

April 28, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1003

Introduced by

Appropriations Committee

In place of amendment (25.0147.02005) adopted by the Senate, Engrossed House Bill No. 1003 is amended by amendment (25.0147.02007) as follows:

1 A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general;
2 ~~to create and enact a new chapter to title 51 of the North Dakota Century Code, relating to an~~
3 ~~electronic smoking device directory, electronic smoking device manufacturing fee, and~~
4 ~~electronic smoking fund;~~ to amend and reenact sections 31-01-16 ~~and~~ 54-12-11, 54-12-30, and
5 54-27-25 of the North Dakota Century Code, relating to compensation and mileage and travel
6 expenses for witnesses ~~and~~, the salary of the attorney general, twenty-four seven sobriety
7 program fees, and the tobacco settlement trust fund; to provide for a report; to provide for a
8 transfer; and to provide an exemption; ~~and to declare an emergency.~~

9 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
11 as may be necessary, are appropriated out of any moneys in the general fund in the state
12 treasury, not otherwise appropriated, and from other funds derived from special funds and
13 federal funds, to the attorney general for the purpose of defraying the expenses of the attorney
14 general, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
17 Salaries and wages	\$53,007,980	\$8,810,074	\$61,818,054
18 New and vacant FTE pool	0	4,455,869	4,455,869
19 Operating expenses	17,579,264	924,250	18,503,514

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1	Salaries and wages	\$53,007,980	\$8,323,325	\$61,331,305
2	New and vacant FTE pool	0	5,140,711	5,140,711
3	Operating expenses	17,579,264	(988,610)	16,590,654
4	Prosecution witness fees	0	360,056	360,056
5	Capital assets	606,000	1,089,000	1,695,000
6	Grants	3,903,440	110,000	4,013,440
7	Human trafficking victims grants	1,110,614	656,900	1,767,514
8	Capital assets	606,000	1,391,280	1,997,280
9	Grants	3,903,440	0	3,903,440
10	Human trafficking victims grants	1,110,614	1,341,900	2,452,514
11	Forensic nurse examiners grants	252,676	1,568	254,244
12	Statewide litigation funding pool	0	8,000,000	8,000,000
13	Statewide litigation funding pool	0	5,000,000	5,000,000
14	Litigation fees	127,500	0	127,500
15	Medical examinations	660,000	0	660,000
16	Children's forensic interviews	304,560	0	304,560
17	North Dakota lottery	5,413,453	167,152	5,580,605
18	North Dakota lottery	5,413,453	171,709	5,585,162
19	Arrest and return of fugitives	8,500	0	8,500
20	Gaming commission	7,489	0	7,489
21	Criminal justice information sharing	4,579,950	2,749,467	7,329,417
22	Law enforcement	3,377,659	289,999	3,667,658
23	Total all funds	\$90,939,085	\$27,614,335	\$118,553,420
24	Less other funds	41,914,820	13,563,444	55,478,264
25	Total general fund	\$49,024,265	\$14,050,891	\$63,075,156
26	Full-time equivalent positions	266.00	4.00	270.00
27	Law enforcement	3,377,659	291,739	3,669,398
28	Total all funds	\$90,939,085	\$23,783,145	\$114,722,230
29	Less other funds	41,914,820	9,888,474	51,803,294
30	Total general fund	\$49,024,265	\$13,894,671	\$62,918,936
31	Full-time equivalent positions	266.00	4.00	270.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Operating and litigation expenses	\$0	\$2,000,000	\$2,000,000
<u>Bureau of criminal investigation equipment</u>	<u>\$161,000</u>	<u>\$0</u>	<u>\$161,000</u>
Laboratory equipment and supplies	400,000	554,000	954,000
Network switches	32,000	0	32,000
Undercover vehicles	0	540,000	540,000
Portable handheld radios	0	105,000	105,000
Intoxilyzers	0	188,000	188,000
Retired law enforcement dogs program	110,000	0	110,000
Human trafficking victims grants	650,000	0	650,000
Statewide litigation funding pool	0	8,000,000	8,000,000
<u>Statewide litigation funding pool</u>	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
Jail management system replacement	650,000	0	650,000
Statewide automated victim identification	0	1,500,000	1,500,000
notification system replacement			
Total	\$1,842,000	\$12,887,000	\$14,729,000
<u>Total</u>	<u>\$1,893,000</u>	<u>\$7,887,000</u>	<u>\$9,780,000</u>

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The

attorney general may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item and other line items with salaries and wages in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. ADDITIONAL INCOME - APPROPRIATION - ONE-TIME FUNDING -

REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or special funds, the sum of \$250,000, or so much of the

sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2025, and ending June 30, 2027. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section. The funding provided in this section is considered a one-time funding item.

