science - Parking lot improvements	1,000,000

Any unexpended balance resulting from the proceeds of the bonds must be placed in a sinking fund to be used for the retirement of the bonds.

SECTION 6. LEGISLATIVE INTENT - STATE COLLEGE OF SCIENCE - STUDENT UNION RENOVATION AND EXPANSION. It is the intent of the fifty-seventh legislative assembly that the state college of science local responsibility of \$1,300,000, as provided in section 4 of this Act, must be collected before the state college of science may begin on the renovation and expansion of the student union.

SECTION 7. STATE FACILITY ENERGY IMPROVEMENT PROJECT - REPORT TO THE FIFTY-EIGHTH LEGISLATIVE ASSEMBLY. The agencies and

institutions receiving authorization for energy improvement projects pursuant to section 3 of this Act shall monitor the resulting energy savings and the cost-effectiveness of the projects and shall report the results to the house and senate appropriations committees of the fifty-eighth legislative assembly.

SECTION 8. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 26, 2001

Filed April 26, 2001

CHAPTER 49

HOUSE BILL NO. 1215

(Representatives DeKrey, N. Johnson, Metcalf, Nelson)
(Senators Heitkamp, Lyson)

ARMORY MAINTENANCE AND REPAIR

AN ACT to provide an appropriation to the adjutant general's office for maintenance and repair of political subdivision-owned armories and to provide a report to the budget section.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION AND BUDGET SECTION REPORT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the sum as may be necessary, to the adjutant general's office for the purpose of distributing on an equal matching fund basis grants of up to \$25,000 per political subdivision for the maintenance and repair of political subdivision-owned armories, for the biennium beginning July 1, 2001, and ending June 30, 2003. Projects must be approved and funds distributed based on rules promulgated by the adjutant general. Priority must be given to those major maintenance and repair projects for which the local political subdivision contributes the highest ratio of political subdivision funds for each dollar of state funds requested. Before approval of any project by the adjutant general under the matching grant program, the adjutant general shall 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 of the legislative council. A political subdivision receiving a grant shall manage the maintenance or repair project.

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 50**HOUSE BILL NO. 1249**

(Representatives Boehm, Berg, Froelich)
(Senators Solberg, Tomac)

JOHNE'S DISEASE CONTROL

AN ACT to provide an appropriation to the state board of animal health for the purpose of defraying the expenses associated with the control of Johne's disease in North Dakota.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION - REFUND FUND TRANSFER. The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the attorney general refund fund from lawsuit settlement collections in the state treasury, not otherwise appropriated, to the state board of animal health to disburse to livestock producers participating in the North Dakota voluntary Johne's disease herd status program to defray expenses incurred in the testing and control of Johne's disease in livestock and to provide for the education of producers and veterinarians concerning the testing and control of Johne's disease for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Testing assistance	\$105,000
Technical assistance	52,500
Education	<u>20,000</u>
Total special funds appropriation	\$177,500

The funds appropriated from the attorney general refund fund must be transferred to the department of agriculture operating fund as requested by the state veterinarian.

Approved April 13, 2001
Filed April 16, 2001

CHAPTER 51**SENATE BILL NO. 2229**

(Senators Robinson, Nething)
(Representatives R. Kelsch, Timm)

VETERANS' CEMETERY

AN ACT to provide an appropriation to the adjutant general for the operation of the North Dakota veterans' cemetery.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$200,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of operating the North Dakota veterans' cemetery, for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 28, 2001
Filed April 28, 2001

CHAPTER 52**SENATE BILL NO. 2342**

(Senators Thane, Bercier, Mutch)
(Representatives Carlisle, Maragos, B. Thoreson)

NATIONAL WORLD WAR II MEMORIAL

AN ACT to provide an appropriation to the national World War II memorial in Washington, District of Columbia.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$53,210, or so much of the sum as may be necessary, to the governor for the purpose of participating in the construction of the national World War II memorial in Washington, District of Columbia, by providing this state's share of the monument which represents a payment of one dollar for each person from this state who served in World War II, for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 19, 2001
Filed April 19, 2001

CHAPTER 53**HOUSE BILL NO. 1467**

(Representatives D. Johnson, Brandenburg, Nelson)
(Senators Christmann, Klein)

**ENVIRONMENT AND RANGELAND PROTECTION
FUND TRANSFER**

AN ACT to transfer funds from the environment and rangeland protection fund to the minor use pesticide fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. TRANSFER. The office of management and budget shall transfer \$500,000, or so much of the sum as may be available, from the environment and rangeland protection fund to the minor use pesticide fund during the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 13, 2001
Filed April 13, 2001

CHAPTER 54

SENATE BILL NO. 2195

(Senators Bowman, Nething, Tomac)
(Representatives Boucher, Carlisle, Timm)

COWBOY HALL OF FAME GRANT

AN ACT to provide legislative intent relating to the appropriation for the tourism division of the department of commerce and funding for a grant to the North Dakota cowboy hall of fame.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE INTENT - GRANT TO NORTH DAKOTA COWBOY HALL OF FAME. The grants line item appropriated to the tourism division of the department of commerce in Senate Bill No. 2019 includes the sum of \$100,000, or so much of the sum as may be necessary, for the purpose of providing a grant to the North Dakota cowboy hall of fame for defraying capital construction costs, for the biennium beginning July 1, 2001, and ending June 30, 2003.

Approved April 9, 2001
Filed April 10, 2001