

Sixty-fifth  
Legislative Assembly  
of North Dakota

## HOUSE BILL NO. 1071

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the securities  
2 department; and to amend and reenact subsection 5 of section 10-04-03 of the North Dakota  
3 Century Code, relating to collection of fees, civil penalties, and other moneys collected under  
4 the Securities Act.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
7 as may be necessary, are appropriated out of any moneys in the securities department special  
8 fund in the state treasury not otherwise appropriated, and from special funds derived from other  
9 income, to the securities department for the purpose of defraying the expenses of that agency,  
10 for the biennium beginning July 1, 2017, and ending June 30, 2019, as follows:

|                                   |                   | Adjustments or      |                      |
|-----------------------------------|-------------------|---------------------|----------------------|
|                                   | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |
| 13 Salaries and wages             | \$1,801,279       | \$57,133            | \$1,858,412          |
| 14 Operating expenses             | <u>459,502</u>    | <u>146,545</u>      | <u>606,047</u>       |
| 15 Total all funds                | \$2,260,781       | \$203,678           | \$2,464,459          |
| 16 Less estimated income          | <u>170,000</u>    | <u>2,294,459</u>    | <u>2,464,459</u>     |
| 17 Total general fund             | \$2,090,781       | \$0                 | \$0                  |
| 18 Full-time equivalent positions | 9.00              | 0.00                | 9.00                 |

19 **SECTION 2. AMENDMENT.** Subsection 5 of section 10-04-03 of the North Dakota Century  
20 Code is amended and reenacted as follows:

21 5. A special fund is established in the state treasury and designated as the securities  
22 department special fund. All fees, civil penalties, or other moneys collected under this  
23 chapter must be deposited in the general fund of the state treasury~~securities~~  
24 department special fund, except funds permitted to be deposited into the investor

1 education and technology fund under subsection 4 or civil penalties collected from  
2 enforcement actions for the purpose of distribution to aggrieved investors, which may  
3 be deposited in the investor restitution fund. Funds in the investor restitution fund are  
4 appropriated to the securities commissioner on a continuing basis for distribution to  
5 aggrieved investors.

6 a. The moneys deposited in the securities department special fund are reserved for  
7 use by the securities department to defray the expenses of the department in the  
8 discharge of its administrative and regulatory powers and duties as prescribed by  
9 law subject to the applicable laws relating to the appropriations of state funds and  
10 to the deposit and expenditure of state moneys. The securities department is  
11 responsible for the proper expenditure of these moneys as provided by law.

12 b. Any balance in the securities department special fund in excess of the  
13 department's appropriation from the fund must be transferred to the general fund  
14 by the office of management and budget. At biennium end any remaining  
15 appropriated balance in the fund must be transferred to the investor education  
16 and technology fund.