~~**SECTION 5. TRANSFER - CHARITABLE GAMING OPERATING FUND TO ATTORNEY GENERAL OPERATING FUND - 2023-25 BIENNIUM.** Notwithstanding section 53-06.1-11.2, the office of management and budget shall transfer \$2,000,000 from the charitable gaming operating fund to the attorney general operating fund by June 30, 2025, for the purpose of defraying operating and litigation expenses of the state during the period beginning with the effective date of this Act, and ending June 30, 2027.~~

SECTION 5. OTHER FUNDS - TRANSFER - COMMUNITY HEALTH TRUST FUND TO ATTORNEY GENERAL OPERATING FUND. The other funds line item in section 1 of this Act includes the sum of \$239,716 from the community health trust fund which the office of management and budget shall transfer to the attorney general operating fund for defraying expenses related to the enforcement of the master settlement agreement and consent agreement and any disputes with the agreement during the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 6. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TRANSFER - STATEWIDE LITIGATION FUNDING POOL TO STATE AGENCIES. The other funds line item in section 1 of this Act includes the sum of ~~\$10,466,000~~\$7,466,000 from the strategic investment and improvements fund, of which \$321,000 is for state crime laboratory equipment and supplies, \$540,000 is for the replacement of bureau of criminal investigation undercover vehicles, \$105,000 is for portable handheld dual-band radios, ~~\$8,000,000~~\$5,000,000 is for the statewide litigation funding pool, and \$1,500,000 is for the replacement of the statewide automated victim identification notification system. The attorney general shall transfer funding from the statewide litigation funding pool to eligible state agencies for litigation expenses during the biennium beginning July 1, 2025, and ending June 30, 2027. The attorney general may not use funding from the statewide litigation funding pool to pay judgments under section 32-12-04.

SECTION 7. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS -

REPORTS. The human trafficking victims grants line item in section 1 of this Act includes ~~\$1,767,514~~ \$2,452,514 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims and related administrative costs, for the biennium beginning July 1, 2025, and ending June 30, 2027. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the seventieth legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the legislative management during the 2025-26 interim on the status and results of the grant program.

SECTION 8. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The

forensic nurse examiners grants line item in section 1 of this Act includes \$254,244 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs and related administrative costs, for the biennium beginning July 1, 2025, and ending June 30, 2027. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the seventieth legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the appropriations committees of the seventieth legislative assembly on the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

~~**SECTION 10. RETIRED LAW ENFORCEMENT DOGS PROGRAM - REIMBURSEMENT.**~~

~~The grants line item in section 1 of this Act includes \$110,000 for a retired law enforcement dogs program, which the attorney general shall create to assist local and state law enforcement dogs that are retired by reason of age or medical condition. The attorney general shall reimburse the handler of a law enforcement dog if the handler is authorized to retain possession of a retired law enforcement dog in a private setting at the handler's home and if the handler~~

~~submits itemized receipts each quarter for medical bills of the law enforcement dog.
Reimbursements made under the program may not exceed \$2,000 per retired law enforcement
dog per fiscal year. The attorney general shall adopt any rules necessary to implement this
section.~~

SECTION 9. BUREAU OF CRIMINAL INVESTIGATION CYBER CRIME RESOURCES.

The salaries and wages line item, operating expenses line item, and capital assets line item in section 1 of this Act includes the sum of \$825,000 from the general fund for the purpose of hiring two full-time equivalent bureau of criminal investigation cyber crime agent positions and for related equipment and capital asset costs. The personnel hired and resources purchased pursuant to this section must be dedicated to assisting a police department in a city in northeastern North Dakota with at least 50,000 residents with the prevention and detection of cyber crime.

~~**SECTION 11. OTHER FUNDS -- ELECTRONIC SMOKING FUND.** The salaries and wages line item and operating expenses line item in section 1 of this Act include the sum of \$239,716 from the electronic smoking fund for a tobacco compliance auditor position to administer and enforce the provisions of section 12 of this Act.~~

SECTION 10. AMENDMENT. Section 31-01-16 of the North Dakota Century Code is amended and reenacted as follows:

31-01-16. Compensation and mileage and travel expense of witness.

1. A witness in a civil or criminal case is entitled to receive:
 4. a. A sum of twenty-five dollars for each day necessarily in attendance before the district court or before any other board or tribunal, except municipal court.
 2. b. A sum for mileage and travel expense reimbursement equal to the reimbursement rates provided for state employees in sections 44-08-04 and 54-06-09.
2. In all criminal cases in district court, the attorney general shall pay prosecution witness fees and expenses, in an amount not to exceed ~~twenty-five thousand~~ thirty thousand dollars per county per biennium, and the commission on legal counsel for indigents shall pay witness fees and expenses for witnesses in those cases in which counsel has been provided by the commission. Prisoners may not be compensated as witnesses under this section. If a county exceeds the thirty thousand dollar

1 reimbursement during a biennium, the county may enter an agreement with another
2 county ~~for the purpose of allowing that~~to allow the county to receive another county's
3 unused reimbursement funds for that biennium, with the approval of the attorney
4 general.

5 ~~SECTION 13. A new chapter to title 51 of the North Dakota Century Code is created and~~
6 ~~enacted as follows:~~

7 ~~Definition – Electronic smoking device directory – Electronic smoking device~~
8 ~~manufacturer fee – Electronic smoking fund.~~

9 ~~1. The attorney general shall establish and maintain a directory of electronic smoking~~
10 ~~devices containing nicotine that may be sold in this state.~~

11 ~~2. An electronic smoking device must be included in the directory only if the~~
12 ~~manufacturer of the electronic smoking device containing nicotine certifies, on a form~~
13 ~~prescribed by the attorney general, the following:~~

14 ~~a. The manufacturer has received a marketing granted order for the electronic~~
15 ~~smoking device containing nicotine from the United States food and drug~~
16 ~~administration;~~

17 ~~b. The manufacturer marketed the electronic smoking device containing nicotine in~~
18 ~~the United States as of August 8, 2016, and submitted a tobacco product~~
19 ~~premarket application to the United States food and drug administration on or~~
20 ~~before September 9, 2020, and the application either remains under review or~~
21 ~~has received a denial order that has been and remains stayed by the United~~
22 ~~States food and drug administration or a court order, rescinded by the United~~
23 ~~States food and drug administration, or vacated by a court; or~~

24 ~~c. The manufacturer can demonstrate the United States food and drug~~
25 ~~administration has issued a rule, guidance, or other formal statement that~~
26 ~~temporarily exempts the electronic smoking device containing nicotine from~~
27 ~~federal premarket tobacco application requirements.~~

28 ~~3. Each certification form must be accompanied by a fee of five hundred dollars for each~~
29 ~~electronic smoking device containing nicotine that is listed on the form. Revenue from~~
30 ~~the fees must be deposited in the electronic smoking fund.~~

- ~~4. There is created in the state treasury the electronic smoking fund. The fund consists of fees collected pursuant to subsection 3 and all moneys transferred to the fund by the legislative assembly. Moneys in the fund may be spent by the attorney general for the administration and enforcement of this chapter, subject to legislative appropriations.~~
- ~~5. Beginning January 1, 2026, only electronic smoking devices containing nicotine included in the directory may be sold in this state.~~
- ~~6. The attorney general shall promulgate rules necessary to administer and enforce this chapter. The rules must provide for at least two annual unannounced compliance checks of retailers, distributors, and wholesalers that sell electronic smoking devices containing nicotine.~~
- ~~7. As used in this section, "electronic smoking device" means any electronic product that delivers nicotine to the individual inhaling from the device, including an electronic cigarette, electronic cigar, electronic pipe, vape pen, or electronic hookah, and includes any component, part, or accessory of such product, including a consumable product that contains nicotine and is intended to be used with an electronic smoking device, whether or not sold separately. The term does not include drugs, devices, or combination products approved for sale by the United States food and drug administration and defined in the Federal Food, Drug, and Cosmetic Act of 1938.~~

SECTION 11. AMENDMENT. Section 54-12-11 of 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 ~~one hundred seventy-nine thousand three hundred twelve~~one hundred ninety-two thousand seventy-nine dollars through June 30, ~~2024~~2026, and ~~one hundred eighty-six thousand four hundred eighty-four~~one hundred ninety-seven thousand eight hundred forty-one dollars thereafter.

SECTION 12. AMENDMENT. Section 54-12-30 of the North Dakota Century Code is amended and reenacted as follows:

54-12-30. Twenty-four seven sobriety program fees.

A criminal justice agency may collect program fees from offenders participating in the twenty-four seven sobriety program, including fees for twice per day breath alcohol testing, urine testing, drug patch testing, installation and deactivation fees for remote electronic alcohol

1 monitoring devices, and remote electronic alcohol monitoring daily fees. A district court judge or
2 judicial referee may not waive program fees for offenders participating in the twenty-four seven
3 sobriety program. The criminal justice agency shall pay all program fees into the general fund of
4 the governing body. The fees may only be applied to twenty-four seven sobriety program
5 support services, equipment maintenance and replacement, and compliance with the program.
6 The governing body shall pay any daily fees collected for remote electronic alcohol monitoring
7 to the twenty-four seven sobriety program fund.

8 **SECTION 13. AMENDMENT.** Section 54-27-25 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **54-27-25. Tobacco settlement trust fund - Interest on fund - Uses.**

11 There is created in the state treasury a tobacco settlement trust fund. The fund consists of
12 the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master
13 settlement agreement and consent agreement adopted by the east central judicial district court
14 in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel.
15 Heidi Heitkamp v. Philip Morris, Inc. Moneys received by the state under subsection IX(c)(1)
16 must be deposited in the fund. Moneys in the fund must be transferred within thirty days of
17 receipt by the state to a community health trust fund. Moneys in the fund may be appropriated
18 for community-based public health programs and other public health programs, including
19 programs with emphasis on preventing or reducing tobacco usage in this state, and for the
20 enforcement of the master settlement agreement and consent agreement and any disputes with
21 the agreement.

22 **SECTION 14. CRIMINAL HISTORY RECORD CHECKS - FEES.** Any individual or entity
23 requesting a criminal history record check from the bureau of criminal investigation, as a result
24 of legislation enacted by the sixty-ninth legislative assembly, shall pay a reasonable fee
25 established by the attorney general to the attorney general to be deposited in the general fund,
26 for the biennium beginning July 1, 2025, and ending June 30, 2027.

27 **SECTION 15. EXEMPTION - CONTINGENT FEE ARRANGEMENT.** Notwithstanding
28 section 54-12-08.1, the attorney general may contract for legal services compensated by a
29 contingent fee arrangement for ongoing multistate technology litigation during the biennium
30 beginning July 1, 2025, and ending June 30, 2027.

1 **SECTION 16. EXEMPTION - ATTORNEY GENERAL REFUND FUND.** Notwithstanding
2 section 54-12-18, the attorney general may retain the balance in the attorney general refund
3 fund which would otherwise be transferred to the general fund on June 30, 2025.

4 **SECTION 17. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
5 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
6 the biennium beginning July 1, 2025, and ending June 30, 2027:

- 7 1. The amount appropriated to the attorney general from other funds for the statewide
8 automated victim identification and notification system as contained in sections 1
9 and 8 of chapter 3 of the 2017 Session Laws, continued into the 2019-21 biennium for
10 the statewide automated victim identification and notification system, and continued
11 into the 2021-23 biennium and 2023-25 biennium for the legal case management
12 system in section 17 of chapter 35 of the 2023 Session Laws.
- 13 2. The sum of \$400,000 appropriated from the attorney general refund fund for the
14 criminal history improvement project in section 1 of chapter 3 of the 2021 Session
15 Laws, and continued into the 2023-25 biennium section 18 of chapter 35 of the 2023
16 Session Laws.
- 17 3. The sum of \$1,000,000 appropriated from the federal state fiscal recovery fund for the
18 replacement of the prosecuting case management system in subsection 20 of
19 section 1 of chapter 550 of the 2021 Special Session Session Laws and continued into
20 the 2023-25 biennium in section 21 of chapter 35 of the 2023 Session Laws.
- 21 4. The sum of \$736,000 appropriated from the charitable gaming operating fund for the
22 charitable gaming technology system in section 1 of chapter 35 of the 2023 Session
23 Laws.
- 24 5. The sum of \$177,000 appropriated from the general fund for a licensing and deposit
25 software system in section 1 of chapter 35 of the 2023 Session Laws.
- 26 6. The sum of \$1,772,038 appropriated from federal funds for the justice community
27 oriented policing services anti-methamphetamine program in section 1 of chapter 35 of
28 the 2023 Session Laws.

29 ~~**SECTION 20. EMERGENCY.** Section 5 of this Act is declared to be an emergency~~
30 ~~measure.~~

1 **SECTION 18. EXEMPTION - STATEWIDE LITIGATION FUNDING POOL.** The sum of
2 \$3,000,000 appropriated from the general fund as a deficiency appropriation for the statewide
3 litigation funding pool during the 2023-25 biennium, as approved by the sixty-ninth legislative
4 assembly in House Bill No. 1024, is not subject to section 54-44.1-11 and any unexpended
5 funds may be continued into the biennium beginning July 1, 2025, and ending June 30, 2027.